Raízen Group

Consolidated and combined interim financial information as of December 31, 2015

(*a free translation of the original report in Portuguese*)

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Independent auditors' report on review of consolidated and combined interim financial information

To the Board of Directors and Shareholders of
Raízen Group
São Paulo - SP

Introduction

We have reviewed the consolidated and combined interim financial information of Raizen Group ("Group"), comprising the balance sheet as of December 31, 2015, and the related statements of profit or loss and comprehensive income for the three and nine-months period then ended, of changes in equity and of cash flows for the nine-month period then ended, including the summary of the main accounting policies and other explanatory Notes.

The Group's Management is responsible for the preparation of the consolidated and combined interim financial information in accordance with the Technical Pronouncement CPC 21(R1) - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and International Standards on Review Engagements (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity 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.

Conclusion on the consolidated and combined interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated and combined interim financial information has not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 issued by IASB.

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Emphasis

Basis for the preparation and presentation
We draw attention to Note 2.1 (a) to the consolidated and combined interim financial information, which describes the basis of preparation of these consolidated and combined interim financial information. This consolidated and combined interim financial information does not necessarily represents the financial position, the financial performance and and the cash flows that would have been obtained if the Group had operated as a single legal entity during the period. The consolidated and combined interim financial statements were prepared to present the financial position, the financial performance and and the cash flows of the entities under joint-control of Cosan S.A. Indústria e Comércio and Royal Dutch Shell and, therefore may not be useful for others purposes. Our conclusion is not modified in respect of this matter.

Other matters

Corresponding figures
The corresponding figures for the balance sheet as at March 31, 2015 and the statements of profit or loss and comprehensive income for the three and nine-month period ended December 31, 2014 and changes in equity and cash flows for the nine-month period ended December 31, 2014, presented for comparison purposes, were audited and reviewed, respectively, by another auditor who issued unmodified reports dated June 22, 2015 and February 11, 2015.

São Paulo, February 10, 2016

KPMG Auditores Independentes
CRC 2SP014428/O-6
(*Original in Portuguese signed by*)
Ulysses M. Duarte Magalhães
Accountant CRC RJ-092095/O-8

Consolidated and combined balance sheets as of December 31 and March 31, 2015
(In thousands of Reais - R$)

	Note	12.31.2015	03.31.2015
Assets			
Current assets			
Cash and cash equivalents	3	3,881,375	4,028,230
Restricted cash	4	756,658	188,624
Derivative financial instruments	23	560,856	875,205
Trade accounts receivable	5	2,492,863	1,605,174
Inventories	6	3,611,740	1,433,947
Recoverable income and social contribution taxes	15.b	434,761	51,231
Taxes and contributions recoverable		486,656	325,138
Dividends receivable		13,296	-
Other financial assets	7	12,837	12,931
Related parties	8	439,881	334,697
Other receivables		215,308	290,486
Total current assets		12,906,231	9,145,663
Non-current assets			
Trade accounts receivable	5	284,830	298,254
Derivative financial instruments	23	1,047,157	315,279
Other financial assets	7	1,419,359	968,420
Recoverable income and social contribution taxes	15.b	516,499	508,360
Taxes and contributions recoverable		371,782	348,652
Related parties	8	754,192	916,066
Deferred income tax and social contribution	15.d	530,455	326,178
Judicial deposits	16	293,213	276,795
Other receivables		156,316	109,713
Investments	9	474,126	469,563
Biological assets	10	2,131,377	1,959,859
Property, plant and equipment	11	8,790,068	9,496,877
Intangibles	12	3,977,359	3,854,445
Total non-current assets		20,746,733	19,848,461
Total assets		33,652,964	28,994,124

The notes are an integral part of these consolidated and combined interim financial information.

	Note	12.31.2015	03.31.2015
Liabilities			
Current liabilities			
Loans and financing	14	1,352,769	1,386,583
Derivative financial instruments	23	512,146	243,997
Trade payables	13	2,062,545	1,329,591
Payroll and related charges payable		398,918	424,674
Income tax and social contribution payable	15.c	23,698	21,733
Taxes payable		212,435	184,719
Dividends and interest on own capital payable	18.c	9,605	135,023
Related parties	8	588,386	262,269
Advances from customers		445,016	132,138
Other liabilities		361,551	349,179
Total current liabilities		5,967,069	4,469,906
Non-current liabilities			
Loans and financing	14	13,460,662	10,532,010
Derivative financial instruments	23	118,609	56,231
Taxes and contributions payable		55,310	175,097
Related parties	8	1,393,028	932,431
Provision for lawsuits	16	765,613	775,031
Deferred income tax and social contribution	15.d	326,958	275,400
Other liabilities		358,446	398,094
Total non-current liabilities		16,478,626	13,144,294
Total liabilities		22,445,695	17,614,200
Equity			
Attributed to Group's controlling shareholders			
Share capital	18.a	8,117,972	8,117,972
Capital reserves	18.b	1,810,455	1,812,202
Asset and liability valuation adjustments	18.d	(479,256)	14,663
Income reserves	18.e	941,466	1,282,926
Retained earnings		645,601	-
		11,036,238	11,227,763
Equity attributable to non-controlling shareholders	18.f	171,031	152,161
Total equity		11,207,269	11,379,924
Total liabilities and equity		33,652,964	28,994,124

The notes are an integral part of these consolidated and combined interim financial information.

Consolidated and combined statements of profit or loss
Three and nine-month periods ended December 31, 2015 and 2014
(In thousands of Reais - R$)

	Note	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Net operating revenue	19	20,220,548	54,348,381	16,975,460	48,424,985
Cost of products sold and services provided	20	(18,049,735)	(50,093,922)	(15,788,387)	(45,133,537)
Gross profit		2,170,813	4,254,459	1,187,073	3,291,448
Operating income (expenses)					
Selling expenses	20	(458,941)	(1,287,345)	(399,744)	(1,228,685)
General and administrative expenses	20	(222,745)	(662,633)	(187,957)	(631,847)
Other operating income, net	21	49,737	229,939	77,287	329,446
		(631,949)	(1,720,039)	(510,414)	(1,531,086)
Profit before financial results, equity accounting results and income tax and social contribution		1,538,864	2,534,420	676,659	1,760,362
Financial results					
Financial expenses	22	(460,989)	(683,383)	(222,845)	(499,149)
Financial income	22	202,349	528,629	134,591	329,670
Net exchange variation	22	136,181	(717,085)	(277,815)	(541,419)
Net effect of the derivatives	22	181,332	353,989	19,587	108,969
		58,873	(517,850)	(346,482)	(601,929)
Profit before equity accounting results and income tax and social contribution		1,597,737	2,016,570	330,177	1,158,433
Equity accounting result	9	(12,477)	(32,132)	(5,824)	(18,300)
Profit before income tax and social contribution		1,585,260	1,984,438	324,353	1,140,133
Income tax and social contribution	15.a				
Current		(217,656)	(380,261)	(40,674)	(249,556)
Deferred		(291,880)	(179,997)	42,343	58,473
		(509,536)	(560,258)	1,669	(191,083)
Net profit for the period		1,075,724	1,424,180	326,022	949,050
Attributable to:					
Controlling shareholders		1,062,763	1,398,055	314,405	922,791
Non-controlling shareholders		12,961	26,125	11,617	26,259
		1,075,724	1,424,180	326,022	949,050

The notes are an integral part of these consolidated and combined interim financial information.

Raízen Group

Consolidated and combined statements of comprehensive income
Three and nine-month periods ended December 31, 2015 and 2014
(In thousands of Reais - R$)

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Net profit for the period	1,075,724	1,424,180	326,022	949,050
Comprehensive income				
Items that will never be reclassified to profit or loss				
Asset and liability valuation adjustment - Actuarial liabilities	711	711	(14,041)	(14,041)
Deferred taxes on actuarial liabilities (Note 15.d)	(247)	(247)	4,719	4,719
	464	464	(9,322)	(9,322)
Items that are or may be reclassified to income				
Net gains (losses) from financial instruments designed as hedge accounting (Note 23.e)	(558,836)	(749,424)	5,693	(13,082)
Effect of foreign currency translation - CTA	160	227	(3,583)	(518)
Deferred taxes on hedge accounting (Note 15.d)	190,005	254,814	(1,934)	4,449
	(368,671)	(494,383)	176	(9,151)
Other components of the comprehensive income for the period	(368,207)	(493,919)	(9,146)	(18,473)
Total comprehensive income for the period	707,517	930,261	316,876	930,577
Attributable to:				
Controlling shareholders	694,556	904,136	305,269	904,328
Non-controlling shareholders	12,961	26,125	11,607	26,249
	707,517	930,261	316,876	930,577

The notes are an integral part of these consolidated and combined interim financial information.

Raízen Group

Consolidated and combined statements of changes in equity
Nine-month periods ended December 31, 2015 and 2014
(In thousands of Reais - R$)

	Attributable to Group's controlling shareholders											
		Capital reserves				Income reserves						
	Share capital	Capital reserve	Special Law no. 8,200/91	Share premium	Asset and liability valuation adjustment	Tax incentives	Legal reserve	Profit retention	Retained earnings	Total	Attributable to non-controlling shareholders	Total equity
Balances at April 1, 2015	8,117,972	1,564,831	4,260	243,111	14,663	30,256	247,208	1,005,462	-	11,227,763	152,161	11,379,924
Contributions from (distributions to) the Group's shareholders												
Initial recognition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	(963)	(963)
Payment of dividends and interest on own capital (Note 18.c and e)	-	-	-	-	-	-	-	(341,460)	(753,785)	(1,095,245)	(9,232)	(1,104,477)
Reversal of minimum mandatory dividends (Note 18.c)	-	-	-	-	-	-	-	-	-	-	2,372	2,372
Partial realization of reserve and others	-	(416)	(1,331)	-	-	-	-	-	1,331	(416)	568	152
Total contributions from (distributions to) the Group's shareholders	-	(416)	(1,331)	-	-	-	-	(341,460)	(752,454)	(1,095,661)	(7,255)	(1,102,916)
Comprehensive income for the period												
Net profit for the period	-	-	-	-	-	-	-	-	1,398,055	1,398,055	26,125	1,424,180
Asset and liability valuation adjustments - Actuarial liabilities	-	-	-	-	464	-	-	-	-	464	-	464
Net loss from financial instruments designed as hedge accounting	-	-	-	-	(494,610)	-	-	-	-	(494,610)	-	(494,610)
Effect of foreign currency translation - CTA	-	-	-	-	227	-	-	-	-	227	-	227
Total comprehensive income for the period (Note 18.d)	-	-	-	-	(493,919)	-	-	-	1,398,055	904,136	26,125	930,261
Balances at December 31, 2015	8,117,972	1,564,415	2,929	243,111	(479,256)	30,256	247,208	664,002	645,601	11,036,238	171,031	11,207,269

The notes are an integral part of these consolidated and combined interim financial information.

	Attributable to Group's controlling shareholders											
		Capital reserves				Income reserves						
	Share capital	Capital reserve	Special Law No. 8.200/91	Share premium	Asset and liability valuation adjustment	Tax incentives	Legal reserve	Profit retention	Retained earnings	Total	Attributable to non-controlling shareholders	Total equity
Balances at April 1, 2014	7,821,406	1,726,692	7,813	241,107	(10,844)	30,256	181,545	873,015	-	10,870,990	110,877	10,981,867
Contributions from (distributions to) Group's shareholders												
Capital increase	-	-	-	-	-	-	-	-	-	-	1,956	1,956
Redemption of preferred class B and C shares and destination of dividends	207,724	(164,377)	-	-	-	-	-	(50,714)	-	(7,367)	-	(7,367)
Payment of dividends and interest on own capital	-	-	-	-	-	-	-	(246,682)	(574,860)	(821,542)	-	(821,542)
Constitution of reserves	-	1,354	-	-	-	-	-	-	-	1,354	2,773	4,127
Partial realization of reserve	-	-	(2,785)	-	-	-	-	-	2,785	-	-	-
Effect from downstream merger	-	(7,301)	-	4,486	-	-	-	-	-	(2,815)	-	(2,815)
Effect on operations in associates	-	992	-	-	-	-	-	-	-	992	-	992
Total contributions from (distributions to) Group's shareholders	207,724	(169,332)	(2,785)	4,486	-	-	-	(297,396)	(572,075)	(829,378)	4,729	(824,649)
Comprehensive income for the period												
Net profit for the period	-	-	-	-	-	-	-	-	922,791	922,791	26,259	949,050
Asset and liability valuation adjustment - Actuarial liabilities	-	-	-	-	(9,312)	-	-	-	-	(9,312)	(10)	(9,322)
Net loss from derivative financial instruments assigned as hedge accounting	-	-	-	-	(8,633)	-	-	-	-	(8,633)	-	(8,633)
Effect of foreign currency translation - CTA	-	-	-	-	(518)	-	-	-	-	(518)	-	(518)
Total comprehensive income for the period (Note 18.d)	-	-	-	-	(18,463)	-	-	-	922,791	904,328	26,249	930,577
Balances at December 31, 2014	8,029,130	1,557,360	5,028	245,593	(29,307)	30,256	181,545	575,619	350,716	10,945,940	141,855	11,087,795

The notes are an integral part of these consolidated and combined interim financial information.

Raízen Group

Consolidated and combined statements of cash flows
Nine-month periods ended December 31, 2015 and 2014
(In thousands of Reais - R$)

	Apr-Dec 2015	Apr-Dec 2014
Cash flow from operating activities		
Profit before income tax and social contribution	1,984,438	1,140,133
Adjustments:		
Depreciation and amortization (Notes 19 and 20.a)	1,680,645	1,688,540
Change in fair value of biological assets (Note 20.a)	(416,782)	(14,449)
Equity accounting result (Note 9)	32,132	18,300
Gain from sale of property, plant and equipment (Note 21)	(61,734)	(108,685)
Capital gain on dilution of equity interest (Note 21)	-	(30,333)
Provision for doubtful accounts, net and write-offs of invoices	28,840	6,985
Provision for lawsuits, net	8,424	14,374
Interest, monetary and exchange variations, net	1,440,948	1,470,381
Fair value of financial instruments (Notes 14, 21 and 22)	(47,557)	(29,158)
Amortization of deferred revenues (Note 21)	(35,953)	(36,628)
Amortization of prepaid expenses	54,157	51,535
Loss (gain) on derivative operations	(852,932)	99,854
Gain on tax credits	(41,711)	-
Reversal of provision for property, plant and equipment losses (Notes 11 and 21)	(2,696)	-
Provision for losses in technology contracts (Note 21)	-	44,639
Provision for net realizable value and inventory obsolescence	2,410	-
Other	32,505	5,793
Changes in assets and liabilities:		
Trade accounts receivable and advances from customers	(546,938)	(263,760)
Inventories	(1,609,100)	(1,391,231)
Restricted cash	(543,660)	126,611
Derivative financial instruments, net	160,340	(18,377)
Trade payables and advances to suppliers	780,915	(178,167)
Taxes and contributions, net	(249,108)	(311,211)
Payroll and related charges payable	(46,324)	(61,351)
Related parties	(33,844)	(617,505)
Other assets and liabilities, net	(108,423)	(148,104)
Income tax and social contribution paid	(261,895)	(186,801)
Net cash from operating activities	1,347,095	1,271,385
Cash flow from investing activities		
Acquisitions of new businesses, net of acquired cash	-	(177,744)
Additions to investment (Note 9.c)	(43,668)	(51,606)
Additions to property, plant and equipment and intangible assets (Notes 11 and 12)	(890,371)	(1,212,676)
Cash from sale of property, plant and equipment	118,085	162,406
Dividends received	2,070	12,080
Expenditures on sugar cane farming and land (Note 10)	(564,047)	(687,509)
Net cash used in investment activities	(1,377,931)	(1,955,049)
Cash flow from financing activities		
Proceeds from loans and financing (including related parties)	2,824,378	4,471,697
Payment of the principal of loans and financing	(1,291,166)	(1,995,567)
Interest paid on loans and financing	(517,543)	(336,339)
Financial investments related to financing	(5,690)	(7,088)
Capital payment by non-controlling shareholders	-	400
Dividends and interest on own capital paid (Note 18.c)	(1,200,334)	(969,640)
Net cash (used in) from financing activities	(190,355)	1,163,463
(Decrease) increase in cash and cash equivalents, net	(221,191)	479,799
Cash and cash equivalents at the beginning of the period (Note 3)	4,028,230	2,337,621
Effect of exchange rate changes on cash and cash equivalents	74,336	-
Cash and cash equivalents at the end of the period (Note 3)	3,881,375	2,817,420

The notes are an integral part of these consolidated and combined interim financial information.

1. Operations

Raízen Group ("Group") is basically engaged in the following activities and comprises the following companies:

(a) Raízen Energia S.A. and subsidiaries ("Raízen Energia" or "RESA"):

RESA is a publicly held corporation headquartered in the state of São Paulo, Brazil. RESA was organized on June 1, 2011 and is indirectly and jointly controlled by Royal Dutch Shell ("Shell") and Cosan S.A. Indústria e Comércio ("Cosan").

RESA engages in producing and marketing sugar and ethanol, and the trading, both domestically and abroad through its subsidiaries Raízen Trading LLP and Raízen International Universal Corporation, and co-generating energy produced from bagasse at its 24 plants located in Brazil's Center-Southern Region.

Sugarcane farming requires a period ranging from 12 to 18 months for maturing and usually harvesting and starts between the months of April and May every year, and usually ends between November and December, period in which sugar, ethanol and energy are also produced. Production is sold during the whole year and does not fluctuate over the seasons, but is affected by normal market supply and demand fluctuations. Because of RESA's production cycle, its fiscal year and the fiscal year of Raízen Combustíveis S.A. and therefore of Raízen Group starts on April 1 and ends on March 31.

(b) Raízen Combustíveis S.A. and its subsidiaries ("Raízen Combustíveis" or "RCSA"):

RCSA is a closely-held corporation and is headquartered in the city and state of Rio de Janeiro, Brazil. RCSA is indirectly jointly-controlled by Shell and Cosan.

RCSA is engaged in: (i) distributing and marketing oil and ethanol by-products, and other fluid hydrocarbons and their by-products under Shell brand; (ii) marketing natural gas and operating as commercial representative for the sale of lubricants at gas stations; (iii) purchasing and selling products and merchandise at convenience stores; (iv) importing and exporting the products previously mentioned and; (v) holding ownership interest in other companies.

(c) Capital transactions with shareholders and debt transfer between RESA and RCSA

At the Board of Directors Meetings ("RCA") held on August 31, 2015, was discussed and approved but the Group's Board members, the celebration of the Assumption of Private Instruments of Debt and Other Agreements in which RCSA assumed, through considerations to be paid by RESA to RCSA at an amount equivalent to RESA obligations to be assumed and paid by RCSA, liabilities from export advanced payment contracts ("PPEs") and linked swap contracts, as follows:

RESA contract assumed by RCSA	Currency	Value of RESA debt assumed by RCSA	Value of consideration paid by RESA to RCSA	Amount (in R$)
PPE (Export pre-payment)	US$	75,967	75,967	277,258
PPE (Export pre-payment)	US$	90,617	90,617	330,724
PPE (Export pre-payment)	US$	91,376	91,376	333,494
PPE (Export pre-payment)	US$	92,040	92,040	335,919
		350,000	350,000	1,277,395
PPE (Export pre-payment)	€	40,000	40,000	163,916
PPE (Export pre-payment)	€	66,000	66,000	270,461
		106,000	106,000	434,377
				1,711,772

At the Extraordinary Shareholders' Meeting ("AGE") held on August 31, 2015, was discussed and approved by the shareholders Shell and Cosan, the redemption of 1,641,750,012 common shares of RCSA through capital reduction of R$ 1,500,000. Such redemption of common shares and capital reduction were made in proportion to interest held by shareholders, corresponding to 50% of each one's common shares.

In addition, at the Extraordinary Shareholders' Meeting held on the same date, was discussed and approved by the shareholders Shell and Cosan, capital increase of RESA, in the amount of R$1,500,000, in domestic currency, through issuance of 1,340,687,564 new common nominative shares, in the proportion to 50% interest held by shareholders. The amount was subscribed through redemption of part of shares held by shareholders in RCSA through capital reduction, in the same amount of RESA's capital increase.

Above-mentioned changes did not provoke changes in Group's economic control, as shareholders Shell and Cosan maintained joint control through interest of 50% in RCSA and RESA's capital and, consequently, in the Group's capital.

(d) Other information

The synergy between RESA and RCSA makes Raízen Group to be currently positioned in a special place in the Brazilian market. The two companies work in a complementary manner, and therefore, reporting their combined businesses is a key tool to allow the market to evaluate the Group as a whole.

Although they are not set up as a group pursuant to article 265 of Brazilian Corporate Law ("LSA"), the Group discloses consolidated and combined interim financial information to provide information that best reflects their gross cash flows from operating activities.

The Raízen Group's consolidated and combined interim financial information is being presented exclusively to provide information about all the Raízen Group's activities in a single financial statement, regardless of the Raízen Group's corporate structure.

As a result, this combined financial information does not represent the individual or consolidated annual financial statements of an entity and its subsidiaries and should not be used as a basis for the calculation of dividends or taxes, or for any other corporate or statutory purposes and does not necessarily provide indicators of the current or future profit or loss that would have been earned had these combined companies been operating as one single legal entity.

2. Presentation of interim financial information and main accounting policies

2.1 Preparation basis

The consolidated and combined financial information has been prepared in accordance with the Technical Pronouncement CPC 21(R1) - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB.

The consolidated and combined interim financial information has been prepared in accordance with the accounting policies applied to the preparation of the annual financial statements as of March 31, 2015, authorized for issue by Management on June 22, 2015, and should be read together with those annual financial statements. The information in the Notes that has not significantly changed or was irrelevant when compared with that included in the financial statements as of March 31, 2015 was not fully repeated in these consolidated and combined interim financial information. However, selected information was included to explain the main events and transactions and to allow the understanding of the changes in the Group's financial position and results of operations since the publication of the annual financial statements as of March 31, 2015, except for certain market assumptions related to the biological assets (Note 10).

The preparation of this consolidated and combined interim financial information requires Management to make judgments, estimates and assumptions that affect the application of Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and have not been changed for the preparation of this consolidated and combined interim financial information when compared with the annual financial statements of March 31, 2015, except for certain market assumptions related to the biological assets (Note 10).

The consolidated and combined financial information were authorized for issue by Raízen Group was authorized by the Management on February 10, 2016.

2.2 Combination criteria

This consolidated and combined interim financial information includes the accounts of the following companies:

- Raízen Energia S.A. and its subsidiaries
- Raízen Combustíveis S.A. and its subsidiaries

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated and combined financial information.

The consolidated and combined companies do not operate as a single legal entity, and therefore the consolidated and combined financial information are not necessarily indicative of the results reported or future results that would be reported by those companies if they were operating as a single legal entity. Therefore, the consolidated and combined interim financial information should not be relied upon to calculate dividends, taxes or for any other corporate or statutory purposes.

The assets and equity in the periods ended December 31 and year ended March 31, 2015, as well as results and other comprehensive income for the nine-month period ended December 31, 2015 and 2014 of the companies whose accounts have been included in the consolidated and combined interim financial information and the related consolidated and combined balances, after the elimination of intragroup transactions, are as follows:

	Total assets		Total equity	
	12.31.2015	**03.31.2015**	**12.31.2015**	**03.31.2015**
Raízen Energia S.A. and its subsidiaries	24,475,903	21,746,337	8,212,418	6,775,209
Raízen Combustíveis S.A. and its subsidiaries	11,056,863	10,492,669	2,997,909	4,604,715
	35,532,766	32,239,006	11,210,327	11,379,924
Elimination of balances receivable from commercial transactions, unrealized income and financial transactions	(1,879,802)	(3,244,882)	(3,058)	-
Consolidated and combined balances	33,652,964	28,994,124	11,207,269	11,379,924

	Net income for the period		Other comprehensive income	
	12.31.2015	**12.31.2014**	**12.31.2015**	**12.31.2014**
Raízen Energia S.A. and its subsidiaries	418,120	58,446	(61,980)	40,393
Raízen Combustíveis S.A. and its subsidiaries	1,009,118	890,604	995,299	890,184
	1,427,238	949,050	933,319	930,577
Elimination of commercial transactions, unrealized income and financial transactions	(3,058)	-	(3,058)	-
	1,424,180	949,050	930,261	930,577

The consolidated and combined interim financial information is a single set of consolidated and combined financial statements of two or more entities that are jointly controlled. RESA and RCSA used the definition of control of the technical pronouncement CPC 44 - Combined Statements and IFRS 11 in conformity with CPC 36 - Consolidated Statements and IFRS 10, with respect to both the existence of joint control and also to the consolidation procedures.

2.3 Basis of consolidation

The consolidated and combined interim financial information includes the financial information of RESA and its subsidiaries and of RCSA and its subsidiaries and are listed below:

Subsidiaries of RESA	Direct and indirect ownership interests	
	12.31.2015	03.31.2015
Agricola Ponte Alta Ltda.	100.00%	100.00%
Agropecuária Santa Hermínia Ltda.	100.00%	100.00%
América Trading Investments	100.00%	100.00%
Benálcool Açúcar e Álcool Ltda.	100.00%	100.00%
Bioenergia Araraquara Ltda.	100.00%	100.00%
Bioenergia Barra Ltda.	100.00%	100.00%
Bioenergia Caarapó Ltda.	100.00%	100.00%
Bioenergia Costa Pinto Ltda.	100.00%	100.00%
Bioenergia Gasa Ltda.	100.00%	100.00%
Bioenergia Jataí Ltda.	100.00%	100.00%
Bioenergia Maracaí Ltda.	100.00%	100.00%
Bioenergia Rafard Ltda.	100.00%	100.00%
Bioenergia Serra Ltda.	100.00%	100.00%
Bioenergia Tarumã Ltda.	100.00%	100.00%
Bioenergia Univalem Ltda.	100.00%	100.00%
Raízen Araraquara Açúcar e Álcool Ltda.	100.00%	100.00%
Raízen Ásia PT Ltd.	100.00%	100.00%
Raízen Biotecnologia S.A.	100.00%	100.00%
Raízen Caarapó Açúcar e Álcool Ltda.	100.00%	100.00%
Raízen Luxemburg S.A. (formerly named Raízen Cayman Ltd.)	100.00%	100.00%
Raízen Centroeste Açúcar e Álcool Ltda.	100.00%	100.00%
Raízen Energy Finance Ltd.	100.00%	100.00%
Raízen International Universal Corp.	100.00%	100.00%
Raízen North América, Inc.	100.00%	100.00%
Raízen Paraguaçú Ltda.	100.00%	100.00%
Raízen Tarumã Ltda.	100.00%	100.00%
Raízen Trading LLP	100.00%	100.00%
TEAS Terminal Exportador de Álcool de Santos Ltda.	100.00%	100.00%
Unimodal Ltda.	73.37%	73.37%

Subsidiaries of RCSA	Direct and indirect ownership interests	
	12.31.2015	03.31.2015
Blueway Trading Importação e Exportação Ltda.	100.00%	100.00%
Petróleo Sabbá S.A.	80.00%	80.00%
Raízen Fuels Finance Limited.	100.00%	100.00%
Raízen Mime Combustíveis S.A.	76.00%	76.00%
Sabor Raíz Alimentação S.A.	60.00%	60.00%
Sampras Participações Ltda. (1)	-	100.00%
Saturno Investimentos Imobiliários Ltda.	100.00%	100.00%

(1) Extraordinary Shareholders' Meeting held on November 16, 2015 discussed and approved the merger of the subsidiary Sampras by RCSA, whose accounting net assets totaled R$281,589. This operation had no effect on consolidated and combined interim financial information.

2.4 Fair value hedge and Fair value option of certain RCSA financial liabilities

As mentioned in Note 1.c, on August 31, 2015, RCSA, through debt assumption contracts, agreed to assume RESA's debt deriving from PPE's, in the amount of R$1,711,772, which refer to type Term Loan Agreement and *Schuldschein*, denominated in North-American dollars ("US$) and Euros ("€").

The currency exposures in US Dollars and Euro relating to those contracts and PEPs in the amount of R$ 801,275 (equivalent to US$ 219 millions), are secured with swap for Reais, including new funding in Schuldschein and PEPs modalities, amounting to R$ 264,164 (equivalent to € 60 million) and R$ 1,186,380 (US$ 300 millions), respectively, during the period of nine months ended December 31, 2015, were hedged with Swap to R$ for Interdeposit banks certificate ("CDI") (from 95% to 112%), The fair value fluctuations of the derivative contracts are recorded as Financial result in the "Net effect of derivatives " line.

The Group has designated debt in the modalities Term Loan Agreement (part) and Schuldschein as liabilities measured at fair value through profit or loss in order to eliminate or at least significantly reduce the measurement inconsistency that would otherwise arise recognition of gains and losses on loans and derivatives on different basis. As a result, the fair value fluctuations of loans recorded as financial result in the "Fair value of financial liabilities "line, classified in the "Financial expenses" group.

In the nine-month period ended December 31, 2015, the financial result includes fair value of financial liabilities , in the amount of R$ 47,557, in contrast to the reduction in the lines of Loans and financing and Related parties, both in Non-current group, in the amount of R$ 26,203 and R $ 21,354, respectively.

2.5 New IFRS's and IFRIC (IASB Financial information interpretations committee) Interpretations applicable to consolidated and combined information

The following new standards and interpretations were issued by the IASB but are not effective for the year 2015. Early adoption of standards, although encouraged by the IASB, is not permitted in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).

IFRS 9 - Financial instruments. It covers the classification, measuring and the recognition of financial assets and liabilities. The full version of IFRS 9 was published in July 2014, effective as of January 1, 2018. Management is evaluating the full impact of its adoption.

IFRS 15 - Income from contracts with clients. This new standard provides the principles that an entity applies to determine the measurement of revenue and when will be recognized. The standard will become effective as of January 1, 2018 and supersedes IAS 11 - "Construction Contracts" and IAS 18 - "Income" and their related interpretations. Management is evaluating the full impact of its adoption.

IAS 16 - Property, plant and equipment and IAS 41 - Agriculture. Main change is that bearer biological assets, such as fruit trees and sugarcane stubble are out of IAS 41 scope and must be accounted for in accordance with IAS 16, that is, cost less accumulated depletion and possible impairment losses. Consumable biological assets, such as uncut sugarcane and fruits, must be measured at fair value and continue in IAS 41 scope until they are harvested.

IFRS 16 - Leases. The IFRS 16 requires an entity to recognize in the balance sheet all leasing arrangements which the Company is the lessee. The new standard is effective as of or after January 1, 2019 and replaces the IAS 17 - Leases.

There are no other IFRS or IFRIC interpretations that are not yet effective and that are expected to have a significant impact on the Group.

3. Cash and cash equivalents

	12.31.2015	03.31.2015
Funds in cash and in banks	565,061	355,367
Values awaiting foreign exchange closure	28,402	2,062
Interest earnings bank deposits:		
Investment Funds (1)	1,218,245	1,274,554
Bank deposit certificate (CDB) and commitments (2)	1,033,173	2,234,988
Time deposit and other investments (3)	1,036,494	161,259
	3,287,912	3,670,801
	3,881,375	4,028,230
Domestic (domestic currency)	2,379,780	3,618,802
Abroad (foreign currency)	1,501,595	409,428
	3,881,375	4,028,230

(1) As of December 31, 2015, the average yield on investment funds was 99.8% of the interbank deposit certificate (CDI) (99.9% as of March 31, 2015).

(2) As of December 31, 2015, average yield on certificates of bank deposit was equivalent to 101.6% of the CDI (102.0% as of March 31, 2015).

(3) As of December 31, 2015, average remuneration of time deposit investments was 0.43%, with annual rate fixed in US$ (on March 31, 2015 there was Time deposit investments).

4. Restricted cash

	12.31.2015	03.31.2015
Financial investments linked to financing	56,597	45,829
Financial investments linked to derivative transactions	133,842	54,831
Margin on derivative operations	566,219	87,964
	756,658	188,624
Domestic (domestic currency)	181,142	157,973
Abroad (foreign currency)	575,516	30,651
	756,658	188,624

The modalities of restricted cash are the same as those disclosed in the annual financial statements of March 31, 2015 (Notes 2.3 and 4), no change has occurred in the recognition procedures, measurement and accounting records, as well as changes in credit risk of counterparties involved in these balances.

Increase in margin of derivative transactions refers substantially to adverse results from sugar derivatives negotiated in New York Stock Exchange impacted by sugar quotation in the period, requiring increase in margin in guarantee balance.

5. Trade accounts receivable

	12.31.2015	03.31.2015
Accounts receivable - Domestic	2,284,082	1,545,458
Accounts receivable - Abroad	285,597	130,575
Financing to clients (i)	407,338	407,311
Allowance for doubtful accounts	(199,324)	(179,916)
	2,777,693	1,903,428
Current	(2,492,863)	(1,605,174)
Non-current	284,830	298,254

(i) Client financing consists of the payment in installments of outstanding debts and sales of properties, as well as financing agreements backed by security interest, pledges and endorsements whose main purpose is the setup or modernization of gas stations. Finance charges and repayment deadlines are agreed by contract and set according to a business assessment of each negotiation.

The Group did not pledge any trade or other receivable to secure financial transactions.

The maximum exposure to credit risk on the reporting date is the book value of each of the types of accounts receivable mentioned above.

The aging schedule of trade and other receivables and client financing is as follows:

	12.31.2015	03.31.2015
Falling due	2,319,400	1,741,808
Overdue:		
Up to 30 days	293,709	61,318
31-90 days	102,106	29,093
> 90 days	261,802	251,125
	2,977,017	2,083,344

The Group has security interests such as mortgages and letters of credit, for payment of long overdue trade and other receivables which have not been provided for.

Changes in the allowance for doubtful accounts are as follows:

March 31, 2015	(179,916)
Provision	(41,371)
Reversal (1)	22,015
Foreign exchange variation	(52)
December 31, 2015	(199,324)

(1) Reversals were basically due to the collection of accounts receivable and the amount of R$ 4,950 did not affect the profit or loss.

6. Inventories

	12.31.2015	03.31.2015
Finished goods:		
Ethanol	1,212,018	260,188
Sugar	1,025,888	34,996
Diesel	566,276	448,194
Gasoline	461,722	424,085
Fuel for jets (*Jet* A-1)	99,320	76,229
Other fuels	20,805	15,377
Storeroom and other inventories	241,110	190,845
Provision for net realizable value and obsolescence	(15,399)	(15,967)
	3,611,740	1,433,947

The increase in ethanol and sugar inventories is the reflex of increase in RESA volume due to progress of sugarcane crop. See details of RESA operations in Note 1.a.

The changes in the provision for net realizable value and obsolescence are as follows:

March 31, 2015	(15,967)
Provision	(8,763)
Reversal	9,331
December 31, 2015	(15,399)

7. Other financial assets

	12.31.2015	03.31.2015
Receivables from damages lawsuits (1)	840,020	479,556
National Treasury Certificates (CTN) (2)	592,175	501,794
Other	1	1
	1,432,196	981,351
Current	(12,837)	(12,931)
Non-current	1,419,359	968,420

(1) Receivables from lawsuits on which a final judgment favorable to RESA was passed in February 2007 and December 2013, which were not part of the net assets contributed by Cosan to set up the Group. Therefore, RESA recognized a liability in the same amount, classified as current and non-current in the related parties account, given that RESA has the obligation to reimburse those receivables to Cosan when they are actually collected. Therefore, this transaction did not and will not have any impact on RESA's results.

During the quarter ended December 31, 2015, RESA recognized the amount of R$349,715, related to receivables of damages lawsuit and bonds ("*precatórios*") issued in 2014, both adjusted through December 2015.

(2) Brazilian Treasury Certificates are government bonds issued by the Brazilian Treasury within the Special Agriculture Industry Securitization Program - PESA, with a 20-year original maturity (falling due between 2018 and 2025) and which pledged to secure its related financing transaction called PESA. These bonds bear annual compound interest of 12%, plus the IGP-M (General Market Price Index). Their value on maturity date will match the principal of the debt due under PESA.

8. Related parties

(a) Summary of related party balances

	12.31.2015	03.31.2015
Assets		
Contract transactions *(framework agreement)* (1)		
Shell Brazil Holding B.V.	528,947	519,159
Cosan S.A. Indústria e Comércio	306,697	442,511
Shell Brasil Petróleo Ltda.	39,693	37,292
Others	7,092	7,344
	882,429	1,006,306
Commercial operations (2)		
Grupo Rumo / ALL (3)	86,997	9,018
Nova América Agrícola Caarapó Ltda.	74,980	69,787
Shell Aviation Limited	74,164	97,682
Agroterenas S.A.	26,778	26,701
Pilipinas Shell Petroleum Corp.	8,700	4,240
Cosan S.A. Indústria e Comércio	7,489	7,075
Others	26,258	20,998
	305,366	235,501
Capital increase		
Sapore S.A.	5,400	7,200
IB Sabbá S.A.	878	1,756
	6,278	8,956
	1,194,073	1,250,763
Current assets	(439,881)	(334,697)
Non-current assets	754,192	916,066

	12.31.2015	03.31.2015
Liabilities		
Contract transactions *(framework agreement)* (1)		
Cosan S.A. Indústria e Comércio	1,068,484	668,357
Shell Brasil Petróleo Ltda.	55,028	53,128
Shell Brazil Holding B.V.	47,155	55,330
Others	358	358
	1,171,025	777,173
Financing operations		
Cosan S.A. Indústria e Comércio	9,672	9,672
Sapore S.A.	81	-
	9,753	9,672
Commercial operations (2)		
Shell Trading US Company	60,348	-
Agroterenas S.A.	49,605	10,008
Nova América Agrícola Ltda.	41,944	8,317
Grupo Rumo / ALL (3)	25,841	11,343
Nova América Agrícola Caarapó Ltda.	21,323	7,069
Shell Western Supply and Trading	2	109,466
Others	23,097	19,550
	222,160	165,753
Preferred shares (4)		
Shell Brazil Holding B.V.	488,714	152,340
Cosan S.A. Indústria e Comércio	89,762	89,762
	578,476	242,102
	1,981,414	1,194,700
Current liabilities	(588,386)	(262,269)
Non-current liabilities	1,393,028	932,431

(1) Refers to rights related to certain pre-existing assets and liabilities before the formation of Raízen to be reimbursed to/from shareholders when realized or settled. The reduction in Cosan's accounts receivable occurred in the period is substantially related to RESA's tax debts payable in installments (Refis IV) in the amount of R$156,588, pre-existing of Raízen formation and realized in the quarter using bonds of Aguassanta Participações S.A., granted by shareholder Cosan, in accordance with Law no. 12,431/2011 and with new wording given by Law no. 13,043/2014. In addition, as mentioned in Note 7.1, RESA recognized, in the quarter ended December 31, 2015, receivables from damages lawsuit and bonds ("*precatórios*") issued in 2014, in the amount of R$349,715, which must be reimbursed to Cosan when effectively realized.

(2) Refers to sale and purchase transactions of products such as ethanol, sugar, diesel and sugarcane, as well as advances made to suppliers for financing sugarcane plantations, which bear interest equivalent to 100% of CDI.

(3) On April 1, 2015, Cosan acquired, through its subsidiary Rumo Logística Operadora Multimodal S.A., 100% of common shares of América Latina Logística S.A. ("ALL"), generating the relationship of Grupo Rumo/ ALL with Raízen.

(4) Mostly tax benefits to be reimbursed to shareholders, when effectively utilized by the Group, determined based on NOLs and tax benefits on goodwill amortization ("GW"). Reimbursement shall occur through distribution of disproportionate dividends to holders of C and E class preferred shares (liability instrument). During the quarter ended December 31, 2015, were recognized in the amount of R$258,250 (Note 15.b (current)) related to tax credits originated from IRPJ and CSLL overpayments from January 2010 to May 2011, as well as supplement to NOL and GW balances contributed by Shell, in the amount of R$78,124 (Note 18.a.2), calculated in the same period (non-current), amounting R$336,374.

(b) Summary of related-party transactions

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Sale of products				
Shell Aviation Limited	222,246	753,387	325,104	983,055
Grupo Rumo / ALL	241,878	446,534	-	-
Grupo Agricopel	99,089	293,173	101,663	310,937
Pilipinas Shell Petroleum Corp.	30,972	80,216	-	-
Shell Trading LLP	-	34,216	-	-
Shell Finance BV	8,622	8,622	-	-
Agroterenas S.A.	8,276	32,551	-	-
Shell Western Supply and Trading	-	10,300	-	139,470
Shell Trading US Company	67,728	71,187	-	-
Other	38,563	86,617	440	1,629
	717,374	1,816,803	427,207	1,435,091
Purchase of goods and services				
Grupo Rumo / ALL	(132,219)	(356,958)	(75,142)	(205,372)
Nova América Agrícola Ltda.	(31,292)	(123,534)	(33,388)	(120,017)
Agroterenas S.A.	(41,995)	(158,811)	(40,174)	(139,681)
Nova América Agrícola Caarapó Ltda.	(20,077)	(73,778)	(35,287)	(76,289)
Cosan Lubrificantes e Especialidades S.A.	(4,676)	(16,247)	(3,222)	(14,410)
Grupo Agricopel	(9,748)	(29,265)	(8,597)	(16,674)
Other	(3,916)	(12,861)	-	-
	(243,923)	(771,454)	(195,810)	(572,443)
Recharge of shared expenses (a)				
Companhia de Gás de São Paulo	6,723	19,799	6,837	16,788
Grupo Rumo / ALL	4,193	7,656	1,263	3,937
Cosan Lubrificantes e Especialidades S.A.	1,281	4,098	947	3,232
Cosan S.A. Indústria e Comércio	1,063	2,877	1,324	3,286
Other	603	1,743	478	1,313
	13,863	36,173	10,849	28,556
Land leases (b)				
Grupo Radar	(14,876)	(44,006)	(14,094)	(43,094)
Grupo Aguassanta	(6,791)	(20,329)	(7,920)	(24,727)
Tellus Brasil Participações S.A.	(7,533)	(11,135)	-	-
Janus Brasil Participação S.A.	890	(5,565)	-	-
	(28,312)	(81,035)	(22,014)	(67,821)
Financial income (c)				
Nova América Agrícola Caarapó Ltda.	2,465	6,940	1,707	3,274
Agroterenas S.A.	880	2,549	647	1,789
Shell Finance B.V.	(1,716)	(4,285)	(1,604)	(4,128)
Other	(515)	(1,618)	(711)	(2,000)
	1,114	3,586	39	(1,065)
Service income (d)				
Shell Brasil Petróleo Ltda.	558	17,678	11,286	34,013
Shell Aviation Limited	484	753	-	-
	1,042	18,431	11,286	34,013
Service expenses (e)				
Shell International Petroleum	(1,036)	(4,216)	(934)	(2,692)
Shell Aviation Limited	-	(1,131)	(697)	(983)
Shell Brasil Petróleo Ltda.	(8,855)	(9,800)	(1,893)	(3,230)
Other	(138)	(497)	-	-
	(10,029)	(15,644)	(3,524)	(6,905)

(a) Reimbursement of shared expenses consists of expenses incurred by shared corporate, managerial and operating costs reimbursed from related parties;

(b) Leased land consists of expenses incurred with land leased from related parties;

(c) Finance expenses basically consist of expenses incurred with commissions on available credit facilities and inflation adjustment of the balances of advances granted to finance sugar cane crops;

(d) Service revenues consist of commissions on the sales of lubricants to Shell; and,

(e) Service expenses consist of expenses incurred with technical support, billing and collection, commissions on the sale of jet fuel and secondees from Shell.

(c) Directors and members of the Board of Directors

Fixed and variable compensation pay to key management personnel, including directors and members of the Board of Directors that is recognized in the statement of profit or loss for the period is as follows:

	Apr-Dec 2015	Apr-Dec 2014
Regular compensation	(30,852)	(31,985)
Bonus and other variable compensation	(31,616)	(13,503)
Total compensation	(62,468)	(45,488)

(d) Other significant information from related parties

In the formation of the Group in June 2011, there were advancements in the amount of R$ 411,502 and R$ 60,000 made by Shell and other unrelated trading partners, respectively, comprising commissions on exclusive sale of Shell fuel in service stations for a period of 10 years and the exploration of the customer base for 30 years.

As of December 31, 2015, the balance of these deferred income, recognized in Other liabilities is R$ 43,150 and R$ 230,580 (R$ 46,740 and R$ 262,943 as of March 31, 2015), current and non-current respectively.

Amortizations of these deferred income in the nine-month period ended December 31, 2015 amounting R$35,953 (R$36,628 as of December 31, 2014), accounted in profit or loss, under caption Other operating expenses, net, in lines “Commissions on sales of lubricants and cards” and “Merchandising” (Note 21).

9. Investments

				Investments (1)		Equity in net income of subsidiaries	
	Country	Business	Percentage of Interest	12.31.2015	03.31.2015	Apr-Dec 2015	Apr-Dec 2014
Carrying value							
Centro de Tecnologia Canavieira S.A.	Brazil	R&D	21.52%	70,571	68,574	68	1,180
Codexis Inc. (4)	United States of America	R&D	-	-	-	-	(6,684)
Logum Logística S.A.	Brazil	Logistics	20.00%	63,557	64,370	(36,961)	(22,348)
Uniduto Logística S.A.	Brazil	Logistics	46.48%	38,169	30,587	(84)	(96)
Serviços e Tecnologia de Pagamentos S.A.	Brazil	Collection	10.00%	19,896	27,257	8,005	14,913
Subtotal				192,193	190,788	(28,972)	(13,035)
Fair value of identified net assets							
Serviços e Tecnologia de Pagamentos S.A.				44,124	47,284	(3,160)	(5,265)
Subtotal				44,124	47,284	(3,160)	(5,265)
Goodwill on investment (3)							
Uniduto Logística S.A.				5,676	5,676	-	-
Centro de Tecnologia Canavieira S.A. (Note 9.b.iii)				47,697	41,379	-	-
Serviços e Tecnologia de Pagamentos S.A.				184,436	184,436	-	-
Subtotal				237,809	231,491	-	-
Total investments				474,126	469,563	(32,132)	(18,300)
Provision for shareholders´ deficit							
Other (2)				-	(2,653)	-	-
Total provision for shareholders' deficit				-	(2,653)	-	-
						(32,132)	(18,300)

(1) Investments accounted for under the equity method;
(2) From June 30, 2015, Unimodal Ltda. has been consolidated
(3) Goodwill on acquisition and transfer of shares; and
(4) As of March 10, 2015, RESA sold all of its Codexis shares.

The changes in the investments in associates, is as follows:

Balance at March 31, 2015	469,563
Share of loss of equity-accounted investees	(32,132)
Additions to investment (Note 9.b)	51,918
Dividends declared	(15,366)
Others	143
Balance at December 31, 2015	474,126

(a) Summary financial information on investments

The main associate companies' accounts are as follows:

- December 31, 2015

	Logum Logística S.A. (1) / (2)	Uniduto Logística Ltda. (1) / (2)	Centro de Tecnologia Canavieira S.A. (2)	Iogen Energy Corp. (3)	Serviços e Tecnologia de Pagamentos (1) / (2)
Assets	2,425,519	85,136	486,422	36,959	1,388,716
Liabilities	(2,107,736)	(3,008)	(158,476)	(287,520)	(1,189,759)
Equity	317,783	82,128	327,946	(250,561)	198,957
Net operating income	89,825	-	55,443	-	563,774
Net income (loss) (4)	(184,800)	(156)	(4,434)	(3,157)	80,050

(1) The fiscal year of these investees ends on December 31;

(2) Significant influence over these companies has been defined based on the Group's right to elect key management personnel and to decide on their significant operational and strategic issues;

(3) Jointly controlled entity in which the Group participation is 50% in common shares, whose fiscal year ends on August 31. RESA did not recognize a provision for shareholders' deficit or share of loss of equity-accounted investees, given that it has no legal or constructive obligations to make payments on account of that company; and

(4) Nine-month period.

- March 31, 2015

	Logum Logística S.A. (1) / (2)	Uniduto Logística Ltda. (1) / (2)	Centro de Tecnologia Canavieira S.A. (2)	Unimodal Ltda. (1)	Iogen Energy Corp. (3)	Services and Payment Technology (1) / (2)
Assets	2,049,903	65,810	454,036	-	48,652	1,197,732
Liabilities	(1,728,055)	(4)	(126,403)	(3,617)	(283,746)	(925,164)
Equity	321,848	65,806	327,633	(3,617)	(235,094)	272,568
Net operating income	41,479	-	75,093	-	-	671,749
Net income (loss)	(145,266)	(346)	499	(15)	(15,377)	200,164

(b) Investment transactions with associates in the nine-month period ended December 31, 2015

(i) Increase in capital of Logum Logística S.A. ("Logum")

During the nine-month period ended December 31, 2015, at the Board of Directors Meetings ("RCAs") of the investee Logum, capital increases of the company in the amount of R$ 180,000, were discussed and approved through cash contribution. The amount subscribed and paid by the Group in these operations totaled R$ 36,000.

In these operations, there were no variations in the percentage of participation in the share capital of the investee, since all shareholders effected capital contributions in proportion to their existing holding.

(ii) Increase in capital of Uniduto Logística S.A. ("Uniduto")

During the nine-month period ended December 31, 2015, at the Board of Directors Meetings ("RCAs") of the investee Uniduto, capital increases of the company in the amount of R$ 16,500, were discussed and approved through cash contribution. The amount subscribed and paid by the Group in these operations totaled R$ 7,668.

In these operations, there were no variations in the percentage of participation in the share capital of the investee, since all shareholders effected capital contributions in proportion to their existing holding.

(iii) Increase in capital of Centro de Tecnologia Canavieira S.A. - CTC

On April 13, 2015, RESA, through its subsidiary Raízen Tarumã S.A. ("RTSA"), received a transfer of 4,236 shares of CTC by Sabarálcool S.A. Açúcar e Álcool, as a partial repayment of a debt. The total shares correspond to the amount of R$ 8,250 and a percentage of 0.5899% of CTC shares. Therefore, RTSA recognized an increase in its investment and goodwill in the amount of R$ 1,932 and R$ 6,318, respectively under caption of Investments.

After the transaction, RESA has a direct and indirect participation in the share capital of CTC of 21.52%.

10. Biological assets

As described in Note 2.1, the Group periodically reviews the assumptions used for the calculation of the biological asset, updating it if there are any significant changes in relation to the earlier projection. The need for revision of the assumptions made by the management in the period ended December 31, 2015, has been generated mainly due to the evolution of the average price expectation of RTS (from R$ 0.52/kg at March 31, 2015 to R$ 0.61/kg in December 31, 2015 - weighted average of all cash flows), according to the expectation of the sugar price and the US currency.

Changes in biological assets (sugar cane) are detailed below:

Balance at March 31, 2015	1,959,859
Expenditures with planting (1)	179,214
Expenditures with sugarcane treatments (1)	432,092
Absorption of harvested sugarcane costs	(867,179)
Change in fair value	411,855
Transfers and reclassifications	15,536
Balance at December 31, 2015	2,131,377

(1) In the nine-month period ended December 31, 2015, those expenses include the amounts of R$ 47,259 (R$ 53,274 in the nine-month period ended December 31, 2014), arising from the depreciation of agricultural assets which make up the cost of biological assets.

Sugar cane stubble

Planted areas refer only to sugarcane plantations, and do not consider planted land. The following main assumptions were used to determine the fair value using the discounted cash flow approach:

	12.31.2015	03.31.2015
Estimated harvest area (hectares)	445,638	412,738
Foreseen productivity (metric tons of sugarcane per hectare)	79.30	75.30
Quantity of RTS (kg)	130.15	132.60
Average RTS price per Kg projected (R$/Kg)	0.61	0.52

As of December 31, 2015 the discount rate used was 7.48% per year (As of March 31, 2015 7.73% per year).

The Company's sugarcane planting operations are exposed to variations from climate changes, pests and diseases, forest fires and other forces of nature. Weather conditions have historically caused fluctuations in the ethanol and sugar industries and therefore in Companies' operating results because they affect crops by means of increasing or reducing harvests. Moreover, Company's businesses are subject to seasonal fluctuations determined by the sugar cane growth cycle in Brazil's Center-Southern region.

Sugarcane usually starts to be harvested in Brazil's Center-Southern region between April and May every year and harvesting ends in November and December. This causes fluctuations in inventories, which are usually high in November and December to cover off season sales (from December to April) and in gross profit, which is lower in the last quarter of the fiscal year (from October to December).

11. Property, plant and equipment

	Lands and rural properties	Buildings and improvements	Machinery, equipment and facilities	Aircrafts and vehicles	Furniture, fixtures and IT equipment	Construction in progress	Parts and components frequently replaced	Others	Total
Cost:									
March 31, 2015	683,630	1,306,857	8,598,965	641,628	192,817	1,210,469	1,118,980	53,719	13,807,065
Additions	1,952	-	18,661	680	279	284,130	162,217	-	467,919
Write-offs	(28,961)	(12,776)	(94,136)	(13,312)	(4,720)	-	-	(1)	(153,906)
Transfers (1)	1	177,830	611,797	36,402	24,376	(867,877)	-	(1,048)	(18,519)
Provision for loss (2)	-	-	(10,342)	-	-	388	-	-	(9,954)
Other	-	-	-	-	245	-	-	-	245
December 31, 2015	656,622	1,471,911	9,124,945	665,398	212,997	627,110	1,281,197	52,670	14,092,850
Accumulated depreciation:									
March 31, 2015	-	(387,878)	(2,894,330)	(279,188)	(122,065)	-	(596,376)	(30,351)	(4,310,188)
Depreciation for the period	-	(31,904)	(402,669)	(36,232)	(18,360)	-	(598,474)	(3,627)	(1,091,266)
Write-offs	-	8,079	74,879	11,852	3,861	-	-	1	98,672
Transfers (1)	-	(19,159)	19,100	(76)	(259)	-	-	394	-
December 31, 2015	-	(430,862)	(3,203,020)	(303,644)	(136,823)	-	(1,194,850)	(33,583)	(5,302,782)
Net book value:									
December 31, 2015	656,622	1,041,049	5,921,925	361,754	76,174	627,110	86,347	19,087	8,790,068
March 31, 2015	683,630	918,979	5,704,635	362,440	70,752	1,210,469	522,604	23,368	9,496,877

(1) Includes transfers of current assets, in the amount of R$ 2,238 consisting of non-recoverable Value-Added Tax on Sales and Services (ICMS) credits and transfer to intangible assets (software) in the amount of R$ 20,757.

(2) Substantially refer to equipment loss identified during property, plant and equipment physical count, recognized in income under caption Other operating revenues, net (Note 21), caused by fire occurred in *Terminal Intermodal de Santos*. Taking into consideration contract relation between TEAS and Ultracargo, which covers risks to which TEAS is exposed, the Group recognized credit deriving from reimbursement of that loss, in the amount of R$12,650 and recognized in caption Other credits as a contra-entry to income for the period, under caption Other operating revenues, net (Note 21).

Construction in progress

The balances of construction in progress consist basically of: (i) vinasse concentration project; (ii) investments in expansion of sugarcane crushing; (iii) project for receiving the chopped sugar cane and separate the straw for the co-generation of energy; (iv) installation of tanks to increase ethanol storage capacity; (v) investments for industrial maintenance and improvement, agricultural automation, in addition to safety, health and environment and administrative investments; (vi) construction projects for new fuel distribution terminals and the expansion, modernization and improvement of existing terminals; (vii) investments in Shell gas stations to replace fuel pumps, make environmental adaptations, polish the image, renovate and refurbish gas station convenience stores, purchase and install furniture and equipment for the gas station convenience stores; (viii) investments in major clients (B2B) such as the acquisition and installation of equipment, installation of gas stations in these major consumer clients; and, (ix) investments in airports where RCSA distributes fuels, such as the acquisition of supply vehicles, expansion of the network of hydrants and points of supply, installation of the whole infrastructure of new airports and modernization and improvement of existing airports.

During the nine-month period ended December 31, 2015, many projects were completed, substantially formed by the E2G project, expansion of Paraguaçu plant and the implementation of fuel distribution terminal in Rondonópolis (MT) in the amounts of R$ 173,024, R$ 252,717 and R$ 53,809, respectively.

Loan cost capitalization

In the nine-month period ended December 31, 2015, borrowing costs capitalized by the Group reached R$ 24,484 (R$ 29,945 in the nine-month period ended December 31, 2014) (Note 22). The weighted average of debt finance charges used to capitalize interest on the balance of construction in progress was 4.83% as of December 31, 2015 (2.65% as of December 31, 2014).

Financial lease

As of December 31, 2015, the aircraft recognized as property, plant and equipment includes a net carrying value of R$ 5,211 (R$ 5,694 as of March 31, 2015), in which RESA is the lessee under a finance lease.

Property, plant and equipment pledged

As of December 31, 2015, loans and financing are secured by land, building and machinery in the total amount of R$ 1,593,574 (R$ 1,957,387 as of March 31, 2015).

12. Intangible assets

	Software license (3)	Goodwill	Trademarks	Agricultural Partnership Agreements	Sugar cane supply agreements	Contractual relationships with customers	Exclusive supply rights	Public concessions right of use	Technology (4)	Others (1)	Total
Cost or evaluation:											
March 31, 2015	326,293	1,978,031	532,341	18,411	181,516	362,834	2,206,927	12,541	179,876	31,022	5,829,792
Additions	14,659	-	-	-	-	-	430,345	-	-	-	445,004
Write-offs	(7,311)	-	-	-	-	-	(71,009)	-	-	-	(78,320)
Transfer (2)	20,753	-	-	-	-	-	(18)	-	-	-	20,735
Other	-	-	-	-	-	-	-	-	-	2,556	2,556
December 31, 2015	354,394	1,978,031	532,341	18,411	181,516	362,834	2,566,245	12,541	179,876	33,578	6,219,767
Amortization:											
March 31, 2015	(226,885)	(431,380)	(209,810)	(5,803)	(55,954)	(57,390)	(963,223)	(5,772)	-	(19,130)	(1,975,347)
Amortization in the period	(24,276)	-	(42,507)	(3,223)	(9,350)	(14,058)	(230,323)	(2,507)	(16,156)	(1,941)	(344,341)
Write-offs	6,193	-	-	-	-	-	71,010	-	-	-	77,203
Transfer (2)	-	-	-	-	-	-	77	-	-	-	77
December 31, 2015	(244,968)	(431,380)	(252,317)	(9,026)	(65,304)	(71,448)	(1,122,459)	(8,279)	(16,156)	(21,071)	(2,242,408)
Net book value:											
December 31, 2015	109,426	1,546,651	280,024	9,385	116,212	291,386	1,443,786	4,262	163,720	12,507	3,977,359
March 31, 2015	99,408	1,546,651	322,531	12,608	125,562	305,444	1,243,704	6,769	179,876	11,892	3,854,445

(1) Includes intangible assets recognized by Raízen Trading, controlled by RESA, consisting of client portfolio and operating licenses in Europe and United States.

(2) As of December 31, 2015, net transfers of R$ 20,812 include: (a) reclassification of Property, plant and equipment in the amount of R$ 20,757; (b) reclassification to exclusive supply rights in the amount of R$ 55, in other liabilities.

(3) As of December 31, 2015, the software recognized as property, plant and equipment includes net residual amounts of R$ 355 (R$ 1,421 as of March 31, 2015), in which RESA is the lessee under a finance lease.

(4) Refers to technology developed by Iogen and Codexis to produce second-generation ethanol ("E2G"). These technologies are represented by contractual rights including, among others, RESA's exclusive marketing of those rights in the locations where it operates. The average period of amortization will be 10 years, which is the expected return period of the technologies developed for the production of E2G.

13. Trades payables

	12.31.2015	03.31.2015
Suppliers of materials and services (i)	658,431	541,266
Suppliers of ethanol (ii)	478,664	450,439
Oil suppliers (ii)	370,847	208,246
Sugarcane suppliers (iii)	554,603	129,640
	2,062,545	1,329,591

(i) The balance payable to suppliers of materials and services mostly consists of the acquisition of machinery and equipment for the ethanol, sugar and bioenergy production facilities for resale.

(ii) The balances payable to suppliers of oil and ethanol consist of purchases made by RCSA.

(iii) Sugar cane harvesting, which usually takes place between April and December every year, in general, has a direct impact on the balance of trade payables to sugar cane suppliers and for cutting, loading and transportation services.

14. Loans and financing

Purpose	Final maturity	Index	Average annual effective interest rate(1)		Total	
			12.31.2015	03.31.2015	12.31.2015	03.31.2015
Classification of debts per currency:						
Denominated in reais					6,588,390	5,868,340
Denominated in North-American dollars (US$) and Euro (€)					8,311,719	6,115,042
					14,900,109	11,983,382
Type of debts (2):						
National Bank for Social and Economic Development - BNDES	October 2025	URTJLP	9.5%	8.1%	1,245,412	1,318,415
National Bank for Social and Economic Development - BNDES	July 2024	Pre-fixed	4.1%	4.1%	1,234,745	1,218,098
National Bank for Social and Economic Development - BNDES	April 2024	UMBND	6.5%	6.7%	93,728	81,657
Prepayment (3)	September 2017	US$ + *Libor*	3.6%	1.7%	1,862,055	863,123
Term loan agreement (3)	April 2020	US$ + *Libor*	1.6%	1.6%	4,069,606	3,375,698
Debentures	October 2018	CDI	15.2%	13.7%	459,445	471,020
Debentures	October 2020	IPCA	17.8%	15.1%	368,567	350,187
Senior Notes due 2017	February 2017	US$	7.0%	7.0%	1,607,172	1,297,921
Resolution 2471 (PESA)	April 2023	IGP-M	15.1%	10.7%	900,418	832,213
Resolution 2471 (PESA)	October 2025	Pre-fixed	3.0%	3.0%	76	84
Credit Notes	October 2020	CDI	14.6%	13.0%	757,214	717,478
Finame/Leasing	November 2024	Pre-fixed	5.2%	4.9%	97,145	96,653
Finame/Leasing	October 2015	URTJLP	-	11.2%	-	3
Rural credit	June 2016	Pre-fixed	6.5%	6.5%	61,749	67,176
Certificate of Agribusiness Receivables ("CRA")	June 2021	CDI	14.1%	12.6%	1,254,990	605,109
Certificate of Agribusiness Receivables ("CRA")	December 2021	IPCA	17.0%	14.3%	114,900	110,247
Schuldschein (3)	October 2021	Pre-fixed - EUR	2.9%	2.9%	282,207	230,413
Schuldschein (3)	September 2022	*Euribor*	2.1%	2.1%	412,409	138,380
Other	-	US$	-	-	78,271	209,507
					14,900,109	11,983,382
Expenses incurred with the placement of the securities:						
BNDES					(4,578)	(4,379)
Senior Notes due 2017					(4,482)	(6,443)
Prepayment					(4,472)	(1,717)
Debentures					(3,722)	(4,532)
Term loan agreement					(29,208)	(28,233)
Credit Notes					-	(310)
CRA					(22,272)	(11,619)
Rural credit					(150)	(68)
Schuldschein					(17,794)	(7,488)
					(86,678)	(64,789)
					14,813,431	11,918,593
Current					(1,352,769)	(1,386,583)
Non-current					13,460,662	10,532,010

(1) The annual effective interest rate is the contract rate plus, Libor, Euribor, URTJLP, IGP-M, UMBND, IPCA e CDI, where applicable.

(2) Loans and financing are usually secured by Group's promissory Notes. In some cases they are endorsed by shareholders, and security interest is offered such as: (i) receivables from energy sale agreements (BNDES); (ii) CTN (Note 7) and mortgage of land (PESA); (iii) property, plant and equipment; and, (iv) conditional sale of assets purchased under a FINAME financing agreement.

(3) *Term Loan Agreement* (part) and *Schuldschein* debts are presented net in the amounts of R$40,003 and R$13,446, respectively, and PPE's are presented with the addition of R$5,892 deriving from evaluation at fair value (Notes 2.4 and 22).

Installments falling due in the long term, less the amortization of expenses incurred with the placement of securities, have the following schedule:

Periods:	12.31.2015
13-24 months	2,493,508
25-36 months	2,422,734
37-48 months	2,576,215
49-60 months	3,760,885
6-12 months	1,493,218
73-84 months	561,144
85-96 months	117,490
From 97 months	35,468
	13,460,662

Certificate of Agribusiness Receivables ("CRA")

According to the Announcement of the End of the Public Distribution of the First Series of the 14th Issuance by Gaia Agro Securitizadora, disclosed on June 16, 2015, RESA completed the issuance of CRAs to raise R$ 675 million, restated at 100% of CDI. About such operation, were incurred issuing costs in the amount of R$ 11,888, which will amortized by the maturity date.

PPEs

In October 2015, RCSA contracted two loans in the amount of R$797,600, equivalent to US$200,000 thousand with fixed interest rate varying from 3.63% to 3.64% per year and final maturity will be in September 29, 2020.

In addition, between the months November and December 2015, RCSA contracted two new PPE's in the amount of R$388,780, equivalent to US$100,000 thousand. On these contracts bear quarterly Libor interest plus annual average interest of 1.67%, resulting in effective average interest rate of 2.13% per year, with final maturity will be between the months November and December 2021.

As of December 15, 2015, the RESA, through its subsidiary Raízen Tarumã Ltda., signed a new loan agreement in the amount of R$ 192,740, equivalent to US$ 50,000 thousand. On this PPE bears half-annual Libor interest plus annual interest of 1.80%, resulting in effective average interest rate of 2.55% per year, with final maturity will be in December 15, 2020.

Schuldschein

On September 21, 2015, RCSA contracted financing through its subsidiary Raízen Fuels Finance Limited in the amount of €60,000 thousand with effective average floating interest rate of 2.17% p.a. and final maturity on September 21, 2022.

Covenants

The Group is not subject to comply with financial ratios, being subject only to certain covenants in loans and financing contracts, such as "cross-default" and "negative pledge", which are being fully complied with by the Group.

Fair value

As of December 31 and March 31, 2015, the fair value of the Senior Notes Due 2017 is based on the price quotes in the secondary market at the balance sheet date (Note 23.j), and the book value and fair value of such loan are as follows:

	Book value		Fair value	
	12.31.2015	03.31.2015	12.31.2015	03.31.2015
Senior Notes due 2017	1,602,690	1,291,478	1,649,298	1,385,577

Other loans and financing do not have a value quoted, but their fair value is close to the book value due to their exposure to variable interest rates and insignificant changes in the Group's credit risk, which is shown by comparison to the quoted instruments presented above (Note 23.j).

15. Income and social contribution taxes

(a) Reconciliation of credit (expense) from income and social contribution tax:

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Profit before income and social contribution taxes	1,585,260	1,984,438	324,353	1,140,133
Income tax and social contribution at nominal rate (34%)	(538,987)	(674,707)	(110,281)	(387,647)
Adjustments for calculation of effective rate:				
Interest on own capital	31,873	57,509	52,375	52,375
Share of loss of equity-accounted investees	(4,243)	(10,925)	(1,980)	(6,222)
Gifts, donations, class association	(3,020)	(5,944)	(1,452)	(5,203)
Rate difference between deemed profit taxation method and taxable profit taxation method	15,602	64,111	24,595	56,258
Reversal of taxes deferred upon corporate reorganization	(382)	(382)	24,502	67,843
Capital gain due to dilution of shareholding interest	-	-	-	10,313
Profit from foreign companies	(15,240)	(13,152)	1,147	5,257
Reintegra	4,654	12,047	8,817	8,817
Tax incentives	625	1,863	1,282	4,245
Foreign exchange variation on investee abroad	(938)	8,671	2,253	4,269
Other	520	651	411	(1,388)
Credit (expense) from income tax and social contribution	(509,536)	(560,258)	1,669	(191,083)
Effective rate	32.14%	28.23%	(0.51%)	16.76%

(b) Income and social contribution taxes recoverable

	12.31.2015	03.31.2015
Taxes on income ("IRPJ")	704,913	416,260
Social contribution (CSLL)	246,347	143,331
	951,260	559,591
Current (1)	(434,761)	(51,231)
Non-current	516,499	508,360

As mentioned in Note 8.a.4, in Extraordinary Shareholders' Meeting held on December 30, 2015, RCSA shareholders discussed and approved the issuance of class E preferred shares for the purpose of exclusively reimbursing Shell for tax credit value originated from IRPJ and CSLL overpayment in the amounts of R$190,523 and R$67,996, respectively, from January 2010 to May 2011, totaling R$258,520.

As of December 31 and March 31, 2015, the Group has the following expectation about the realization of recoverable income and social contribution taxes:

Periods:	12.31.2015	03.31.2015
13-24 months	74,095	93,279
25-36 months	215,534	218,163
37-48 months	226,870	196,918
Total	516,499	508,360

In August 2013, the RESA opted for the taxation regime whereby income and social contribution taxes are prepaid on gross revenue estimates, leading to positive fluctuations in the balances of recoverable income tax. Prepaid income and social contribution taxes are currently being offset against other federal taxes (Contribution to the Social Integration Program - PIS, Contribution for Social Security Funding - COFINS and Tax on Financial Transactions - IOF).

(c) Income and social contribution taxes payable

	12.31.2015	03.31.2015
IRPJ	16,882	11,366
CSLL	6,816	10,367
	23,698	21,733

(d) Deferred income tax and social contribution in assets and liabilities:

Assets (liabilities)	Base	IRPJ 25%	CSLL 9%	12.31.2015 Total	03.31.2015 Total
Tax losses	1,877,236	469,309	-	469,309	268,147
Negative basis for social contribution tax	1,922,233	-	173,001	173,001	102,973
Temporary differences:					
Exchange variation	1,817,079	454,270	163,537	617,807	559,466
Provision for exclusive supply rights	526,785	131,696	47,411	179,107	145,766
Tax goodwill from downstream merger	294,409	73,602	26,497	100,099	136,798
Provision for write-off of goodwill	288,547	72,137	25,969	98,106	98,106
Remuneration and employee benefits	236,909	59,227	21,322	80,549	98,485
Provision for legal disputes	390,176	97,544	35,116	132,660	108,697
Provisions and other temporary differences	652,569	163,142	59,879	223,021	184,363
Total deferred tax assets		1,520,927	552,732	2,073,659	1,702,801
Amortized tax goodwill	(1,743,809)	(435,952)	(156,943)	(592,895)	(561,650)
Review of the useful lives of property, plant and equipment	(1,154,591)	(288,648)	(103,913)	(392,561)	(320,911)
Derivative financial instruments and hedge accounting	(1,051,621)	(262,905)	(94,646)	(357,551)	(317,231)
Fair value of property, plant and equipment	(638,180)	(159,545)	(57,436)	(216,981)	(257,112)
Fair value of intangible assets	(291,382)	(72,846)	(26,224)	(99,070)	(104,915)
Capitalized borrowing costs	(308,509)	(77,127)	(27,766)	(104,893)	(75,993)
Biological assets	(312,385)	(78,096)	(28,115)	(106,211)	(14,211)
Total deferred tax liabilities		(1,375,119)	(495,043)	(1,870,162)	(1,652,023)
Total deferred taxes		145,808	57,689	203,497	50,778
Deferred taxes - Assets, net				530,455	326,178
Deferred taxes - Liabilities, net				(326,958)	(275,400)
Total deferred taxes				203,497	50,778

Net changes in deferred taxes:

Balance at March 31, 2015	50,778
Expenses on profit or loss	(179,997)
Deferred taxes on comprehensive income	254,567
Recognition of Shell NOL and GW tax credits (Note 8.a.4)	78,124
Other	25
Balance at December 31, 2015	203,497

16. Provision for legal disputes and judicial deposits

(a) Breakdown of legal disputes considered as probable loss

As of December 31 and March 31, 2015, the balance of legal disputes is as follows:

	12.31.2015	03.31.2015
Tax	281,813	292,691
Civil	211,015	218,582
Labor	215,094	209,225
Environmental	57,691	54,533
	765,613	775,031
Non-reimbursable legal disputes	105,206	91,811
Reimbursable legal disputes	660,407	683,220
	765,613	775,031

When Raízen Group was setup it was agreed that Cosan and Shell would reimburse the Group for legal disputes that were ongoing before its formation, as these disputes are actually settled. On the other hand, the arrangements made for Raízen's setup also established that RESA and RCSA should refund the court deposits made before Raízen's setup to the shareholders Cosan and Shell, when these deposits are actually withdrawn. As of December 31 and March 31, 2015, the balance of judicial deposits is as follows:

	12.31.2015	03.31.2015
Tax	201,950	205,715
Civil	44,153	26,578
Labor	47,110	44,502
	293,213	276,795
Own judicial deposits	35,263	52,061
Reimbursable legal disputes	257,950	224,734
	293,213	276,795

(i) Non-reimbursable legal disputes

	Tax	Civil	Labor	Environmental	Total
March 31, 2015	17,950	5,856	64,878	3,127	91,811
Recognition of provisions, net (a)	18,828	1,350	5,831	219	26,228
Payments	(278)	(211)	(158)	(433)	(1,080)
Price-level restatement (b)	12,760	750	4,089	15	17,614
Offsets against escrow deposits	(29,367)	-	-	-	(29,367)
December 31, 2015	19,893	7,745	74,640	2,928	105,206

(a) Recognized in profit or loss during the nine-month period ended December 31, 2015 as Other operating income, net (Note 21), except for the provisions for social security contribution (INSS) on RESA's sales, totaling R$ 17,804 (R$ 23,272 in the nine-month period ended in 2014) which was reclassified from Taxes payable in current liabilities, and for RCSA's provisions, recognized in profit or loss for the period as administrative and general expenses, in the amount of R$ 2,363 (R$ 1,287 in the nine-month period ended December 31, 2014).

(b) Recognized in the period profit or loss as Finance income (costs).

(ii) Reimbursable legal disputes (1)

	Tax	Civil	Labor	Environmental	Total
March 31, 2015	274,741	212,726	144,347	51,406	683,220
Formation (reversal) of provisions, net	(7,615)	14,409	(6,769)	11,231	11,256
Payments	(16,451)	(69,442)	(3,420)	(6,239)	(95,552)
Price-level restatement	13,385	45,577	6,296	(1,635)	63,623
Offsets against escrow deposits	(2,140)	-	-	-	(2,140)
December 31, 2015	261,920	203,270	140,454	54,763	660,407

(1) The changes had no effect on profit or loss of the period.

(iii) Total legal disputes

	Tax	Civil	Labor	Environmental	Total
March 31, 2015	292,691	218,582	209,225	54,533	775,031
Formation (reversal) of provisions, net	11,213	15,759	(938)	11,450	37,484
Payments	(16,729)	(69,653)	(3,578)	(6,672)	(96,632)
Price-level restatement	26,145	46,327	10,385	(1,620)	81,237
Offsets against escrow deposits	(31,507)	-	-	-	(31,507)
December 31, 2015	281,813	211,015	215,094	57,691	765,613

(a.1) Tax

	12.31.2015	03.31.2015
Social Security Charges (INSS)	2,241	2,166
Value-added tax on sales and services ("ICMS")	32,500	65,639
Excise tax ("IPI")	86,821	83,170
PIS and COFINS	34,688	34,286
Lawyers' fees	53,310	39,802
IRPJ and CSLL	67,516	63,075
Economic Domain Intervention Contribution (CIDE) and others	4,737	4,553
	281,813	292,691
Non-reimbursable legal disputes	19,893	17,950
Reimbursable legal disputes	261,920	274,741
	281,813	292,691

(a.2) Civil, labor and environmental

The Group is party to various civil actions consisting of (i) damages for material losses and pain and suffering; (ii) contract disputes; (iii) class action to stop the burning of sugar cane straw; (iv) enforcements of environmental decisions; (v) reparation of environmental damages causes by fuel leakages and, (vi) discussions about contracts, real estate and recovery of credits, and the last two topics include contract breaches, possession of the Group's properties and recovery of amount not paid by clients.

The Group is also part to several labor complaints filed my former employees and employees of service providers who demand, among other things, payment for overtime work, night shift premium and hazardous duty premium, readmission into the job, return of payroll discounts, such as trade union optional and mandatory contributions, among others.

The main environmental actions are related to environmental remediation to be carried out at gas stations, distribution hubs, airports and client distribution centers and they include the removal of contaminated material, treatment of the land, laboratory tests and post-remediation monitoring.

(b) Legal disputes classified as possible of loss and, consequently, no provision for legal disputes was recognized in the consolidated and combined interim financial information

(b.1) Tax

	12.31.2015	03.31.2015
ICMS (i)	3,420,051	2,859,646
INSS (ii)	450,199	396,246
IOF (iv)	39,542	-
IPI (iii)	477,048	438,601
IRPJ and CSLL (iv)	814,897	721,811
PIS and COFINS (iv)	1,738,764	1,548,162
Offsets with IPI credits - Regulatory Instruction no. 67/98	123,522	119,891
Other	309,233	259,690
	7,373,256	6,344,047
Non-reimbursable legal disputes	950,222	317,109
Reimbursable legal disputes	6,423,034	6,026,938
	7,373,256	6,344,047

(i) ICMS (Value-added tax on sales and services)

Increased contingency during nine-month period ended December 31, 2015 refers to new assessments received by the Group under State Tax Authorities allegation that RESA did not comply with legal bookkeeping of tax documents, that is, did not comply with accessory obligations included in tax law. However, defenses were presented, as invoices, contrary to Tax Authorities' allegation, were untimely accounted for based on permission given by prevailing law.

(ii) INSS

During nine-month period ended December 31, 2015, RESA received new assessment notices referring to assessments filed by the Federal Revenue Service under allegation that RESA did not pay social security contribution to SENAR (rural learning national service) referring to electric power transactions, sale of steam and resale of other merchandise. As a result of strong defense arguments and based on prevailing law, objections were presented.

(iii) IPI - Excise tax

The main variation in the nine-month period ended December 31, 2015 refers to a tax assessment related to sugar production, from May 1994 to April 1995 on the sales of sugar performed by RESA. Probing documents, such as invoices, are already included in litigation files.

Recently, a search has begun for other documents to reinforce the thesis such as Fiscal Records. Approval of expert evidence is pending, so RESA can prove a zero rate IPI is applicable due to the degree of polarization of the sugar it produces (over 99.5º). Accordingly, likelihood of this case was changed from remote to possible.

(iv) IRPJ, CSLL, PIS, COFINS and IOF

The main variation in the nine-month period ended December 31, 2015 refers to PIS and COFINS credits accounted upon the acquisition of inputs and offset with IRPJ, CSLL and IOF debits. These offsets are not homologated by the Federal Revenue Service, generating administrative dispute in view of prior court decisions favorable to taxpayers' thesis.

(b.2) Civil, labor and environmental

	12.31.2015	03.31.2015
Civil	806,045	1,164,457
Labor	619,836	521,751
Environmental	39,253	30,842
	1,465,134	1,717,050
Non-reimbursable legal disputes	438,917	343,261
Reimbursable legal disputes	1,026,217	1,373,789
	1,465,134	1,717,050

17. Commitments

As mentioned in Note 20 to the Group's annual financial statements of March 31, 2015 the Group has entered into commitments to sell products, purchase sugar cane, fuels and industrial equipment, as well as lease and storage service agreements. During the nine-month period ended December 31, 2015 no significant changes in those commitments occurred.

18. Equity

(a) Share capital

(a.1) RESA

As mentioned in Note 1.c, in Extraordinary Shareholders' Meeting held on August 31, 2015, Shell and Cosan's shareholders discussed and approved RESA's capital increase of R$1,500,000 in domestic currency through issuance of 1,340,687,564 new nominative common shares, carried out proportionately to 50% interest held by shareholders.

In December 31, 2015, RESA's share capital is R$6,516,354 (R$5,016,354 on March 31, 2015). That caption does not include the balance of redeemable preference shares in the amount of R$ 93,300, totaling R$ 6,423,054 (R$ 4,923,054 as of March 31, 2015). Share capital is fully subscribed for and paid in and is divided as follows:

	Shareholders (shares in units)			
	Shell	Cosan Investimentos e Participações S.A. ("CIP")	Cosan	Total
Common	3,621,641,599	3,621,641,599	-	7,243,283,198
Class-A preferred shares	-	-	1	1
Class "B" preferred shares	-	-	133,242,457	133,242,457
Class-B preferred shares	663,476	-	-	663,476
Class-D preferred shares	100,000	-	-	100,000
Shares as of December 31, 2015	3,622,405,075	3,621,641,599	133,242,458	7,377,289,132
Shares as of March 31, 2015	2,952,061,293	2,951,297,817	133,242,458	6,036,601,568

Redeemable preference shares in RESA (due to Cosan and Shell)

As mentioned in Note 8.a.4, the tax benefits resulting from the utilization of NOL and GW balances recognized before the Group formation (Note 1), should be refund to the shareholders as the Group use them as a decrease in balances of the taxes payable.

For the realization of these refunds, preferred shares were issued Class B and C and D preference shares were issued to guarantee the payment of exclusive dividends to Cosan and Shell, respectively, based on the Group's use of tax credits during the calendar year.

As of December 31 and March 31, 2015, the balance of preference shares (Classes B and C) recognized as share capital in equity totaled R$ 93,300, of which R$ 89,762 belongs to Cosan shareholders, R$ 3,538 belongs to Shell shareholders (Note 8.a).

(a.2) RCSA

As mentioned in Note 1.c, in Extraordinary Shareholders' Meeting held on August 31, 2015, Shell and Cosan's shareholders discussed and approved redemption of 1,641,750,012 common shares against share capital decrease of R$1,500,000, carried out proportionately to interest held by shareholders that is, corresponding to 50% of common shares of each one.

As of December 31, 2015, RCSA's share capital is R$ 1,843,720 (R$ 3,343,720 as of March 31, 2015). That caption does not include the balance of redeemable preference shares in the amount of R$ 148,802, totaling R$ 1,694,918 (R$ 3,194,918 as of March 31, 2015). Share capital is fully subscribed for and paid in and is divided as follows:

	Shareholders (shares in units)			
	Shell	**CIP**	**Cosan**	**Total**
Common	830,709,236	830,709,236	-	1,661,418,472
Class-A preferred shares	1	-	-	1
Class "B" preferred shares	-	-	93,648,276	93,648,276
Class-B preferred shares	88,746,249	-	-	88,746,249
Class-D preferred shares	100,000	-	-	100,000
Class-E preferred shares	174,038,252	-	-	174,038,252
Shares as of December 31, 2015	1,093,593,738	830,709,236	93,648,276	2,017,951,250
Shares as of March 31, 2015	1,914,468,744	1,651,584,242	93,648,276	3,659,701,262

Redeemable preference shares in RCSA (due to Shell and Cosan)

Preference shares due to Shell by RCSA are the same as those due by RESA, except for those tax benefits originating from the utilization of PIS and COFINS credits resulting from the contribution of Fix Investimentos Ltda. ("Fix") (investor of Raízen Mime Combustíveis S.A. ("Mime"), should be refunded to the related shareholders as RCSA uses them to reduce the balances of its taxes payable. These refunds required the issue of Class A preference shares solely for Fix, class B for COSAN and class C for Shell with the purpose of compensating them through the payment of dividends in the amount of the tax benefit used by RCSA during the calendar year. During quarter ended December 31, 2015, RCSA recognized Shell's supplementary NOL and GW balances in the amount of R$78,124 (Note 8.a.4 and 15.d), calculated in 2010 and 2011.

At the Extraordinary Shareholders' Meeting held on December 30, 2015, RCSA shareholders approved the issuance of preferred class E shares, as well as the conversion of 174,038,252 class C common shares held by Shell into preferred class E shares. This class of shares is intended to reimburse shareholder Shell using tax credits originated from IRPJ and CSLL overpayment from January 2010 to May 2011, in the amount of R$258,250 (Note 8.a.4 e 15.b).

As of December 31 and March 31, 2015, the remaining balance of preferred shares payable to Shell and Cosan, recorded in the equity totals R$ 148,802 and zero (same as March 31, 2015), respectively.

(b) Capital reserves

Capital reserve

Mostly consists of goodwill resulting from the difference between the subscription price paid for the shares and their nominal values. That reserve may only be used to increase capital, absorb losses, redeem, reimburse or purchase shares or to pay cumulative dividends to preference shares.

Share premium

Share premium results from downstream mergers in the Group that became deductible for income and social contribution tax purposes. Therefore, the Group recognized share premium as an effect of downstream mergers and as an offsetting entry to deferred tax assets that is equivalent to the 34% tax benefit resulting from the amortization of this goodwill.

(c) Dividends and interest on own capital ("JCP")

Bylaws of RESA and RCSA assure shareholders a minimum mandatory dividend of 1% of net income at the end of each fiscal year, adjusted pursuant to article 202 of LSA.

i) Dividends

At the Annual General Meeting held on April 24, 2015, the RCSA's shareholders discussed on and approved the declaration and payment of dividends calculated in the period from April 1, 2014 to March 31, 2015, in the amount of R$ 225,000, to be credited individually at the rate of 50% to each shareholder, as of May 29, 2015, partially using the balance of retained earnings.

At the Annual General Meeting held on April 29, 2015, Mime's shareholders discussed on and approved the declaration and payment of dividends calculated in the period from April 1, 2014 to March 31, 2015 in the amount of R$ 60,000, to be credited to RCSA and Fix, in the amount of R$ 45,967 and R$ 14,033, respectively. In the payment of dividends occurred on April 30, 2015, Mime reduced from Fix payments the amount of R$ 827, related to tax assessments and recoveries of taxes paid in installments, making a net disbursement of R$ 13,206, of which R$ 4,801 is related the minimum mandatory dividends already recognized on March 31, 2015.

On July 31, 2015, at the "Extraordinary General Meeting", the shareholders of RCSA discussed and approved the additional dividends in the amount of R$ 98,060, using the retained earnings partially to be individually credited to the shareholders Shell and Cosan in the amount of R$ 49,030, each. On the same date, the shareholders of RCSA authorized and approved the interim dividends calculated in the period from April 1 to June 30, 2015, amounting to R$ 169,032, to be credited to individual shareholders Shell and Cosan the amount of R$ 84,516. The dividends were settled as of October 23, 2015.

In addition, at the Annual Shareholders' Meeting held on July 31, 2015, RESA shareholders discussed and approved common dividends in the amount of R$1,054, partially using retained earnings balance to be individually credited to Shell and Cosan shareholders, in the amount of R$527 each. On the same date, RESA shareholders decided and approved dividends to holders of class B preferred shares, in the amount of R$15,221, to be fully credited to shareholder Cosan. The dividends were settled as of October 23, 2015.

On October 23, 2015, RCSA settled dividends intended to holders of preferred Class B and C shares of R$15,127 and R$58,495, Cosan and Shell, respectively, corresponding to partial use of NOL and GW balance; a provision was recorded in year ended March 31, 2015.

On August 12, 2015, the Group paid dividends to shareholders of class D preferred shares, in the amount of R$1,582.

At the Ordinary and Extraordinary Shareholders' Meeting held on October 22, 2015, RCSA shareholders discussed and approved interim dividends determined in the period from July 1 to December 31, 2015 in the amount of R$178,153. These dividends were fully paid on October 23, 2015, individually credited to Shell and Cosan shareholders in the proportion of 50%.

At the Extraordinary Shareholders' Meeting held on December 15, 2015, RCSA shareholders discussed and approved interim dividends determined in the period from October 1 to November 30, 2015, in the amount of R$255,100, fully paid on December 23, 2015 and individually credited to Shell and Cosan shareholders in the proportion of 50%.

During nine-month period ended December 31, 2015, dividends declared to minority shareholders of Petróleo Sabba S.A., subsidiary of RCSA, on March 31, 2015 in the amount of R$4,744, were settled as follows: (i) payment made on August 20, 2015 in the amount of R$1,494; payment of capital in the amount of R$878, through conversion of said dividends to capital; and (iii) capitalization of remaining balance of R$2,372 to account Earnings Reserve.

ii) JCP

On July 31, 2015, at the "Extraordinary General Meeting", the shareholders of RCSA discussed and approved the payment of interest on own capital using the balance of retained earnings partially, calculated for the period from March 1, 2015 to March 31, 2015 and from April 1, 2015 to June 30, 2015, in the amounts of R$ 18,400 and R$ 57,000, respectively. Interest on own capital were individually credited to the shareholders Shell and Cosan in the global amount of R$ 75,400. Income tax at the rate of 15% shall be withheld, resulting in the payment of R$ 64,090, net. The dividends were paid as of October 23, 2015.

At the Extraordinary Shareholders' Meeting held on October 22, 2015, RESA shareholders approved payment of interest on own capital that had been decided in Extraordinary Shareholders' Meeting held on December 31, 2013. Interest on own capital was individually credited to the shareholders Shell and Cosan in the global amount of R$ 40,000. Income tax at the rate of 15% shall be withheld, resulting in the payment of R$ 34,000, net; the dividends were paid as of October 23, 2015.

At the Ordinary and Extraordinary Shareholders' Meeting held on October 22, 2015, RCSA shareholders discussed and approved destination of interest on own capital determined from July 1 to December 31, 2015, in the amount of R$38,300. Interest on own capital were individually credited to the shareholders Shell and Cosan in the proportion of 50%, on which income tax at the rate of 15% shall be withheld, resulting in the payment of R$ 32,555, net. Such interest on own capital was paid as of October 23, 2015.

At the Extraordinary Shareholders' Meeting held on December 15, 2015, RCSA shareholders discussed and approved destination of interest on own capital determined from October 1 to November 30, 2015, in the amount of R$23,200. This interest on own capital were as individually credited to shareholders Shell and Cosan in the proportion of 50%, on which income tax was withheld at the rate of 15%, resulting in net payment of R$19,720 on December 23, 2015.

At this same Extraordinary Shareholders' Meeting, shareholders approved declared interest on own capital supplementary to that declared in Extraordinary Shareholders' Meetings held on March 16, July 31 and October 22, 2015, in the amount of R$21,700 and determined for the period from January 1 to September 30, 2015. This interest on own capital was individually credited in the proportion of 50%, on which income tax was withheld at the rate of 15%, resulting in net payment of R$18,445 on December 23, 2015.

In addition, at the Extraordinary Shareholders' Meeting held on December 31, 2015, RCSA shareholders discussed and approved destination of interest on own capital determined from December 1 to December 31, 2015, in the amount of R$11,300. Interest on own capital were individually credited to the shareholders Shell and Cosan in the proportion of 50%, on which income tax at the rate of 15% shall be withheld, resulting in the payment of R$ 9,605, was paid as of January 31, 2016.

d) Asset and liability valuation adjustment

	03.31.2015	Comprehensive income	12.31.2015
Effect of foreign currency translation - CTA	1,377	227	1,604
Actuarial Losses of the defined benefit plans	(9,556)	464	(9,092)
Net losses (gains) from financial instruments assigned as hedge accounting	22,832	(494,610)	(471,778)
	14,653	**(493,919)**	**(479,266)**
Attributable to:			
Group's controlling shareholders	14,663	(493,919)	(479,256)
Group's non-controlling shareholders	(10)	-	(10)

	03.31.2014	Comprehensive income	12.31.2014
Effect of foreign currency translation - CTA	842	(518)	324
Actuarial Losses of the defined benefit plans	(234)	(9,312)	(9,546)
Net loss with derivative financial instruments designated as hedge accounting	(11,452)	(8,633)	(20,085)
	(10,844)	**(18,463)**	**(29,307)**
Attributable to:			
Group's controlling shareholders	(10,844)	(18,453)	(29,297)
Group's non-controlling shareholders	-	(10)	(10)

e) Income reserves

i) Legal reserve

The legal reserve consists of the allocation of 5% of the profit reported in the year, according to the by-laws of RESA and RCSA and in compliance with LSA.

ii) Profit retention reserve

As mentioned in Note 18.c, at the Extraordinary Shareholders' Meeting held on April 24 and July 31, 2015, dividends and interest on own capital amounting to R$341,460, partially using the Group's retained earnings balance, were approved.

The remaining balance of the Group's profit, after the appropriations made to set up the legal reserve and to accrue dividends was recognized in this account. Under RESA's and RCSA's by-laws, up to 80% of the year's profit may be allocated to that reserve, to fund operations and to new investments and projects, which may not exceed the percentage of 80% of share capital.

iii) Fiscal incentive reserve

The tax incentive reserve consists of incentives recognized in RESA's indirect subsidiary, Raízen Caarapó Açúcar e Álcool Ltda. ("Caarapó"), arising from Agreement 331/2008 entered into between Caarapó and the state of Mato Grosso do Sul, whereby a tax benefit on the processing of sugar in that state is granted in an amount equivalent to 67% of the ICMS debt balance.

f) Interest of non-controlling shareholders

Corresponds to the non-controlling shareholders on net assets of the following subsidiaries:

Interest of minority shareholders in Group's subsidiaries (Note 2.3)	12.31.2015	03.31.2015
Unimodal Ltda.	26.63%	26.63%
Petróleo Sabbá S.A.	20.00%	20.00%
Raízen Mime Combustíveis S.A.	24.00%	24.00%
Sabor Raíz Alimentação S.A.	40.00%	40.00%

19. Net operating revenue

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Gross revenue from sales and services	21,015,509	56,450,007	17,621,328	50,223,901
Taxes, deductions and rebates on sales (1)	(794,961)	(2,101,626)	(645,868)	(1,798,916)
Net operating revenue	20,220,548	54,348,381	16,975,460	48,424,985

(1) During the nine-month period ended December 31, 2015 and 2014, net operating revenue includes amortizations related to exclusive supply rights in the respective amounts of R$ 230,323 and R$ 194,988.

20. Costs and expenses by nature

Reconciliation of costs and expenses by nature

Costs and expenses are recognized in the consolidated and combined statement of profit or loss by function. The reconciliation of the Group's results by nature for the periods ended December 31, 2015 and 2014 is as follows:

a) Costs and expenses by type:

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Fuels - resale	(15,786,751)	(44,507,251)	(13,816,213)	(40,202,854)
Raw material	(1,251,149)	(3,057,694)	(930,580)	(2,208,549)
Depreciation and amortization (1)	(583,716)	(1,450,326)	(541,301)	(1,493,556)
Personnel expenses	(453,821)	(1,109,639)	(293,408)	(917,713)
Cutting, loading and transportation - CLT	(219,737)	(507,747)	(215,970)	(566,811)
Freight	(74,547)	(218,029)	(70,150)	(211,997)
Commercial expenses	(86,474)	(231,405)	(45,581)	(164,904)
Maintenance materials	(106,570)	(268,484)	(94,330)	(208,390)
Third-party labor	(69,083)	(183,007)	(80,305)	(191,609)
Rents and leases	(87,971)	(213,988)	(57,627)	(144,643)
Change in the fair value of biological assets	260,852	416,782	(55,691)	14,449
Logistics expenses	(27,259)	(77,819)	(19,206)	(68,359)
Resale of energy	(27,641)	(48,070)	(47,629)	(96,807)
Telecommunications	(6,076)	(17,455)	(3,369)	(10,144)
Other expenses	(211,478)	(569,768)	(104,728)	(522,182)
	(18,731,421)	(52,043,900)	(16,376,088)	(46,994,069)

(1) Does not include the amortization of exclusive supply rights that are recognized as sales deductions and rebates (Note 19).

Classified as:

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Cost of products sold and services rendered	(18,049,735)	(50,093,922)	(15,788,387)	(45,133,537)
Selling expenses	(458,941)	(1,287,345)	(399,744)	(1,228,685)
General and administrative expenses	(222,745)	(662,633)	(187,957)	(631,847)
	(18,731,421)	(52,043,900)	(16,376,088)	(46,994,069)

21. Other operating income, net

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Rent and lease revenues	29,513	87,657	31,507	102,019
Gain in the sale of property, plant and equipment	18,766	61,734	24,846	108,685
Capital gain from dilution of shareholding interest (1)	-	-		30,333
Gain on fair value of shares (4)	-	-	29,158	29,158
Royalty revenue	13,508	40,678	14,506	38,291
Merchandising (Note 8.d) (2)	14,406	40,299	10,127	29,990
Commissions on sales of lubricants and cards (Note 8.d) (3)	2,600	22,540	10,813	32,919
Loss with commercial operations (6)	(34,099)	(26,311)	-	-
Store licensing revenue	3,689	11,420	4,485	12,674
Revenue from sales of scrap and waste	1,210	4,151	1,936	6,059
Revenue from sale of sugar cane stubble	202	1,975	198	3,788
Recognition of a provision for losses in technology contracts (5)	-	-	(44,639)	(44,639)
Formation of provision for legal disputes	(2,379)	(6,061)	(3,512)	(13,087)
Reversal of the provision for property, plant and equipment loss	-	2,696	-	-
Other revenues (expenses), net	2,321	(10,839)	(2,138)	(6,744)
	49,737	229,939	77,287	329,446

(1) Gain generated by dilution of shareholding interest held by RESA in investee CTC, in which RESA's interest percentage went from 23.33% to 20.93% according to Extraordinary Shareholders' Meeting held on July 10, 2014.

(2) A provision for the nine-month period ended December 31, 2015, the amount of R$ 3,590 (R$ 2,798 as of December 31, 2014) derived from the income from amortization of advancements.

(3) With the amount of R$9,823 (plus R$ 911 as of December 31, 2014), related to on lending and others, deducted in the nine-month period ended December 31, 2015.

(4) During quarter ended December 31, 2014, the Group recognized gain deriving from stock exchange value of Codexis shares it holds.

(5) As of December 31, 2014, RESA estimated losses related to intangible assets recognized for potential benefit deriving from Codexis technology due to uncertainties about its use.

(6) Refers substantially to the result of wash-out certain commercial contracts operations, in the implementation of the Company's business strategy in the ordinary course of business.

22. Financial results

	Oct-Dec 2015	Apr-Dec 2015	Oct-Dec 2014	Apr-Dec 2014
Financial expenses				
Interest	(219,076)	(590,447)	(200,114)	(487,282)
Liability monetary variation	(44,409)	(120,404)	(26,121)	(25,933)
Bank expenses and others	(5,822)	(18,821)	(5,543)	(15,880)
PIS and COFINS credits on financial income	(13,420)	(25,752)	-	-
	(282,727)	(755,424)	(231,778)	(529,095)
Amounts capitalized in qualifying assets (Note 11)	8,901	24,484	8,933	29,946
Fair value of financial instrument liabilities (Note 14)	(187,163)	47,557	-	-
	(460,989)	(683,383)	(222,845)	(499,149)
Financial income				
Interest	83,832	215,623	59,516	157,580
Yields from financial investments	93,473	266,457	67,904	165,778
Monetary variation - assets and other	25,044	46,549	7,171	6,312
	202,349	528,629	134,591	329,670
Net exchange variation(1)	136,181	(717,085)	(277,815)	(541,419)
Net effect of the derivatives (2)	181,332	353,989	19,587	108,969
	58,873	(517,850)	(346,482)	(601,929)

(1) Includes net foreign exchange losses on assets and liabilities denominated in foreign currency; and

(2) Includes realized and unrealized income from options, swaps and NDF's.

23. Financial instruments

(a) Overview

The Group has exposure to the following market risks:

- Price risk
- Exchange rate risk
- Interest rate risk
- Credit risk
- Liquidity risk

This Note presents information about the Group's exposure to each of the abovementioned risks, the Group's objectives, policies and the processes for measuring and managing risk, and the capital management of the Group.

(b) Risk management structure

The Group has specific treasury and trading policies that set risk management guidelines.

The Group has two committees to monitor activities and ensure policy compliance: (i) A risk committee whose members gather weekly to analyze the behavior of commodity and foreign exchange markets and decide on coverage positions and the strategy to fix the prices of sugar exports to reduce the negative effects of changes in prices and exchange rates; and, (ii) an ethanol committee and derived products whose members gather monthly to assess the risks posed by the sale of ethanol and to comply with the limits set on risk policies.

The Group is exposes to market risks, as follows: (i) fluctuations in sugar, diesel and ethanol prices; (ii) fluctuations in exchange rates; and, (iii) fluctuations in interest rates. The purchases of financial instruments for hedging purposes are made according to an analysis of the risk exposure that Management intends to cover.

As of December 31 and March 31, 2015, the fair values of transactions with derivative financial instruments for hedging and other purposes were determined according to observable data, such as prices quoted in active markets or discounted cash flows according to market curves and are presented below:

	Notional		Fair value	
	12.31.2015	**03.31.2015**	**12.31.2015**	**03.31.2015**
Price risk				
Derivatives of products				
Futures contracts	2,950,624	1,660,432	(237,777)	409,316
	2,950,624	1,660,432	(237,777)	409,316
Exchange rate risk				
Exchange rate derivative				
Futures contracts	1,440,717	(820,443)	(15,584)	(3,281)
Forward contracts	2,172,992	(1,580,467)	263,332	231,589
Exchange locks	419,144	(5,974)	15,566	1,191
Exchange swap	(6,880,659)	(2,685,844)	953,667	256,170
	(2,847,806)	(5,092,728)	1,216,981	485,669
Interest rate risk				
Derivatives of exchange rates				
Futures contracts	710,000	710,000	-	(408)
Swap contracts	(683,340)	(561,400)	(1,946)	(4,321)
	26,660	148,600	(1,946)	(4,729)
Total			977,258	890,256
Total current assets			560,856	875,205
Total non-current assets			1,047,157	315,279
Total assets			1,608,013	1,190,484
Total current liabilities			(512,146)	(243,997)
Total non-current liabilities			(118,609)	(56,231)
Total liabilities			(630,755)	(300,228)

(c) Price risk

Price risks result from the possibility of fluctuations in the market prices of the products sold by the Company, mainly raw sugar (sugar #11), refined sugar (sugar #5 or *white sugar*), heated oil and ethanol. These price fluctuations may cause substantial alterations in the Company's sales income and costs. In order to mitigate such risk, the Company permanently monitors market, trying to be ahead of price movements. The table below shows the positions of derivative instruments to cover the risk of fluctuations in commodity prices:

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (units)		Notional (R$ thou.)	Fair value (R$ thousand)
Future	Sold	NYSE LIFFE	*Sugar#5*	Feb 2016	4,700	t	7,110	(640)
Future	Sold	NYSE LIFFE	*Sugar#5*	Jul 2016	12,500	t	17,261	(2,854)
Future	Sold	NYSE LIFFE	*Sugar#5*	Sep 2016	12,500	t	17,665	(2,264)
Future	Sold	ICE	*Sugar#11*	Feb 2016	998,521	t	1,248,144	(61,166)
Future	Sold	ICE	*Sugar#11*	Apr 2016	181,111	t	211,395	(21,224)
Future	Sold	ICE	*Sugar#11*	Jun 2016	614,811	t	702,109	(72,737)
Future	Sold	ICE	*Sugar#11*	Sep 2016	821,221	t	941,485	(96,327)
Future	Sold	ICE	*Sugar#11*	Feb 2017	145,447	t	174,906	(14,161)
Future	Sold	ICE	*Sugar#11*	Apr 2017	3,099	t	3,565	(402)
Future	Sold	ICE	*Sugar#11*	Jun 2017	149,969	t	184,682	(3,936)
Future	Sold	ICE	*Sugar#11*	Sep 2017	150,477	t	184,041	(4,309)
Future	Sold	ICE	*Sugar#11*	Feb 2018	51	t	62	(2)
Accumulator	Sold	OTC	*Sugar#11*	Jun 2016	-		-	(7,680)
Accumulator	Sold	OTC	*Sugar#11*	Sep 2016	-		-	(9,853)
Sub-total of future sugar sold					3,094,407	t	3,692,425	(297,555)
Future	Purchased	NYSE LIFFE	*Sugar#5*	Feb 2016	(500)	t	(775)	49
Future	Purchased	ICE	*Sugar#11*	Feb 2016	(360,037)	t	(441,020)	31,331
Future	Purchased	ICE	*Sugar#11*	Apr 2016	(80,522)	t	(99,166)	4,257
Future	Purchased	ICE	*Sugar#11*	Jun 2016	(14,174)	t	(15,097)	2,767
Future	Purchased	ICE	*Sugar#11*	Sep 2016	(23,318)	t	(25,209)	4,260
Future	Purchased	ICE	*Sugar#11*	Apr 2017	(3,099)	t	(3,549)	418
Future	Purchased	ICE	*Sugar#11*	Sep 2017	(508)	t	(625)	11
Future	Purchased	ICE	*Sugar#11*	Feb 2018	(51)	t	(63)	1
Sub-total of future sugar purchased					(482,209)	t	(585,504)	43,094
Sub-total of sugar future					2,612,198	t	3,106,921	(254,461)
Future	Sold	BM&FBovespa	Ethanol	Dec 2015	13,680	m^3	22,716	(75)
Future	Sold	BM&FBovespa	Ethanol	Jan 2016	11,880	m^3	20,285	(30)
Future	Sold	BM&FBovespa	Ethanol	Feb 2016	6,240	m^3	10,655	(16)
Future	Sold	BM&FBovespa	Ethanol	Mar 2016	1,440	m^3	2,376	-
Future	Sold	BM&FBovespa	Ethanol	May-Nov 2016	25,200	m^3	36,688	-
Future	Sold	CHGOETHNL	Ethanol	Jan 2016	6,258	m^3	36	1,887
Future	Sold	CHGOETHNL	Ethanol	Feb 2016	5,250	m^3	30	1,345
Future	Sold	CHGOETHNL	Ethanol	Mar 2016	5,502	m^3	32	1,014
Future	Sold	CHGOETHNL	Ethanol	Apr 2016	1,890	m^3	11	64
Future	Sold	CHGOETHNL	Ethanol	May 2016	1,890	m^3	11	27
Future	Sold	CHGOETHNL	Ethanol	Jun 2016	13,230	m^3	79	4,533
Future	Sold	NYMEX	Ethanol	Jan 2016	1,000	m^3	2,175	(98)
Future	Sold	NYMEX	Ethanol	Feb 2016	1,000	m^3	2,175	(34)
Future	Sold	NYMEX	Ethanol	Mar 2016	1,000	m^3	2,175	30
Sub-total of future ethanol sold futures					95,460	m^3	99,444	8,647
Future	Purchased	BM&FBovespa	Ethanol	Dec 2015	(16,680)	m^3	(27,697)	92
Future	Purchased	BM&FBovespa	Ethanol	Jan 2016	(17,850)	m^3	(30,479)	45
Future	Purchased	BM&FBovespa	Ethanol	Feb 2016	(12,600)	m^3	(21,515)	32
Future	Purchased	BM&FBovespa	Ethanol	Mar 2016	(5,550)	m^3	(9,158)	-
Future	Purchased	BM&FBovespa	Ethanol	May-Jul 2016	(900)	m^3	(1,311)	-
Future	Purchased	CHGOETHNL	Ethanol	Jan 2016	(14,112)	m^3	(80)	(2,920)
Future	Purchased	CHGOETHNL	Ethanol	Feb 2016	(5,460)	m^3	(30)	(211)
Future	Purchased	CHGOETHNL	Ethanol	Mar 2016	(5,460)	m^3	(30)	215
Future	Purchased	CHGOETHNL	Ethanol	Apr 2016	(840)	m^3	(5)	(226)
Future	Purchased	CHGOETHNL	Ethanol	May 2016	(840)	m^3	(5)	(209)
Future	Purchased	CHGOETHNL	Ethanol	Jun 2016	(8,190)	m^3	(48)	(1,384)
Future	Purchased	NYMEX	Ethanol	Jan 2016	(1,000)	m^3	(2,128)	150
Future	Purchased	NYMEX	Ethanol	Feb 2016	(1,000)	m^3	(2,128)	85
Future	Purchased	NYMEX	Ethanol	Mar 2016	(1,000)	m^3	(2,128)	21
Sub-total of future ethanol purchased					(91,482)	m^3	(96,742)	(4,310)
Physical fixed	Sold	CHGOETHNL	Ethanol	Dec2015-Sep2016	476,515	m^3	893,200	(27,718)
Physical fixed	Purchased	CHGOETHNL	Ethanol	Dec2015-Sep2016	(522,978)	m^3	(884,090)	61,687
Sub-total of physical fixed ethanol					(46,463)	m^3	9,110	33,969
Sub-total of future ethanol					(42,485)	m^3	11,812	38,306
Future	Purchased	NYMEX	Diesel	Apr 2016	(39,900)	m^3	(56,837)	(8,977)
Future	Purchased	NYMEX	Diesel	May 2016	(39,900)	m^3	(55,232)	(6,437)
Future	Purchased	NYMEX	Diesel	Jun 2016	(39,900)	m^3	(56,040)	(6,208)
Sub-total of future diesel purchased					(119,700)	m^3	(168,109)	(21,622)
Sub-total of future diesel					(119,700)	m^3	(168,109)	(21,622)
Total products - December 2015							2,950,624	(237,777)
Total products - March 2015							1,660,432	409,316

(d) Exchange rate risk

Exchange rate risks arise from the possibility of fluctuations in the exchange rates used by Raízen Group for export revenues, imports, financing cash flows and other foreign currency assets and liabilities. The Group uses derivative transactions to manage cash flow risks resulting from export revenues denominated in US dollars, net of other cash flows also denominated in foreign currency. The table below shows the positions outstanding as of December 31 and March 31, 2015 for derivatives used to cover exchange rate risks:

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (US$ thou.)	Notional (R$ thou.)	Fair value (R$ thousand)
Future	Sold	BM&FBovespa	Commercial	Jan 2016	756,750	2,954,957	(11,927)
Future	Sold	BM&FBovespa	Commercial	Feb 2016	199,000	796,472	(15,186)
Future	Sold	BM&FBovespa	DDI	Jan 2016	355,000	1,386,204	5,589
Future	Sold	BM&FBovespa	DDI	Jan 2017	93,000	363,146	6,823
Sub-total of futures sold					1,403,750	5,500,779	(14,701)
Future	Purchased	BM&FBovespa	Commercial	Jan 2016	(330,250)	(1,289,560)	5,205
Future	Purchased	BM&FBovespa	Commercial	Feb 2016	(40,500)	(162,096)	2,860
Future	Purchased	BM&FBovespa	DDI	Jan 2016	(575,000)	(2,245,260)	(2,125)
Future	Purchased	BM&FBovespa	DDI	Jan 2017	(93,000)	(363,146)	(6,823)
Sub-total of futures purchased					(1,038,750)	(4,060,062)	(883)
Sub-total of futures purchased/ sold					365,000	1,440,717	(15,584)
Term	Purchased	OTC/Cetip	NDF	Jan 2016	(968,900)	(3,518,380)	274,841
Term	Purchased	OTC/Cetip	NDF	Feb 2016	(71,750)	(287,080)	1,097
Term	Purchased	OTC/Cetip	NDF	Mar 2016	(31,500)	(122,856)	4,613
Term	Purchased	OTC/Cetip	NDF	May 2016	(30,200)	(121,202)	3,225
Term	Purchased	OTC/Cetip	NDF	Jun 2016	(28,800)	(112,890)	6,589
Term	Purchased	OTC/Cetip	NDF	Jul 2016	(29,200)	(115,539)	6,599
Term	Sold	OTC/Cetip	NDF	Jan 2016	846,400	3,291,330	(22,421)
Term	Sold	OTC/Cetip	NDF	Feb 2016	728,000	2,923,366	(698)
Term	Sold	OTC/Cetip	NDF	Mar 2016	15,750	61,428	(2,307)
Term	Sold	OTC/Cetip	NDF	May 2016	15,100	60,601	(1,612)
Term	Sold	OTC/Cetip	NDF	Jun 2016	14,400	56,445	(3,294)
Term	Sold	OTC/Cetip	NDF	Jul 2016	14,600	57,769	(3,300)
Sub-total of term purchased/ sold					473,900	2,172,992	263,332
Lock	Sold	OTC/Cetip	Exchange lock	Feb 2016	50,000	208,613	7,697
Lock	Sold	OTC/Cetip	Exchange lock	Mar 2016	50,000	210,531	7,869
Sub-total of purchased/ sold blocking					100,000	419,144	15,566
Exchange swap	Purchased	OTC	Swap Exchange	Feb 2017	(75,000)	(292,860)	52,566
Exchange swap	Purchased	OTC	Swap Exchange	Mar 2019	(1,050,000)	(4,100,040)	767,320
Exchange swap	Purchased	OTC	Swap Exchange	Apr 2020	(450,000)	(1,757,160)	236,381
Exchange swap	Purchased	OTC	Swap Exchange	Sep 2020	(200,000)	(780,960)	14,585
Exchange swap	Purchased	OTC	Swap Exchange	Dec 2020	(50,000)	(195,240)	1,349
Exchange swap	Purchased	OTC	Swap Exchange	Oct 2021	(221,252)	(863,944)	(31,390)
Exchange swap	Purchased	OTC	Swap Exchange	Nov 2021	(50,000)	(195,240)	4,592
Exchange swap	Purchased	OTC	Swap Exchange	Dec 2021	(50,000)	(195,240)	2,244
Exchange swap	Purchased	OTC	Swap Exchange	Jan 2022	(111,841)	(436,717)	22,446
Exchange swap	Purchased	OTC	Swap Exchange	Sep 2022	(60,000)	(234,288)	(27,576)
Exchange swap	Purchased	OTC	Swap Exchange	Jan 2016	(4,900)	(19,134)	427
Exchange swap	Purchased	OTC	Swap Exchange	Jan 2016	(4,500)	(17,572)	403
Exchange swap	Purchased	OTC	Swap Exchange	Mar 2016	(2,666)	(10,409)	(50)
Exchange swap	Sold	OTC	Swap Exchange	Mar 2019	450,000	1,757,160	(101,555)
Exchange swap	Sold	OTC	Swap Exchange	Oct 2021	71,841	280,525	2,537
Exchange swap	Sold	OTC	Swap Exchange	Jan 2022	43,540	170,015	9,375
Exchange swap	Sold	OTC	Swap Exchange	Mar 2016	2,675	10,445	13
Subtotal swap					(1,762,103)	(6,880,659)	953,667
Total exchange - December 2015					(823,203)	(2,847,806)	1,216,981
Total exchange - March 2015					(1,645,135)	(5,092,728)	485,669

On December 31, and March 31, 2015, summary of quantitative data on the Group's foreign exchange risk accounting exposure is as follows:

	12.31.2015		03.31.2015	
	R$	(US$ thou.)	R$	(US$ thou.)
Cash and cash equivalents (Note 3)	1,501,595	384,551	409,428	127,628
Restricted cash (Note 4)	575,516	147,387	30,651	9,555
Foreign accounts receivable (Note 5)	285,597	73,140	130,575	40,703
Related parties	17,717	4,537	(7,544)	(3,673)
Loans and financing (Note 14)	(8,311,719)	(2,128,590)	(6,115,042)	(1,906,185)
Derivative financial instruments (Note 23.d) (1)		823,203		1,645,135
Other	-	-	(27,719)	(7,318)
Net exchange rate exposure		(695,772)		(94,155)
Derivatives settled in month subsequent to closing (2)		74,600		(225,000)
Net foreign exchange exposure, adjusted		(621,172)		(319,155)

(1) Refers to notional amount of foreign exchange derivative transactions.

(2) Maturities in January 2016 that were settled with PTAX of the last closing month.

(e) Hedge accounting effect

Raízen Group formally designates its transactions subject to hedge accounting using derivative financial instruments to hedge cash flows. Hedges are assigned for sugar revenues, ethanol revenues, by-product import costs and debts in foreign currencies, documented as follows: (i) the hedging relationship, (ii) the Company's risk management purpose and strategy when entering into the hedging instrument, (iii) the identification of the financial instrument, (iv) the covered object or transaction, (v) the nature of the risk to be covered, (vi) the description of the hedging relationship, (vii) the relation between the hedging instrument and the covered item, and (viii) the retrospective and prospective testing of the effectiveness of the hedging instrument.

As of December June 31, 2015, the impacts recognized in the Group's equity and the estimated realization in profit or loss are shown below:

			Period for realization			
Derivative	**Market**	**Risk**	**2015/16**	**2016/17**	**12.31.2015**	**03.31.2015**
Future	OTC / ICE	*Sugar#11*	12,609	(205,386)	(192,777)	395,448
Future	BM&FBovespa	Ethanol	4,857	(622)	4,235	(178)
Future	NYMEX	*Heating Oil*	(9,509)	(21,623)	(31,132)	-
Term	OTC / ICE	Foreign exchange	4,203	5,155	9,358	-
ACC and PPE	Debt	Foreign exchange	-	(504,496)	(504,496)	(360,658)
			12,160	(726,972)	(714,812)	34,612
(-) Deferred taxes			(4,134)	247,170	243,034	(11,780)
Effect in equity			8,026	(479,802)	(471,778)	22,832

We show below the changes in the balances of other comprehensive income during the period:

Cash flow hedge	
Balance at March 31, 2015	22,832
Gains/ (losses) occurred in the period:	
Futures contracts for assigned commodities	(132,865)
ACC and PPE contracts	(504,496)
Forward contracts	11,200
Financial income - commodities	(5,983)
Sales revenue - commodities	(476,096)
Sales revenue - foreign exchange	358,816
Total effect on asset and liability valuation adjustment to equity resulting from cash flow hedge (before deferred taxes)	(749,424)
Effect of deferred taxes on valuation adjustment to equity	254,814
	(494,610)
Balance at December 31, 2015	(471,778)

(f) Interest rate risk

Raízen Group monitors fluctuations in interest rates applied to certain debts, particularly those exposed to the Libor risk, and uses derivative instruments to manage those risks. The table below shows the positions outstanding as of December 31 and March 31, 2015 for derivatives used to cover interest rate risk:

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (US$ thou.)	Notional (R$ thou.)	Fair value (R$ thousand)
Interest rate swap	Purchased	OTC	Interest rate swap	Sep 2017	(75,000)	(292,860)	(475)
Interest rate swap	Purchased	OTC	Interest rate swap	Mar 2019	(100,000)	(390,480)	(1,471)
Sub-total of swap					(175,000)	(683,340)	(1,946)
Future	Sold	BM&FBovespa	DI	Jan 2016	1,885,000	1,885,000	(1)
Future	Purchased	BM&FBovespa	DI	Jan 2016	(1,175,000)	(1,175,000)	1
Sub-total of sold future					710,000	710,000	-
Total interest - December 2015					535,000	26,660	(1,946)
Total interest - March/15					46,322	148,600	(4,729)

(g) Credit risk

A substantial part of the Group's sales are made to a select group if highly qualified counterparties, such as trading companies, fuel distribution companies and major supermarket chains.

The Group manages credit risk by following specific client acceptance standards, analyzing client credit standing and setting exposure limits per client, requiring, when applicable, letters of credit of top tier banks and taking security interest in assets as security for payment of the credit facilities granted to clients. Management considers that the credit risk is substantially covered by the allowance for doubtful accounts.

Individual risk limits are determined according to internal and external classifications and the limits set by Group's Management. The use of credit limits is regularly monitored. No credit limit was exceeded during the period, and Management does not expect any loss from default by these counterparties in amounts higher than those already provided for.

The Group enters into commodity derivative agreements in futures markets and options at the New York Board of Trade - NYBOT and at the London International Financial Futures and Options Exchange - LIFFE, as well as in over-the-counter markets with selected counterparties. The Company enters into exchange rate and commodity derivative agreements at BM&FBovespa and over-the-counter agreements registered with CETIP, mainly with the leading local and foreign banks considered by global credit risk rating agencies to have investment level ratings.

Margins in guarantee - derivative transactions in commodities exchanges (NYBOT, LIFFE and BM&FBovespa) require initial margin in guarantee. The total margin deposited as of December 31, 2015 is R$ 700,061, of which R$ 133,842 in restricted financial investments and R$ 566,219 in derivative transaction margins. The total margin deposited as of March 31, 2015 is R$ 112,145, of which R$ 68,945 in restricted financial investments and R$ 43,200 in derivative transaction margins. The Group's over-the-counter derivative transactions do not require a guarantee margin.

The credit risk on cash and cash equivalents, mostly consisting of investment funds and CDBs (certificates of bank deposit) (Note 3), is spread between the main local and foreign banks which are considered by global credit risk rating agencies to have an investment level rating.

(h) Liquidity risk

Liquidity risk is the risk of the Group encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below shows the financial liabilities according to their aging schedules:

					12.31.2015	03.31.2015
	Within 1 year	Within 2 years	Within 3-5 years	Over 5 years	Total	Total
Loans and financing (1)	1,460,470	2,908,787	11,493,394	3,152,375	19,015,026	15,081,715
Suppliers	2,062,545	-	-	-	2,062,545	1,329,591
Derivative financial instruments	512,146	30,106	1,473	87,030	630,755	300,228
Related parties	588,386	-	-	1,043,313	1,631,699	1,194,700
	4,623,547	2,938,893	11,494,867	4,282,718	23,340,025	17,906,234

(1) Contract cash flows not discounted.

(i) Risk of early call of debts

As mentioned at explanatory Note 14, the Group is subject to certain covenants under the Group's loans and financing, such as "cross-default" and "negative pledge", which are being fully complied with by the Group.

(j) Fair value

Procedures over the definition, measurement and recognition of the fair value of financial assets and financial liabilities are the same disclosed on the explanatory Note 26.j of the financial statements of March 31, 2015, except for the debt designations as liabilities measured at fair value through profit or loss, mentioned in Note 2.4.

The categories of main financial instruments are as follows:

		Book value		Market value	
	Rating	12.31.2015	03.31.2015	12.31.2015	03.31.2015
Financial assets					
Cash and cash equivalents, except financial investment (Note 3)	Loans and receivables	593,463	357,429	593,463	357,429
Interest earnings bank deposits (Note 3)	Fair value through profit or loss	3,287,912	3,670,801	3,287,912	3,670,801
Restricted cash (Note 4)	Loans and receivables	756,658	188,624	756,658	188,624
Trade accounts receivable (Note 5)	Loans and receivables	2,777,693	1,903,428	2,777,693	1,903,428
Derivative financial instruments (2) (Note 23.b)	Fair value through profit or loss	1,608,013	1,190,484	1,608,013	1,190,484
Related parties (Note 8)	Loans and receivables	1,194,073	1,250,763	1,194,073	1,250,763
Other financial assets (Note 7)	Loans and receivables	1,432,196	981,351	1,432,196	981,351
		11,650,008	9,542,880	11,650,008	9,542,880
Financial liabilities					
Loans and financing (1) (Note 14)	Amortized cost	(10,753,270)	(11,918,593)	(10,799,878)	(12,012,693)
Loans and financing (1) (Note 2.4 and 14)	Fair value through profit or loss	(4,060,161)	-	(4,060,161)	-
Derivative financial instruments (2) (Note 23.b)	Fair value through profit or loss	(630,755)	(300,228)	(630,755)	(300,228)
Suppliers (Note 13)	Amortized cost	(2,062,545)	(1,329,591)	(2,062,545)	(1,329,591)
Related parties (Note 8)	Amortized cost	(1,981,414)	(1,194,700)	(1,981,414)	(1,194,700)
		(19,488,145)	(14,743,112)	(19.534.753)	(14,837,212)

(1) Reported net of expenses incurred with the issuance costs.

(2) As of December 31, 2015, the caption includes derivatives designated as hedging instruments in the negative amount of R$ 714,812 (a positive amount of R$ 34,612 as of March 31, 2015). Note 23.e.

Fair value hierarchy

The Group uses the following hierarchy to determine and disclose the fair values of financial instruments:

- Level 1- prices quoted (without adjustments) in active markets for identical assets and liabilities;
- Level 2: other techniques for which all data that have a significant effect on fair value are observable, whether directly or indirectly; and,
- Level 3: techniques that use data that have a significant effect on fair value that are not based on observable market data.

Financial instruments evaluated at fair value (in most cases, only for disclosures) as of December 31, 2015	Level 1	Level 2	Level 3	Total
Financial investments (Note 3)	-	3,287,912	-	3,287,912
Derivative financial assets	221,002	1,387,011	-	1,608,013
Derivative financial liabilities	(441,267)	(171,954)	(17,534)	(630,755)
Loans and financing (Note 2.4 and 14)	-	(4,060,161)	-	(4,060,161)
Total at December 31, 2015	(220,265)	442,808	(17,534)	205,009
Total at March 31, 2015	404,941	4,155,429	687	4,561,057

As of December 31 and March 31, 2015 no transfers were made between the levels to determine the fair values of financial instruments.

(k) Sensitivity analysis

We present below the sensitivity analysis of the fair value of financial instruments according to the types of risk considered relevant by the Group.

Assumptions for the sensitivity analysis

Raízen Group has adopted three scenarios for the sensitivity analysis, one probable, as shown below, and two that may show the effects of deterioration in the fair values of the Group's financial instruments. The probable scenario was set according to the futures market curves of sugar and the US dollar as of December 31 and March 31, 2015 to determine the fair value balance of derivatives on those dates. Possible and remote adverse scenarios were set considering negative impacts of 25% and 50% on sugar and US dollar price curves, which were considered as a basis for the probable scenario.

Sensitivity table

Raízen Group simulated increases and decreases in sugar prices (US$/Ton) of +/- 25% (possible) and +/- 50% (remote):

Simulations of sugar quotations (US$/ton) December 31, 2015					
Maturity	Balance sheet date	Scenarios			
		25%	50%	-25%	-50%
02/29/2016	15.24	19.05	22.86	11.43	7.62
04/29/2016	14.92	18.65	22.38	11.19	7.46
06/30/2016	14.64	18.30	21.96	10.98	7.32
09/30/2016	14.68	18.35	22.02	11.01	7.34
02/28/2017	15.10	18.88	22.65	11.33	7.55
04/28/2017	14.87	18.59	22.31	11.15	7.44
06/30/2017	14.61	18.26	21.92	10.96	7.31
09/29/2017	14.54	18.18	21.81	10.91	7.27
02/28/2018	14.71	18.39	22.07	11.03	7.36
04/30/2018	14.59	18.24	21.89	10.94	7.30
06/29/2018	14.53	18.16	21.80	10.90	7.27
09/28/2018	14.69	18.36	22.04	11.02	7.35

Below is the sensitivity table on the fluctuation in the fair values of the Group's financial instruments under the probable, possible and remote scenarios:

		Impacts on income (*)				
	Risk factor	**Probable scenario**	**Possible scenario + (25%)**	**Balance of fair value**	**Remote scenario + (50%)**	**Balance of the fair value**
Price risk						
Derivatives - Goods						
Futures contracts						
Purchase and sale commitments	Increase in sugar price	(254,461)	(829,189)	(1,083,650)	(1,657,645)	(1,912,106)
Purchase and sale commitments	Decrease in by-products price	(21,622)	(9,489)	(31,111)	(23,723)	(45,345)
Purchase and sale commitments	Increase in ethanol price	38,306	(12,809)	25,497	(25,617)	12,689
		(237,777)	(851,487)	(1,089,264)	(1,706,985)	(1,944,762)
Exchange rate risk						
Exchange rate derivative						
Futures contracts:						
Purchase and sale commitments	Decrease in R$/US$ price	(15,584)	446,291	430,707	837,907	822,323
Forward contract and Blocking:						
Purchase and sale commitments	Price of R$/US$ had a decrease	278,898	596,865	875,763	1,143,362	1,422,260
Foreign exchange swaps:						
Purchase and sale commitments	Price of R$/US$ had a decrease	953,667	(1,513,167)	(559,500)	(3,025,779)	(2,072,112)
		1,216,981	(470,011)	746,970	(1,044,510)	172,471
Interest rate risk						
Contracts Swap, Forward and Future	Low interest rate	(1,946)	(59,450)	(61,396)	(118,882)	(120,828)
		(1,946)	(59,450)	(61,396)	(118,882)	(120,828)
Total		977,258	(1,380,948)	(403,690)	(2,870,377)	(1,893,119)

(*) Projected result to occur within 12 months from December 31, 2015.

Moreover, the Group made two simulations of increases and decreases in exchange rates (R$/US$) of +/- 25% (possible) and +/- 50% (remote) and the impacts of its assets and liabilities exposed to the US dollar.

		Foreign exchange rate simulations (R$/US$)			
		Scenarios			
Balance sheet date		**+25%**	**+50%**	**-25%**	**-50%**
December 31, 2015	3.9048	4.8810	5.8572	2.9286	1.9524
March 31, 2015	3.2080	4.0100	4.8120	2.4060	1.6040

The probable scenario considers the position as of December 31, 2015. The effects of the possible and remote scenarios that would be recognized in the consolidated and combined statement of profit or loss as revenue or expenses on exchange rate fluctuation are as follows:

		Effect of exchange variation			
		Scenarios			
Net foreign exchange exposure as of December 31, 2015		**+25%**	**+50%**	**-25%**	**-50%**
Cash and cash equivalents (Note 3)	1,501,595	375,399	750,798	(375,399)	(750,798)
Restricted cash (Note 4)	575,516	143,879	287,758	(143,879)	(287,758)
Accounts receivable from abroad (Note 5)	285,597	71,399	142,799	(71,399)	(142,799)
Related parties	17,717	4,429	8,859	(4,429)	(8,859)
Loans and financing (Note 14)	(8,311,719)	(2,077,930)	(4,155,860)	2,077,930	4,155,860
Impact on profit or loss as of December 31, 2015		(1,482,824)	(2,965,646)	1,482,824	2,965,646
Effect in profit or loss as of March 31, 2015		(1,394,912)	(2,789,824)	1. 394,912	2,789,824

The Group simulated the interest rates of floating rate loans and financing and the CDI yield on financial investments by applying increases and reduction of 25% and 50%. Consolidated results are presented below:

		December 31, 2015		
		Interest rate sensibility		
		Probable scenario	Possible scenario (+/-25%)	Remote scenario (+/-50%)
Financial investments	Decrease	301,012	225,759	150,506
	Increase	301,012	376,265	451,518
Loans and financing	Decrease	(806,554)	(604,916)	(403,277)
	Increase	(806,554)	(1,008,193)	(1,209,831)

		March 31, 2015		
		Interest rate sensibility		
		Probable scenario	Possible scenario (+/-25%)	Remote scenario (+/-50%)
Financial investments	Decrease	418,334	313,750	209,168
	Increase	418,334	522,918	627,502
Loans and financing	Decrease	(529,082)	(396,812)	(264,541)
	Increase	(529,082)	(661,353)	(793,624)

(l) Capital management

The Group's goal, when managing its capital structure, is to ensure that it will continue as a going concern and be able to finance investment opportunities, by keeping a healthy credit profile and offering an appropriate return to its shareholders.

The Group has relationships with large local and international banks and financial institutions. From August to October 2015, Moody's, Standard & Poors and Fitch Ratings, respectively, reaffirmed credit classifications of the Group as Aaa.Br, brAAA, and AAA (bra) in local scale.

	12.31.2015	03.31.2015
Third party capital		
Loans and financing (Note 14)	14,813,431	11,918,593
(-) Cash and cash equivalents (Note 3)	(3,881,375)	(4,028,230)
(-) Financial investments linked to financing (Note 4)	(56,597)	(45,829)
(-) National Treasury Certificates - CTN (Note 7)	(592,175)	(501,794)
(-) Foreign exchange and interest rate derivatives(Note 23.b)	(1,215,035)	(480,940)
	9,068,249	6,861,800
Own capital		
Equity		
Attributed to the parent company's shareholders	11,036,238	11,227,763
Interest of non-controlling shareholders	171,031	152,161
	11,207,269	11,379,924
Total own capital and third-parties	20,275,518	18,722,664
Leverage ratio	45%	37%

24. Retirement supplementation plan

Pension fund

Defined contribution

During the nine-month period ended December 31, 2015 and 2014, the contribution recognized as expenses amounted to R$ 11,219 and R$ 12,458, respectively.

25. Cash flow supplementary information

	Apr-Dec 2015	Apr-Dec 2014
Investment transactions:		
Transfer of CTC shares as debt payment (Note 9.b.iii)	(8,250)	-
Depreciation of agricultural assets capitalized as biological asset (Note 10)	(47,259)	(53,274)
Interest capitalized in property, plant and equipment assets (Notes 11 and 22)	(24,484)	(29,946)
Fuel supply exclusive rights payable	(4,060)	(28,631)
Reversal of provision for tanks removal and others	1,001	3,601
Tax credits on fixed assets, including adjustment at present value of property, plant and equipment	7,085	12,488
Repossession	(2,094)	-
	(78,061)	(95,762)
Financing transactions :		
Dividends and interest on own capital payable	(9,605)	(172,250)
Capital increase	-	1,956
	(9,605)	(170,294)

26. Subsequent events

At AGE fulfilled on January 13, 2016, RESA's shareholders approved declaration of dividends referring to earnings retained through March 31, 2015, for holders of common shares proportionately to common shares held by them in the amount of R$260,700, fully paid on January 15, 2016.

On the same date, RCSA shareholders discussed and approved destination of additional interim dividends determined from April 1, 2015 to December 31, 2015, in the amount of R$229,000. Said dividends were individually credited to Shell and Cosan shareholders in the proportion of 50%, paid on January 15, 2016. Also on January 15, 2016, interest on own capital declared by RCSA in Extraordinary Shareholders' Meeting held on December 31, 2015 was paid in the amount of R$9,605.

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