Raízen Group

Condensed combined consolidated interim financial information
December 31, 2019

(A free translation of the original report in Portuguese, conta
condensed, individual and consolidated interim financial infor
prepared in accordance with CPC 21 (R1) – Interim Financia
Reporting and IAS 34 – Interim Financial Reporting, issued b
International Accounting Standards Board (IASB))

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Report on review of condensed combined consolidated interim financial information

(A free translation of the original report in Portuguese, containing condensed combined consolidated interim financial information prepared in accordance with Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, as issued by International Accounting Standards Board (IASB))

To the Board of Directors, Shareholders and Directors of
Raízen Energia S.A. and **Raízen Combustíveis S.A.**
São Paulo - SP

Introduction
We have reviewed the condensed combined consolidated interim financial information of Raízen Energia S.A. and Raízen Combustíveis S.A. (the "Raízen Group") as of December 31, 2019, comprising condensed combined consolidated statement of financial position as of December 31, 2019 and the respective condensed combined consolidated statements of income and comprehensive income for the three and nine-month periods then ended and condensed combined consolidated statements of changes in equity and cash flows for the nine-month period then ended, including the explanatory notes of condensed combined consolidated interim financial information.

The Company's management is responsible for the preparation of this condensed combined consolidated interim financial information in accordance with Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB). This condensed combined consolidated interim financial information contains an aggregation of interim financial information condensed consolidated of Raízen Energia S.A. and Raízen Combustíveis S.A. and were prepared based on accounting records maintained by these entities. Our responsibility is to express a conclusion on this condensed combined consolidated interim financial information based on our review.

Scope of review
We conducted our review in accordance with the Brazilian and International standards on review (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 the 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 the Brazilian and international standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion on the condensed combined consolidated interim financial information
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed combined consolidated interim financial information of Raízen Energia S.A. and Raízen Combustíveis S.A. (the "Raízen Group") as of December 31, 2019 has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34.

Emphasis of matter - Basis of preparation and presentation
We draw attention to notes 1.c and 2.2 which describes the basis of preparation of theses condensed combined consolidated interim financial information of The Raízen Group. These condensed combined consolidated interim financial information of Grupo Raízen does not necessarily represent an indicative of the financial position and performance and related cash flows that would have been obtained if the Raízen Group has operated as a single legal entity. The condensed combined consolidated interim financial information were prepared to present the financial position and performance and related cash flows of the entities under indirect joint control of Cosan Limited and Royal Dutch Shell and, therefore may not be useful for other purposes. Our conclusion is unqualified in respect to this matter.

São Paulo, February 14, 2020.

KPMG Auditores Independentes
CRC 2SP014428/O-6
Original report in Portuguese signed by
Ulysses M. Duarte Magalhães
Accountant CRC 1RJ092095/O-8

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Raízen Group

Combined consolidated and condensed statements of financial position as of December 31 and March 31, 2019
In thousands of reais – R$

	Note	12/31/2019	03/31/2019
Assets			
Current assets			
Cash and cash equivalents	3	3,871,903	5,740,037
Securities	4	145,612	268,413
Restricted cash	5	603,610	275,715
Derivative financial instruments	28	1,478,154	797,405
Trade accounts receivable	6	3,633,993	3,360,364
Inventories	7	8,642,207	4,051,837
Biological assets	9	734,495	813,995
Recoverable income and social contribution taxes	20.b	733,662	1,018,941
Recoverable taxes	8	2,120,352	1,831,187
Other financial assets	10	400,825	306,457
Related parties	11	912,146	962,937
Assets from contracts with clients	12	466,233	429,718
Other receivables		375,063	465,288
Total current assets		24,118,255	20,322,294
Non-current assets			
Trade accounts receivable	6	398,655	514,544
Derivative financial instruments	28	1,081,833	856,901
Other financial assets	10	299,470	526,969
Recoverable income and social contribution taxes	20.b	533,803	441,798
Recoverable taxes	8	957,728	462,077
Related parties	11	1,364,618	1,353,760
Deferred income and social contribution taxes	20.d	937,740	507,655
Judicial deposits	21	460,970	449,117
Assets from contracts with clients	12	2,083,186	2,000,061
Other receivables		521,661	249,934
Investments	13	1,304,944	573,186
Right of use	14	4,591,128	-
Property, plant and equipment	15	15,058,512	15,334,465
Intangible assets	16	3,024,084	2,968,229
Total non-current assets		32,618,332	26,238,696
Total assets		56,736,587	46,560,990

Notes from management are an integral part of these condensed combined consolidated interim financial information.

Combined consolidated and condensed statements of financial position as of December 31 and March 31, 2019
In thousands of reais – R$ **(continued)**

	Note	12/31/2019	03/31/2019
Liabilities			
Current liabilities			
Suppliers	17	8,614,148	8,025,555
Loans and financing	18	5,058,289	1,922,661
Lease liability	19	818,168	-
Related parties	11	1,331,083	2,881,826
Derivative financial instruments	28	1,129,617	698,742
Payroll and related charges payable		486,858	543,763
Income and social contribution taxes payable	20.c	175,271	99,582
Taxes payable		438,880	487,878
Dividends and interest on own capital payable	23.b	30,229	37,553
Advances from clients	6	1,591,502	96,421
Other liabilities		707,168	812,931
Total current liabilities		20,381,213	15,606,912
Non-current liabilities			
Loans and financing	18	17,259,574	15,341,640
Lease liability	19	3,230,000	-
Related parties	11	1,136,305	421,048
Derivative financial instruments	28	122,032	43,657
Taxes payable		185,838	188,798
Provision for legal disputes	21	1,554,756	1,477,922
Deferred income and social contribution taxes	20.d	1,668,126	1,570,928
Other liabilities		460,358	518,081
Total non-current liabilities		25,616,989	19,562,074
Total liabilities		45,998,202	35,168,986
Equity	23		
Attributed to controlling shareholders		10,390,308	11,115,876
Interest of non-controlling shareholders		348,077	276,128
Total equity		10,738,385	11,392,004
Total liabilities and equity		56,736,587	46,560,990

Notes from management are an integral part of these condensed consolidated interim financial information.

Raízen Group

Condensed combined consolidated statements of income
Three and nine-month periods ended December 31, 2019 and 2018
In thousands of reais – R$

	Note	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Net operating revenue	24	31,996,773	90,997,941	28,820,809	76,019,783
Costs of products sold and services provided	25	(29,829,045)	(85,660,997)	(27,033,068)	(71,838,364)
Gross income		2,167,728	5,336,944	1,787,741	4,181,419
Operating revenue (expenses)					
Selling	25	(836,338)	(2,322,525)	(673,663)	(1,787,442)
General and administrative	25	(299,539)	(927,762)	(317,891)	(860,569)
Other operating revenue, net	26	1,144,438	1,742,589	623,053	909,824
Equity accounting result	13	(4,130)	(11,901)	35,063	26,296
		4,431	(1,519,599)	(333,438)	(1,711,891)
Income before financial results and income and social contribution taxes		2,172,159	3,817,345	1,454,303	2,469,528
Financial results	27				
Financial expenses		(425,054)	(1,498,932)	(399,493)	(1,097,159)
Financial revenues		103,714	409,774	146,615	462,927
Exchange-rate changes, net		360,285	(563,684)	368,553	(773,610)
Net effect of the derivatives		(383,801)	588,567	(105,526)	750,665
		(344,856)	(1,064,275)	10,149	(657,177)
Income before income and social contribution taxes		1,827,303	2,753,070	1,464,452	1,812,351
Income tax and social contribution	20.a				
Current		(570,318)	(1,070,086)	(275,923)	(269,926)
Deferred	20.e	71,655	246,603	(96,414)	(42,509)
		(498,663)	(823,483)	(372,337)	(312,435)
Net income for the period		1,328,640	1,929,587	1,092,115	1,499,916
Attributable to:					
Group's controlling shareholders		1,292,720	1,822,528	1,080,581	1,462,829
Group's non-controlling shareholders		35,920	107,059	11,534	37,087
		1,328,640	1,929,587	1,092,115	1,499,916

Notes from management are an integral part of these condensed consolidated interim financial information.

Raízen Group

Condensed combined consolidated statements of comprehensive income
Three and nine-month periods ended December 31, 2019 and 2018
(In thousands of reais – R$)

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Net income for the period	1,328,640	1,929,587	1,092,115	1,499,916
Comprehensive income				
Items that will not be reclassified to profit or loss				
Actuarial gain (loss), net	2,435	2,435	(1,525)	(1,525)
Deferred taxes on actuarial gain (Note 20.e.)	1,197	1,197	512	512
	3,632	3,632	(1,013)	(1,013)
Items that are or may be reclassified to statements of income or loss				
Results from financial instruments designated as hedge accounting (Note 28.e)	(20,266)	(216,321)	378,389	70,361
Income (loss) from net investment hedge in foreign entity	2,206	(15,071)	-	-
Deferred taxes on hedges (Note 20.e)	6,143	78,675	(128,652)	(23,923)
Effect of foreign currency translation	(75,249)	102,792	(94,990)	(112,719)
	(87,166)	(49,925)	154,747	(66,281)
Other components of the comprehensive income (loss) for the period	(83,534)	(46,293)	153,734	(67,294)
Total comprehensive income for the period	1,245,106	1,883,294	1,245,849	1,432,622
Attributable to:				
Group's controlling shareholders	1,209,186	1,776,235	1,234,315	1,395,535
Group's non-controlling shareholders	35,920	107,059	11,534	37,087
	1,245,106	1,883,294	1,245,849	1,432,622

Notes from management are an integral part of these condensed combined consolidated interim financial information.

Condensed combined consolidated statements of changes in equity
Nine-month periods ended December 31, 2019
In thousands of reais – R$

	Attributable to Group's shareholders	Interest of non-controlling shareholders	Total equity (*)
Balances at March 31, 2019	11,115,876	276,128	11,392,004
Comprehensive income for the period			
Net income for the period	1,822,528	107,059	1,929,587
Actuarial gain, net	3,628	4	3,632
Net loss with financial instruments designated as hedge accounting	(142,770)	-	(142,770)
Income (loss) from net investment hedge in foreign entity	(9,947)	-	(9,947)
Effect of foreign currency translation	102,792	-	102,792
Total comprehensive income for the period (Note 23.c)	1,776,231	107,063	1,883,294
Distributions to Group's shareholders			
Business combination (Note 30)	-	(11,201)	(11,201)
Dividends and interest on own capital ("JCP") (Note 23.b)	(2,486,627)	(20,441)	(2,507,068)
Other	(15,172)	(3,472)	(18,644)
Total distributions to Group's shareholders	(2,501,799)	(35,114)	(2,536,913)
Balances at December 31, 2019	10,390,308	348,077	10,738,385

(*) As disclosed in Note 1.c, the combined consolidated companies are not operated as a single legal entity.

Notes from management are an integral part of these condensed combined consolidated interim financial information.

	Attributable to Group's shareholders	Interest of non-controlling shareholders	Total equity (*)
Balances at March 31, 2018	11,607,394	225,730	11,833,124
Initial adoption of IFRS 9 (CPC 48)	(2,641)	(41)	(2,682)
Balances at April 1, 2018	11,604,753	225,689	11,830,442
Comprehensive income for the period			
Net income for the period	1,462,829	37,087	1,499,916
Actuarial loss, net	(1,013)	-	(1,013)
Net gain on financial instruments designated as hedge accounting	46,438	-	46,438
Effect of foreign currency translation	(112,719)	-	(112,719)
Total comprehensive income for the period	1,395,535	37,087	1,432,622
Distributions to Group's shareholders, net			
Capital increase	-	4,159	4,159
Business combinations	-	30,000	30,000
Dividends and interest on own capital	(1,805,800)	(25,912)	(1,831,712)
Total distributions to Group's shareholders, net	(1,805,800)	8,247	(1,797,553)
Balances at December 31, 2018	11,194,488	271,023	11,465,511

(*) As disclosed in Note 1.c, the combined consolidated companies are not operated as a single legal entity.

Raízen Group

Condensed combined consolidated statements of cash flows – Indirect method
Nine-month periods ended December 31, 2019 and 2018
In thousands of reais – R$

	Apr-Dec/2019	Apr–Dec/18
Cash flow from operating activities		
Income before income and social contribution taxes	2,753,070	1,812,351
Adjustments:		
Depreciation and amortization (Note 25)	2,591,064	1,630,243
Amortization of assets from contracts with clients (Notes 12 and 24)	382,170	330,536
Change in the fair value and realization of gain or loss of goodwill of biological assets (Note 25)	28,878	235,331
Equity accounting result (Note 13)	11,901	(26,296)
Gain on sales of property, plant and equipment (Note 26)	(70,146)	(62,831)
Net interest, inflation adjustments and exchange-rate change	1,367,463	1,089,540
Change in fair value of liabilities financial instruments (Notes 18 and 27)	229,274	190,862
Capital gain on the formation of the joint venture (Note 13.b)	(1,057,933)	-
Capital gain on dilution of ownership interest in associated company	-	(110,394)
Gain with derivative financial instruments, net	(760,942)	(1,057,760)
Change in inventories' fair value - fair value hedge (Notes 7 and 28.e)	6,055	65,250
Recognition of extemporaneous deferred tax credits and other, net	(485,603)	(174,152)
Credits from indemnity suits (Note 26)	-	(221,373)
Net reversal (formation) of estimated loss in investments and fixed and intangible assets (Notes 15, 16 and 26)	5,904	(123,859)
Other	79,969	18,605
Changes in assets and liabilities		
Trade accounts receivable and advances from clients	1,674,002	155,644
Inventories	(3,309,789)	(2,291,710)
Restricted cash	(329,877)	100,514
Payment of assets from contracts with clients	(627,482)	(540,228)
Derivative financial instruments	159,319	(30,061)
Related parties	279,502	553,003
Suppliers and advances to suppliers	544,585	741,076
Recoverable and payable taxes, net	(821,041)	(440,909)
Payroll and related charges payable	(54,382)	(132,263)
Other assets and liabilities, net	(226,473)	(138,137)
Payment of income tax and social contribution on net income	(137,904)	(194,289)
Net cash generated by operating activities	2,231,584	1,378,693
Cash flow from investment activities		
Payment for business acquisitions and investment additions	(2,112,264)	(1,654,624)
Cash received in the sale of net investment (Note 13.b)	33,518	3,662
Derecognition of cash in the formation of a joint venture (Note 13.b)	(16,226)	-
Cash obtained from business combination operation	-	19,287
Redemptions of securities, net	122,800	1,047,237
Additions to property, plant and equipment and intangible assets (Notes 15, 16 and 31)	(1,771,540)	(1,271,316)
Additions to biological assets (Notes 9 and 31)	(624,474)	(564,130)
Cash received upon disposal of fixed assets, net	158,926	101,142
Dividends received from associated companies	1,034	-
Net cash used in investment activities	(4,208,226)	(2,318,742)
Cash flow from financing activities		
Loans and financing – third parties	5,731,924	4,451,728
Amortizations of principal of loans and financing – third-parties	(1,459,985)	(1,190,624)
Payment of interest on loans and financing – third parties	(594,661)	(587,639)
Payment of lease liabilities – third parties	(896,606)	-
Payment of lease liabilities – related parties	(104,559)	-
Redemptions of financial investments linked to financing, net	10,051	13,057
Payment of dividends and interest on capital (Note 23.b)	(2,633,165)	(1,804,903)
Related parties and others	2,317	(4,992)
Net cash generated in financing activities	55,316	876,627
Decrease in cash and cash equivalents	(1,921,326)	(63,422)
Cash and cash equivalents at the beginning of the period (Note 3)	5,740,037	3,663,168
Effect of exchange-rate change on cash and cash equivalents	53,192	161,181
Cash and cash equivalents at the end of the period (Note 3)	3,871,903	3,760,927

Supplementary information to the cash flow is shown in Note 31.

Notes from management are an integral part of these condensed combined consolidated 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 company enrolled in the Brazilian Securities and Exchange Commission ("CVM") in Category B, headquartered at Avenida Brigadeiro Faria Lima, 4.100, 11º andar, Parte V, Itaim Bibi, São Paulo/SP, Brazil. RESA was established on June 1, 2011 and is indirectly and jointly controlled by Royal Dutch Shell ("Shell") and Cosan Limited ("Cosan").

RESA engages in producing and marketing sugar and ethanol, and the trading, both domestically and abroad through its subsidiaries Raízen Trading LLP ("Raízen Trading") and Raízen International Universal Corporation, and co-generating energy produced from sugarcane bagasse at its 26 plants located in Brazil's Center-Southern Region and from electric energy trading businesses.

Sugarcane farming requires a period ranging from 12 to 18 months for maturing and harvesting and generally starts between the months of April and May every year, and usually ends between November and December, period in which sugar and ethanol 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. 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 1st and ends on March 31.

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

Raízen Combustíveis S.A. ("Company", "RCSA" or "Raízen Combustíveis") is a closely-held company with head office at Avenida Almirante Barroso, 81, 36º andar, sala 36A104, in the city of Rio de Janeiro (RJ), Brazil. The Company is indirectly jointly-controlled by Royal Dutch Shell ("Shell") and Cosan Limited ("Cosan").

RCSA is mainly engaged in: (i) distributing and marketing oil and ethanol by-products, and other fluid hydrocarbons and their by-products under Shell brand; (ii) trade of natural gas; (iii) operate as franchiser and licenser of Select convenience stores; (iv) importing and exporting the products previously mentioned; (v) oil refining and production and sale of automotive and industrial lubricants and liquefied petroleum gas (LPG) through its Argentine subsidiaries; and (v) holding interests in other companies.

On November 01, 2019, RCSA and Femsa Comercio ("FEMCO") received all the necessary approvals to form the joint venture called Rede Integrada de Lojas de Conveniências e Proximidade S.A. ("Rede"). Details of this association are described in Note 13.b.

(c) Other information

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

Although they are not set up as a group pursuant to article 265 of Brazilian Corporation Law ("LSA"), companies of Raízen Group disclose such condensed combined consolidated interim financial information to provide information that best reflects their gross cash flows from operating activities.

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

As a result, this condensed combined consolidated interim financial information does not represent the individual or consolidated 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 condensed combined consolidated interim financial information and significant accounting policies

2.1. Preparation basis

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

This condensed combined consolidated interim financial information has been prepared following the basis of preparation and accounting policies consistent with the ones adopted in the preparation of annual financial statements on March 31, 2019 and should be read together. The information in the notes that had not significantly changed, when compared to March 31, 2019, were not fully repeated in this interim financial information. Select information was included to explain the main events and transactions that took place, in order to provide an understanding of the changes in the Group's financial position and operating performance since the disclosure of the annual financial statements at March 31, 2019, as well as changes in accounting policies due to the adoption of new standards and interpretations were adopted in the nine-month period ended December 31, 2019 (Note 2.4).

This Condensed combined consolidated interim financial information is presented in Brazilian Real, functional currency of the Group. The functional currency of subsidiaries operating in international economic environment is the US dollar. All the balances have been rounded to the nearest thousand, unless otherwise indicated. The financial information of each subsidiary included in the Group's consolidation, as well as those utilized as a basis to account for investments under the equity method, are prepared based on the functional currency of each company.

The preparation of this interim financial information, Management used judgments, estimates and assumptions that affect the application of accounting policies of the Group, and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed continually, and did not suffer any material changes in the preparation of this interim financial information in comparison to the annual financial statements at March 31, 2019, except for the changes that occurred due to the revision of the premises of RESA's biological assets that directly impacted the calculation.

Group's Management confirms that all relevant information characteristic of interim financial information, and only them, is being evidenced and correspond to those used by Management.

The condensed combined consolidated interim financial information was authorized for issue by Raízen Group Management on February 14, 2020.

2.2. Combination criteria

Such condensed combined consolidated interim financial information includes the following companies:

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

In the combination, the balances receivable and payable, revenues, expenses and unrealized profits arising from transactions between these companies, when applicable, were eliminated.

The breakdown of assets and equity in the periods ended December 31, 2019 and year ended March 31, 2019, as well as results and other comprehensive income for the nine-month periods ended December 31, 2019 and 2018, comprising the condensed combined consolidated interim financial information and the related combined and consolidated balances, after the elimination of intragroup transactions, are as follows:

	Total assets		Total equity	
	12/31/2019	**03/31/2019**	**12/31/2019**	**03/31/2019**
Raízen Energia S.A. and its subsidiaries	39,977,523	28,631,585	7,462,731	8,338,026
Raízen Combustíveis S.A. and its subsidiaries	26,194,602	23,558,857	3,283,008	3,064,352
	66,172,125	52,190,442	10,745,739	11,402,378
Elimination of commercial transactions, unrealized profits and financial transactions	(9,435,538)	(5,629,452)	(7,354)	(10,374)
Combined consolidated balances	56,736,587	46,560,990	10,738,385	11,392,004

	Net income (loss)		Other comprehensive income	
	Apr-Dec/2019	**Apr–Dec/18**	**Apr-Dec/2019**	**Apr–Dec/18**
Raízen Energia S.A. and its subsidiaries	(48,019)	376,245	(152,413)	431,384
Raízen Combustíveis S.A. and its subsidiaries	1,968,019	1,122,230	2,032,691	1,001,510
	1,920,000	1,498,475	1,880,278	1,432,894
Elimination of commercial transactions, unrealized profits and financial transactions	9,587	1,441	3,016	(272)
Combined consolidated income	1,929,587	1,499,916	1,883,294	1,432,622

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

2.3. Consolidation basis

On December 31 and March 31, 2019, the condensed combined consolidated interim financial information includes information on RESA and its subsidiaries, and of RCSA and its subsidiaries, exclusive investment funds. The direct subsidiaries of RCSA and RESA and investment finds are listed below:

Subsidiaries of RESA	Direct and indirect ownership interests	
	12/31/2019	03/31/2019
Agrícola Ponte Alta Ltda.	100%	100%
Benálcool Açúcar e Álcool Ltda.	100%	100%
Bioenergia Araraquara Ltda.	100%	100%
Bioenergia Barra Ltda.	100%	100%
Bioenergia Caarapó Ltda.	100%	100%
Bioenergia Costa Pinto Ltda.	100%	100%
Bioenergia Gasa Ltda.	100%	100%
Bioenergia Jataí Ltda.	100%	100%
Bioenergia Maracaí Ltda.	100%	100%
Bioenergia Rafard Ltda.	100%	100%
Bioenergia Serra Ltda	100%	100%
Bioenergia Tarumã Ltda.	100%	100%
Bioenergia Univalem Ltda.	100%	100%
Raízen Araraquara Açúcar e Álcool Ltda.	100%	100%
Raízen Ásia PT Ltd.	100%	100%
Raízen Biogás SPE Ltda.	100%	100%
Raízen Biotecnologia S.A.	100%	100%
Raízen Caarapó Açúcar e Álcool Ltda.	100%	100%
Raízen Centroeste Açúcar e Álcool Ltda.	100%	100%
Raízen GD Ltda.	100%	100%
Raízen Energy Finance Ltd.	100%	100%
Raízen Fuels Finance S.A.	100%	100%
Raízen-Geo Biogás S.A.	85%	85%
Raízen International Universal Corp.	100%	100%
Raízen North América, Inc.	100%	100%
Raízen Paraguaçú Ltda.	100%	100%
Raízen Trading LLP.	100%	100%
Raízen Biomassa S.A. ("Raízen Biomassa") (1)	81.5%	-
RWXE Participações S.A.	70%	70%
São Joaquim Arrendamentos Agrícolas Ltda.	100%	100%
Unimodal Ltda.	73%	73%
WX Energy Comercializadora de Energia Ltda.	70%	70%

(1) On December 2, 2019, RESA acquired 81.5% of the shares representing Raízen Biomassa's capital.

Subsidiaries of RCSA	Direct and indirect ownership interests	
	12/31/2019	03/31/2019
Blueway Trading Importação e Exportação Ltda.	100%	100%
Petróleo Sabbá S.A. ("Sabbá")	80%	80%
Raízen Argentina Holdings S.A.U. ("RAHSAU") (1 and 2)	-	100%
Raízen Argentina S.A. ("RASA") (1 and 2)	100%	100%
Raízen Energina S.A. (1)	100%	100%
Raízen Gás S.A. (1)	100%	100%
Deheza S.A. (1)	100%	100%
Estaciaón Lima S.A. (1)	100%	100%
Rede Integrada de Lojas de Conveniências e Proximidade S.A. (3 and 4)	-	100%
Raízen S.A.	100%	100%
Raízen Mime Combustíveis S.A. ("Mime")	76%	76%
Raízen Mime Conveniências Ltda. ("Mime Conveniências") (4)	-	91%
Raízen Sabbá Conveniências Ltda. ("Sabbá Conveniências") (4)	-	96%
Sabor Raíz Alimentação S.A. ("Sabor Raiz")	69%	69%
Saturno Investimentos Imobiliários Ltda. ("Saturno")	100%	100%

(1) Jointly called Raízen Argentina and subsidiaries;
(2) RAHSAU was incorporated by RASA in July 2019;
(3) Former Raízen Conveniências Ltda.; and,
(4) The assets and liabilities of these companies were derecognized on RCSA's consolidated statement of financial position starting from the formation of the joint venture, which occurred on November 1st, 2019.

Exclusive Investment Funds ("FI")	Total interest	
	12/31/2019	03/31/2019
Fixed income IF for private credit RJ – Banco Santander S.A.	100%	100%
Fixed income IF for private credit RAÍZEN I – Banco BNP PARIBAS BRASIL S.A.	100%	100%

2.4. Change in significant accounting policies due to the new IFRSs / CPC and IFRIC / ICPC

Except as described below, the accounting policies applied in this interim financial information are the same applied in the individual and consolidated financial statements of the Group in the year ended March 31, 2019.

Changes in accounting policies shall be also be reflected in the Group's annual, combined and consolidated financial statements for the year ending March 31, 2020.

As of April 1, 2019, the Group adopted IFRS 16 – Leases (CPC 06 (R2) – Leases) and ICPC 22 / IFRIC 23 – Uncertainties over Income Tax Treatments, issued by IASB.

2.4.1 IFRS 16 - Leases (CPC 06 (R2))

General Aspects

IFRS 16 (CPC 06 (R2)) introduces a single model of accounting of leases in the statement of financial position to lessees. A lessee recognizes an asset of right of use that represents its right to use the leased asset, and a lease liability that represents its obligation to make lease payments. Optional exemptions were available for short-term leases and low value items. The lessor's accounting remains similar to the current standard, that is, lessors continue to classify leases as financial or operating leases.

IFRS 16 (CPC 06 (R2)) replaces the existing lease standards, including CPC 06 (IAS 17) Commercial Lease Operations and ICPC 03 (IFRIC 4, SIC 15 and SIC 27) Complementary Aspects of Commercial Lease Operations and is effective, in the case of Raízen Group, as of April 1, 2019.

Based on such accounting standard, the most significant impact was that the Group recognized new assets and liabilities for its leases, formerly recognized as operating leases, in connection with agricultural leases and partnerships, lease of machinery and agricultural implements, and trucks, lease of gas stations, areas in airports, ships and real estate. In addition, the nature of expenses related to these leases were changed, since IFRS 16 (CPC 06 (R2)) replaced the linear operating lease expense for expenses of depreciation of the right of use and interest on lease liabilities.

Accounting policy

The Group recognizes a right-of-use asset and lease liabilities on the lease inception date. The asset of right of use is initially measured at cost and subsequently at cost less any accumulated depreciation and losses to recoverable value, and adjusted at the rate of the respective agreements.

The lease liabilities are initially measured at the present value of the payments of rents and leases that have not been paid on the transition date, discounted using a single nominal rate, based on the Group's indebtedness, which corresponds to approximately 100% of CDI.

The Group remeasures the lease liability when there is a change in the lease term or a change in future lease payments resulting from a change in index or rate used to determine these payments, recognizing the remeasurement value of the lease liability as adjustment to the asset of right of use.

The lease term is equivalent to the minimum non-cancellable term of the agreements and the Group does not add the periods covered by a renewal option to the lease term, except where the Group is reasonably certain that the renewal option will be exercised. For example, in the case of agricultural contracts where the Group has the renewal prerogative for a pre-established number of crops under the terms of the contract.

Transition

The Group opted to adopt the modified retrospective approach, which does not require the restatement of the corresponding values, does not affect the equity, and does not change the calculation of dividends and allows the adoption of practical expedients. Thus, the comparative information presented for the prior year was not restated, that is, it is presented as formerly reported according to CPC 06 (IAS 17) and related interpretations.

In addition, the following main practical expedients were used for the transition to the new requirements of lease accounting: (a) adoption of IFRS 16 (CPC 06 (R2)) to all the agreements signed prior to April 1, 2019 which were identified as leases according to CPC 06 (IAS 17) and related interpretations; (b) use of a single nominal discount rate to all the agreements; (c) there was no recognition of agreements expiring within the twelve-month period commencing on the date of first adoption of the standard or with indefinite terms; (d) the options of extension of term or rescission were considered, when applicable.

In the Group's view, the analyzes associated with the measurement and recognition of rental and lease agreements were substantially completed. For purposes of measurement and recognition of rental and lease agreements, the Group used the gross tax portion and the nominal discount rate in this interim financial information in line with the last guidelines of regulators.

The table below summarizes the first impacts of the adoption of IFRS 16 (CPC 06 (R2)).

	Disclosed at 03/31/2019	Initial adoption adjustment to IFRS 16 (CPC 06 (R2))	Note	Balance at 04/01/2019
Assets				
Current assets				
Other receivables	465,288	(132,997)		332,291
Other assets	19,857,006	-		19,857,006
Total current assets	20,322,294	(132,997)		20,189,297
Non-current assets				
Right to use	-	4,484,623	14	4,484,623
Other assets	26,238,696	-		26,238,696
Total non-current assets	26,238,696	4,484,623		30,723,319
Total assets	46,560,990	4,351,626		50,912,616
Liabilities				
Current liabilities				
Lease liability	-	826,099	19	826,099
Related parties	2,881,826	134,048	11	3,015,874
Other liabilities	12,725,086	-		12,725,086
Total current liabilities	15,606,912	960,147		16,567,059
Non-current liabilities				
Lease liability	-	2,804,768	19	2,804,768
Related parties	421,048	586,711	11	1,007,759
Other liabilities	19,141,026	-		19,141,026
Total non-current liabilities	19,562,074	3,391,479		22,953,553
Equity	11,392,004	-		11,392,004
Total liabilities and equity	46,560,990	4,351,626		50,912,616

2.4.2 ICPC 22 / IFRIC 23 – Uncertainties in relation to tax treatments

This interpretation clarifies how to apply recognition and measurement requirements of CPC 32 – Income taxes (IAS 12 – Income Taxes) in case there is uncertainty on income tax treatments and social contribution on net income. In these circumstances, the entity must recognize and measure its current or deferred tax assets or liabilities by applying requirements of CPC 32 (IAS 12), based on taxable income (tax loss), tax bases, taxable losses not used, tax credits not used, and tax rates, determined in accordance with this interpretation. This interpretation is effective, in the case of the Group, as of April 1, 2019 and no impacts had been identified in connection with such interpretation and which had not been disclosed in the financial statements and Condensed combined consolidated interim financial information of the Group.

2.4.3 Other information

On April 1, 2019, there were no impacts on the statements of income, comprehensive income, changes in equity, cash flows and as a result of the amendments made to the new CPC/IFRS and ICPC/IFRIC mentioned above.

3. Cash and cash equivalents

		Weighted average remuneration			
	Index	12/31/2019	03/31/2019	12/31/2019	03/31/2019
Funds in banks and in cash				2,373,018	2,330,582
Values awaiting foreign exchange closure				81,428	162,854
Interest earnings bank deposits:					
Bank deposit certificate (CDB) and commitments	CDI	99.5%	99.0%	933,719	3,246,601
Time deposit	Fixed rate	2.0% p.a.	-	483,738	-
				1,417,457	3,246,601
				3,871,903	5,740,037
Domestic (domestic currency)				1,177,096	3,590,994
Abroad (foreign currency) (Note 28.d)				2,694,807	2,149,043
				3,871,903	5,740,037

4. Securities

		Weighted average remuneration			
	Index	12/31/2019	03/31/2019	12/31/2019	03/31/2019
Financial Treasury Bills ("LFT")	Selic	100.0%	100.0%	145,612	268,413
				145,612	268,413

5. Restricted cash

		Weighted average remuneration			
	Index	12/31/2019	03/31/2019	12/31/2019	03/31/2019
Financial investments linked to financing	CDI	100.0%	100.0%	50,108	57,846
Financial investments linked to derivative operations (Note 28.g)	CDI	101.1%	101.3%	88,683	64,830
Margin on derivative operations (Note 28.g)				464,819	153,039
				603,610	275,715
Domestic (domestic currency)				138,791	122,676
Abroad (foreign currency) (Note 28.d)				464,819	153,039
				603,610	275,715

6. Trade accounts receivable

	12/31/2019	03/31/2019
Domestic (domestic currency)	3,009,689	2,790,186
Abroad (foreign currency) (Note 28.d)	691,816	642,922
Funding to clients (i)	511,740	636,756
Estimated loss from allowance for doubtful accounts	(180,597)	(194,956)
	4,032,648	3,874,908
Current	(3,633,993)	(3,360,364)
Non-current	398,655	514,544

(i) Client financing substantially 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 recognized under Accounts receivable to secure financial transactions.

The maximum exposure to credit risk on the statement of financial positiondate is the book value of each of the types of accounts receivable mentioned above.

The aging schedule of trade and other receivables and funding to clients is as follows:

	12/31/2019	03/31/2019
Falling due	3,557,989	3,514,391
Overdue (days):		
Up to 30	126,608	101,341
31–90	84,729	49,688
>90	443,919	404,444
	4,213,245	4,069,864

For long overdue trade and with no estimated loss, the Group has real guarantees as mortgage and credit letters.

The estimated loss in allowance for doubtful accounts was calculated based on credit risk analysis, which contemplates loss history, individual situation of clients, situation of the corporate group to which they belong, real guarantees for debts and the assessment of the legal advisors.

Allowance for doubtful accounts is considered sufficient by Management to cover possible losses on amounts receivable; movement is as follows:

March 31, 2019	(194,956)
Reversal of estimated loss, net	9,024
Derecognition upon formation of the joint venture	5,557
Effect of foreign currency translation	(222)
December 31, 2019	(180,597)

As of December 31, 2019, the Group had the amount of R$ 1,591,502 (R$ 96,421 as at March 31, 2019) recorded in current liabilities, under "Advances from clients" caption, which substantially refer to the receipts from foreign clients for acquisition of sugar, as well as prepayments by clients for purchase of fuels. When applicable, accounts receivable and advances from clients are presented net.

7. Inventories

	12/31/2019	03/31/2019
Finished goods:		
Ethanol	2,556,524	644,158
Sugar	1,916,590	91,586
Diesel (1)	1,582,041	988,732
Gasoline (1)	1,229,295	1,131,360
Jet fuel (Jet A-1)	184,425	127,967
Other oil by-products (2)	191,102	220,665
Oil (crude) (3)	216,339	231,649
Other oil by-products (3)	218,259	204,611
Materials, supplies and others	571,353	448,166
Estimated loss for net realizable value and obsolescence	(23,721)	(37,057)
	8,642,207	4,051,837

(1) As of December 31, 2019, these inventories are added fair value (Note 28.e) in the amount of R$ 31,709 (R$ 37,764 as of March 31, 2019), with a negative impact in the income (loss) for the nine-month period then ended was R$ 6,055 (negative impact of R$ 65,250 as of December 31, 2018). The Group uses the Tier 2 hierarchy to determine and disclose said fair value.

(2) Substantially refers to inventories of fuel oil, lubricants and asphalt.

(3) Raw material and intermediate products arising from the production process of the Raízen Argentina operation.

The movement in the estimated loss for net realizable value and obsolescence is as follows and was recognized in the statement of income under the caption Cost of products sold and services rendered:

March 31, 2019	(37,057)
Estimated loss	(5,429)
Reversal and write-off	20,505
Business combination	(1,740)
December 31, 2019	(23,721)

8. Recoverable taxes

	12/31/2019	03/31/2019
Value-added tax on sales and services ("ICMS")	1,173,630	665,339
ICMS credits generated in acquisition of property, plant and equipment	44,443	35,187
Social Integration Program ("PIS") and Contribution for the Financing of Social Security ("COFINS") (i)	1,233,597	905,320
Value added tax ("IVA")	374,222	425,781
Other	281,186	290,635
Estimated loss on realization of taxes	(28,998)	(28,998)
	3,078,080	2,293,264
Current	(2,120,352)	(1,831,187)
Non-current	957,728	462,077

(i) ICMS on the calculation basis of PIS and COFINS

Since the adoption of the non-cumulative PIS and COFINS tax regime, the Group has been legally claiming the right to exclude ICMS from the PIS and COFINS calculation basis. During the nine-month period ended December 31, 2019, the Group concluded that the necessary legal assuredness for the recognition of said tax credits was achieved, in light of the fact that certain events occurred that solidified the understanding that the decision of March 15, 2017 by *Supremo Tribunal Federal´s* (Brazil's Federal Supreme Court) ensures the taxpayer's right to exclude ICMS from the PIS and COFINS calculation basis. Management's understanding is supported by legal opinions issued by legal advisors.

Thus, the Group recognized the credits consolidated in the amount of R$ 437,510 under Recoverable taxes from certain lawsuits with final and unappealable decisions by STF for the whole period as of 5 years from the date of filing of lawsuits and, in the case of the lawsuits without final and unappealable decisions, the credits as of October 2, 2017. These consolidated credits were recognized in the income (loss) for the period in the amount of R$ 298,979.

Furthermore, consolidated credits in the amount of R$ 138,531, whose taxable event precedes the establishment of Raízen, as part of the process of establishment Raízen by Cosan and Shell shareholders in the caption Related parties (Note 11.a.1) in non-current liabilities, and shall be refunded as they are used by the Group.

9. Biological assets

The Group's biological assets correspond to uncut sugarcane cultivated in sugarcane crops that will be used as raw material for production of sugar, ethanol and bioenergy at harvest time. Fair value is evaluated using the cash flow discounted at present value method. The valuation model considers the present value of the cash flows expected to be generated, including projections of up to two years, considering the estimates of effective date of cutting of standing sugarcane.

The cultivated areas represent only sugarcane crops, not considering plots of land where these crops are, which are recognized as fixed assets.

The following assumptions were used in the determination of the fair value:

	12/31/2019	03/31/2019
Estimated harvest area (hectares)	446,813	435,341
Amount of ATR per hectare	10.19	10.18
Average ATR price per Kg projected (R$/Kg)	0.65	0.62

As of December 31, 2019, cash flows were discounted at 5.12% (6.72% as of March 31, 2019) which is the WACC (Weighted Average Capital Cost) of the Group.

The Group periodically reviews assumptions used to calculate biological assets, adjusting it in case there are significant changes in relation to those previously projected.

Movement in biological assets (sugarcane) is detailed below:

March 31, 2019	813,995
Additions of sugarcane treatments	643,023
Absorption of harvested sugarcane costs	(693,645)
Change in fair value	(39,113)
Realization of fair value	10,235
December 31, 2019	734,495

10. Other financial assets

	12/31/2019	03/31/2019
Credits from indemnity suits - refundable (1)	95,439	89,916
Credits from indemnity suits - own (2)	210,936	221,373
National Treasury Certificates - CTN (3)	393,820	521,943
Other	100	194
	700,295	833,426
Current	(400,825)	(306,457)
Non-current	299,470	526,969

(1) Credits from legal disputes on which a final judgment favorable to RESA was passed made, 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 liabilities in the related parties caption (Note 11.a.1), given that RESA has the obligation to reimburse those receivables to Cosan when they are actually collected. These credits yield IPCA-E (Special Amplified Consumer Price Index) and Selic rate change plus annual interest of 6% as applicable.

(2) Receivables from a final and unappealable judgment in favor of RESA, relating to the lawsuit of the Instituto do Açúcar e do Álcool ("IAA") against the Federal Government, filed by Copersucar in 1990. The lawsuit involves the awarding of compensation for losses caused to the mills by the Federal Government when setting prices below market prices.

(3) 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 2019 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 tends to be equivalent to the principal value of the debt due under PESA and may be used for settlement. In the nine-month period ended December 31, 2019, RESA redeemed R$ 162,844 for settlement of PESA.

11. Related parties

(a) Summary of related party balances

	12/31/2019	03/31/2019
Assets		
Assets classification per currency:		
Domestic (domestic currency)	2,042,368	2,005,858
Abroad (foreign currency) (Note 28.d)	234,396	310,839
	2,276,764	2,316,697
Framework agreement (1)		
Shell Brazil Holding B.V.	918,418	895,817
Cosan S.A.	658,155	628,593
Shell Brasil Petróleo Ltda.	64,931	63,465
Other	8,742	9,024
	1,650,246	1,596,899
Commercial and administrative operations (2)		
Rumo Group (f)	123,953	152,926
Nova América Agrícola Caarapó Ltda.	112,011	110,952
Shell Group (l)	256,461	289,311
Agroterenas S.A.	43,835	34,948
Raízen and Wilmar Sugar Pte. Ltd.	13,145	56,047
Other	77,113	73,951
	626,518	718,135
Corporate restructuring		
Geo Energética Participações S.A.	-	1,663
	-	1,663
	2,276,764	2,316,697
Current assets	(912,146)	(962,937)
Non-current assets	1,364,618	1,353,760

	12/31/2019	03/31/2019
Liabilities		
Classification of liabilities per currency:		
Domestic (domestic currency)	1,915,090	1,011,137
Abroad (foreign currency) (Note 28.d)	552,298	2,291,737
	2,467,388	3,302,874
Framework agreement (1)		
Cosan S.A.	603,234	458,507
Shell Brasil Petróleo Ltda.	132,540	118,039
Shell Brazil Holding B.V.	44,282	32,891
Other	13,641	1,282
	793,697	610,719
Financial operations		
Shell Finance (Netherlands) B.V.	922	2,478
Cosan S.A.	784	2,106
Other	4	5
	1,710	4,589
Commercial and administrative operations (2)		
Raízen and Wilmar Sugar Pte. Ltd.	6,741	79,967
Shell Group (l)	514,910	250,803
Agroterenas S.A.	83,444	15,703
Nova América Agrícola Caarapó Ltda.	41,963	19,464
Nova América Agrícola Ltda.	36,835	9,769
Other	53,922	55,945
	737,815	431,651
Preferred shares (3)		
Shell Brazil Holding B.V.	165,384	290,809
Cosan S.A.	5,161	5,161
	170,545	295,970
Purchase of ownership interest (5)		
B. V. Dordtsche Petroleum Maatschappij (“DPM”)	8,505	553,342
Shell Overseas Investments B.V. (“SOI”)	22,483	1,406,603
	30,988	1,959,945
Lease liabilities		
Radar Propriedades Agrícolas S.A.	145,214	-
Aguassanta Agrícola S.A.	135,607	-
Nova Agrícola Ponte Alta S.A.	105,617	-
Nova Amaralina S.A. Propriedades Agrícolas	54,637	-
Jatobá Propriedades Agrícolas Ltda.	61,647	-
Terrainvest Propriedades Agrícolas S.A.	52,592	-
Other	177,319	-
	732,633	-
	2,467,388	3,302,874
Current liabilities	(1,331,083)	(2,881,826)
Non-current liabilities	1,136,305	421,048

(1) Framework agreement

As of December 31, 2019, the amounts recorded in assets and liabilities refer to recoverable or refundable balances of Group shareholders, since they are related to the period prior to the formation of Raízen. In the nine-month period ended December 31, 2019, the Group recognized the amount of R$ 138,531 referring to the exclusion of ICMS from the PIS and COFINS tax calculation basis. See Note 8.

(2) Commercial and administrative operations

On December 31, 2019, the sum stated in assets refers to transactions for the sale of goods, such as gasoline, diesel, jet fuel, sugar and ethanol.

As of December 31, 2019, the amount recorded in liabilities substantially refers to the business operations of purchase of products and rendering of services (freights and warehousing), as well as advances from clients to sugar export.

(3) Preferred shares

Mostly tax benefits to reimburse Shell and Cosan, when effectively utilized by the Group, determined based on NOLs and tax benefits on goodwill amortization ("GW") from prior years before the Raízen Group's formation. Reimbursement shall occur through distribution of disproportionate dividends and/or capital decrease to holders of B and E class preferred shares (liability financial instrument).

At the Special Shareholders' Meeting ("AGE") held on September 5, 2019, the RCSA's shareholders approved the redemption of Class E preferred shares in the amount of R$ 129,412. See Note 23.a.2.

(4) Purchase of ownership interest

The amount recorded in liabilities refers to the residual portion retained by RCSA, resulting from the discussion of price adjustment on the amounts paid to SOI and DPM, for the acquisition of the Shell Group's downstream business in Argentina.

The movement in such liability during the nine-month period ended December 31, 2019 is as follows:

	12/31/2019
March 31, 2019	1,959,945
Payments to SOI and DPM	(2,054,650)
Financial results	93,306
Adjustment to present value of considerations payable (Note 30)	18,841
Other	13,546
December 31, 2019	30,988

As mentioned in Note 11, of annual financial statements on March 31, 2019, RCSA considers part of this debt as hedge of net investment in foreign entity. During the nine-month period ended December 31, 2019, RCSA classified foreign exchange losses on equity under the caption Equity valuation adjustments, in the amount of R$ 15,071, whose balance of losses on this date is R$ 69,306 (losses of R$ 54,235 as of March 31, 2019).

(5) Lease liabilities

Movement in lease liabilities, during the nine-month period ended December 31, 2019, is as follows:

Balance at March 31, 2019	-
Initial adoption of IFRS 16 (CPC 06 (R2))	720,759
Balances at April 1, 2019	720,759
Additions	26,468
Payments	(19,093)
Write-offs	(104,559)
Interest	47,964
Remeasurements	61,094
Balance at December 31, 2019	732,633
Current	(149,712)
Non-current	582,921

(b) Summary of related-party transactions (k)

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Sale of products				
Raízen and Wilmar Sugar Pte. Ltd.	119.687	255.521	7.617	926.028
Rumo Group (f)	323.564	962.421	322.924	952.757
Agricopel Group (j)	226,006	637,655	223,761	641,950
Shell Group (l)	710,296	2,030,966	469,116	1,167,874
Other	19.446	68.038	14.445	63.195
	1,398,999	3,954,601	1,037,863	3,751,804
Purchase of goods and services				
Rumo Group (f)	(100.199)	(310.964)	(84.944)	(332.654)
Agroterenas S.A.	(69.536)	(277.808)	(41.667)	(199.271)
Shell Group	(1.201.933))	(3.565.056)	(1.051.283)	(1.904.647)
Nova América Agrícola Ltda.	(43.516)	(140.744)	(40.364)	(126.575)
Nova América Agrícola Caarapó Ltda.	(35.863)	(141.276)	(55.438)	(128.218)
Agricopel Group	(20.496)	(72.690)	(23.432)	(62.395)
Other	(57.844)	(122.399)	(37.005)	(85.228)
	(1,529,387)	(4,630,937)	(1,334,133)	(2,838,988)
Renewed collection of shared expenses (a)				
Comgás – Companhia de Gás de São Paulo	8.020	22.538	9.384	27.560
Rumo Group (f)	8.591	24.999	6.864	20.133
Cosan Lubrificantes e Especialidades S.A.	2.011	5.431	1.764	4.780
Other	2.241	5.876	1.180	4.464
	20,863	58,844	19,192	56,937
Land leases				
Radar Group (g)	-	-	(18,435)	(54,020)
Janus Brasil Participação S.A.	-	-	(7.164)	(22.147)
Tellus group (h)	-	-	(5.281)	(16.485)
Aguassanta Group (i)	-	-	(3.118)	(8.973)
Barrapar Participações S.A.	-	-	-	(20)
	-	-	(33,998)	(101,645)
Financial revenue (expense) (b)				
Cosan S.A.	(13.582)	9.208	(1.206)	(4.912)
Shell Group	3.525	(7.195)	5.145	15.959
Nova América Agrícola Caarapó Ltda.	1.008	4.151	1.218	4.943
SOI and DPM	(26.669)	(78.235)	29.337	29.337
Other	(14,566)	(46,108)	(57,086)	(145,396)
	(50,284)	(118,179)	(22,592)	(100,069)
Revenues from services (c)				
Shell Group	4,634	6,593	983	14,071
Agricopel Group	836	2.320	47	111
Other	552	1.781	2	8
	6,022	10,694	1,032	14,190
Services expenses (d)				
Shell Group	(6,398)	(20,926)	(7,313)	(18,928)
Other	(5)	(6)	-	-
	(6,403)	(20,932)	(7,313)	(18,928)

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

(b) Financial expenses basically consist of expenses incurred with commissions on available credit facilities and restatement of balances of advances granted to finance sugar cane crops as well as the foreign exchange rate of commercial activities from imports and sales of fuel and interest and exchange-rate change and adjustment to present value on balance payable to SOI and DPM for the acquisition of Raízen Argentina.

(c) They mainly consist of commissions on the sales of lubricants to Shell.

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

(e) Group's purchase transactions from Shell Trading US Company are substantially represented by those originated from imports of ethanol and its by-products in foreign market.

(f) The term Rumo Group refers to the railway and port operations represented by the companies Rumo S.A., Elevações Portuárias S.A, Logispot Armazéns Gerais S.A., Rumo Malha Sul S.A., Rumo Malha Oeste S.A., Rumo Malha Paulista S.A., Rumo Malha Norte S.A., ALL América Latina Logística Rail Management, Portofer Transporte Ferroviário Ltda. and Brado Logística S.A.

(g) The term Radar Group refers to the purchase, sale and rental of own properties, represented mainly by the companies Radar Propriedades Agrícolas S.A., Nova Agrícola Ponte Alta S.A., Nova Amaralina S.A., Bioinvestiments Negócios e Participações S.A. and Proud Participações S.A..

(h) The term Tellus Group refers to the purchase, sale and rental of own properties, represented mainly by the companies Tellus Brasil Participações S.A., Terrainvest Propriedades Agrícolas S.A. and Agrobio Investimentos e Participações S.A..
(i) The term Aguassanta Group refers to the purchase, sale and rental of own properties, represented mainly by the companies Aguassanta Participações S.A., Santa Bárbara Agrícola S.A., Aguassanta Agrícola Ltda., Aguapar Agrícola Ltda. and Palermo Agrícola S.A..
(j) The term Agricopel Group refers to the trading of fuel presented mainly by the companies Agricopel Comércio de Derivados de Petróleo Ltda. and Posto Agricopel Ltda., whose relationship occurs through FIX Investimentos Ltda., which is the non-controlling shareholder of Mime.
(k) Transactions with related parties are entered into under reasonable and cumulative conditions, in line with those prevailing in the market or that the Group would contract with third parties.
(l) The term Shell Group refers to commercial operations, mainly by the companies Shell Aviation Limited and Shell Trading US Company.

(c) Directors and members of the Board of Directors

Fixed and variable remuneration pay to Group's key personnel, including statutory officers and members of the Board of Directors that is recognized in the income (loss) for the nine-month ended December 31, 2019 and 2018 is as follows:

	Apr-Dec/2019	Apr–Dec/18
Regular remuneration	(42,541)	(41,647)
Bonuses and other variable remuneration	(31,045)	(25,789)
Total remuneration	(73,586)	(67,436)

(d) Other significant information involving related parties

RCSA has a credit facility agreement in the total amount of US$ 700,000 thousand, not used until the end of this interim financial information, as follows:

Beneficiary	Institution	Amount in USD	Maturity
Raízen Combustíveis	Shell Finance (Netherlands) B.V. and Cosan S.A.	700,000	May 2021

12. Assets from contracts with clients

This is equal to bonuses granted to RCSA's clients and depends on terms and future performance, in particular of the volumes as provided in supply agreements. Inasmuch as contractual conditions are met, bonuses are amortized and recognized in the income figures, in Taxes, deductions and rebates on sales (Note 24).

Balances at March 31, 2019	2,429,779
Additions	501,354
Amortization	(382,170)
Effect of foreign currency translation	456
Balances at December 31, 2019	2,549,419
Current	(466,233)
Non-current	2,083,186

13. Investments

				Investments (1)		Equity accounting result	
	Country	Business	Equity interest percentage	12/31/2019	03/31/2019	Apr-Dec/2019	Apr–Dec/18
Book value							
Jointly-controlled subsidiary							
Rede Integrada de Lojas de Conveniência e Proximidade S.A. (3)	Brazil	Convenience stores and proximity	50.00%	709,783	-	4,971	-
Raízen and Wilmar Sugar Pte. Ltd.	Singapore	Trading	50.00%	35,492	35,601	(1,099)	17,658
Associated companies							
Centro de Tecnologia Canavieiras S.A.	Brazil	R&D	19.58%	119,778	116,717	3,847	2,661
Logum Logística S.A.	Brazil	Logistics	30.00%	315,257	314,269	(16,980)	(20,144)
Uniduto Logística S.A.	Brazil	Logistics	46.48%	48,859	48,709	(2,640)	26,121
Termap S.A.	Argentina	Maritime terminal	3.50%	279	268	-	-
Latitude Logística Portuária S.A.	Brazil	Port activities	50.00%	4,384	-	-	-
Navegantes Logística Portuária S.A.	Brazil	Port activities	33,33%	8,548	-	-	-
Nordeste Logistica I S.A.	Brazil	Port activities	33,33%	180	-	-	-
Nordeste Logistica II S.A.	Brazil	Port activities	33,33%	2,433	-	-	-
Nordeste Logistica III S.A.	Brazil	Port activities	33,33%	2,329	-	-	-
				1,247,322	515,564	(11,901)	26,296
Investment goodwill (2)							
Uniduto Logística S.A.				5,676	5,676	-	-
Centro de Tecnologia Canavieira S.A.				51,946	51,946	-	-
				57,622	57,622	-	-
Total investments				1,304,944	573,186	(11,901)	26,296

(1) Investments assessed under the equity method;

(2) Goodwill on the purchase and transfer of shares; and

(3) As of December 31, 2019, the investment considers the adjustment to fair value in the amount of R$ 518,090.

The movement in the investments in jointly-owned subsidiaries and associated companies is as follows:

Balance at March 31, 2019	573,186
Equity accounting result	(11,901)
Additions (Note 13.b)	38,628
Capital gain on the formation of the joint venture	704,815
Dividends	(1,034)
Effect of foreign currency translation and other	1,250
Balance at December 31, 2019	1,304,944

(a) Summarized financial information on investments, considering adjustments to equity value, when applicable.

The main associated companies' and jointly-owner subsidiaries' accounts, are as follows:

- December 31, 2019

	Logum Logística S.A. (1)/(2)	Uniduto Logística Ltda. (1)/(2)	Centro de Tecnologia Canavieira S.A. (2)/(4)	Iogen Energy Corporation (3)	Raízen and Wilmar Sugar PTE Ltd. (4)	Rede Integrada de Lojas de Conveniência e Proximidade S.A. and subsidiaries (4)/(5)
Assets	2,292,578	105,125	806,282	35,835	252,285	422,040
Liabilities	(1,241,722)	(7)	(194,547)	(321,335)	(181,302)	(37,251)
Equity	1,050,856	105,118	611,735	(285,500)	70,983	384,789
Nine-month period ended December 31, 2019						
Net operating revenue	114,636	-	158,174	-	51,260	19,903
Net income/(loss)	(56,606)	(5,679)	19,723	(1,318)	(2,122)	10,279
Nine-month period ended December 31, 2018						
Net operating revenue	140,892	-	130,161	-	1,383,639	-
Net income/(loss)	(92,600)	(32)	13,590	(845)	35,911	-

(1) The fiscal year of these investees ends on December 31.
(2) Significant influence over these companies has been defined, mainly, based on the Group's right to elect key management personnel and to decide on their significant operational and some 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 form an estimated loss for shareholders' deficit of loss of equity-accounted investees, given that it has no legal or constructive obligations to make payments on account of that company.
(4) The fiscal year of these investees ends on March 31.
(5) Income from the formation of the joint venture.

- March 31, 2019

	Logum Logística S.A. (1)/(2)	Uniduto Logística Ltda. (1)/(2)	Centro de Tecnologia Canavieira S.A. (2)/(4)	Iogen Energy Corporation (3)	Raízen and Wilmar Sugar PTE Ltd. (4)
Assets	2,101,565	104,814	789,042	29,267	593,148
Liabilities	(1,054,003)	(7)	(192,949)	(296,033)	(521,946)
Equity	1,047,562	104,807	596,093	(266,766)	71,202

(b) Investment transactions in jointly-owned subsidiaries and associated companies in the nine-month period ended December 31, 2019

Capital increase in Logum Logística S.A. ("Logum")

During the nine-month period ended December 31, 2019 capital increases by the Company were resolved, approved and subscribed totaling R$ 59,900. The sum underwritten by RESA in these transactions totaled R$ 17,970, fully paid-in in current account.

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

Capital increases in Uniduto Logística S.A. ("Uniduto")

During the nine-month period ended December 31, 2019 capital increases by the Company were resolved, approved and subscribed totaling R$ 5,990. The sum underwritten by RESA in these transactions totaled R$ 2,784, fully paid-in in current account.

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

Share subscription in new logistics entities

During the nine-month period ended December 31, 2019, the shares were subscribed in new entities whose business purpose comprises port exploration and logistics, in the amount of R$ 17,874, paid in November 2019.

Establishment of the Rede joint venture ("JV Rede")

On August 6, 2019, RCSA and its former subsidiary Raízen Convenências entered into a Share & Purchase and Investment Agreement with FEMCO, which provides for the terms and conditions for the acquisition of ownership at Raízen Convenências by FEMCO, as well as the establishment of a joint venture in Brazil ("Transaction").

FEMCO operates in the Proximity segment, operating the OXXO brand, with over 18,000 stores in Mexico, Chile, Colombia and Peru, has a healthcare division, which includes pharmacies and related activities, and is present in the fuel segment, operating the OXXO Gas, a network of gas stations.

Upon the closing of said Transaction, FEMCO became the holder of 50% of Raízen Convenências' capital through the subscription of new shares and the purchase of existing shares currently held by RCSA in the company's capital. An Enterprise Value of R$ 1,122,000 was considered for the transaction, based on the assumption of acquisition of ownership interest in a company free of any debt or cash.

With the implementation of the Transaction, which took place on November 01, 2019, RCSA and FEMCO became shareholders of Raízen Conveniências, currently called Rede, at a proportion of 50/50 of the share capital.

The JV Rede will have its own professional and corporate governance structure.

The purpose of this Transaction is to expand the "Shell Select" brand convenience store franchise business and to develop the business of proximity stores outside the gas stations under the "OXXO" brand, whose partnership represents an important step for the expansion in the convenience and proximity market in Brazil, ensuring even more efficiency for the Raízen Group's investments in its operations, besides offering a better value proposition to franchisees.

At the Extraordinary General Meeting held on October 31, 2019, the capital increase of Raízen Conveniências (currently called Rede) was approved by FEMCO, in the amount of R$ 323,928, through the issuance of 8,198,159 new common shares, subscribed and paid-in in Brazilian currency. On this date, the change of name from "Raízen Conveniências" to "Rede Integrada de Lojas de Conveniência e Proximidade S.A." was approved.

On November 01, 2019, RCSA sold 9,639,719 common shares to FEMCO, corresponding to a 27.02% stake, thereby establishing, as of that date, the formation of the JV Rede, for the amount of R$ 400,221, with R$ 33,518 being paid on that date and R$ 366,703 to be paid in five semi-annual installments until April 2022.

As a result of this Transaction, RCSA recognized – in Income (loss) for the period, under the heading of Other Operating revenues, Net (Note 23), gains related to the dilution of shareholdings, disposal of shares and the fair value in the formation of the JV Rede, in the amounts of R$ 240,529, R$ 299,314 and R$ 518,090, respectively.

The derecognition of assets and liabilities in the consolidated statement of financial position, as an effect resulting from the formation of the JV, was as follows:

Captions	**Amount**
Cash and cash equivalents	340,154
Accounts receivable	50,929
Deferred taxes (Note 20.e)	1,164
Right-of-use (Note 14)	522
Property, plant and equipment (Note 15)	1,637
Intangible assets (Note 16)	10,928
Lease liabilities (Note 19)	(645)
Payroll and related charges payable	(4,259)
Income taxes and contribution payable	(6,480)
Taxes payable	(3,888)
Provision for legal disputes (Note 21)	(350)
Other liabilities, net	(15,203)
Net effect from derecognition of financial assets and liabilities	374,509
Effect from derecognition of cash in operation:	
Cash and cash equivalents	340,154
FEMCO's capital increase was carried out on October 31, 2019	(323,928)
Total derecognition of cash in Consolidated	16,226

14. Right of use

	Land	Property	Aircrafts, Crafts and Vehicles	Machinery and equipment	Industrial park	Total
Cost or evaluation::						
March 31, 2019	-	-	-	-	-	-
Adoption of IFRS 16 (CPC 06 (R2)) (Note 2.4)	3,582,128	209,420	435,474	173,589	84,012	4,484,623
April 1,2019	3,582,128	209,420	435,474	173,589	84,012	4,484,623
Additions	665,846	13,568	147,550	25,384	-	852,348
Write-off	(111,036)	(23,626)	-	(417)	-	(135,079)
Remeasurements	435,023	5,244	(6,368)	2,210	5,340	441,449
Derecognition in the formation of the joint venture (Note 13.b)	-	-	(755)	-	-	(755)
Business combination (Note 30)	-	111	-	-	-	111
Effect of foreign currency translation	1,955	2,329	14,514	-	-	18,798
December 31, 2019	4,573,916	207,046	590,415	200,766	89,352	5,661,495
Accumulated amortization:						
March 31, 2019	-	-	-	-	-	-
Amortization in the period	(817,261)	(59,942)	(147,393)	(39,113)	(5,831)	(1,069,540)
Derecognition upon formation of the joint venture (Note 13.b)	-		233	-	-	233
Business combination (Note 30)	-	(87)	-	-	-	(87)
Effect of foreign currency translation	(130)	(243)	(600)	-	-	(973)
December 31, 2019	(817,391)	(60,272)	(147,760)	(39,113)	(5,831)	(1,070,367)
Net residual value	3,756,525	146,774	442,655	161,653	83,521	4,591,128

15. Property, plant and equipment

	Lands and rural properties	Buildings and improvements	Machinery, equipment and facilities	Aircrafts, vessels and vehicles	Furniture, fixtures and IT equipment	Works in progress	Frequently replaced parts and accessories	Sugarcane planting	Other	Total
Cost ou evaluation:										
March 31, 2019	1,105,625	2,795,393	12,528,752	725,985	274,316	1,083,522	1,245,182	5,638,459	42,470	25,439,704
Additions	-	6,414	24,572	429	590	816,883	320,321	511,820	24,451	1,705,480
Business combination (Note 30)	578	59,339	67,926	2,673	542	-	-	-	-	131,058
Write-offs	(48,283)	(27,389)	(85,507)	(33,900)	(4,419)	-	-	-	(7,200)	(206,698)
Formation of estimated loss, net and other (2)	-	-	(4,589)	(377)	(923)	(15)	-	-	-	(5,904)
Derecognition in the formation of the joint venture (Note 13.b)	-	(197)	(1,231)	-	(766)	(70)	-	-	-	(2,264)
Transfers (1)	9,711	163,137	308,341	38,235	14,934	(598,981)	-	(72)	(13,761)	(78,456)
Effect of foreign currency translation and other	17,706	20,546	65,420	803	510	10,217	-	-	(28)	115,174
December 31, 2019	1,085,337	3,017,243	12,903,684	733,848	284,784	1,311,556	1,565,503	6,150,207	45,932	27,098,094
Accumulated depreciation:										
March 31, 2019	-	(553,173)	(4,291,658)	(360,814)	(157,385)	-	(648,023)	(4,056,632)	(37,554)	(10,105,239)
Depreciation in the period	-	(95,350)	(714,103)	(49,292)	(25,704)	-	(692,347)	(428,946)	(3,052)	(2,008,794)
Business combination (Note 30)	-	(9,478)	(27,194)	(2,324)	(299)	-	-	-	-	(39,295)
Write-offs	-	18,170	62,891	27,779	3,820	-	-	-	5,251	117,911
Derecognition in the formation of the joint venture (Note 13.b)	-	3	351	-	273	-	-	-	-	627
Transfers (1)	-	(44)	368	(177)	17	-	(2)	-	-	162
Effect of foreign currency translation and other	-	(990)	(3,774)	(91)	(99)	-	-	-	-	(4,954)
December 31, 2019	-	(640,862)	(4,973,119)	(384,919)	(179,377)	-	(1,340,372)	(4,485,578)	(35,355)	(12,039,582)
Net residual value:										
December 31, 2019	1,085,337	2,376,381	7,930,565	348,929	105,407	1,311,556	225,131	1,664,629	10,577	15,058,512
March 31, 2019	1,105,625	2,242,220	8,237,094	365,171	116,931	1,083,522	597,159	1,581,827	4,916	15,334,465

(1) On December 31, 2019, net transfer in the amount of R$ 78,294 includes: (a) transfer to intangible assets (software and concessions), in the amount of R$ 60,148, and (b) amounts transferred from Trade accounts receivable and Other liabilities, totaling R$ 18,146;
(2) Refers substantially to the net formation of estimated loss in inventory, recognized in income (loss) for the period under "Other operating revenues, net" caption (Note 26).

Borrowing cost capitalization

In the nine-month period ended December 31, 2019, loan costs capitalized by the Group reached R$ 25,325 (R$ 23,162 as of December 31, 2018) (Note 27). The annual weighted average rates of financial charges for certain debts were 6.59% as of December 31, 2019 (6.70% as of December 31, 2018).

Property, plant and equipment pledged

As of December 31, 2019, loans and financing are secured by land, building and machinery in the amounts of R$ 482,836 (R$ 679,146 as of March 31, 2019).

16. Intangible assets

	Software license	Goodwill	Brands	Agricultural Partnership Agreements	Sugarcane supply agreements	Contractual relationships with clients	Exclusive supply rights	Public concession rights of use	Technology	Other	Total
Cost or evaluation:											
March 31, 2019	566,371	2,621,269	532,348	18,411	181,516	284,735	216	12,541	185,061	25,975	4,428,443
Additions	53,222	-	-	-	-	-	-	-	-	358	53,580
Business combination (Note 30)	846	68,279	-	-	-	30	-	-	-	-	69,155
Write-offs	(16)	-	-	-	-	-	-	-	-	-	(16)
Derecognition in the formation of the joint venture (Note 13.b)	(11,758)	-	-	-	-	-	-	-	-	-	(11,758)
Transfers (1)	34,311	-	-	(288)	-	-	-	-	-	26,003	60,026
Effect of foreign currency translation and other	287	-	-	-	-	-	-	-	-	306	593
December 31, 2019	643,263	2,689,548	532,348	18,123	181,516	284,765	216	12,541	185,061	52,642	4,600,023
Accumulated amortization:											
March 31, 2019	(369,236)	(431,380)	(422,955)	(18,411)	(101,914)	(10,235)	(216)	(12,541)	(72,337)	(20,989)	(1,460,214)
Amortization in the period	(54,721)	-	(39,378)	555	(7,767)	(1,325)	-	-	(13,468)	-	(116,104)
Write-offs	3	-	-	-	-	-	-	-	-	-	3
Business combination (Note 30)	(582)	-	-	-	-	-	-	-	-	-	(582)
Derecognition in the formation of the joint venture (Note 13.b)	830	-	-	-	-	-	-	-	-	-	830
Transfers (1)	(166)	-	-	-	288	-	-	-	-	-	122
Effect of foreign currency translation and other	6	-	-	-	-	-	-	-	-	-	6
December 31, 2019	(423,866)	(431,380)	(462,333)	(17,856)	(109,393)	(11,560)	(216)	(12,541)	(85,805)	(20,989)	(1,575,939)
Net residual value:											
December 31, 2019	219,397	2,258,168	70,015	267	72,123	273,205	-	-	99,256	31,653	3,024,084
March 31, 2019	197,135	2,189,889	109,393	-	79,602	274,500	-	-	112,724	4,986	2,968,229

(1) These are related to amounts transferred from Property, plant and equipment.

17. Suppliers

	12/31/2019	03/31/2019
Suppliers of materials and services	2,231,834	2,329,360
Suppliers of ethanol	358,281	317,237
Oil by-product suppliers	1,124,842	1,203,637
Sugarcane suppliers	670,921	231,161
Suppliers - Agreements	4,228,270	3,944,160
	8,614,148	8,025,555
Domestic (domestic currency)	4,148,352	3,869,922
Abroad (foreign currency) (Note 28.d)	4,465,796	4,155,633
	8,614,148	8,025,555

18. Loans and financing

Purpose	Final maturity	Index	Annual effective average interest rate (1)		Total	
			12/31/2019	03/31/2019	12/31/2019	03/31/2019
Classification of debts per currency:						
Denominated in Reais					10,201,907	7,057,095
Denominated in North-American Dollars (US$) and Euro (€) (Note 28.d)					12,176,054	10,247,475
					22,377,961	17,304,570
Type of debts (2):						
National Bank for Social and Economic Development ("BNDES")	Mar/2024	URTJLP	7.77%	9.20%	25,220	35,384
BNDES	Dec/2030	Fixed rate	3.76%	3.92%	448,304	565,927
BNDES	Apr/2024	UMBND	6.67%	6.67%	31,695	37,180
BNDES	Dec/2030	IPCA	8.42%	-	78,902	-
Export prepayments	Oct/2025	US$ + Libor	3.21%	3.92%	6,455,242	4,867,197
Export prepayments	Sep/2020	Fixed rate	3.74%	3.74%	811,061	785,148
Term Loan Agreement	Apr/2024	US$ + Libor	3.06%	3.86%	1,828,790	1,765,263
Financial Rural Product Note ("CPR-F")	Nov/2023	/CDI	4.98%	-	2,005,778	-
Debentures	Nov/2023	IPCA + interest	8.29%	10.52%	1,129,713	430,795
Senior notes due 2027	Jan/2027	US$	5.30%	5.30%	2,248,220	2,063,312
Resolution 2471 (PESA)	Apr/2023	IGP-M	8.02%	9.42%	434,473	594,381
Resolution 2471 (PESA)	Oct/2025	Fixed rate	3.00%	3.00%	46	53
Credit Notes	Oct/2020	CDI	4.72%	6.86%	84,029	171,205
Finame/Leasing	Jan/2025	Fixed rate	6.72%	6.59%	65,309	76,477
Finame/Leasing	Mar/2021	URTJLP	8.77%	10.32%	56	89
Certificate of Agribusiness Receivables (CRA)	Jul/2029	CDI	4.30%	6.27%	2,930,322	3,314,775
Certificate of Agribusiness Receivables (CRA)	Jul/2029	IPCA	8.57%	8.85%	2,438,458	1,460,441
Financiadora de Estudos e Projetos ("Finep")	Nov/2022	Fixed rate	5.00%	-	93,795	-
Loan 4131	Dec/2020	Fixed rate	4.34%	-	42,583	-
Schuldschein	Oct/2021	Fixed rate - €	2.88%	2.88%	300,804	292,621
Schuldschein	Sep/2022	*Euribor*	1.78%	1.87%	486,635	473,934
Rural credit	Apr/2020	Fixed rate	6.05%	6.05%	387,387	370,388
Other					51,139	-
					-	
					22,377,961	17,304,570
Expenses incurred with the placement of the securities:						
Certificate of Agribusiness Receivables (CRA)					(33,983)	(21,313)
BNDES					(2,805)	(2,782)
Senior notes due 2027					(1,328)	(1,419)
CPR-F					(12,748)	-
Finep					(259)	-
Debentures					(8,457)	(539)
Term Loan Agreement					(394)	(574)
Export prepayments					(124)	(13,642)
					(60,098)	(40,269)
					22,317,863	17,264,301
Current					(5,058,289)	(1,922,661)
Non-current					17,259,574	15,341,640

(1) The annual effective interest rate is the contract rate plus, Libor *(*London InterBank Offered Rate*)*, Euribor (European Interbank Offered Rate), URTJLP, IGP-M, UMBND, IPCA and CDI, where applicable.

(2) Loans and financing are usually secured by Group's promissory notes. In some cases they even have real guarantees such as: (i) credit receivables from energy sale agreements (BNDES); (ii) CTN (Note 10) and mortgage of land (PESA); (iii) property, plant and equipment; and (vi) conditional sales of assets purchased under a FINAME/PESA financial agreement.

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

Periods (months):	12/31/2019
13–24	1,498,831
25–36	1,732,014
37–48	3,207,211
49–60	2,881,465
61–72	2,073,694
73–84	871,836
85–96	3,057,180
>97	1,937,343
	17,259,574

Export prepayments and Committed Back-up Credit Facility

				Amount	
Engagement	**Company**	**Bank**	**Maturity**	**R$**	**US$**
Jun/2019	Raízen Argentina	Galicia	Jul/2019	96,553	25,000
Jul/2019	Raízen Argentina	JP Morgan	Jan/2020	94,425	25,000
Aug/2019	Raízen Argentina	JP Morgan	Mar/2020	102,998	25,000
Jun/2019	RCSA	Bank of America	Sep/2025	291,809	70,000
				585,785	145,000

On April 29, 2019, RCSA and its subsidiary Raízen Argentina withdraw the total remaining amount of US$ 300,000 thousand corresponding to R$ 1,175,265 of this credit facility Commited Back-up Credit Facility that held with the international bank syndicate and final maturity in April 2025.

During the nine-month period ended December 31, 2019, Raízen Argentina paid certain Export prepayments in the amount of US$ 100,000 thousand corresponding to R$ 390,285.

CRA

During the nine-month period ended December 31, 2019, RESA entered into Agribusiness Receivable Certificates (CRAs), whose details are as follows:

Engagement	Issuer	Issue	Series	Maturity	Principal	Funding expenditures
Jul/2019	True Securitizadora S.A.	6th	1st	Jul/2029	228,190	5,656
Jul/2019	True Securitizadora S.A.	6th	2nd	Jul/2029	787,658	19,525
					1,015,848	25,181

PESA

In the nine-month period ended December 31, 2019, RESA offset PESA contracts in the amount of R$ 162,844 through redemptions of the CTNs. See Note 10.

Rural Product Note

Engagement	Creditor	Maturity	Principal
Nov/2019	Banco Bradesco S.A.	Nov/2029	750,000
Dec/2019	Banco Bradesco S.A.	Nov/2029	250,000
Dec/2019	Banco Bradesco S.A.	Mar/2020	200,000
Dec/2019	Banco Bradesco S.A.	Mar/2020	800,000
			2,000,000

The funds raised will be used in soil preparation, sugarcane planting and treatment.

BNDES

Engagement	Issuer	Index	Maturity	Principal
Nov/2019	BNDES	IPCA	Nov/2038	15,000
Nov/2019	BNDES	Fixed rate	Dec/2030	16,382
Dec/2019	BNDES	IPCA	Dec/2038	63,618
				95,000

Debentures

In November 2019, CVM granted to RESA, registration of its 4th Public Issuance of Simple Debentures through which 900,000 simple, unsecured debentures, not convertible into shares were issued in three series, with par value of R$ 1,000, totaling R$ 900,000.

	Index	Annual interest rate	Annual effective average interest rate	Principal	Funding expenditures	Date of receipt	Maturity
4th	IPCA	3.54%	7.72%	900,000	8,187	11/28/2019	11/16/2029

As of October 15, 2019, RESA settled the 3rd series debentures of 1st issuance which was executed into on October 15, 2013 in the amount of R$ 239,663, and R$ 212,513 - principal and R$ 27,120 - interest.

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.

Revolving Credit Facility

Raízen Fuels, wholly owned subsidiary of Raízen Energia, has a total revolving credit facility of US$ 300,000 thousand, not used up to end of this interim financial information as follows:

Beneficiary	Institution	Amount in US$	Maturity
Raízen Fuels	Bank syndicate	300,000	April 2024

Additionally, RCSA has a revolving credit line called *Revolving Credit Facility*, with its shareholders, as indicated in Note 11.d.

Fair value

On December 31, 2019, book value and fair value of loans are as follows:

	Book value		Fair value (1)		Financial income (loss)	
Description	12/31/2019	03/31/2019	12/31/2019	03/31/2019	12/31/2019	12/31/2018
Export prepayments	6,242,355	5,178,416	6,339,289	5,260,489	(14,861)	(92,750)
Term Loan Agreement	1,815,273	974,843	1,828,836	984,650	(3,756)	(5,648)
Senior notes due 2027	2,064,525	1,870,617	2,249,921	1,965,500	(90,514)	(90,640)
Schuldschein	754,806	731,338	787,708	766,967	2,728	501
CRA	1,803,376	1,448,712	1,936,513	1,460,441	(121,409)	(2,325)
Debentures	605,611	-	607,310	-	(1,699)	-
Loan 4131	42,583	-	42,347	-	237	-
	13,328,529	10,203,926	13,791,924	10,438,047	(229,274)	(190,862)

(1) On December 31 and March 31, 2019, it includes the fair value evaluation in the amount of R$ 463,395 and R$ 234,121, respectively.

Other loans and financing do not have a value quoted, but the 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 may be accrued by comparing securities quoted and aforementioned.

19. Lease liabilities

Movement in lease liabilities, during the nine-month period ended December 31, 2019, is as follows:

March 31, 2019	-
First-time adoption of IFRS 16 (CPC 06 (R2)) (Note 2.4)	3,630,867
April 1, 2019	3,630,867
Additions	803,636
Write-offs	(113,055)
Payment	(896,606)
Interest	250,638
Remeasurements	355,341
Derecognition in the formation of the joint venture (Note 13.b)	(645)
Business combination (Note 30)	36
Effect of foreign currency translation	17. 956
December 31, 2019	4,048,168
Domestic (domestic currency)	3,608,308
Abroad (foreign currency) (Note 28.d)	439,860
	4,048,168
Current	(818,168)
Non-current	3,230,000

20. Income and social contribution taxes

(a) Reconciliation of income and social contribution tax expenses:

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Income before income and social contribution taxes	1,827,298	2,753,070	1,464,452	1,812,351
Income and social contribution taxes at nominal rate (34%)	(621,282)	(936,045)	(497,914)	(616,199)
	-	-		
Adjustments for calculation of effective rate:	-	-		
JCP	12,088	38,578	16,796	49,436
Equity accounting result	(1,406)	(4,047)	11,922	8,941
Capital gain on dilution of ownership interest (Note 13.b)	81,780	81,780	-	-
Gifts, donations, class association	(1,016)	(5,891)	(2,853)	(7,070)
Special regime for the reintegration of tax amounts for exporting companies - ("*Reintegra*")	397	1,366	248	4,074
Investment grant – ICMS	1,022	3,528	2,812	6,224
Government grants	-	-	43,579	85,224
Difference between deemed income and taxable income rates	7,094	32,608	16,945	71,216
Permanent differences on divestments	-	(31,602)	-	-
Credits from indemnity suits	-	-	49,629	75,267
Exchange-rate change on investee abroad	2,332	(2,121)	(2,898)	15,359
Taxation at universal basis related to foreign investments	9,239	5,061	2,349	2,337
Other	11,090	(6,698)	(12,952)	(7,244)
Income and social contribution taxes expense	(498,662)	(823,483)	(372,337)	(312,435)
Effective rate	27.3%	29.9%	25.4%	17.2%

(b) Recoverable income and social contribution taxes (current and non-current):

	12/31/2019	03/31/2019
IRPJ	799,095	844,938
CSLL	255,849	283,069
Tax credits of foreign entity	212,521	332,732
	1,267,465	1,460,739
Current assets	(733,662)	(1,018,941)
Non-current assets	533,803	441,798

(c) Income and social contribution taxes payable (current)

	12/31/2019	03/31/2019
IRPJ	48,739	23,601
CSLL	12,079	4,820
Tax debts of foreign entity	114,453	71,161
	175,271	99,582

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

Assets (liabilities)	Basis	IRPJ 25%	CSLL 9%	12/31/2019 Total	03/31/2019 Total
Tax losses	3,135,988	783,997	-	783,997	504,662
Negative basis for social contribution	3,029,075	-	272,617	272,617	178,843
Temporary differences:					
Exchange-rate changes	1,177,725	294,431	105,995	400,426	279,397
Estimated loss for goodwill write-off	166,656	41,664	14,999	56,663	56,663
Remuneration and employee benefits	244,221	61,055	21,980	83,035	102,781
Provision for legal disputes	864,048	216,012	77,764	293,776	251,234
Provisions and other temporary differences	1,532,503	383,128	138,416	521,544	306,749
Total deferred tax assets		1,780,287	631,771	2,412,058	1,680,329
Amortized tax goodwill	(1,894,892)	(473,723)	(170,540)	(644,263)	(619,902)
Refund of ICMS	(253,841)	(63,460)	(22,846)	(86,306)	(71,575)
Result unrealized with derivatives	(1,335,234)	(333,809)	(120,171)	(453,980)	(300,223)
Fixed assets' useful life review	(2,045,992)	(511,498)	(184,139)	(695,637)	(626,408)
Fair value of inventories	(31,709)	(7,927)	(2,854)	(10,781)	(12,840)
Revaluation of fixed assets	(2,039,459)	(509,865)	(183,551)	(693,416)	(546,633)
Fair value of assets from contracts with clients	(216,626)	(54,157)	(19,496)	(73,653)	(78,350)
Fair value of fixed assets, intangible assets and others	(566,216)	(141,554)	(50,959)	(192,513)	(358,557)
Fair value in the formation of the joint venture (Note 13.b)	(518,090)	(129,523)	(46,628)	(176,151)	-
Cost of capitalized loans	(268,405)	(67,101)	(24,157)	(91,258)	(94,810)
Biological assets	(72,018)	(18,005)	(6,482)	(24,487)	(34,304)
Total deferred tax liabilities		(2,310,622)	(831,823)	(3,142,445)	(2,743,602)
Total deferred taxes		(530,335)	(200,052)	(730,387)	(1,063,273)
Deferred taxes - Assets, net				937,740	507,655
Deferred taxes - Liabilities, net				(1,668,126)	(1,570,928)
Total deferred taxes				(730,386)	(1,063,273)

(e) Net movement in deferred tax liabilities:

March 31, 2019	(1,063,273)
Credit in income (loss)	246,603
Deferred taxes on other comprehensive income	79,872
Business combination (Note 30)	28,579
Derecognition in the formation of the joint venture (Note 13.b)	(1,164)
Effect of foreign currency translation and other	(21,003)
December 31, 2019	(730,386)

21. Provision for legal disputes and judicial deposits

Breakdown of legal disputes considered as probable loss

As of December 31 and March 31, 2019, balances of claims to be reimbursed and claims that are not reimbursable to shareholders in the scope of Group's formation (Note 11.a) are as follows:

	12/31/2019	03/31/2019
Tax	876,011	876,513
Civil	234,794	192,384
Labor	379,831	308,843
Environmental	64,120	100,182
	1,554,756	1,477,922
Non-reimbursable legal disputes	439,920	352,402
Reimbursable legal disputes	1,114,836	1,125,520
	1,554,756	1,477,922

When the Group was setup it was agreed that Cosan and Shell would reimburse the Group for legal disputes that were ongoing before its formation, thus, the Group should reimburse Cosan and Shell regarding the judicial deposits made on the date before its formation.

As of December 31 and March 31, 2019, balances of refundable deposits and deposits that are not refundable to shareholders, in the scope of Group's formation process (Note 11.a) are as follow:

	12/31/2019	03/31/2019
Tax	309,729	310,622
Civil	32,995	36,194
Labor	118,246	102,301
	460,970	449,117
Own judicial deposits	217,840	191,688
Refundable judicial deposits	243,130	257,429
	460,970	449,117

(i) Non-reimbursable legal disputes

	Tax	Civil	Labor	Environmental	Total
March 31, 2019	41,228	59,307	203,736	48,131	352,402
Provisioned in the period (a)	23,393	6,729	183,904	1,155	215,181
Write-offs/reversals (a) / (b)	(7,306)	(6,244)	(102,028)	(11,440)	(127,018)
Payments	(1,901)	(571)	(47,338)	(5,435)	(55,245)
Effect of foreign currency translation	54	1,564	117	1,707	3,442
Transfers	(456)	(315)	(370)	-	(1,141)
Inflation adjustments and exchange-rate changes (b)	2,922	(353)	50,086	(6)	52,649
Derecognition in the formation of the joint venture (Note 13.b)	-	-	(350)	-	(350)
December 31, 2019	57,934	60,117	287,757	34,112	439,920

a) Recognized in income (loss) for the period under Sales taxes and General and administrative expenses captions and Other operating expenses, except for reversals of inflation adjustment, recognized in financial income (loss).

b) Recognized in the statement of income as financial income.

(ii) Reimbursable legal disputes

	Tax	Civil	Labor	Environmental	Total
March 31, 2019	835,285	133,077	105,107	52,051	1,125,520
Provisioned in the period	39,179	43,655	10,185	4,782	97,801
Write-offs/reversals	(124,249)	(17,188)	(18,896)	(1,521)	(161,854)
Payments	(11,613)	(6,086)	(12,559)	(25,988)	(56,246)
Inflation adjustments and exchange-rate changes	79,475	21,219	8,237	684	109,615
December 31, 2019	818,077	174,677	92,074	30,008	1,114,836

(iii) Total legal disputes

	Tax	Civil	Labor	Environmental	Total
March 31, 2019	876,513	192,384	308,843	100,182	1,477,922
Provisioned in the period	62,572	50,384	194,089	5,937	312,982
Write-offs/reversals	(131,555)	(23,432)	(120,924)	(12,961)	(288,872)
Payments	(13,514)	(6,657)	(59,897)	(31,423)	(111,491)
Effect of foreign currency translation	54	1,564	117	1,707	3,442
Transfers	(456)	(315)	(370)	-	(1,141)
Inflation adjustments and exchange-rate changes	82,397	20,866	58,323	678	162,264
Derecognition in the formation of the joint venture (Note 13.b)	-	-	(350)	-	(350)
December 31, 2019	876,011	234,794	379,831	64,120	1,554,756

(a) Tax

	12/31/2019	03/31/2019
Social security charges (“INSS”)	5,243	4,575
ICMS	488,771	507,560
Excise tax ("IPI")	151,818	142,194
PIS and COFINS	58,402	57,442
Lawyers' fees	81,892	74,411
Income tax and Social contribution (IRPJ and CSLL)	77,923	77,107
CIDE and others	11,962	13,224
	876,011	876,513
Non-reimbursable legal disputes	57,934	41,228
Reimbursable legal disputes	818,077	835,285
	876,011	876,513

(b) Civil, labor and environmental

The Group is party to various civil actions consisting of (i) damages for material losses and pain and suffering; (ii) disputes on contracts; (iii) class action to stop the burning of sugar cane straw; (iv) enforcements of environmental decisions; (v) repairing environmental damage caused by a fuel leak; and, (vi) contractual, real estate and credit recovery, including discussions about contract breaches, possession of the Group's properties and recovery of amount not paid by clients.

The Group is also party 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.

Legal disputes considered as possible loss and, thus, no provision for lawsuits demands has been recognized in the Condensed combined consolidated interim financial information

(a) Tax

	12/31/2019	03/31/2019
ICMS	4,720,013	4,468,161
INSS	211,521	237,026
IPI	343,790	330,217
Income tax and Social contribution (IRPJ and CSLL)	3,518,370	2,905,491
PIS, COFINS and taxes on financial operations ("IOF") (1)	4,876,836	3,692,983
Offsets with IPI credit - IN 67/98	136,871	135,215
MP 470 Debt in installments	189,882	186,431
Other	973,460	812,497
	14,970,743	12,768,021
Non-reimbursable legal disputes	6,575,230	4,183,433
Reimbursable legal disputes	8,395,513	8,584,588
	14,970,743	12,768,021

(1) During the quarter ended on December 31, 2019, the Brazilian internal revenue service (*Receita Federal*) considered as "non-declared" the requests for reimbursement and/or offsetting of non-cumulative PIS and COFINS credits with different origins (Laws 10.637/02 and 10.833/03) for the periods from 2014 to 2016, based on the argument that the credits are linked to a lawsuit that discusses the exclusion of ICMS from the PIS and COFINS calculation basis. Due to the fact that the understanding of the tax authorities is mistaken, the RCSA continues with the administrative discussion.

(b) Civil, labor and environmental

	12/31/2019	03/31/2019
Civil	1,258,802	1,287,709
Labor	290,438	399,961
Environmental	53,794	25,525
	1,603,034	1,713,195
Non-reimbursable legal disputes	473,101	543,763
Reimbursable legal disputes	1,129,933	1,169,432
	1,603,034	1,713,195

22. Commitments

As mentioned in Note 20 to the annual financial statements as of March 31, 2019, the Group has entered into commitments to sell, purchase sugarcane, fuels and industrial equipment, electric power and steam, lease agreements and agricultural partnerships, storage and transportation and sugar lifting services. During the nine-month period ended December 31, 2019 no significant changes in those commitments occurred.

23. Equity

(a) Capital

(a.1) RESA

As of December 31 and March 31, 2019, RESA capital totals R$ 6,516,354 and that caption does not include the balance of redeemable preferred shares in the amount of R$ 5,161, totaling R$ 6,511,193.

Capital is fully subscribed for and paid in and is divided as follows:

	Shareholders (shares in units)			
	Shell	CIP Cosan Investimentos e Participações S.A ("CIP")	Cosan S.A.	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-D preferred shares	100,000	-	-	100,000
Total at December and March 31, 2019	3,621,741,599	3,621,641,599	133,242,458	7,376,625,656

(a.2) RCSA

As of December 31 and March 31, 2019, RCSA's capital totals R$ 1,921,843.

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") (1)	Total
Common	830,709,236	830,709,236	1,661,418,472
Class-A preferred shares	1	-	1
Class-D preferred shares	100,000	-	100,000
Class-E preferred shares (2)	81,897,057	-	81,897,057
Total at December 31, 2019	912,706,294	830,709,236	1,743,415,530
Total as of March 31, 2019	994,138,654	830,709,236	1,824,847,890

(1) In June 2014, Cosan S.A. contributed with all common shares issued by RCSA to CIP.

(2) At the Special Shareholders' Meeting held on September 5, 2019, the RCSA's shareholders approved remuneration to Shell through redemptions of class E preferred shares in the amount of R$ 129,412 and 81,432,360 class E preferred shares were canceled. See Note 11.a.3.

(b) Dividends and interest on own capital

							December 31, 2019	
Companies	**Dividend**	**Year**	**Approval**	**Nature and type of share**	**Impact in equity**	**No impact in equity**	**Amount paid or payable (1)**	**Payment date**
Subsidiaries								
RCSA	JCP	2019	03/26/2019	Common	-	-	13,600	06/27/2019
RESA and RCSA	Exclusive	2019	07/31/2019	Preferred D	-	2,996	2,996	08/30/2019
RESA	Exclusive	2019	07/31/2019	Preferred B	-	5,667	5,667	08/19/2019
RESA	Profit	2019	06/26/2019	Common	580,508	-	580,508	06/27/2019
RCSA	Profit	2019	06/26/2019	Common	321,192	-	321,192	06/27/2019
RCSA	JCP	2019	06/26/2019	Common	40,000	-	34,000	09/27/2019
RCSA	Exclusive	2020	09/05/2019	Preferred E	-	-	129,412	09/30/2019
RCSA	Interim	2020	09/25/2019	Common	205,100	-	205,100	09/30/2019
RESA	Profit	2019	09/25/2019	Common	124,123	-	124,123	09/27/2019
RCSA	Interim	2020	11/27/2019	Common	374,810	-	374,810	11/29/2019
RCSA	Interim	2020	12/24/2019	Common	767,430	-	767,430	12/27/2019
RCSA	JCP	2020	09/30/2019	Common	37,900	-	32,215	11/29/2019
					2,451,063		2,591,053	
Subsidiaries								
Mime	Minimum	2019	07/12/2019	Common	11,413	2,884	14,297	07/15/2019
Sabbá	Minimum	2019	07/12/2019	Common	-	8,889	8,889	07/15/2019
WX	Profit	2019	07/31/2019	Common	7,051	2,847	9,898	08/19/2019
Conveniências Mime	Profit	2019	08/26/2019	Common	783	-	783	08/29/2019
Conveniências Mime	Interim	2020	08/26/2019	Common	318	-	318	08/29/2019
Conveniências Sabbá	Profit	2019	08/26/2019	Common	345	-	345	08/29/2019
Conveniências Sabbá	Interim	2020	08/26/2019	Common	105	-	105	08/29/2019
Conveniências Sabbá	Interim	2020	10/18/2019	Common	128	-	128	10/28/2019
Conveniências Mime	Interim	2020	10/18/2019	Common	299	-	299	10/28/2019
					20,442		35,062	
Dividends and interest on own capital paid in the period (1)							2,626,115	
RCSA	JCP	2020	12/31/2019	Common	35,563		30,229	03/31/2020
Dividends and consolidated interest on own capital payable as of December 31, 2019							30,229	
Impact in combined and consolidated equity					2,507,068			

(1) During the nine-month period ended December 31, 2019, RCSA paid withholding income tax in the amount of R$ 7,050, related to interest on own capital declared at meetings held on March 26 and 30, 2019.

(c) Equity valuation adjustments

	03/31/2019	Comprehensive income	12/31/2019
Effect of foreign currency translation	(102,318)	102,792	474
Actuarial loss from defined benefit plan	(12,539)	3,632	(8,907)
Income (loss) from net investment hedge in foreign entity	(35,795)	(9,947)	(45,742)
Income (loss) from financial instruments designated as hedge accounting	(269,669)	(142,770)	(412,439)
	(420,321)	(46,293)	(466,614)
Attributable to:			
Group's controlling shareholders	(420,316)	(46,297)	(466,613)
Group's non-controlling shareholders	(4)	4	-

	03/31/2018	Comprehensive income	12/31/2018
Effect of foreign currency translation	273	(112,719)	(112,446)
Actuarial loss from defined benefit plan	(11,526)	(1,013)	(12,539)
Income (loss) from financial instruments designated as hedge accounting	7,851	46,438	54,289
	(3,402)	(67,294)	(70,696)
Attributable to:			
Group's controlling shareholders	(3,397)	(67,295)	(70,692)
Group's non-controlling shareholders	(5)	-	(5)

24. Net operating revenue

The breakdown of the Group's gross revenue is as follows:

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Domestic market	28,066,681	79,967,938	25,075,900	70,919,295
Foreign market	6,610,667	18,791,473	6,331,411	10,149,184
Gross revenue from sale of products and services	34,677,348	98,759,411	31,407,311	81,068,479
Results from financial instruments designated as hedge accounting	(19,096)	44,034	155,744	135,250
Results from commodity financial instruments not designated as hedge accounting	47,480	196,496	(18,543)	(52,619)
Returns and cancellations	(165,912)	(483,924)	(160,175)	(372,870)
Sales taxes	(2,268,455)	(6,764,876)	(2,333,387)	(4,075,160)
Commercial discounts and rebates	(127,106)	(322,181)	(98,024)	(294,800)
Amortization of exclusive supply rights (Note 12)	(129,924)	(382,170)	(114,678)	(330,536)
Other	(17,562)	(48,849)	(17,439)	(57,961)
Net operating revenue	31,996,773	90,997,941	28,820,809	76,019,783

Detailing of net operating revenue per product is as follows:

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Diesel	12,096,327	35,512,492	10,723,359	29,864,174
Gasoline	9,538,514	28,040,558	8,859,763	24,615,297
Ethanol	5,694,031	14,089,710	4,530,163	10,499,773
Jet A-1	1,749,900	5,036,943	1,993,463	4,721,740
Sugar	998,927	2,343,899	568,114	2,320,502
Energy	1,135,770	3,198,760	1,241,735	2,727,662
Other	783,304	2,775,579	904,212	1,270,635
	31,996,773	90,997,941	28,820,809	76,019,783

25. Costs and expenses per type

Reconciliation of costs and expenses by nature

Costs and expenses are shown in the income (loss) by function. The reconciliation of results of the Group by nature for the nine-month periods ended December 31, 2019 and 2018 is detailed as follows:

Costs and expenses per type

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Fuels for resale, raw materials, collection and transfer costs	(28,612,582)	(82,391,757)	(26,109,437)	(68,922,601)
Depreciation and amortization	(945,992)	(2,591,064)	(568,037)	(1,630,243)
Personnel expenses	(473,653)	(1,353,045)	(499,273)	(1,295,967)
Cutting, loading and transportation	(250,417)	(614,609)	(217,714)	(646,522)
Realization of fair value of biological assets	(12,343)	10,235	(68,757)	(263,992)
Change in fair value of biological assets	(13,330)	(39,113)	52,451	28,661
Maintenance materials	(83,229)	(230,081)	(125,434)	(225,357)
Commercial expenses	(114,546)	(367,229)	(86,686)	(261,739)
Outsourced labor	(115,775)	(320,693)	(130,561)	(291,073)
Logistics expenses	(90,082)	(254,143)	(82,508)	(226,454)
Other	(252,973)	(759,785)	(188,666)	(751,088)
	(30,964,922)	(88,911,284)	(28,024,622)	(74,486,375)

Classified as:

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Cost of products sold and services rendered	(29,829,045)	(85,660,997)	(27,033,068)	(71,838,364)
Selling	(836,338)	(2,322,525)	(673,663)	(1,787,442)
General and administrative expenses	(299,539)	(927,762)	(317,891)	(860,569)
	(30,964,922)	(88,911,284)	(28,024,622)	(74,486,375)

26. Other operating revenues, net

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Capital gain on the formation of the joint venture, net	1,052,677	1,052,677	-	-
Capital gain due to dilution of ownership interest	-	-	110,394	110,394
Credits from indemnity suits	-	-	145,968	221,373
Net recognition of extemporaneous deferred tax assets, net (1)	41,288	427,197	106,162	174,152
Revenues from rental and leases	36,862	103,032	30,565	78,361
Gain in the sale of property, plant and equipment	17,492	70,146	18,239	62,831
Revenue from royalties	11,754	52,554	18,151	49,228
Merchandising	10,126	51,465	21,364	47,346
Net reversal (formation) of estimated loss in investments and fixed and intangible assets	(5,787)	(5,904)	129,601	123,859
Other revenues (expenses), net	(19,974)	(8,578)	42,609	42,280
	1,144,438	1,742,589	623,053	909,824

(1) Refers to the recovery of tax credits arising from the Group's activities, substantially arising from the exclusion of ICMS from the PIS and COFINS tax basis in the amount of R$ 219,188, recognized during the nine-month period ended December 31, 2019.

27. Financial income

	Oct-Dec/2019	Apr-Dec/2019	Oct–Dec/2018	Apr–Dec/18
Financial expenses				
Interest	(360,841)	(1,106,263)	(235,900)	(681,453)
Holding loss	(45,690)	(92,490)	(23,548)	(123,123)
PIS and COFINS on financial revenues	(9,331)	(30,541)	(8,666)	(29,283)
Other	(25,728)	(65,689)	(17,466)	(95,600)
	(441,590)	(1,294,983)	(285,580)	(929,459)
Fair value of financial instruments (Note 18)	9,509	(229,274)	(119,670)	(190,862)
Amounts capitalized on qualifying assets (Note 15)	7,027	25,325	5,757	23,162
	(425,054)	(1,498,932)	(399,493)	(1,097,159)
Financial revenues				
Yields from financial investments	33,499	138,066	31,157	89,051
Interest	58,585	246,923	98,000	303,534
Holding gain and others	11,630	24,785	17,458	70,342
	103,714	409,774	146,615	462,927
Exchange-rate change, net	360,284	(563,684)	368,553	(773,610)
Net effect of the derivatives	(383,800)	588,567	(105,526)	750,665
	(344,856)	(1,064,275)	10,149	(657,177)

28. Financial instruments

(a) Overview

The Group presents exposure to the following main risks deriving from its operations, which are equalized and managed with the use of certain financial instruments:

- Price risk
- Foreign exchange rate risk
- Interest rate risk
- Credit risk
- Liquidity risk

(b) Risk management framework

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

The Group has two main committees to monitor activities and ensure policy compliance: (i) A risk committee whose members gather weekly to analyze the behavior of commodity (sugar and oil by-products) and foreign exchange markets, in order to decide on coverage positions and the strategy to fix the prices of exports and imports to reduce the negative effects of changes in commodities' prices and foreign exchange rate. and (ii) Committee on ethanol and by-products, which meets on a monthly basis to evaluate risks related to trading of ethanol and by-products and adequacy to limits defined in risk policies.

The Group is exposed to market risks, and main ones are: (i) fluctuations in sugar, electric power, ethanol and oil by-product 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, 2019, the fair values of transactions with derivative financial instruments for hedging purposes were measured 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	
	12/31/2019	03/31/2019	12/31/2019	03/31/2019
Price risk				
Commodity derivatives				
Futures and options contracts	4,070,781	(7,024,990)	82,727	80,971
	4,070,781	(7,024,990)	82,727	80,971
Foreign exchange rate risk				
Foreign exchange rate derivatives				
Futures contracts	(389,969)	(61,373)	(1,282)	595
Forward contracts	2,467,892	662,439	161,530	15,693
FX lock	-	194,835	-	304
FX swap	(11,892,823)	(6,958,896)	791,254	673,781
	(9,814,900)	(6,162,995)	951,502	690,373
Interest rate risk				
Interest rate swap	(2,255,843)	(1,357,043)	274,109	140,563
	(2,255,843)	(1,357,043)	274,109	140,563
Total			1,308,338	911,907
Current assets			1,478,154	797,405
Non-current assets			1,081,833	856,901
Total assets			2,559,987	1,654,306
Current liabilities			(1,129,617)	(698,742)
Non-current liabilities			(122,032)	(43,657)
Total liabilities			(1,251,649)	(742,399)
Total			1,308,338	911,907

(c) Price risk

Results from the possibility of fluctuations in the market prices of the products sold by the Group, mainly VHP sugar (sugar #11), refined sugar (sugar #5 or white sugar), diesel (heating oil), gasoline, ethanol and electric power. These price fluctuations may cause substantial alterations in the sales revenues and costs. To mitigate these risks, the Group permanently monitors markets, seeking to anticipate price changes.

Price risk: outstanding commodity derivatives on December 31, 2019

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (units)		Notional (R$ thousand)	Fair value (R$ thousand)
Future	Sold	NYSE LIFFE	Sugar#5	Feb/2020	40,000	t	57,112	(801)
Future	Sold	ICE	Sugar#11	Feb/2020–Feb/2022	5,753,169	t	6,857,729	(131,209)
Options	Sold	ICE	Sugar#11	Feb/2020–Feb/2022	1,102,006	t	43,644	(42,102)
Sub-total sugar future sold					6,895,175	t	6,958,485	(174,112)
Future	Purchased	NYSE LIFFE	Sugar#5	Feb/2020	(39,600)	t	(54,018)	3,316
Future	Purchased	ICE	Sugar#11	Feb/2020–Apr/2021	(3,454,055)	t	(4,012,224)	138,669
Options	Purchased	ICE	Sugar#11	Feb/2020–Apr/2021	(1,103,631)	t	(42,331)	24,484
Sub-total sugar future purchased					(4,597,286)	t	(4,108,573)	166,469
Subtotal sugar future					2,297,889	t	2,849,912	(7,643)
Future	Sold	CME	Ethanol	Jan/2020–Sep/2020	591,600	m³	1,461,567	(35,305)
Future	Sold	OTC	Ethanol	Jan/2020–Sep/2020	448,622	m³	261,940	25,820
Options	Sold	OTC	Ethanol	Jan/2020–Feb/2020	53,000	m³	2,406	2,237
Sub-total ethanol future sold					1,093,222	m³	1,725,913	(7,248)
Future	Purchased	B3	Ethanol	Jan/2020	(35,250)	m³	(282,086)	458
Future	Purchased	CME	Ethanol	Jan/2020–Dec/2020	(692,400)	m³	(1,707,595)	6,648
Future	Purchased	OTC	Ethanol	Jan/2020–Dec/2020	(358,365)	m³	(173,135)	(841)
Option	Purchased	CME	Ethanol	Jan/2020	(63,000)	m³	(1,699)	(1,360)
Sub-total ethanol future purchased					(1,149,015)	m³	(2,164,515)	4,905
Physical fixed	Sold	CHGOETHNL	Ethanol	Jan/2020–Dec/2020	452,063	m³	949,972	(32,349)
Sub-total physical fixed ethanol sold					452,063	m³	949,972	(32,349)
Physical fixed	Purchased	CHGOETHNL	Ethanol	Jan/2020–Nov/2020	(967,011)	m³	(1,590,635)	24,264
Sub-total physical fixed ethanol purchased					(967,011)	m³	(1,590,635)	24,264
Sub-total future physical fixed ethanol					(570,741)	m³	(1,079,265)	(10,428)
Future	Sold	NYMEX	Gasoline	Jan/2020–Feb/2022	835,863	m³	1,460,810	(56,903)
Future	Sold	ICE	Gasoline	Jan/2020–Dec/2020	221,805	m³	345,696	(11,015)
Options	Sold	OTC	Gasoline	Oct/2019–Nov/2019	111,618	m³	194,265	14,185
Sub-total future gasoline purchased					1,169,286	m³	2,000,771	(53,733)
Future	Purchased	NYMEX	Gasoline	Jan/20–Apr/21	(221,646)	m³	(423,959)	17,365
Future	Purchased	ICE	Gasoline	Jan/20–Dec/20	(218,625)	m³	(344,108)	10,015
Options	Purchased	ICE	Gasoline	Jan 2020	(15,900)	m³	(292)	(292)
Options	Purchased	NYMEX	Gasoline	Feb/20-Feb/21	(103,827)	m³	(8,683)	4,148
Sub-total future gasoline sold					(559,998)	m³	(777,042)	31,236
Subtotal future gasoline					609,288	m³	1,223,729	(22,497)
Physical fixed	Sold	CCEE/OTC	Energy	Jan/2020–Dec/2031	13,442,612	MWh	2,734,783	(70,156)
Physical fixed	Purchased	CCEE/OTC	Energy	Oct/2019-Dec/2026	(13,442,612)	MWh	(2,583,956)	220,983
Subtotal future physical fixed electric power					-		150,827	150,827
Future	Purchased	NYMEX	Gasoline	Jan/2020–Mar/2020	(70,914)	m³	(134,082)	(3,370)
Future	Purchased	NYMEX	Heating Oil	Jan/2020	(744,119)	m³	(1,466,078)	15,379
Sub-total future heating oil/gasoline purchased					(815,033)	m³	(1,600,160)	12,009
Future	Sold	NYMEX	Gasoline	Jan/2020–Mar/2020	582,417	m³	1,053,953	200
Future	Sold	NYMEX	Heating Oil	Jan/2020	816,306	m³	1,471,785	(39,741)
Sub-total heating oil/gasoline sold					1,398,723	m³	2,525,738	(39,541)
Sub-total heating oil/gasoline					583,690	m³	925,578	(27,532)
Net exposure of derivatives of goods as of December 2019							4,070,781	82,727
Net exposure of derivatives of goods as of March 2019							(7,024,990)	80,971

(d) Foreign exchange rate risk

Foreign 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 for derivatives used to cover foreign exchange rate risks:

Exchange rate risk: outstanding foreign exchange derivatives on December 31, 2019

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (US$ thousand)	Notional (R$ thousand)	Fair value (R$ thousand)
Future	Sold	B3	Trade dollar	Jan/2020–Mar/2020	318,000	1,281,763	4,725
Future	Sold	CME	Euro	Jan/2020–Mar/2020	6,500	26,200	(344)
Subtotal future sold					324,500	1,307,963	4,381
Future	Purchased	B3	Trade dollar	Jan/2020–Mar/2020	(414,750)	(1,671,732)	(5,839)
Future	Purchased	CME	Euro	Jan/2020–Mar/2020	(6,500)	(26,200)	176
Subtotal future purchased					(421,250)	(1,697,932)	(5,663)
Subtotal future purchased/sold					(96,750)	(389,969,)	(1,282)
Term	Sold	OTC/Cetip	Non-Deliverable Forward - NDF	Jan/2020–Apr/2020	3,412,324	13,754,054	423,344
Term	Purchased	OTC/Cetip	NDF	Jan/2020	(2,800,050)	(11,286,162)	(261,814)
Subtotal term purchased/sold					612,274	2,467,892	161,530
FX swap	Sold	OTC	FX swap	Oct/2021–Jan/2027	456,000	1,837,999	(493,343)
FX swap	Purchased	OTC	FX swap	Apr/2020–Jan/2027	(3,406,561)	(13,730,822)	1,284,597
Subtotal FX swap					(2,950,561)	(11,892,823)	791,254
Net exposure of foreign exchange derivatives as of December 2019					(2,435,037)	(9,814,900)	951,502
Net exposure of foreign exchange derivatives in March 2019					(1,581,593)	(6,162,995)	690,373

As of December 31, 2019, the summary of the quantitative data on Group's net exposure, considering the foreign exchange rate of all currencies to US$, is presented below:

	12/31/2019	
	R$	US$ (in thousands)
Cash and cash equivalents (Note 3)	2,694,807	668,570
Restricted cash (Note 5)	464,819	115,320
Accounts receivable - Abroad (Note 6)	691,816	171,637
Related parties (Note 11.a)	(317,902)	(78,870)
Suppliers (Note 17)	(4,465,796)	(1,107,946)
Loans and financing (Note 18)	(12,176,054)	(3,020,829)
Lease liabilities (Note 19)	(439,860)	(109,127)
Derivative financial instruments (Note 28.d) (1)		2,435,037
Net foreign exchange exposure		(926,208)
Derivatives settled in the month following the closing (2)		(2,000)
Net foreign exchange exposure in December 2019 (3)		(928,208)
Net foreign exchange exposure in March 2019		(1,885,014)

(1) Refers to the notional foreign exchange derivative transactions.
(2) Maturities on January 2020, whose settlement was given by PTAX on the last closing day of the month.
(3) The net foreign exchange exposure, this will be substantially offset by probable future revenues of export products and/or import products.

(e) Hedge accounting effect

The Group formally designates its transactions subject to hedge accounting aiming at hedging cash flows. Hedges are assigned to sugar and ethanol revenues, as applicable, the cost of import of derivatives and foreign currency debt, documenting: (i) the hedging relationship, (ii) the Group'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 and (vii) correlation between hedging and coverage object.

As of December 31, 2019, the impacts recognized in the Group's equity and the estimated realization in profit or loss are shown below:

			Realization years				
Instruments	**Market**	**Risk**	**2020**	**2021/22**	**>2022**	**12/31/2019**	**03/31/2019**
Future	OTC / ICE	Sugar#11	136,600	(57,256)	(15,522)	63,822	77,065
Future	B3 / NYMEX / OTC	Ethanol	(2,638)	(33,284)	-	(35,922)	47,551
Future	NYMEX	Gasoline	(2,277)	-	-	(2,277)	-
Option	ICE	Sugar#11	(14,350)	(20,039)	-	(34,389)	(26,273)
Term	OTC	FX	(171,975)	31,911	-	(140,064)	(160,148)
Swap	Debt	FX	-	-	(432,437)	(432,437)	(306,492)
Export Prepayments (PPE)	Debt	FX	-	-	(43,644)	(43,644)	(40,293)
			(54,640)	(78,668)	(491,603)	(624,911)	(408,590)
(-) Deferred taxes			18,578	26,747	167,147	212,472	138,921
Effect in equity			(36,062)	(51,921)	(324,456)	(412,439)	(269,669)

We show below the changes in the balances of other comprehensive income during the nine-month period ended December 31, 2019:

Cash flow hedge

Balance at March 31, 2019	(269,669)
Movement occurred in the period:	
Fair value on commodity futures designated as hedge accounting	(5,101)
Fair value loss on forward exchange contracts designated as hedge accounting	2,718
Exchange-rate change on debt contracts designated as hedge accounting	(129,295)
Income (loss) from commodities reclassified to operating income (loss)	(91,470)
Result of foreign exchange term reclassified to operating income	15,182
Realization of financial instruments we considered as non-effective *hedge accounting*	(8,355)
Total movements occurred during the period (before deferred taxes)	(216,321)
Effect of deferred taxes on equity valuation adjustments	73,551
	(142,770)
Balance at December 31, 2019	(412,439)

Fair value hedge

RCSA assigns to the fair value, the imported inventory of oil by-products with linked derivatives at fair value. The primary goal of risk management is to recognize inventory at a floating price, as it will be the case of RCSA's sales revenue upon selling products to its customers. Hedge accounting aims to minimize any kind of mismatching in income (loss) for the period, causing both the derivatives and the inventory to be recorded at fair value, with the change being recognized under Cost of products sold and services rendered caption, whose negative impact in nine-month period ended December 31, 2019 is R$ 6,055 (R$ 65,250 as of December 31, 2018).

(f) Interest rate risk

The Group monitors fluctuations in interest rates applied to certain debts, particularly those exposed to the Libor, and uses derivative instruments to manage those risks. The table below shows the positions for derivative financial instruments used to cover interest rate risk:

Interest rate risk: Interest derivatives, outstanding as of December 31, 2019

Derivatives	Purchased / Sold	Market	Contract	Maturity	Notional (US$ thou.)	Notional (R$ thousand)	Fair value (R$ thousand)
Interest rate swap	Sold	OTC	Interest rate swap	Oct/2020	99,468	400,927	(19,441)
Interest rate swap	Purchased	OTC	Interest rate swap	Oct/2020–Nov/2029	(659,134)	(2,656,770)	293,550
Sub-total interest rate swap					(559,666)	(2,255,843)	274,109
Net exposure of interest derivatives as of December 2019					(559,666)	(2,255,843)	274,109
Net exposure of interest rate derivatives in March 2019					(348,254)	(1,357,043)	140,563

(g) Credit risk

A substantial part of the Group's sales is 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 estimated loss in 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 NYMEX, Chicago - CBOT, Chicago - CME and the London International Financial Futures and Options Exchange - LIFFE, as well as in over-the-counter markets with selected counterparties. The Group enters into foreign exchange rate and commodity derivative agreements at B3 and over-the-counter agreements, mainly with the leading local and foreign banks considered by global credit risk rating agencies to have investment level ratings.

Guarantee margins (restricted cash, Note 5) - Derivative transactions in commodity exchanges (NYBOT, NYMEX, LIFFE and B3) require guarantee margins. The total margin of the combined and consolidated deposited as of December 31, 2019 is R$ 553,502 (R$ 217,869 as of March 31, 2019), of which R$ 88,683 (R$ 64,830 as of March 31, 2019) in restricted financial investments and R$ 464,819 (R$ 153,039 as of March 31, 2019) in derivative transaction margins.

The Group's over-the-counter (“OTC”) derivative transactions do not require a guarantee margin.

The credit risk on cash and cash equivalents is mitigated by the conservative distribution of investment funds and CDBs, which make up the caption. The distribution follows strict criteria for allocation and exposure to counterparties that are major national and international banks, mainly considered investment grade by international rating agencies.

(h) Liquidity risk

It is the risk of the Group may encounter difficulties in performing the obligations associated with its financial liabilities that are settled with 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.

As part of the liquidity management process, management prepares business plans and monitors their implementation, discussing positive and negative cash flow risks and assessing the availability of funds to support its operations, investments and refinancing needs.

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

	Up to 1 year	Up to 2 years	3–5 years	>5 years	Total
Loans and financing (1)	5,298,327	1,644,458	9,484,387	11,315,349	27,742,521
Suppliers (Note 17)	8,614,148	-	-	-	8,614,148
Third party and related party lease liabilities (1)	1,349,700	1,123,433	2,221,474	1,685,705	6,380,312
Derivative financial instruments (Note 28.b)	1,129,617	53,007	36,280	32,745	1,251,649
Related parties (1 and 2)	1,191,228	-	-	543,527	1,734,755
	17,583,020	2,820,898	11,742,141	13,577,326	45,723,385

(1) Undiscounted contractual cash flows.
(2) Except related party lease liabilities.

(i) Fair value

Procedures over the definition, measurement and recognition of the fair value of financial assets and liabilities are the same disclosed on annual financial statements of March 31, 2019 (Note 24.i).

Fair value hierarchy

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

- Level 1: prices quoted (without adjustments) in active markets for identical assets and liabilities;
- Level 2: other techniques for which all data that has significant effect on the recorded fair value is observable, either 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 measured at fair value as of December 31, 2019	Level 1	Level 2	Total
Interest earnings bank deposits (Note 3)	-	1,417,457	1,417,457
Securities (Note 4)	-	145,612	145,612
Restricted financial investments (Restricted cash) (Note 5)	-	138,791	138,791
Derivative financial assets (Note 28.b)	624,865	1,935,122	2,559,987
Loans and financing (Note 18)	-	(13,791,514)	(13,791,514)
Derivative financial liabilities (Note 28.b)	(700,373)	(551,276)	(1,251,649)
Total at December 31, 2019	(75,508)	(10,705,808)	(10,781,316)
Total as of March 31, 2019	78,599	(5,967,049)	(5,888,450)

(j) 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

The Group has adopted three scenarios for the sensitivity analysis, one probable and two (possible and remote) that may show the sundry effects in the fair value of the Group's financial instruments. The probable scenario was set according to the futures market curves of sugar, heating oil, ethanol and the US dollar as of December 31, 2019, and the amounts presented correspond to the fair value of derivatives on those dates. Possible and remote adverse scenarios were set considering impacts of 25% and 50% on sugar and US dollar price curves, which were calculated as a basis for the probable scenario.

Sensitivity table

(1) Change in fair value of derivative financial instruments

			Impacts on income (loss) (*)			
	Risk factor	**Probable scenario**	**Possible scenario +25%**	**Balance of fair value**	**Remote scenario +50%**	**Balance of the fair value**
Price risk						
Commodity derivatives						
Futures and options contracts:						
Purchase and sale commitments	Sugar price increase	(7,643)	(736,522)	(744,165)	(1,473,044)	(1,480,687)
Purchase and sale commitments	Gasoline price increase	(22,520)	(261,694)	(284,214)	(523,388)	(545,908)
Purchase and sale commitments	Ethanol price increase	(10,428)	157,610	147,182	315,220	304,792
Purchase and sale commitments	Increase in diesel and gasoline prices	(27,509)	(242,146)	(269,655)	(484,292)	(511,801)
Purchase and sale commitments	Electric power price increase	150,827	(112,070)	38,757	(224,140)	(73,313)
		82,727	(1,194,822)	(1,112,095)	(2,389,644)	(2,306,917)
Foreign exchange rate risk						
Foreign exchange rate derivatives						
Futures contracts:						
Purchase and sale commitments	FX decrease R$/US$	(1,282)	3,268	1,986	6,536	5,254
Fixed-term and Lock Contracts:						
Purchase and sale commitments	FX decrease R$/US$	156,365	(2,528,410)	(2,372,045)	(5,056,820)	(4,900,455)
Purchase and sale commitments	FX decrease AR$/US$	5,165	75,557	80,722	151,114	156,279
FX swaps:						
Purchase and sale commitments	FX decrease R$/US$	791,254	(2,019,266)	(1,228,012)	(4,038,532)	(3,247,278)
		951,502	(4,468,851)	(3,517,349)	(8,937,702)	(7,986,200)
Interest rate risk						
Interest derivatives						
Swap contracts, lock, DI, and NDF	Write-off in interest rate	274,109	(86,943)	187,166	(173,886)	100,223
		274,109	(86,943)	187,166	(173,886)	100,223
Total		1,308,338	(5,750,616)	(4,442,278)	(11,501,232)	(10,192,894)

(*) Result projected to occur within 12 months from December 31, 2019.

(2) Net foreign exchange exposure

The probable scenario considers the position as of December 31, 2019. The effects of the possible and remote scenarios that would be recognized in the consolidated combined statement of profit or loss as revenue or expenses on exchange-rate change are as follows:

		Effect of exchange-rate changes			
Net foreign exchange exposure as of December 31, 2019		**Possible scenario +25%**	**Remote scenario +50%**	**Possible scenario -25%**	**Remote scenario -50%**
Cash and cash equivalents (Note 3)	2,694,807	673,702	1,347,404	(673,702)	(1,347,404)
Restricted cash (Note 5)	464,819	116,205	232,410	(116,205)	(232,410)
Accounts receivable from abroad (Note 6)	691,816	172,954	345,908	(172,954)	(345,908)
Related parties (Note 11.a)	(317,902)	(79,476)	(158,951)	79,476	158,951
Suppliers (Note 17)	(4,465,796)	(1,116,449)	(2,232,898)	1,116,449	2,232,898
Loans and financing (Note 18)	(12,176,054)	(3,044,014)	(6,088,027)	3,044,014	6,088,027
Lease liabilities (Note 19)	(439,860)	(109,965)	(219,930)	109,965	219,930
Impact on income (loss) in the period		(3,387,043)	(6,774,084)	3,387,043	6,774,084

(3) Interest rate sensibility

As of December 31, 2019, the probable scenario considers the annual weighted average rate of floating interests of loans and financing of 4.80% and for financial investments and as restricted cash and basically, CDI accumulated in the last 12 months of 5.9%. In both cases, simulations were run considering the increase and reduction by 25% and 50%. The combined consolidated results of this sensitivity are as follows:

	December 31, 2019				
		Interest rate sensibility			
	Probable scenario	**Possible scenario +25%**	**Remote scenario +50%**	**Possible scenario -25%**	**Remote scenario -50%**
Interest earnings bank deposits	55,788	13,947	27,894	(13,947)	(27,894)
Securities	8,658	2,165	4,329	(2,165)	(4,329)
Interest earning bank deposits (restricted cash)	8,312	2,078	4,156	(2,078)	(4,156)
Loans and financing	(971,713)	(242,928)	(485,857)	242,928	485,857
Additional impact in income (loss) for the period	(898,956)	(224,738)	(449,478)	224,738	449,478

(k) 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.

Group has relationships with large local and international rating agencies as show below:

Branch	Scale	Rating	Outlook	Date
Fitch	National	AAA (bra)	Stable	05/30/2019
	Global	BBB	Stable	05/30/2019
Moody's	National	Aaa.Br	Stable	04/30/2019
	Global	Ba1	Stable	04/30/2019
Standard & Poor's	National	brAAA	Stable	04/29/2019
	Global	BBB-	Stable	12/12/2019

The financial leverage ratios on December 31 and March 31, 2019 were calculated as follows:

	12/31/2019	03/31/2019
Third party capital		
Loans and financing (Note 18)	22,317,863	17,264,301
(-) Cash and cash equivalents (Note 3)	(3,871,903)	(5,740,037)
(-) Securities (Note 4)	(145,612)	(268,413)
(-) Financial investments linked to financing (Note 5)	(50,108)	(57,846)
(-) National Treasury Certificates - CTN (Note 10)	(393,820)	(521,943)
(-) Foreign exchange and interest rate swaps (Note 28.b)	(1,065,363)	(814,344)
	16,791,057	9,861,718
Own capital		
Equity		
Attributable to Group's shareholders	10,390,308	11,115,876
Interest of non-controlling shareholders	348,077	276,128
	10,738,385	11,392,004
Total own capital and third-parties	27,529,442	21,253,722
Leverage ratio	61%	46%

29. Retirement supplementation plan and other employee benefits

(a) Pension fund

Defined contribution

During the nine-month period ended December 31, 2019, the contribution recognized as expenses amounted to R$ 16,094 (R$ 15,045 as of December 31, 2018).

Pension and health plan of Raízen Argentina

Raízen Argentina, subsidiary of RCSA, granted pension plans to non-union employees with defined and non-financed benefit. This plan is active, but it is closed to new participants since the end of 2014, currently covering 32 employees. The health coverage of retired employees is an inherited and frozen benefit, whose cost is equally apportioned between the company and the former employees.

(b) Profit sharing

The Group recognizes a liability and a profit sharing expense based on a methodology that considers pre-defined targets to employees. The Group recognizes a provision when it is contractually compelled or when there is a past practice that created non-formalized obligation.

30. Business combination

Raízen Argentina and subsidiaries - Acquisition of downstream ("DS") business of Shell Argentina

As mentioned in Notes 1.1 and 26 in annual financial statements on March 31, 2019 of RCSA, on October 1, 2018, RCSA completed the acquisition of Shell's downstream ("DS") business in Argentina, through the acquisition of 100% of the shares issued by Shell Compañía Argentina de Petróleo S.A. and Energina Compañía Argentina de Petróleo S.A., these shares previously held by the Shell Group and starting to operate in that country as Raízen Argentina whose amount of the operation was US$ 988,081 thousand, totaling R$ 3,917,438.

Pursuant to IFRS 3/CPC 15 - Business Combination, the fair value of acquired assets and assumed liabilities at the date of acquisition of Raízen Argentina and subsidiaries, is as follows: The difference between the amount paid and the net assets at fair value resulted in the recognition of a goodwill for expectation of future returns in the amount of R$ 221,898.

On September 30, 2019, RCSA concluded the allocation of the price of the assets acquired and liabilities assumed by the RCSA in the process of acquiring Raízen Argentina. The main differences between the preliminary and final goodwill were determined based on new information on the facts and circumstances existing on the date of acquisition and are presented in the movement below:

Movement	Amount
Net assets	3,605,064
Cost of acquisition	3,917,438
Adjustment to present value of considerations payable	(109,420)
	3,808,018
Preliminary goodwill	202,954
Property, plant and equipment (Note 15)	186
Intangible assets (Note 16)	(30)
Deferred taxes (Note 20.d)	(53)
	103
Adjustment to present value of considerations payable (Note 11.a.4)	18,841
Goodwill adjustments (Note 16)	18,944
Final goodwill	221,898

Goodwill on the expectation of future profitability may, depending on the RCSA's future valuations, be deductible for tax purposes.

The valuation techniques used to measure the fair value of significant assets acquired were as follows:

Acquired assets	Valuation technique
Property, plant and equipment (**)	Market comparison and cost technique: the evaluation model considers the market prices quoted for similar items, when available, and depreciated replacement costs, when applicable. The depreciated replacement cost reflects adjustments of physical deterioration, as well as the functional and economic obsolescence. In the final allocation, fair value of fixed assets' items on acquisition date totaled R$ 3,616,125 (R$ 3,616,311 on March 31, 2019), which represented surplus of R$ 366,461 (R$ 366,647 on March 31, 2019) to be depreciated based on assets' useful lives of approximately 13 years.
Intangible assets (*) / (**)	Contractual relationships with clients: Technique Multi-period earning excess method ("MEEM"), this model estimates fair value based on business unit future cash flow discounts. Cash flows considered revenues from projected clients' portfolio and their corresponding costs and expenses in the 180-month period. In the final allocation, the fair value of contract relations totaled R$ 232,558 (R$ 232,532 on March 31, 2019), fully recognized as surplus to be amortized on a straight-line basis over said period.
	Latam-pass contract: Technique Multi-period earning excess method ("MEEM"), this model estimates fair value based on business unit future cash flow discounts. Cash flows considered revenues associated to said contract and its corresponding costs and expenses during contract prevailing period of 87 months. In the final allocation, the fair value of this contract totaled R$ 36,010 (R$ 36,007 on March 31, 2019), fully recognized as surplus to be amortized on a straight-line basis over said period.

(*) Intangible assets identified by appraisers in applying the acquisition method.

(**) In the final allocation, on this surplus, deferred tax liabilities were formed in the amount of R$ 216,226 (R$ 216,279 as of March 31, 2019).

Raízen Biomassa

On October 1, 2019, RESA and Cosan S.A. signed a Share Purchase and Sale Agreement and other covenants under suspensive conditions ("Agreement") aimed at the acquisition, by RESA, of 81.5% of the shares held by Cosan S.A. in Raízen Biomassa (formerly Cosan Biomassa S.A.) for the price of R$ 1.00 (one Brazilian Real).

The Share Purchase and Sale Agreement for Raízen Biomassa's shares went into effect on December 02, 2019 after full verification and implementation of the suspensive conditions. The fair value was considered based on Biomassa's balances on this date, including its overall debt.

Raízen Biomassa produces and sells sugarcane bagasse pellets and straw. Pellet sales represented R$ 9.2 million in the year ended December 31, 2018. Through this investment, RESA aims to capture synergies that were suppressed, and insert the company in the business of producing and selling sugarcane biomass pellets and straw, consolidating Raízen's position as an integrated player in the Energy sector.

Pursuant to IFRS 3/CPC 15 - Business Combination, the preliminary fair value of acquired assets and assumed liabilities at the date of acquisition of Raízen Biomassa is as follows: The difference between the amount paid and the net assets at fair value resulted in the recognition of a preliminary goodwill for expectation of future returns.

Captions	Total
Cash and cash equivalents	154
Derivative financial instruments - Assets	5,165
Inventories	18,421
Recoverable taxes	20,186
Other receivables	1,817
Deferred income and social contribution tax (Note 20.d)	28,526
Property, plant and equipment (Note 15)	91,949
Intangible assets (Note 16)	264
Right-of-use (Note 14)	24
Loans and financing	(212,426)
Derivative financial instruments - Liabilities	(436)
Suppliers	(1,808)
Related parties	(10,784)
Other liabilities	(1,552)
Lease liabilities (Note 19)	(36)
Net assets (i)	(60,536)
Raízen Interest (81.5%) (Note 2.3)	(49,335)
(-) Cost of acquisition	-
Preliminary goodwill (Note 16)	(49,335)

(i) Interest of non-controlling shareholders (18.5%), equivalent to R$ 11,201.

In the nine-period ended December 31, 2019, RESA made preliminary recognition of acquisition price and final recognition is expected to be completed by March 31, 2020.

31. Cash flow supplementary information

(a) Reconciliation of equity movement with cash flows from financing activities (FCF)

(Assets) / Liabilities	Financial investments linked to financing	Loans and financing	Lease liabilities	Related parties (1)	Dividends and interest on own capital payable	Total
Balance at March 31, 2019	(57,846)	16,742,358	-	300,559	37,553	17,022,624
Transactions with impact in FCF						
Funding, net of expenditures	-	5,731,924	-	-	-	5,731,924
Amortization of principal	-	(1,459,985)	-	-	-	(1,459,985)
Interest amortization	-	(594,661)	-	-	-	(594,661)
Amortization of lease liabilities		-	(896,606)	(104,559)		(1,001,165)
Payment of dividends and interest on capital (Note 23.b)	-	-	-	(129,412)	(2,503,753)	(2,633,165)
Financial investments linked to financing	10,051	-	-	-	-	10,051
Other	-	-	-	2,317	-	2,317
	10,051	3,677,278	(896,606)	(231,654)	(2,503,753)	55,316
Other movements that do not affect the FCF						
Net interest, inflation adjustments, and exchange-rate changes	(1,970)	1,194,695	250,638	46,754	-	1,490,117
Change financial instruments fair value (Notes 18 and 27)	-	229,274	-	-	-	229,274
Allocation of dividends and interest on own capital	-	-	-	-	2,507,068	2,507,068
Initial adoption of IFRS 16 (CPC 06 (R2))	-	-	3,630,867	720,759		4,351,626
Addition, write-off, remeasurement of lease liabilities and other	(343)	80,438	1,063,269	68,470	(10,639)	1,201,195
	(2,313)	1,504,407	4,944,774	835,983	2,496,429	9,779,280
Balance at December 31, 2019	(50,108)	21,924,043	4,048,168	904,888	30,229	26,857,220

(1) Comprised of financial transactions and preferred shares and lease liabilities (Note 11.a).

(b) Transactions not involving cash

	Apr–Dec/19	Apr–Dec/18
Accounts receivable on the sale of shares (Note 13.b)	366,703	-
Depreciation of agricultural assets capitalized as biological assets	(18,549)	(17,395)
Depreciation of agricultural assets capitalized as property, plant and equipment	(60,979)	(49,710)
Interest capitalized in fixed assets	(25,325)	(23,163)
Right to use	(1,176,045)	-
Taxes on fixed assets, including adjustment to present value and other	1,815	3,882
	(912,380)	(86,386)

32. Subsequent events

Sale of indirect subsidiary Raízen Gas S.A. ("Raízen Gas") to Italgas S.A. ("Italgas")

On January 31, 2020, Raízen Argentina concluded the sale of all shares representing the share capital of Raízen Gas to Italgas, for the amount of US$ 23,000 thousand, equivalent to R$ 92,706, the net asset value of which is US$ 20,176 thousand, equivalent to R$ 81,323. Raízen Gas is a company located in Argentina, as is Italgas, which sells liquefied petroleum gas (LPG).

Acquisition of Nova América Agrícola Caarapó Ltda. by RESA

On October 25, 2019, RESA entered into a Share Purchase and Sale Agreement with Nova América Agrícola Ltda., which provides for the terms and conditions for the acquisition of Nova América Agrícola Caarapó Ltda. shares held by Nova América Agrícola Ltda. (100% of the capital) for R$ 164,383. On November 22, 2019, the transaction was approved by the Brazilian Antitrust Authority (CADE). The transaction was concluded on January 2, 2020 after resolution of the precedent conditions established between the parties.

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