(A free translation of the original in Portuguese)

Raízen Group

Quarterly information (ITR) at September 30, 2014 and report on review of quarterly information

(A free translation of the original in Portuguese)

Report on review of consolidated and combined quarterly information

To the Board of Directors and Stockholders
Raízen Group

Introduction

We have reviewed the accompanying consolidated and combined quarterly information of Raízen Group (the "Group") for the quarter ended September 30, 2014, which comprise the balance sheet at that date and the statements of operations, comprehensive income, changes in equity and cash flows for the periods of three and six months then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the interim consolidated and combined accounting information in accordance with the accounting standard CPC 21, "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34, "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with 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.

Conclusion on the consolidated and combined interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated and combined interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

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Raízen Group

Emphasis of matter - Combination of financial information

We draw attention to Note 2.1 (a) to the consolidated and combined Quarterly Information, which describes that the companies included in these consolidated and combined financial statements do not operate as a single entity. Therefore, this consolidated and combined financial information does not necessarily represent the results that would have been obtained if these companies had operated as a single legal entity during the period, nor does it indicate any future results. Our conclusion is not qualified in respect of this matter.

Other matters

Statement of value added

We have also reviewed the consolidated and combined statement of value added of Raízen Group for the periods of three and six months ended September 30, 2014, which is the responsibility of the Group's management. This statement is required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quaterly Information and is considered supplementary information under IFRS, which do not require the presentation of the statement of value added. This statement has been submitted to the same review procedures described above and based on our review, nothing has come to our attention that causes us to believe that it has not been prepared, in all material respects, in a manner consistent with the interim consolidated and combined accounting information taken as a whole.

Campinas, November 5, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Valdir Augusto de Assunção
Contador CRC 1SP135319/O-9

(A free translation of the original in Portuguese)

Raízen Group

Combined and consolidated financial information

September 30, 2014

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Consolidated and combined balance sheet as at September 30

(in thousands of reais) **(A free translation of the original in Portuguese)**

	Note	09.30.2014	03.31.2014
Assets			
Current			
Cash and cash equivalents	3	1,758,734	2,337,621
Restricted cash	4	271,085	304,582
Derivative financial instruments	27	197,785	224,476
Trade notes receivable	5	2,032,033	1,546,836
Inventories	7	3,593,853	1,390,676
Recoverable income tax and social contribution	18 a.1	437,418	369,489
Recoverable taxes and contributions	6	383,448	291,310
Dividends receivable		-	3,450
Advances to suppliers	8	184,069	212,869
Other financial assets	9	12,045	13,267
Related parties	10	416,942	352,540
Other credits		102,127	118,530
		9,389,539	7,165,646
Non-current			
Trade notes receivable	5	259,730	229,069
Derivative financial instruments	27	41,329	1,109
Other financial assets	9	911,130	890,680
Recoverable taxes and contributions	6	326,517	262,555
Advances to suppliers	8	94,189	21,841
Related parties	10	1,366,867	1,310,848
Deferred income tax and social contribution	18.b	452,530	290,695
Court deposits	19	420,310	365,807
Other credits		31,706	43,039
Investments	11	470,487	417,977
Biological assets	12	1,828,829	2,036,693
Fixed assets	13	8,768,169	9,066,051
Intangibles	14	3,807,716	3,609,046
		18,779,509	18,545,410
Total assets		28,169,048	25,711,056

Management's notes are an integral part of the consolidated and combined financial statements

Consolidated and combined balance sheet as at September 30

(In thousands of reais) **(continuation)**

	Note	09.30.2014	03.31.2014
Liabilities			
Current			
Loans and financing	16	2,235,273	1,925,739
Derivative financial instruments	27	194,762	166,899
Suppliers	15	1,128,206	1,414,087
Wages and salaries payable		384,946	378,632
Payable income tax and social contribution	18 a.2	44,336	4,626
Taxes payable	17	224,108	231,872
Dividends and interest on capital payable	21.b	300,690	300,151
Related parties	10	202,949	204,119
Antecipated revenues	28	55,781	79,506
Bonuses payable		42,642	24,383
Other payables		242,144	251,384
		5,055,837	4,981,398
Non-current			
Loans and financing	16	8,316,753	6,522,988
Derivative financial instruments	27	15,764	12,878
Taxes payable	17	678,123	672,236
Related parties	10	1,214,869	1,249,349
Provision for judicial claims	19	895,241	800,429
Provision for unsecured liabilities from subsidiaries and affiliated companies	11	2,642	2,642
Deferred income tax and social contribution	18.b	194,526	38,406
Antecipated revenues	28	285,804	307,635
Other payables		153,757	141,228
		11,757,479	9,747,791
Total liabilities		16,813,316	14,729,189
Shareholders' equity			
Capital stock	21.a	7,872,120	7,821,406
Capital reserve	21.a	2,005,559	2,005,868
Carrying value adjustments	21.c	(20,171)	(10,844)
Profit reserve	21.d and 21.e	755,909	1,054,560
Retained earnings		612,067	-
		11,225,484	10,870,990
Non-controlling shareholders interest		130,248	110,877
Total shareholders' equity		11,355,732	10,981,867
Total liabilities and shareholders' equity		28,169,048	25,711,056

Management's notes are an integral part of the consolidated and combined financial statements

Consolidated and combined statement of income
Three and six-month period ended on September 30
(In thousands of reais - except earnings per share) **(A free translation of the original in Portuguese)**

	Note	Jul-Sep/2014	Jul-Sep/2013	Apr-Sep/2014	Apr-Sep/2013
Net operating revenue	22	16,353,785	15,182,942	31,449,525	28,196,966
Costs of products sold and services provided	24	(15,226,143)	(13,753,441)	(29,345,150)	(25,953,599)
Gross profit		1,127,642	1,429,501	2,104,375	2,243,367
Operating income (expenses)					
With sales	24	(427,905)	(471,819)	(828,941)	(810,900)
General and administrative	24	(229,958)	(228,452)	(443,890)	(448,092)
Other operating revenues, net	25	138,075	80,680	252,159	175,890
		(519,788)	(619,591)	(1,020,672)	(1,083,102)
Income before financial income		607,854	809,910	1,083,703	1,160,265
Financial income					
Financial expenses	26	(133,678)	(115,519)	(276,305)	(223,977)
Financial revenues	26	98,540	63,334	195,080	140,242
Exchange variation	26	(334,897)	(32,447)	(263,604)	(361,309)
Net impact of derivatives	26	91,399	14,371	89,382	(11,503)
		(278,636)	(70,261)	(255,447)	(456,547)
Income before the results of equity method		329,218	739,649	828,256	703,718
Income from equity method	11	(8,985)	(11,655)	(12,476)	(12,337)
Income before income tax and social contribution		320,233	727,994	815,780	691,381
Income tax and social contribution	18				
Current		(144,765)	(104,120)	(208,882)	(194,237)
Deferred		54,118	(143,973)	16,130	(43,143)
		(90,647)	(248,093)	(192,752)	(237,380)
Net income for the period		229,586	479,901	623,028	454,001
Attributable to:					
Controlling shareholders of the Group		222,491	472,704	608,386	441,673
Non-controlling shareholders of the Group		7,095	7,197	14,642	12,328
		229,586	479,901	623,028	454,001

Management's notes are an integral part of the consolidated and combined financial statements

Combined and consolidated statement of comprehensive income
Three and six-month period ended on September 30

(in thousands of reais) **(A free translation of the original in Portuguese)**

	Jul-Sep/14	Jul-Sep/13	Apr-Sep/14	Apr-Sep/13
Net income for the period	229,586	479,901	623,028	454,001
Comprehensive income				
Items that will not be reclassified for the results				
Adjustment to equity method – Actuarial loss	-	-	-	(1,409)
Deferred taxes on adjustments	-	-	-	479
	-	-	-	(930)
Items that may be or not reclassified for the results				
Net gain with derivative financial instruments - Hedge accounting (Note 27)	(84,830)	(158,407)	(18,775)	(136,515)
Effect of conversion of foreign currency	3,203	149	3,065	4,909
Taxes deferred on adjustments	28,842	53,858	6,383	46,415
	(52,785)	(104,400)	(9,327)	(85,191)
Other components of comprehensive income for the period	(52,785)	(104,400)	(9,327)	(86,121)
Total of the comprehensive income for the period	176,801	375,501	613,701	367,880
Attributable to:				
Controlling shareholders of the Group	169,706	368,304	599,059	355,552
Non-controlling shareholders of the Group	7,095	7,197	14,642	12,328
	176,801	375,501	613,701	367,880

Management's notes are an integral part of the consolidated and combined financial statements

a) July 1 to September 30, 2014

	Attributable to shareholders of the Group											
		Capital Reserves					Profit reserve					
	Capital stock	Capital reserve	Special Law No. 8200/91	Tax incentives	Special goodwill reserve	Equity valuation adjustments	Legal	Earning retention	Retained earnings	Total	Non-controlling shareholders' interest	Total shareholders' equity
Balances on June 30, 2014	7,821,406	1,729,150	6,071	30,256	241,107	32,614	181,545	873,015	387,637	11,302,801	122,012	11,424,813
Contributions (distributions) to the shareholders of the Group												
Capital increase	-	-	-	-	-	-	-	-	-	-	400	400
Redemption of preferred shares class B and C and allocation of dividends	50,714	-	-	-	-	-	-	(51,969)	1,255	-	-	-
Partial realization of the reserve	-	-	(684)	-	-	-	-	-	684	-	-	-
Reflected effect on operations of subsidiaries	-	400	-	-	-	-	-	-	-	400	-	400
Creation of reserves	-	(741)	-	-	-	-	-	-	-	(741)	741	-
Payment of dividends	-	-	-	-	-	-	-	(246,682)	-	(246,682)	-	(246,682)
Total contributions (distributions) to the shareholders of the Group	50,714	(341)	(684)	-	-	-	-	(298,651)	1,939	(247,023)	1,141	(245,882)
Comprehensive income for the period												
Net income for the fiscal year	-	-	-	-	-	-	-	-	222,491	222,491	7,095	229,586
Equity valuation adjustment –Hedge accounting	-	-	-	-	-	(55,988)	-	-	-	(55,988)	-	(55,988)
Effect of conversion of foreign currency - CTA	-	-	-	-	-	3,203	-	-	-	3,203	-	3,203
Total comprehensive income for the period	-	-	-	-	-	(52,785)	-	-	222,491	169,706	7,095	176,801
Balances on September 30, 2014	7,872,120	1,728,809	5,387	30,256	241,107	(20,171)	181,545	574,364	612,067	11,225,484	130,248	11,355,732

Management's notes are an integral part of the consolidated and combined financial statements.

b) April 1 to September 30, 2014

	Attributable to shareholders of the Group											
		Capital reserves					Profit reserves					
	Capital stock	Capital reserve	Special Law No. 8200/91	Tax incentives	Special goodwill reserve	Equity valuation adjustments	Legal	Earnings retention	Retained earnings	Total	Non-controlling shareholders interest	Total shareholders' equity
Balances on March 31, 2014	7,821,406	1,726,692	7,813	30,256	241,107	(10,844)	181,545	873,015	-	10,870,990	110,877	10,981,867
ntributions (distributions) to the shareholders of the Group												
Capital increase	-	-	-	-	-	-	-	-	-	-	1,956	1,956
Redemption of preferred shares class B and C and allocation of dividends	50,714	-	-	-	-	-	-	(51,969)	1,255	-	-	-
Partial realization of the reserve	-	-	(2,426)	-	-	-	-	-	2,426	-	-	-
Reflected effect on operations of affiliates	-	763	-	-	-	-	-	-	-	763	-	763
Creation of reserves	-	1,354	-	-	-	-	-	-	-	1,354	2,773	4,127
Payment of dividends	-	-	-	-	-	-	-	(246,682)	-	(246,682)	-	(246,682)
al contributions (distributions) to the shareholders of the Group	50,714	2,117	(2,426)	-	-	-	-	(298,651)	3,681	(244,565)	4,729	(239,836)
Comprehensive income for the period												
Net income for the period	-	-	-	-	-	-	-	-	608,386	608,386	14,642	623,028
Equity valuation adjustment –hedge accounting	-	-	-	-	-	(12,392)	-	-	-	(12,392)	-	(12,392)
Effect of conversion of foreign currency - CTA	-	-	-	-	-	3,065	-	-	-	3,065	-	3,065
Total comprehensive income for the period	-	-	-	-	-	(9,327)	-	-	608,386	599,059	14,642	613,701
Balances on September 30, 2014	7,872,120	1,728,809	5,387	30,256	241,107	(20,171)	181,545	574,364	612,067	11,225,484	130,248	11,355,732

Management's notes are an integral part of the consolidated and combined financial statements.

c) July 1 to September 30, 2013

	Attributable to shareholders of the Group										
		Capital reserves				Profit reserves					
	Capital stock	Capital reserve	Special Law No. 8200/91	Special goodwill reserve	Equity valuation adjustments	Legal	Earnings retention	Retained earnings	Total	Non-controlling shareholders interest	Total shareholders' equity
Balances on June 30, 2013	7,562,754	1,740,312	12,234	241,107	117,658	121,328	1,034,523	(30,163)	10,799,753	100,378	10,900,131
Contributions (distributions) to the shareholders of the Group											
Reversal of proposed dividends	-	-	-	-	-	-	597	-	597	-	597
Partial realization of the reserve	-	-	(1,229)	-	-	-	-	1,229	-	-	-
Dividends to shareholders of preferred shares	6,916	-	-	-	-	-	(6,916)	-	-	-	-
Mandatory minimum dividends	-	-	-	-	-	-	(458,899)	-	(458,899)	-	(458,899)
Transactions with non-controlling shareholder	-	1,501	-	-	-	-	-	-	1,501	(1,501)	-
Reflected effect on operations of affiliates	-	895	-	-	-	-	-	-	895	-	895
Total contributions (distributions) to the shareholders of the Group	6,916	2,396	(1,229)	-	-	-	(465,218)	1,229	(455,906)	(1,501)	(457,407)
Comprehensive income for the period											
Net income for the period	-	-	-	-	-	-	-	472,704	472,704	7,197	479,901
Recognition of unrealized profits at the subsidiary	-	-	-	-	-	-	(3,229)	-	(3,229)	-	(3,229)
Equity valuation adjustment –hedge accounting	-	-	-	-	(104,549)	-	-	-	(104,549)	-	(104,549)
Effect of conversion of foreign currency - CTA	-	-	-	-	149	-	-	-	149	-	149
Total comprehensive income for the period	-	-	-	-	(104,400)	-	(3,229)	472,704	365,075	7,197	372,272
Balances on September 30, 2013	7,569,670	1,742,708	11,005	241,107	13,258	121,328	566,076	443,770	10,708,922	106,074	10,814,996

Management's notes are an integral part of the consolidated and combined financial statements.

d) April 1 to September 30, 2013

	Attributable to shareholders of the Group										
		Capital reserves				Profit reserves					
	Capital stock	Capital reserve	Special Law No. 8200/91	Special goodwill reserve	Equity valuation adjustments	Legal	Earnings retention	Retained earnings	Total	Non-controlling shareholders interest	Total shareholders' equity
Balances on Marth 31, 2013	7,562,754	1,746,290	13,102	241,107	99,379	121,323	1,031,294	-	10,815,249	113,174	10,928,423
Contributions (distributions) to the shareholders of the Group											
Excess paid on acquisition of additional equity interest in subsidiary	-	(5,973)	-		-	-	-	-	(5,973)	-	(5,973)
Reduction for full acquisition of equity interest	-	-	-	-	-	-	-	-	-	(17,927)	(17,927)
Dividends to shareholders of preferred shares	6,916	-	-	-	-	-	(6,916)	-	-	-	-
Reversal of proposed dividends	-	-	-	-	-	-	597	-	597	-	597
Mandatory minimum dividends	-	-	-	-	-	-	(458,899)	-	(458,899)	-	(458,899)
Partial realization of the reserve	-	-	(2,097)	-	-	-	-	2,097	-	-	-
Transactions with non-controlling shareholder	-	1,501	-	-	-	-	-	-	1,501	(1,501)	-
Reflected effect on operations of affiliates	-	895	-	-	-	-	-	-	895	-	895
Total contributions (distributions) to the shareholders of the Group	6,916	(3,577)	(2,097)		-	-	(465,218)	2,097	(461,879)	(19,428)	(481,307)
Comprehensive income for the period											
Net income for the period	-	-	-	-	-	-	-	441,673	441,673	12,328	454,001
Equity valuation adjustment –hedge accounting	-	-	-	-	(90,100)	-	-	-	(90,100)	-	(90,100)
Effect of conversion of foreign currency - CTA	-	-	-	-	4,909	-	-	-	4,909	-	4,909
Adjustment to equity valuation - – actuarial liability	-	-	-	-	(1,097)	-	-	-	(1,097)	-	(1,097)
Income tax on actuarial loss with retirement pension benefits	-	-	-	-	167	-	-	-	167	-	167
Total comprehensive income for the period	-	-	-	-	(86,121)	-	-	441,673	355,552	12,328	367,880
Transfer reserves	-	(5)	-	-	-	5	-	-	-	-	-
Balances on September 30, 2013	7,569,670	1,742,708	11,005	241.107	13,258	121,328	566,076	443,770	10,708,922	106,074	10,814,996

Management's notes are an integral part of the consolidated and combined financial statements.

Combined and consolidated statement of cash flows
Three and six-month period ended on September 30
(in thousands of reais) **(A free translation of the original in Portuguese)**

	Jul-Sep 2014	Jul-Sep 2013	Apr-Sep 2014	Apr-Sep 2013
Cash flows from operating activities				
Income before income tax	320,233	727,994	815,780	691,381
Adjustments to reconcile net income to net cash from operating activies:				
Depreciation and amortization	608,791	619,610	1,081,818	1,106,577
Change in fair value of biological assets and agricultural products	(2,381)	36,119	(70,140)	(16,319)
Change in fair value of sugarcane harvested (agricultural products)	66,976	(29,681)	123,313	26,068
Equity accounting	8,985	11,655	12,476	12,337
Gain on disposal of property, plant and equipment	(38,035)	(23,750)	(83,839)	(64,360)
Gain capital by dilution of shareholding	(30,333)	-	(30,333)	-
Net reversal of provision for doubtful accounts	9,015	(545)	9,822	743
Provision (reversal) for tax, civil and labor risks	5,330	7,614	10,300	16,325
Interest, monetary and exchange variation, net	732,261	93,495	685,966	513,540
Amortization of deferred revenue	(12,141)	(18,344)	(24,372)	(30,487)
Amortization of prepaid expenses	9,179	9,341	30,165	13,833
Losses (gain) from derivative financial instruments	139,471	(179,652)	194,327	(134,426)
Others	3,886	159	684	3,271
	1,821,237	1,254,015	2,755,967	2,138,483
Changes in operating assets and liabilities:				
Trade account receivables and advances from customers	(172,465)	(101,767)	(397,438)	(79,383)
Inventories	(922,396)	(1,061,789)	(1,636,633)	(1,376,334)
Restricted cash	204,351	12,975	49,675	(54,269)
Derivative financial instruments	-	29,516	(18,377)	50,111
Trade accounts payable and advances to suppliers	135,658	216,543	(327,418)	94,621
Taxes and contributions, net	(170,733)	(196,034)	(273,018)	(301,169)
Payroll and related charges	(91,944)	(95,269)	5,212	3,482
Related parties	(208,873)	(29,848)	(463,045)	57,212
Judicial deposits	(4,483)	(13,818)	(32,903)	(23,792)
Other assets and liabilities, net	(13,978)	8,761	(72,724)	(68,086)
	(1,244,863)	(1,230,730)	(3,166,669)	(1,697,607)
Income tax and social contribution paid	(51,547)	(55,432)	(91,135)	(153,750)
Net cash (used in) provided by operating activities	524,827	(32,147)	(501,837)	287,126
Investing activities:				
Acquisitions, net of acquired cash	(15,319)	(20,072)	(213,199)	(43,972)
Addition to property, plant and equipment, software and other intangible assets	(310,282)	(289,558)	(730,343)	(582,827)
Cash from sale of property, plant and equipment	47,991	75,153	116,910	133,056
Dividends received	6,000	-	8,580	-
Sugarcane planting and cultivation costs	(223,210)	(251,831)	(470,493)	(527,878)
Net cash used in investing activities	(494,820)	(486,308)	(1,288,545)	(1,021,621)
Financing activities:				
Proceeds from debt issuance	679,450	992,935	2,728,561	1,359,806
Repayment of debt	(350,747)	(505,042)	(1,374,488)	(825,870)
Guaranted account	-	-	-	(22,484)
Financial investments related to financing (restricted cash)	(3,697)	992	(3,291)	1,209
Capital payment by non-controlling shareholders	400	-	400	-
Dividends paid	(282,790)	(207,884)	(289,418)	(208,461)
Related parties	(169,381)	39,269	149,731	133,157
Net cash (used in) provided by financing activities	(126,765)	320,270	1,211,495	437,357
Decrease in cash and cash equivalents, net	(96,758)	(198,185)	(578,887)	(297,138)
Cash and cash equivalents at the beginning of the period	1,855,492	1,799,261	2,337,621	1,898,214
Cash and cash equivalents at the end of the period	1,758,734	1,601,076	1,758,734	1,601,076

Management's notes are an integral part of the consolidated and combined financial statements.

Combined and consolidated statement of value added
Three and six-month period ended on September 30
(in thousands of reais) **(A free translation of the original in Portuguese)**

	Jul-Sep 2014	Jul-Sep 2013	Apr-Sep 2014	Apr-Sep 2013
Revenues				
Gross sales of products and services	16,951,317	15,681,593	32,602,573	29,341,591
Returns of sales, discounts and abatements	(94,732)	(125,236)	(231,969)	(394,298)
Constitution (reversal) of provision for doubtful accounts	(7,267)	1,138	(6,821)	(147)
Other operating revenues, net	138,075	80,680	252,159	175,890
	16,987,393	15,638,175	32,615,942	29,123,036
Inputs acquired from third parties				
Costs of products sold and services provided	(14,424,958)	(12,872,942)	(28,001,820)	(24,470,320)
Materials, power, third-party services and other	(354,246)	(391,857)	(678,448)	(684,916)
Change of fair value of biological assets	2,381	(36,119)	70,140	16,319
Change in fair value of harvested sugarcane (agricultural product)	(66,976)	29,681	(123,313)	(26,068)
Creation of provision for obsolescence of inventories	(1,746)	-	(3,000)	-
	(14,845,545)	(13,271,237)	(28,736,441)	(25,164,985)
Gross value added	2,141,848	2,366,938	3,879,501	3,958,051
Depreciation and amortization	(608,791)	(619,610)	(1,081,818)	(1,106,577)
Added value produced, net	1,533,057	1,747,328	2,797,683	2,851,474
Value added received as transfer				
Equity accounting	(8,985)	(11,655)	(12,476)	(12,337)
Financial revenues	128,105	18,869	238,509	173,622
Financial revenues on exchange differences	-	26,403	71,293	26,403
Gain on operations with financial instruments	94,673	47,677	94,673	47,677
	213,793	81,294	391,999	235,365
Value added to be distributed	1,746,850	1,828,622	3,189,682	3,086,839
Distribution of value added				
Personnel				
Direct compensation	344,445	420,411	655,471	743,104
Benefits	41,579	81,815	81,161	99,282
Government Severance Indemnity Fund for Employees (“FGTS”)	21,912	8,838	42,468	27,307
	407,936	511,064	779,100	869,693
Taxes, fees and contributions				
Federal	189,391	63,052	359,506	214,886
Deferred federal taxes	(7,353)	154,124	(16,130)	43,143
State	343,851	354,055	645,728	631,016
Municipal	2,387	2,491	3,510	3,587
	528,276	573,722	992,614	892,632
Third-party capital compensation				
Financial expenses	164,923	130,764	319,734	257,357
Exchange variation	334,897	32,446	334,897	361,309
Losses on operations with financial instruments	1,594	-	5,291	85,583
Rents	79,638	100,725	135,018	166,264
	581,052	263,935	794,940	870,513
Remuneration of own capital				
Income (loss) for the to the period attributable to shareholders of the Group	222,491	472,704	608,386	441,673
Interest of non-controlling shareholders on retained earnings	7,095	7,197	14,642	12,328
	229,586	479,901	623,028	454,001
Value added distributed	1,746,850	1,828,622	3,189,682	3,086,839

Management’s notes are an integral part of the consolidated and combined financial statements.

1. Operating context

1.1 RAÍZEN Group

The activities of the RAÍZEN Group (the "Group") consist primarily of the following operations and companies:

(a) Raízen Energia S,A, and its controlled companies ("Raízen Energia" or "RESA"):

RESA is a private limited liability company with its headquarters in the city and state of São Paulo, Brazil, RESA was incorporated on June 1, 2011, and is a joint venture controlled indirectly by Royal Dutch Shell ("Shell") and Cosan S,A, Indústria e Comércio ("Cosan"), Until November 30, 2012, RESA was a direct subsidiary of Raízen Energia Participações S,A, ("REPSA"), on which date there was a reverse takeover by RESA.

On October 21, 2013, RESA was registered with the Brazilian Securities Commission ("CVM"), as a private limited liability company, Category B, and was authorized to trade in its own securities in regulated securities markets, with the exception of shares, share deposit certificates or securities conferring the right to acquire such securities upon conversion or the exercise of their inherent rights.

The principal business activity of RESA is the production and domestic and international trading of sugar and ethanol, through its controlled companies Raízen Trading LLP and Raízen International Universal Corporation, and the cogeneration of energy produced from sugarcane bagasse in its 24 plants, which are located in the central southern region of Brazil.

The planting of sugarcane requires a period of from 12 to 18 months for the crop to ripen. The harvest starts in the months of April or May each year and generally ends in November or December, at which time sugar and ethanol is produced, The sale of the production occurs throughout the year and it does not suffer variations due to seasonality, but only variation of the market offer and demand, Due to its production cycle, the fiscal year of the Group starts on April 1 and ends on March 31 each year.

During the semester ended September 30, RESA and its subsidiaries were subject to corporate restructuring, which resulted in the formation of ten new thermoelectric companies ("UTEs"). The RESA RESA and its subsidiaries carried out a capital increase in its net assets related to the activity of cogeneration of electricity in ten of these new companies. The updated consolidation basis of RESA and details of the corporate restructuring are to be found in Notes 2,2 and 11, respectively.

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

RCSA is a privately held company headquartered in the City of Rio de Janeiro, Brazil, RCSA is indirectly jointly controlled by Shell and Cosan.

The main business activities of RCSA are: (i) distributing oil and ethanol byproducts and other hydrocarbon fluids and their sub-byproducts, mainly of the Shell brand; (ii) selling natural gas and operating as sales representative with respect to the sale of lubricants in gas stations; (iii) purchasing and selling products and goods for sale in convenience stores; (iv) importing and exporting the aforementioned products; and (v) holding of interests in other companies.

(c) Other information

The synergy of Raízen Energia and Raízen Combustíveis causes the Raízen Group to occupy a unique position in the Brazilian market, The two companies actively support each other; therefore, the need to present a consolidated and combined business is important, so that the market is able to see the Group as a whole.

Although not established as a group, as set forth in Art, 265 of the Brazilian Corporate Law, the Raízen Group companies present consolidated and combined annual financial statements so as to demonstrate the information that better reflects the gross generation of cash from operating activies.

The consolidated and combined financial statements of Raízen Group are the responsibility of the Management of the companies that are part of the combination and are being presented exclusively for the purpose of providing, in a single financial statement, information on all the activities of the Raízen Group, independently of its legal corporate structure.

The issue of the consolidated and combined financial information was authorized by the Board on November 5, 2014.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated and combined financial information has been prepared and is in accordance with accounting practices adopted in Brazil, including the pronouncements of the Accounting Pronouncement Committee ("CPC"), in particular CPC 21 – Interim Statement and CPC 44 – Combined Financial Statements.

This quarterly information has been prepared consistently and according to the same accounting policies as for the statements as at March 31, 2014, and should be read in conjunction with them.

The notes to the March 31, 2014, financial statements which have not changed significantly or which contained irrelevant information are not shown in full in this quarterly information.

a) Combination criteria

These consolidated and combined financial information comtemplate the combination of the following companies:

Raízen Energia S,A, and its subsidiaries
Raízen Combustíveis S,A, and its subsidiaries

The following items were eliminated in the combination: balances receivable and payable, and revenues, expenses and unrealized earnings arising from transactions between these companies.

Combined companies do not operate as one single legal entity; their combined financial information does not necessarily provide indicators of current or future profit or loss had these combined companies been operating as one single legal entity, Therefore, the consolidated and combined financial statements should not be used as a basis for purposes of calculation of dividends or taxes, or for any other corporate or statutory purposes.

Below we present a breakdown of the assets and shareholders' equity for the quarters ended September 30 and March 31, 2014, and the income for the quarter and other comprehensive income as at September 30, 2014 and 2013, of the companies comprising the consolidated and combined financial information, and the respective consolidated and combined balances, not including related-party transactions:

	Total assets		Total shareholders equity		Net income (loss)		Other comprehensive income	
	September 2014	March 2014	September 2014	March 2014	September 2014	September 2013	September 2014	September 2013
Raízen Energia S,A, and controlled companies	21,301,859	17,872,223	6,781,850	6,644,509	145,905	8,751	136,578	(77,046)
Raízen Combustíveis S,A, and controlled companies	9,541,675	8,432,277	4,573,882	4,337,358	477,123	445,250	477,123	444,926
	30,843,534	26,304,500	11,355,732	10,981,867	623,028	454,001	613,701	367,880
Elimination of receivables from comercial transactions	(2,674,486)	(593,444)	-	-	-	-	-	-
Combined and consolidated balances	28,169,048	25,711,056	11,355,732	10,981,867	623,028	454,001	613,701	367,880

Consolidated and combined financial information is a single set of information for two or more entities under common control, RESA and RCSA have used the definition of control given in technical pronouncement CPC 44 – Combined Statement, in combination with CPC 36 – Consolidated Statements, as to the assessment of the existence of common control and also for the consolidation procedures, as mentioned in Note 2.2.

b) Measuring basis

The consolidated and combined quarterly information has been prepared using historic cost as a basis, except, when applicable, for the valuation of certain assets and liabilities, such as financial instruments (including derivative instruments), agricultural products, and biological assets, which are measured at fair value.

c) Functional and presentation currencies

This consolidated and combined quarterly information are presented in reais, which is the Group's functional currency. The financial information of each subsidiary included in the combination and those used as bases for valuing investments by the equity accounting method are prepared using the functional currency of each company. For the subsidiaries located abroad, their assets and liabilities have been translated to reais by the exchange rate at the balance sheet date, while the income has been assessed using the monthly average rate during the exercise. The effects of this currency translation are recorded in the shareholders' equity of each such subsidiary.

d) Judgments, estimates and significant accounting assumptions

The preparation of the combined and consolidated quarterly information requires Management to make judgments and estimates and to adopt premises that affect the submitted amounts of revenues, expenses, assets and liabilities on the base date of the financial statements.

These estimates and premises are continuously reviewed, Reviews in relation to accounting estimates are recognized in the period in which the estimates are reviewed and in any future periods affected.

If there is a significant change in the facts or circumstances on which the estimates and assumptions used are based, this may have a material impact on the Group's results and financial condition.

During the semester ended on September 30, 2014, the material accounting estimates and premises are the same used in the preparation of the annual financial statements for the year ended March 31, 2014.

2.2 Consolidation basis

The consolidated financial information is included in the quarterly information of RCSA, RESAand their subsidiaries The direct and indirect subsidiaries are related below:

RCSA subsidiaries	**Direct interest**	
	09,30,2014	**31, 03,2014**
Blueway Trading Importação e Exportação Ltda.	100%	100%
Raízen Fuels Finance Limited.	100%	100%
SAMPRAS Participações Ltda.	100%	100%
Raízen Mime Combustíveis S.A.	76%	76%
Petróleo Sabbá S.A.	80%	80%

RESA subsidiaries	Direct and indirect interests	
	09,30,2014	03,31,2014
Agrícola Ponte Alta Ltda.	100%	100%
Agropecuária Santa Hermínia Ltda.	100%	100%
América Trading Investments	100%	100%
Benálcool Açúcar e Álcool Ltda.	100%	100%
Bioenergia Araraquara Ltda. (Note 1 e 11)	100%	-
Bioenergia Barra Ltda. (Note 1 e 11)	100%	-
Bioenergia Caarapó Ltda. (Note 1 e 11)	100%	-
Bioenergia Costa Pinto Ltda. (Note 1 e 11)	100%	-
Bioenergia Gasa Ltda. (Note 1 e 11)	100%	-
Bioenergia Jataí Ltda.	100%	-
Bioenergia Maracaí Ltda. (Note 1 e 11)	100%	-
Bioenergia Rafard Ltda. (Note 1 e 11)	100%	-
Bioenergia Serra Ltda. (Note 1 e 11)	100%	-
Bioenergia Tarumã Ltda. (Note 1 e 11)	100%	-
Bioenergia Univalem Ltda. (Note 1 e 11)	100%	-
Cosan Centroeste Açúcar e Álcool Ltda.	100%	100%
Curupay Agroenergia Ltda.	100%	100%
Houghton Venture Capital Ltd.	100%	100%
Raízen Araraquara Açúcar e Álcool Ltda.	100%	100%
Raízen Asia PT Ltd.	100%	100%
Raízen Biotecnologia S.A.	100%	100%
Raízen Caarapó Açúcar e Álcool Ltda.	100%	100%
Raízen Cayman Limited	100%	100%
Raízen Energy Finance Ltd.	100%	100%
Raízen International Universal Corp.	100%	100%
Raízen North América. Inc.	100%	100%
Raízen Paraguaçú Ltda.	100%	100%
Raízen Tarumã Ltda.	100%	100%
Raízen Trading LLP	100%	100%
TEAS Terminal Exportador de Álcool de Santos Ltda.	100%	100%

2.3 Summary of significant accounting policies

The accounting practices and calculation methods used in preparing this consolidated and combined quarterly information are the same as those used to prepare the annual Group financial statements for the reporting period ended March 31, 2014.

3. Cash and cash equivalents

	09,30,2014	03,31,2014
Resources in bank and cash	164,915	474,475
Amounts pending foreign-exchange closing (1)	52,158	208,447
Financial investments:		
Investment funds (2)	607,167	623,693
Certificates of bank deposits ("CDBs") (3)	932,959	1,029,195
Other investments	1,535	1,811
	1,758,734	2,337,621

(1) Amounts pending closing exchange rate are of the same nature of amounts disclosed in the annual financial statements for March 31, 2014.

(2) Correspond to investments in fixed-rate management by main financial institutions which are managed by quotas with daily earnings and are available for immediate redemption without relevant change in value. As at September 30, 2014, the average remuneration of such funds was equivalent to 99,5% of the Interbank Deposit Certificate ("CDI") rate (100,9% as at March 31, 2014).

(3) These are financial investments in CDB-type fixed income securities on a buyback basis, with first-class financial institutions, remunerated at an average rate of 102,1% of the CDI rate (102,1% in 2014), available for immediate redemption and without expectation of relevant change in value.

4. Restricted cash

	09,30,2014	03,31,2014
Financial investments linked to financing	75,369	71,088
Financial investments related the transactions with derivatives	65,087	61,826
Margin with transactions with derivatives	130,629	171,668
	271,085	304,582

The modalities of restricted cash are the same as disclosed in the annual financial statements of March 31, 2014 and there were changes in the procedures for the recognition, measurement and accounting records, and did not change in the credit risk of these balances.

5. Trade notes receivable

	09,30,2014	03,31,2014
Accounts receivable - Domestic	1,893,194	1,421,582
Accounts receivable - Abroad	228,971	165,500
Financing to customers (i)	355,568	363,472
Provision for doubtful accounts	(185,970)	(174,649)
	2,291,763	1,775,905
Current	(2,032,033)	(1,546,836)
Non-current	259,730	229,069

(i) Financing to customers refers to installment payments for past-due debts and sales of properties, as well as financing with the primary purpose of implementing or modernizing gas stations, using collaterals, pledges and guarantees. Financial charges and amortization terms are set forth in agreements and defined based on the financial and economic analysis of each transaction.

The maximum exposure to credit risk as at the balance sheet date is the book value of each class of trade account receivables mentioned above. The Group does not keep any bonds as guarantees of trade notes receivable.

The following is a breakdown of the maturities of trade accounts receivable:

	09,30,2014	03,31,2014
To become payable	1,986,908	1,635,805
Overdue:		
Up to 30 days	148,923	52,834
From 31 to 90 days	61,465	29,816
Over 90 days	280,437	232,099
	2,477,733	1,950,554

The Group has security guarantees, e,g, pledges and credit letters, on securities overdue and not provisioned,

The activity in the provision for doubtful accounts is presented as follows:

As at March 31, 2014	(174,649)
Provision	(23,048)
Reversal (1)	11,727
As at September 30, 2014	(185,970)

(1) Reversals occurs, mainly, when there is defined securities write- off for losses or though receiving of securities.

6. Recoverable taxes and contributions

	09,30,2014	03,31,2014
Value Added Tax on Sales and Services ("ICMS") (a)	637,037	515,363
Excise Tax ("IPI")	10,777	9,350
Social Contribution on Billings ("COFINS")	76,617	48,591
Employees' Profit Participation Program ("PIS")	23,547	23,477
Other	6,691	1,788
Provision for tax losses (i)	(44,704)	(44,704)
	709,965	553,865
Current	(383,448)	(291,310)
Non-current	326,517	262,555

(i) During the period ended on September 30, 2014, there was no't any activity on the provision for tax losses,

Balances of taxes recoverable arise from trading operations and from advances, adjusted to present value when applicable (credits for purchases of property, plant and equipment).

The ICMS balance is composed as follows:

	09,30,2014	03,31,2014
Current		
Reimbursement of ICMS (1)	58,808	66,302
Recoverable ICMS	174,730	100,706
ICMS credits derived from the acquisition of property, plant and equipment	32,278	41,095
	265,816	208,103
Non-current		
Reimbursement of ICMS (1)	248,980	167,128
Recoverable ICMS	86,359	108,874
ICMS credits derived from the acquisition of property, plant and equipment	35,882	31,258
	371,221	307,260
	637,037	515,363

(1) Reimbursements of ICMS derive from inter-state transactions of the distribution of oil derivatives for which the tax levies of the destination state are lower than those withheld by suppliers, as provided by Agreement 110/07. The method for reimbursement is through formalization of the process with the state, where, after deferment of the requirement, the payment is effected by tax replacement, in this case, the refinery.

(a) ICMS

In order to utilize ICMS credit balances, the Group is internally assessing certain activities, in particular the logistic review of transactions with changes in supply centers, Additionally, there are requests for special regimes before the given state tax authorities, requests for authorization for transfer of balances between branches in the same state and analysis of sale of credits to third parties. The balance of recoverable ICMS included in this financial statement reflects the amount the Group expects to realize, less the allowance for losses on credits Management does not expect to realize.

7. Inventories

	09,30,2014	03,31,2014
Finished products:		
Ethanol	1,370,931	305,922
Sugar	1,140,332	49,743
Diesel	467,083	335,362
Gasoline	363,354	342,065
Fuel for jets (Jet A-1)	103,201	105,576
Fuel oil	12,072	6,071
Aviation gasoline	3,316	2,777
Kerosene	1,476	839
Advances to suppliers and finished product	90,577	78,138
Storeroom and others	168,384	176,725
Products in progress	21,040	6,078
Fair value of sugarcane harvest (agricultural product)	(131,758)	(8,443)
Provision for inventory realization and obsolescence	(16,155)	(10,177)
	3,593,853	1,390,676

The cost of inventories is recognized in the statement of income for the semester ended September 30, 2014, under cost of products sold and services provided in the amount of R$29,345,150 (R$25,993,599 in the semester ended September 30, 2013).

As at September 30, 2014, the balances of inventories include depreciation and amortization amounting to R$702,896 (R$60,305 as at March 31, 2014).
The changes in the provision for inventory losses and allowance for obsolete inventories are as follows:

As at March 31, 2014	(10,177)
Provision	(14,528)
Reversal	8,550
As at September 30, 2014	(16,155)

8. Advances to suppliers

	09,30,2014	03,31,2014
Sugarcane	279,433	248,463
Materials and services	17,117	4,590
(-) Allowance for losses	(18,292)	(18,343)
	278,258	234,710
Current	(184,069)	(212,869)
Non-current	94,189	21,841

Advances to sugarcane suppliers represent amounts granted by the Group on the date of signature of sugarcane supply agreements, and the corresponding addenda to the agreements, to be amortized as sugarcane supplies are received, According to the estimate of the amount of sugarcane to be delivered by the suppliers, these balances will be settled during the next 12 harvests.

The allowance for losses relates to advances made for which the Group does not expect to recover them, There was no significant change in the allowance for losses in the period ended September 30, 2014.

9. Other financial assets

	09,30,2014	03,31,2014
Credits from action for damages (1)	466,973	469,580
National Treasury Certificate – CTN (2)	456,201	434,366
Others	1	1
	923,175	903,947
Current	(12,045)	(13,267)
Non-current	911,130	890,680

(1) On February 28, 2007, the Group recognized a gain of R$318,358 corresponding to a lawsuit brought by RESA against the Brazilian government, in which the Group claimed indemnity because the prices of its products were, at a time in which the sector was subject to governmental control, set by mandate in a way that was inconsistent with the economic conditions of the sector. The final and unappeallable decision was favorable to RESA and the aforementioned gain was recorded in profit or loss for that year, as a balancing item to non-current assets, under "other financial assets", RESA is awaiting a final ruling on the manner of payment, which should be in the form of payment writs receivable in up to ten years. As at September 30, 2014, the adjusted balance of this indemnity amounted to R$382,655 (R$376,713 as at March 31, 2014).

On December 2013, the Group acknowledged a new indemnity related to a lawsuit brought by RESA against the Brazilian government by Destilaria Vale do Tiete S,A, ("Destivale"), which was succeeded by RESA, for R$122,127, whose final and unappeallable decision was favorable to RESA, and which will be settled in ten annual installments.

On January 15, and August 15, 2014, RESA received from the Brazilian government installments of the aforesaid indemnity amounting to R$32,391 and R$ 13,230, respectively, which was fully reimbursed to Cosan.

As at September 30, 2014, the balance of this indemnity recognized in December, 2013, monetarily adjusted and classified in current and non-current assets, totaled R$12,045 and R$72,273 (R$13,267 and R$79,600 as at March 31, 2014), respectively.

These credits did not form part of the net assets contributed by Cosan to the formation of the RAÍZEN Group, RESA therefore recorded a liability for the same amount, classified in current and non-current liabilities, under the heading "related parties", since it intends to repay the amounts of these credits to Cosan in full when they are effectively received (Note 10). Consequently this transaction has not and will not have any impact on RESA's results.

(2) These correspond to government securities, issued by the Brazilian Treasury under the Special Agricultural Securitization Program ("PESA"), for an original period of 20 years, given in guarantee of the PESA financing program (Note 16). The yield on these securities is the IGPM variation plus annual interest of 12%, which may be capitalized. The value of these securities at maturity will be equivalent to the principal amount of the PESA debt then owing, If the debt is paid early, the Group may hold those securities in the portfolio until maturity or apply for redemption.

10. Related parties

a) Summary of balances and transactions with related parties

	09,30,2014	03,31,2014
Assets		
Cosan S,A, Indústria e Comércio (1)	1,015,767	977,467
Shell Brazil Holding B.V. (2)	495,117	473,998
Shell Aviation Limited (4)	125,710	111,676
Others	41,507	32,456
Shell Brasil Petróleo Ltda. (5)	40,811	20,680
Nova América Agrícola Caarapó Ltda (3)	36,054	35,039
Agroterenas S.A. (3)	28,843	12,072
Total assets	1,783,809	1,663,388
Current assets	(416,942)	(352,540)
Non-current assets	1,366,867	1,310,848

	09,30,2014	03,31,2014
Liabilities		
Cosan S,A, Indústria e Comércio (1)	977,407	961,363
Shell Brazil Holding B.V. (2)	284,491	423,433
Shell Brasil Petróleo Ltda. (5)	41,644	32,330
Agroterenas S,A, (3)	38,699	7,693
Nova América Agrícola Caarapó Ltda. (3)	31,923	6,174
Nova América Agrícola Ltda. (3)	21,404	3,466
Other	20,311	17,219
Shell Aviation Limited (4)	1,939	1,790
Total liabilities	1,417,818	1,453,468
Current liabilities	(202,949)	(204,119)
Non-current liabilities	1,214,869	1,249,349

	Jul-Sep/2014	Jul-Sep/2013	Apr-Sep/2014	Apr-Sep/2013
Product sales (a)				
Shell Aviation Limited	337,966	319,690	657,951	585,953
Shell Western Supply and Trading	-	104,013	139,470	177,336
Posto Agricopel Ltda	51,848	46,300	106,151	89,993
Agricopel Com. e Der. Petróleo Ltda.	52,760	49,554	103,123	93,407
Others	488	394	1,189	680
	443,062	519,951	1,007,884	947,369
Purchase of goods(a)				
Grupo Rumo	(77,932)	(124,921)	(130,230)	(219,309)
Nova América Agrícola Ltda.	(44,904)	(47,117)	(86,629)	(76,848)
Agroterenas S.A.	(59,885)	(60,833)	(99,507)	(91,089)
Agricopel Com. e Der. Petróleo Ltda.	(8,077)	(9,394)	(8,077)	(9,394)
Nova América Agrícola Caarapó Ltda.	(30,484)	(34,759)	(41,002)	(45,690)
Cosan Lubrificantes e Especilidades	(5,964)	(6,858)	(11,188)	(13,265)
	(227,246)	(283,882)	(376,633)	(455,595)
Recharge of shared expenses (b)				
Cosan Lubrificantes e Especialidades S.A.	969	1,252	2,285	2,367
Companhia de Gás de São Paulo	6,959	-	9,951	-
Cosan S.A. Indústria e Comércio	538	1,286	1,962	1,792
Grupo Rumo	1,190	1,529	2,674	2,788
Others	371	345	835	715
	10,027	4,412	17,707	7,662
Leases of land (c)				
Grupo Aguassanta	(8,164)	(7,082)	(16,807)	(14,333)
Grupo Radar	(14,299)	(18,430)	(29,000)	(30,649)
	(22,463)	(25,512)	(45,807)	(44,982)
Financial revenues (expenses)				
Agroterenas S.A.	-	206	-	293
Shell Brazil Holding B.V.	-	-	(3)	12,516
Shell Finance B.V.	(1,208)	(1,807)	(2,524)	(1,807)
Nova América Agrícola Caarapó Ltda.	956	-	1,567	-
Others	(679)	(1,098)	(1,286)	(1,098)
	(267)	(2,699)	(1,104)	9,904
Revenue from services (d)				
Shell Brasil Petróleo Ltda.	11,286	11,286	22,727	22,572
	11,286	11,286	22,727	22,572
Expenses from services				
Shell International Petroleum	(877)	(575)	(1,758)	(1,088)
Shell Aviation Limited	(286)	1,442	(286)	(697)
Shell Brasil Petróleo	(1,337)	-	(1,337)	(4,128)
	(2,500)	867	(3,381)	(5,913)

(a) Product purchase and sale transactions are conducted based on terms and conditions agreed among the parties.
(b) Refers to costs with the share of corporate, managerial and operational costs recharged from related parties.
(c) Refers to expenses for leasing of land with related parties out of the RAÍZEN Group.
(d) Refers to the commission on sales of lubricants.

(1) Cosan S,A, Indústria e Comércio

As at September 30, 2014, the amount recorded in current assets refers to amounts spent or payable or to be paid, fully redeemable, in respect to the formation of the Group, of the following kinds: i) reimbursements of payments in installments of tax debits payable (Refis IV), and other installments, amounting to R$78,770 (R$65,326 as of March 31, 2014) (Note 17); ii) reimbursements of legal and administrative expenses amounting to R$16,652 (R$8,804 as of March 31, 2014); iii) reimbursements of expenses of judicial deposits amounting to R$38,296 (R$31,012 as at March 31, 2014); (iv) reimbursements of expenses of legal claims amounting to R$43,651 (R$13,408 as of March 31, 2014); and v) reimbursements of expenses related to Safety, Health and Environment ("SSMA") and other costs amounting to R$1,021(R$1,021 as of March 31, 2014).

The balance of R$8,427 as at March 31, 2014, arose from the capital increase effected by Cosan, and was received in full on May, 2, 2014.

In addition, the remaining balance receivable from Cosan represents debit notes for shared expenses amounting to R$5,783 (R$7,124 as at March 31, 2014).

The amount recorded in non-current assets refers, mainly, to preexisting liabilities in RESA before the formation of the Group, which shall be fully paid by Cosan, when effectively paid, derived from: i) provision for legal claims amounting to R$203,897 (R$196,958 as at March 31, 2014) (Note 19) ; ii) installments of tax debits payable (Refis IV) amounting to R$624,040 (R$632,218 as at March 31, 2014) (Note 17); iii) other reimbursable liabilities amounting to R$3,747 (R$13,169 as at March 31, 2014).

As at September 30, 2014, the amount of R$29,886 recorded in current liabilities refers mainly to the portion reimbursable to Cosan arising from the receipt for Destivale's indemnity actions in the amount of R$12,045 (R$13,267 as at March 31, 2014) (Note 9), and the remaining balance of R$17,841 (R$23,364 as at March 31, 2014) corresponds to debit notes and other transfers arising from Raízen's organization.

The other trade liabilities amounted totaling September 30 the amount of R $ 128 (R $ 60 on March 31, 2014).

The amount registered in non-current liabilities refers to credits on actions for indemnity and judicial deposits in the amount of R$454,927 (R$456,313 as at March 31, 2014) (Note 9) and R$215,346 (R$177,368 as at March 31, 2014) (Note 19), respectively, which existed before the Group was formed, and are to be reimbursed to Cosan when actually paid, since they were not contributed by Cosan to the establishment of the Group.

Preferred shares payable – Cosan

Upon the merger on November 30, 2012, RESA obtained R$389,979 relating to preferred shares transferred by REPSA as an opening balance, which is recorded in non-current liabilities, This is the amount of tax benefits reimbursable to Cosan, when the amount is effectively utilized by RESA, based on the balances of tax loss carry-forwards ("NOL") and the tax benefit on the goodwill amortization, Payment will be made upon the distribution of exclusive dividends to the holders of Class B preferred shares (Note 21,a), Currently, in RESA, only Cosan holds such a class of shares.

On March 31, 2014, RESA proposed to pay dividends to holders of Class B preferred shares amounting to R$43,636, corresponding to the partial use of the tax benefit of the fiscal year then ended.

Additionally, as at March 31, 2014, RESA had reviewed the balances of preferred shares and determined a decrease of R$11,812 in the obligation with Cosan, by virtue of certain tax benefits that will not be used by RESA.

At the Annual General Meeting held on July 28, 2014, the Company's shareholders resolved and approved payment in the amount of R $ 42,381, or less than that declared on March 31, 2014, at $ 1,255, The RESA made payment related to such preferred shares on 29 July 2014.

On September 30, 2014, the remaining balance of the Class B preferred shares payable to Cosan totaled R$ 261,994 (R $ 260,738 at 31 March 2014).

The amount recorded in non-current liabilities for RCSA refers to tax benefits reimbursable to Cosan when they are actually used by RCSA, amounting to R$15,126 (R$30,253 as at March 31, 2014), calculated as the balance of the tax benefit on the amortization of goodwill transferred to RCSA at the time of the corporate restructuring when the Group was formed, This payment will be made annually, except when corporate reorganizations during the year make it necessary to submit a corporate tax return ("DIPJ"), In this case, payment must be made within 20 business days after the DIPJ is submitted, since this is when the tax savings arise from the use of tax credits, Payment is to be made by an exclusive dividend distribution to the holders of Class B preferred shares.

(2) Shell Brazil Holding B.V.

The amount recorded in current assets corresponds to reimbursable amounts to the shareholders pursuant to the framework agreement, of which: i) R$10,427 (R$13,103 as at March 31, 2014), refers to the provision for contingencies (Note 19); ii) R$15,212 refers to reimbursements of expenditures on bank guarantees to secure lawsuits brought before the Group organization (R$15,473 as at March 31, 2014); iii) R$2,382 refers to reimbursements of expenditures for SSMA (R$3,207 as at March 31, 2014); iv) R$12,158 refers to reimbursements of expenditures on judicial deposits (R$11,822 as at March 31, 2014); v) R$7,536 refers to reimbursements of expenditures on contingencies (R$4,347 as at March 31, 2014); vi) R$4,552 refers to reimbursements of expenditures on attorneys' fees and court costs (R$7,162 as at March 31, 2014); and, vii) R$495 refers to other reimbursable expenditures (R$655 as at March 31, 2014).

The amount recorded in non-current assets refers mainly to the provision for claims made by Shell Brazil Holding B.V. to the organization of the Group which should be fully reimbursed to the Group, when effectively paid, in the amount of R$442,355 (R$418,229 as at March 31, 2014) (Note 19).

The amount recorded in current liabilities corresponds principally to: i) tax credits amounting to R$95,235 as at March 31, 2014 to be reimbursed to Shell when actually used by the Group; ii) provision for losses on deposits for judicial contingencies amounting to R$857 (R$676 as at March 31, 2014) (Note 19); and iii) other reimbursable expenses amounting to R$11,232 (R$9,582 as at March 31, 2014).

Preferred shares payable - Shell

The amount recorded in non-current liabilities refers mainly to the amount of i) tax benefits reimbursable to Shell Brazil Holding B,V,, when effectively utilized by the Group, in the amount of R$207,297 (R$244,139 as at March 31, 2014), determined by the balances of NOL transferred to the Group upon the corporate restructuring for its organization, The payment of this obligation will be made annually, except for corporate restructurings made during the year and that give rise to the need to submit a DIPJ, in this case, the payment should be made within 20 business days after delivery of the DIPJ through which the tax economy related to the utilization of tax credits was consummated, The payment will be made through i) the distribution of exclusive dividends to the holders of Class C preferred shares, In RESA, currently only Shell Brazil Holding B,V, holds such class of shares; ii) allowance for losses relating to deposits made due to legal contingencies in the amount of R$25,718 (R$28,390 as at March 31, 2014) (Note 19); iii) reimbursement of judicial deposits in the amount of R$35,850 (R$41,873 as at March 31, 2014) (Note 19), From the incorporation of Ispagnac Participações Ltda, ("IPL") by REPSA and subsequently by the Company that occurred on November 30, 2012, Class C preferred shares that ensure exclusive basis for the Shell dividends in the amount of R$ 3,538, through the use of tax credits by the Company were issued to resource the current account that made those corporate assets (Note 21,a), The balances of R$ 932 and R$ 2,606, are classified as current and non-current liabilities respectively.

(3) Nova América Agrícola Caarapó Ltda, Nova América Agrícola Ltda, and Agroterenas S.A.

Balances receivable from these companies refer mainly to advances granted to finance crops, as well as payables for the purchase of sugarcane, Interest corresponds to 100% of the CDI levy on advances granted, During the quarter ended September 30, 2014, the Group recognized revenues of R$2,709 (zero in the quarter ended September 30, 2013), in monetary adjustment of these advances, The prices paid for the purchase of sugarcane are based on the ATR price published by CONSECANA.

(4) Shell Aviation Limited

The amount recorded in current assets refers to: i) the sale of fuel in Brazil for use by foreign airlines which are part of Shell Aviation's customer portfolio, in the amount of R$125,710 (R$111,676 as at March 31, 2014).

The amount of R$1,939 (R$1,790 as at March 31, 2014) recorded in current liabilities refers to commissions on the supply of foreign aircraft of the customer portfolio of Shell Aviation in Brazil.

(5) Shell Brasil Petróleo Ltda.

The amount recorded in current assets refers mainly to: i) reimbursements of costs of bank sureties to secure court cases paid after the Group's organization in the amount of R$128 (R$202 as at March 31, 2014); ii) reimbursements of costs related to SSMA in the amount of R$46 (R$218 as at March 31, 2014); iii) liabilities contributed by Shell Brasil Petróleo Ltda to the formation of the Group which are to be reimbursed to RCSA in full, when actually paid, arising from provision for judicial claims amounting to R$3,787 (R$2,299 as at March 31, 2014) (Note 19); iv) reimbursement of costs incurred by RCSA for contingencies amounting to R$96 (R$96 as at March 31, 2014); v) costs of commercial operations of R$2,950 (R$4,348 as at March 31, 2014); and vi) other reimbursable expenses amounting to R$70 (R$70 as at March 31, 2014).

The amount recorded in non-current assets refers to liabilities contributed by Shell Brasil Petróleo Ltda, to the organization of the Group which should be fully reimbursed to RCSA, when effectively paid, arising from provision for claims in the amount of R$33,735 (R$13,447 as at March 31, 2014) (Note 19).

The amount recorded in current liabilities refers mainly to: i) tax credits in the amount of R$6,270 (R$ 6,270 as at March 31, 2014) which will be reimbursed to the shareholder when effectively used by RCSA; ii) provision return for payment of sales commissions in the amount of lubricants of R$29,238 (R$16,187 as at March 31, 2014) which have been received in advance; iii) services rendered by employees of Shell Brasil Petróleo Ltda, in the amount of R$1,893 (R$727 as at March 31, 2014); and iv) other commercial transaction in the amount of R$611 (R$1,912 as at March 31, 2014).

The amount of R$3,632 (R$ 7,234 on March 31, 2014) recorded in non-current liabilities refers to judicial deposits existing before the Group's organization which were not an integral part of the net assets transferred of the fuel distribution business and to judicial deposits incumbent upon the shareholders paid after the Group's organization which should be reimbursed when effectively realized (Note 19).

b) Officers and members of the Board of Directors

The total remuneration and benefits paid to Management's key personnel and officers, and members of the executive committee were as follows:

	Apr-Sep/2014	Apr-Sep/2013
Salary	22,346	18,134
Bonuses and other variable compensation	12,235	16,158
Total compensation	34,581	34,292

11 Investments

						Investments (1)		Equity accounting	
	Country	Business	Quantity of shares/quotas of investee (2	Quantity of shares/quotas of investing company (2)	Percentage of interest	September 2014	March 2014	Apr-Sep 2014	Apr-Sep 2013
Book value									
Centro de Tecnologia Canavieira S.A.	Brazil	R&D	718,132	150,305	20,93%	68,619	35,977	2,010	(3,712)
Codexis Inc.	Brazil	R&D	38,095,140	5,573,319	14,63%	13,114	13,734	(4,946)	(7,848)
Logum Logística S.A.	Brazil	Logistic	1,093,778,888	218,755,778	20%	60,890	49,496	(15,425)	(693)
Uniduto Logística S.A.	Brazil	Logistic	203,380,590	94,522,536	46,48%	26,552	20,285	(80)	(84)
Serviços e Tecnologia de Pagamentos S.A. (5)	Brazil	Collection system	22,297,600	2,229,760	10%	72,110	71,275	5,965	-
Subtotal						241,285	190,767	(12,476)	(12,337)
Goodwill on investment (4)									
At Uniduto Logística S.A.						5,676	5,676	-	-
At Centro de Tecnologia Canavieira S.A.						39,090	37,098	-	-
At Serviços e Tecnologia de Pagamentos S.A. (5)						184,436	184,436	-	-
						229,202	227,210	-	-
Total of investment						470,487	417,977	(12,476)	(12,337)
Provision for capital deficiency in subsidiaries (3)									
Unimodal Ltda.	Brazil	Logistic	2,697	1,980	73,41%	(2,642)	(2,642)	-	-
Provision for subsidiary unsecured liabilities						(2,642)	(2,642)	-	-
								(12,476)	(12,337)

(1) Investments evaluated by equity accounting method; (2) Shares/quotas in units; (3) Classified in non-current liabilities; (4) Goodwill in the acquisition of shares; and (5) Balances on investments on September 30, 2014 includes the profit amount of net intangible assets of income tax/social contribution in the amount of R$49,393 (R$ 43,605 on March 31, 2014). The amortizations of profit classified as equity accounting amounted to R$4,212 (zero for the semester period ended on September 30, 2013) in the period ended on September 30, 2014.

The following changes in investments in subsidiaries and affiliates took place, excluding the provision for unfunded liabilities:

Balance as at March 31, 2014	417,977
Equity accounting	(12,476)
Additions to investment (Note 11.c)	35,455
Dividends declared	(5,130)
Gain capital by dilution of shareholding	30,333
Other	4,328
Balance on September 30, 2014	470,487

a) Summarized financial information of the investments:

i) The principal account headings of affiliates not included in the consolidation are as follows:

- As at September 30, 2014

	Logum Logística S,A, (1)/(2)	Uniduto Logística S,A, (1)/(2)	Codexis, Inc, (1)/(2)	Centro de Tecnologia Canavieira S,A, (2)	Unimodal Ltda,(4)	Iogen Energy Corporation (3)	Services of Payment Technology (1) / (2)
Assets	1,969,160	57,139	110,891	494,023	-	50,410	1,266,675
Liabilities	(1,664,708)	(7)	(39,008)	(167,092)	(3,602)	(248,548)	(1,039,491)
Shareholders' equity	304,452	57,132	71,883	326,931	(3,602)	(198,138)	227,184
Net operating revenue	24,168	-	6,570	6,717	-	-	318,817
Net profit (loss) for the period	(112,398)	(307)	(18,905)	(926)	-	(3,937)	101,772

- As at March 31, 2014

	Logum Logística S,A, (1)/(2)	Uniduto Logística S,A, (1)/(2)	Codexis, Inc, (1)/(2)	Centro de Tecnologia Canavieira S,A, (2)	Unimodal Ltda	Iogen Energy Corporation (3)	Services and Payment Technologies (1) / (2)
Assets	1,752,011	43,650	137,839	271,262	1	45,765	960,034
Liabilities	(1,504,533)	(9)	(40,661)	(117,387)	(3,603)	(231,162)	(783,330)
Shareholders' equity	247,478	43,641	97,178	153,875	(3,602)	(185,397)	176,704
Net operating revenue	3,500	-	68,913	56,875	-	-	299,855
Net profit (loss) for the period	(117,148)	(395)	(89,165)	(910)	-	(1,904)	100,801

(1) The fiscal year of these affiliates ends on December 31 of each year.

(2) The determination of significant influence in these companies was made on the basis that the Group has the right to appoint key personnel to manage them, as well as the right to decide on material strategic and operational matters.

(3) A joint-controlled company with its fiscal year ending on August 31 of each year. The Group has not constituted a provision for unsecured liabilities and equity accounting losses, since it has no liability for constructive obligations (not formalized) to make payments on the account of this company.

(4) Year ended March 31, 2014

b) Business combination and corporate restructuring

i) Purchase of Latina Distribuidora de Petróleo Ltda. ("Latina")

On April 1, 2014, RCSA purchased all of Latina's shares that were in circulation, for R$178,336, The purpose of the acquisition was to extend the presence of the Shell brand and its products and services in the three states in the southern region, as well as to improve the efficiency of the Group's distribution logistics for the network of gas stations, principally in the interior of the Estate of Rio Grande do Sul.

The fair book value of Latina's assets and liabilities purchased on the acquisition date was as follows:

Cash and cash equivalents	592
Trade accounts receivable	49,648
Inventories	26,061
Advances to suppliers	10,443
Recoverable taxes	1,729
Court deposits	7,925
Deferred income tax and social contribution (Note 18)	(16,926)
Other assets	41
Property, plant and equipment (Note 13)	27,660
Intangible assets (Note 14)	53,806
Suppliers	(13,515)
Loans	(22,994)
Provision for judicial claims	(10,649)
Wages and salaries payable	(1,103)
Income taxes and social contributions payable	(1,481)
Other obligations	(3,333)
Contributed net assets	107,904
(-) Consideration transferred	178,336
Goodwill (Note 14)	70,432

The Group Management is studying how to allocate the purchase price, and a decision will be made before the reporting period ends on March 31, 2015.

ii) Corporate restructuring involving net assets from electricity cogeneration operations

As mentioned in Note 1, during the six months ended September 30, 2014, the RESA and its subsidiaries underwent a corporate restructuring, which resulted in the formation of the eleven new thermoelectric companies ("TPP" s), with RESA and its controlled effected a capital increase with its liquid, relative to the activity of cogeneration of electricity in ten of these new companies assets. The details of this restructuring are described below.

On June 2, 2014, at a meeting of the partners, RESA and its subsidiaries Raízen Araraquara Açúcar and Álcool Ltda, ("Raízen Araraquara"), Raízen Tarumã Ltda, ("Raízen Tarumã") and Raízen Caarapó Açúcar and Álcool Ltda, ("Raízen Caarapó") approved a capital increase for a total of R$573,077, of which R$443,762, shown in the books of the UTEs as capital stock and R$ 129,315 rubric reserves, respectively, which represent net assets from the electricity cogeneration operations of nine UTEs, Details of the net assets contributed to these UTEs are given below:

Line Items	Total
Accounts receivable	25,339
Property, plant and equipment	575,773
Intangibles	4,596
Other assets	3,234
Suppliers	(2,546)
Prepaid revenues	(27,694)
Wages and salaries	(2,615)
Other liabilities	(3,010)
	573,077

These net assets were distributed among the nine UTEs, as presented below:

UTEs	Total
Bioenergia Costa Pinto Ltda.	121,058
Bioenergia Gasa Ltda.	100,674
Bioenergia Serra Ltda.	10,505
Bioenergia Rafard Ltda.	70,221
Bioenergia Univalem Ltda.	178,921
Bioenergia Maracaí Ltda.	19,440
Bioenergia Tarumã Ltda.	7,817
Bioenergia Caarapó Ltda.	53,837
Bioenergia Araraquara Ltda.	10,604
	573,077

On June 3, 2014, a meeting of the partners of RESA and its subsidiaries Raízen Araraquara, Raízen Tarumã and Raízen Caarapó approved a capital increase in Bioenergia Barra Ltda, ("Bio Barra") for a total of R$363,178, of which R$116,781, shown in the books as capital stock and R$246,397 reserves. The referred amounts correspond to net assets from the electricity cogeneration operations of three UTEs, the interests in the UTEs in respect of the aforementioned capital subscriptions which took place on June 2, 2014, and loans from BNDES, Details of the contributions to Bio Barra are as follows:

Line items	Total
Restricted cash	73,240
Accounts receivable	22,943
Related parties	2,100
Investments	622,714
Property, plant and equipment	680,809
Intangibles	4,074
Other assets	472
Loans and financing	(973,965)
Prepaid expenses	(5,435)
Wages and salaries	(904)
Deferred tax liability	(60,315)
Other obligations	(2,555)
	363,178

Additionally, on June 30, 2014, RESA's subsidiaries Raízen Caarapó, Raízen Tarumã and Raízen Araraquara reduced their capital by cancelling a portion of the shares held by the partners, in amounts of R$36,385, R$49,006 and R$10,605, respectively, and assigning to RESA, in consideration of this capital reduction, shares of Bio Barra to the same values.

On completion of this transaction, RESA held a direct interest of 99,999% in the capital of Bio Barra, and the latter held a direct interest of 99,999% in the capital of the nine UTEs mentioned in Step 1.

c) Transactions during the semester ended September 30, 2014

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

On May 23, 2014, a Board meeting ("RCA") of the subsidiary Logum resolved to approve a capital increase in the company for R$81,230, through the issue of 231,830,850 new common shares, RESA subscribed for and paid in a total of R$16,246, corresponding to 46,366,170 common shares, This transaction did not affect the shareholding percentages in this subsidiary, since all the shareholders subscribed pari passu.

On July 30, 2014, in a RCA the capital increase of the company in the amount of R$52,857 was discussed and approved, through the issuance of 155,644,876 new ordinary shares. The amount subscribed by RESA and paid in this operation totaled R$10,571, corresponding to 31,128,975 common shares, In this operation, there was no variation in the percentage of participation in the share capital of the investee, since all shareholders effected contributions in proportion to their share previously held.

ii) Capital increase in Uniduto Logística S.A. ("Uniduto")

On May 20, 2014, in a RCA of the subsidiary Uniduto it was resolved to approve a capital increase in the company for R$8,573, through the issue of 30,303,995 new common shares, RESA subscribed for and paid in a total of R$3,891, corresponding to 14,085,297 common shares, This transaction did not affect the shareholding percentages in this subsidiary, since all the shareholders subscribed pari passu.

On July 31, 2014, in an RCA, the capital increase of the company in the amount of R $ 5,286 was discussed and approved, through the issuance of 18,790,260 new ordinary shares, The amount subscribed by RESA and paid in this operation totaled R $ 2,457, corresponding to 8,732,904 common shares, In this operation, there was no variation in the percentage of participation in the share capital of the investee, since all shareholders effected contributions in proportion to their share previously held.

iii) Capital increase in Centro de Tecnologia Canavieira S.A. ("CTC")

At the Extraordinary General Meeting held on July 10, 2014, the capital increase in the amount of R$165,002 was discussed and approved by the shareholders of CTC, through the issuance of 83,741 new ordinary shares. The amount subscribed by RESA in this operation totaled R$4,579, corresponding to 2,324 shares, The corresponding 50% of the subscribed amount was paid on September 19, 2014 and the balance of 50% should be paid by March 31, 2015, As stipulated in the shareholders agreement of CTC, in this operation, the RESA gave 90,9% of their rights to preferential allotment of shares of CTC, Thus, its percentage interest in the capital invested in this, went from 23,33% to 20,93%, generating a capital gain on dilution of equity interest in the amount of R$30,333, recorded in "Other income (expenses), net "(Note 25).

12. Biological assets

Changes in biological assets (sugarcane) are detailed below:

Balance as at March 31, 2014	2,036,693
Expenditures with plantation (1)	182,815
Expenditures with tract of sugarcane (1)	318,321
Absorption of costs of sugarcane harvest	(777,144)
Change of fair value	68,144
Balance on September 30, 2014	1,828,829

(1) In the semester ended September 30, 2014, these costs included an amount of R$30,644 (R$ 35,766 as at September 30, 2013) for depreciation of agricultural assets that represent part of the cost of biological assets.

Sugarcane stumps

Planted areas refer only to sugarcane plantations, and not planted land. The following main assumptions were used during the calculation of the fair value by means of discounted cash flow (controlling company and consolidated):

	09,30,2014	03,31,2014
Harvest estimated area (hectare)	395,622	425,708
Productivity expected (tons per sugarcane, per hectare)	78.98	79.67
Amount of Total Recoverable Sugar ("TRS")(Kg)	134.28	134.14
Price of Kg of projected average TRS (R$/Kg)	0.49	0.49

Sugarcane production depends on the volume and content of sucrose of the sugarcane cultivated or supplied by farmers located close to RESA's plants, The crop's yield and the sucrose content in the sugarcane depend primarily on weather conditions, such as the level of rain and temperature, which may vary.

Historically, weather conditions have caused volatility in ethanol and sugar sectors and, consequently, in RESA's results of operations, Weather conditions can reduce the volume of sugar and sugarcane obtained by RESA in a given period or the sucrose content of the sugar cane. The annual harvest period of the sugarcane in the region begins between April and May and ends in November or December, This causes inventory fluctuations, whose level is normally high in November and December to cover sales in the off-season period (that is, from December to April).

13. Property, plant and equipment

	Land and rural properties	Buildings and improvements	Machinery, equipment and installations	Aircraft and vehicles	Furniture, utensils and computer equipment	Construction in progress	Parts and components to be periodically replaced	Other	Total
Cost or valuation:									
As at March 31, 2014	721,384	1,229,330	8,091,579	579,442	183,836	1,199,134	1,047,437	49,451	13,101,593
Additions	-	-	23,220	22	368	395,484	116,419	-	535,513
Business combinations (1)	62	478	27,120	-	-	-	-	-	27,660
Write- offs	(20,910)	(8,918)	(172,325)	(10,316)	(6,567)	-	-	-	(219,036)
Transfers (2)	10,608	54,315	536,256	63,390	21,059	(712,243)	-	604	(26,011)
Others	-	-	-	-	114	-	-	-	114
As at September 30, 2014	711,144	1,275,205	8, 505,850	632,538	198,810	882,375	1,163,856	50,055	13,419,833
Depreciation:									
As at March 31, 2014	-	(377,412)	(2,703,373)	(259,000)	(119,227)	-	(553,340)	(23,190)	(4,035,542)
Depreciation for the period	-	(29,761)	(274,268)	(27,602)	(10,928)	-	(465,428)	(2,307)	(810,294)
Write- offs	-	6,013	164,217	10,135	5,600	-	-	-	185,965
Transfers (2)	-	(343)	4,865	126	3,559	-	-	-	8,207
As at September 30, 2014	-	(401,503)	(2,808,559)	(276,341)	(120,996)	-	(1,018,768)	(25,497)	(4,651,664)
Residual value, net:									
As at September 30, 2014	711,144	873,702	5,697,291	356,197	77,814	882,375	145,088	24,558	8,768,169
As at March 31, 2014	721,384	851,918	5,388,206	320,442	64,609	1,199,134	494,097	26,261	9,066,051

(1) The book value of property, plant and equipment related to business combination in the acquisition of Latina, Note 11.
(2) Includes the transfer of current assets in the amount of R$8,326, related to non-recoverable ICMS credits and the transfer of intangible assets, in the amount of R$26,135, correspondent to software licenses, and others R$5.

Construction in progress

The balances of construction in progress refer mainly to:

- the vinasse concentration project;
- investments in sugarcane milling growth;
- the cut sugarcane reception project and straw separation for power cogeneration;
- the installation of tanks to expand ethanol storage capacity;
- investments for industrial maintenance and improvement, agricultural automation, in addition to SSMA and administrative investments;
- projects for the construction of new fuel distribution terminals and expansion, and modernization of existing terminals;
- investments in Shell-branded gas stations, such as replacing fuel pumps, ensuring environmental adequacy, image refurbishement, refurbishing and restoring convenience stores, purchasing furniture and equipment and installating it in convenience stores;
- investments in major customers (B2B) such as the purchase and installation of equipment, and the installation of supply stations for these major customers; and
- investments in airports where RCSA distributes fuel, such as the purchase of supply vehicles, the expansion of hydrant and supply point networks, the installation of the infrastructure of new airports, and the modernization and improvement of existing airports.

Capitalization of loan costs

In the period ended September 30, 2014, loan costs of capitalized loans in the Group amounted to R$21,014 (R$32,485 for the period ended September 30, 2013). The weighted average rate of financial charges on debt, used to capitalize interest on the balance of construction in progress, was 4,06% in 2014 (4,90% as at September 30, 2013).

Finance leases

As at September 30, 2014, the class of property, plant and equipment relating to aircraft includes net residual values of R$6,178 (R$6,662 on March 31, 2014), for which RESA is the lessee in a financial leasing operation.

Property, plant and equipment pledged

As at September 30, 2014, loans and financing were secured by land, buildings and machinery of R$2,061,742 (R$2,291,344 as at March 31, 2014).

14, Intangibles

	Software licenses (3)	Goodwill	Trademarks	Agricultural partnership agreement	Sugarcane supply agreements	Contractual relationship with customers	Rights of exclusivity of supply	Right to use public concessions	Technology (4)	Others	Total
Cost or valuation:											
As at March 31, 2014	277,314	1,915,811	529,862	6,107	178,286	319,402	1,709,793	12,543	234,936	27,247	5,211,301
Additions	1,756	-	-	-	-	-	235,369	-	-	-	237,125
Business combinations	-	70,432	7,301	-	-	43,432	3,073	-	-	-	124,238
Write- offs	(30)	(1)	(4,823)	-	-	-	-	(2)	-	-	(4,856)
Transfers (2)	30,399	-	-	-	-	-	-	-	-	-	30,399
Others	-	-	-	-	-	-	-	-	-	773	773
As at September 30, 2014	309,439	1,986,242	532,340	6,107	178,286	362,834	1,948,235	12,541	234,936	28,020	5,598,980
Amortization:											
As at March 31, 2014	(197,570)	(431,380)	(157,960)	(1,759)	(44,236)	(38,638)	(710,339)	(3,309)	-	(17,064)	(1,602,255)
Amortization in the period	(12,977)	-	(28,338)	(545)	(5,904)	(9,373)	(129,567)	(1,963)	-	(929)	(189,596)
Write- offs	31	-	4,823	-	-	-	-	2	-	-	4,856
Transfers (2)	(4,269)	-	-	-	-	-	-	-	-	-	(4,269)
As at September 30, 2014	(214,785)	(431,380)	(181,475)	(2,304)	(50,140)	(48,011)	(839,906)	(5,270)	-	(17,993)	(1,791,264)
Residual value, net:											
As at September 30, 2014	94,654	1,554,862	350,865	3,803	128,146	314,823	1,108,329	7,271	234,936	10,027	3,807,716
As at March 31, 2014	79,744	1,484,431	371,902	4,348	134,050	280,764	999,454	9,234	234,936	10,183	3,609,046

(1) Book value of intangible assets relating to the business combination from the purchase of Latina, and the goodwill calculated for the business combination - see Note 11,
(2) Includes transfers of property, plant and equipment amounting to R$26,130.
(3) As at September 30, 2014, the software licenses element of intangible assets include a net residual value of R$2,132 (R$2,482 as at March 31, 2014), where RESA is the lessee under a financial leasing operation.
(4) RESA is building Brazil's first cellulosic ethanol unit at Piracicaba (SP), The new ethanol plant has a capacity of 50 million liters p,a, and will use technology developed by Iogen and Codexis for the production of second generation ethanol, This technology is represented by contractual rights including exclusivity for RESA to sell the rights in the territories where it operates, Amortization will start when the plant is ready for use, which is expected to be in the year ending March 31, 2015, over the estimated period of financial returns from the technology developed for E2G production.

Goodwill

Goodwill refers to the expectation of future profitability, On September 30, 2014 and March 31, 2014, the balance of goodwill was as follows:

	09,30,2014	03,31,2014
In the acquisition of Costa Rica Canavieira Ltda	57,169	57,169
In the acquisition of Cerrado Açúcar e Álcool S.A.	33,662	33,663
In the acquisition of RESA (former Cosan S.A. Açúcar e Álcool)	558	558
In the acquisition of Univalem S.A. Açúcar e Álcool	5,018	5,018
In the acquisition of Usina Açucareira Bom Retiro S.A.	81,575	81,575
In the acquisition of Usina Benálcool	149,247	149,247
In the acquisition of Usina Santa Luíza	42,348	42,348
In the acquisition of Usina Zanin Açúcar e Álcool	98,380	98,380
In the acquisition of Vertical	4,313	4,313
Purchase of shares of TEAS	7,301	7,301
In the acquisition of Grupo Corona	380,003	380,003
In the acquisition of Grupo Destivale	42,494	42,494
Acquisition of Grupo Mundial	87,435	87,435
In the acquisition of Latina	70,432	-
In the organization of FBA – Franco Brasileira S.A. Açúcar e Álcool	4,407	4,407
In the incorporation of Curupay S.A. Interests	109,841	109,841
Payment of capital. Mundial	14,800	14,800
In business combination of Cosan Combustíveis Lubrificantes S.A.	344,829	344,829
Others	21,050	21,050
	1,554,862	1,484,431

15. Suppliers

	09,30,2014	03,31,2014
Sugarcane suppliers	559,202	126,550
Materials and services suppliers	311,493	588,603
Oil suppliers	159,517	170,619
Ethanol suppliers	86,607	401,226
Other suppliers	11,387	127,089
	1,128,206	1,414,087

The sugarcane harvest period, which generally takes place between April and December of each year, has a direct impact on the balances with sugarcane suppliers and the corresponding cutting, loading and transport services carried out. The balance is higher during the harvest, when the sugarcane is being delivered and the services supplied.

The balances payable to oil and ethanol suppliers refer to term purchases which are made by RCSA and will be liquidated in the next year.

16. Loans and financing

Purpose	Final due date	Indexer	Effective annual average interest rate(1)	09,30,2014	03,31,2014
Classification of debts by currency:					
Denominated in Reais				4,902,223	4,542,423
Denominated in Dollars				5,680,883	3,929,725
				10,583,106	8,472,148
Nature of debts (2):					
BNDES	October/25	URTJLP	7,5% (7,7% in Mar, 2014)	1,390,903	1,430,317
BNDES	July/24	Pre-fixed rate	4,3% (4,3% in Mar 2014)	902,883	657,742
BNDES	April/24	UMBND	6,7% (6,7% in Mar, 2014)	56,752	44,477
Prepayments export	September/17	Dollar (US) + LIBOR	2,0% (2,0% in Mar, 2014)	1,169,448	1,076,882
Term loan agreement	March/19	Dollar (US) + LIBOR	1,7% (1,7% in Mar, 2014)	2,579,947	1,019,233
Debentures	October/18	CDI	11,8% (11,6% in Mar, 2014)	469,538	467,421
Debentures	October/20	IPCA	13,1% (17,1% in Mar, 2014)	342,787	324,243
Working capital	March/15	Pre-fixed rate	14% (14% in Mar, 2014)	2,877	5,383
Senior notes due 2017	February/17	Dollar (US)	7,0% (7,0% in Mar, 2014)	991,647	915,585
Senior notes due 2014	-	Reais (R$)	-	-	801,456
Resolution 2471 (PESA)	April/23	IGP-M	7,7% (11,4% in Mar, 2014)	808,465	806,703
Resolution 2471 (PESA)	October/25	Pre-fixed rate	3,0% (3,0% in Mar, 2014)	91	91
Credit notes	October/20	CDI	11,1% (10,9% in Mar, 2014)	766,768	643,623
Finame/leasing	January/24	Pre-fixed rate	4,7% (4,8% in Mar, 2014)	88,653	111,720
Finame/leasing	October/15	URTJLP	10,7% (10,6% in Mar, 2014)	6	102
Advance on foreign exchange contract	March/15	Dollar (US)	0,9% (0,9% in Mar, 2014)	860,111	-
Agricultural credit	October/15	Pre-fixed rate	5,8% (5,5% in Mar, 2014)	72,501	50,246
Others	Miscellaneous	Dollar (US)	Miscellaneous	79,729	116,924
				10,583,106	8,472,148
Expenses with security placement:					
BNDES				(3,453)	(3,135)
Senior notes due 2017				(6,330)	(7,143)
Senior notes due 2014				-	(1,152)
Prepayments export				(4,429)	(5,854)
Debentures				(5,077)	(5,185)
Term loan agreement				(11,175)	-
Credit notes				(616)	(952)
				(31,080)	(23,421)
				10,552,026	8,448,727
Current				(2,235,273)	(1,925,739)
Non-Current				8,316,753	6,522,988

(1) The effective annual interest rate corresponds to the real interest rate of the agreement plus LIBOR, URTJLP, IGP-M or UMBND, as applicable.

(2) The loans and financing are, in general, secured by promissory notes of the Group, In some cases, there are also shareholders' securities, in addition to collateral such as: i) credit rights deriving from power trade agreements (BNDES); ii) CTN and PESA; iii) property, plant and equipment; and, iv) fiduciary assignment of the financed assets (Finame).

The installments payable in the long term, less amortization of expenses for security placement, show the following maturity schedule:

	09,30,2014	03,31,2014
13 to 24 months	1,872,623	1,738,581
25 to 36 months	1,883,880	1,579,000
37 to 48 months	1,265,397	595,727
49 to 60 months	1,885,758	1,110,137
61 to 72 months	569,343	698,520
73 to 84 months	593,687	574,679
85 to 96 months	116,282	100,042
As from 97 months	129,783	126,302
	8,316,753	6,522,988

PESA - Resolution 2471

From 1998 to 2000, the Group renegotiated its debts related to agricultural funding with several financial institutions, thereby reducing their financial cost to annual interest rates below 9,7% and guaranteeing the amortization of the debts with the assignment and transfer of CTNs - Restricted Brazilian Treasury Bills redeemable on the debt maturity dates, using the tax incentive introduced by Resolution No, 2471, issued by the Central Bank of Brazil on February 26, 1998, This debt is settled by redeeming the CTNs and ensuring compliance with with the contractual dispositions, as mentioned in Note 9.

Senior Notes Due 2017

On January 26, 2007, the subsidiary Raízen Energy Finance Limited issued US$400,000 thousand of senior notes in the international capital markets according to Regulations S and 144A that bear interest at a rate of 7% per annum, payable semi-annually in February and August of each year.

Senior Notes Due 2014

On May 9, 2014, RCSA settled through its subsidiary Raízen Fuel Finance Limited Senior notes in the principal amount of USD 350,000, plus US$16,084 of interest, the total amount of R$ 819,514.

BNDES

This corresponds to resources funded by the Group, destined for financing the cogeneration and greenfield projects, the renewal and implementation of new sugarcane plantation fields (Prorenova), and the construction of the plant for production of E2G.

As at September 30, 2014, the Group had unused lines of credit available from BNDES amounting to R$915,882 (R$1,227,872 as at March 31, 2014). Use of these lines of credit is conditional upon certain contractual conditions' being met.

Advances on foreign exchange contracts and credit notes

Advances on foreign exchange contracts and credit notes were entered into with various financial institutions which pay an average rate of interest of 0,9% p,a, and have final maturity in March 2015, The credit notes will be paid out of exports made up to 2020. The average interest rate is 11,1% p,a,, paid half-yearly and at maturity.

Finame

This refers to financing operations under machinery and equipment financing, made available through different financial institutions, to be used for investment in property, plant and equipment. These loans are subject to effective interest rates of 4,7% per annum, payable monthly, and they are secured by the fiduciary transfer of the assets financed.

Term loan agreement (syndicated loan)

On December 5, 2002, Raízen Cayman Limited contracted a term loan from several financial institutions for US$450 million. The loan is subject to the exchange variation of the US Dollar plus interest at the quarterly LIBOR rate with a margin of 1,73% p,a,, giving an effective average rate of 1,73% p,a, (1,78% p,a, as at September 30, 2013), payable quarterly, The principal is to be repaid on December 7, 2015.

On April 8, 2014, the Group obtained a syndicated loan from various financial institutions for US$600 million, The loan is subject to the exchange variation of the US Dollar plus interest at the quarterly LIBOR rate fixed with a margin of 1,4% p,a,, giving an effective average rate of 1,63% p,a, The principal is to be repaid in March 2019.

Export pre-payment

Between the years 2009 and 2013, the Group entered into an export pre-payment agreement with a number of institutions to finance future sugar exports. The contract suffers exchange variation of the United States Dollar and bears LIBOR interest (quarterly and annually), resulting in an effective average interest rate of 2% per annum, with final maturity in September 2017.

Debentures

On October 21, 2013, the CVM approved registration by RESA of its first public issue of simple debentures, and 750,000 non-convertible unsecured debentures were issued, in three series, with a unit face value of R$1,000, giving a total of R$750,000.

The net proceeds of the issue, amounting to R$747,710, were used in full as follows: (i) to reinforce the RESA cash in the case of the first and second series debentures, position; and (ii) to fund part of the RESA investments in the 2013/2014 harvest, both in the agricultural and the industrial area, pursuant to Law 12,431 in the case of the third series.

	Indexer	Annual interest rate	Effective annual average interest rate	Principal	Date of Receipt	Maturity
First series	CDI	0,89%	11,5%	105,975	25/10/2013	Oct/18
Second series	CDI	0,94%	11,6%	340,000	28/10/2013	Oct/18
Third series	IPCA	6,38%	17,1%	304,025	29/10/2013	Oct/20

Covenants

The Group is not subject to compliance with financial ratios, subject only to certain covenants under its loans and financing agreements, such as cross-default and negative pledges, which are being met as required under the agreements.

Fair value

On September 30 and March 31, 2014, the consolidated book values and fair value of loans and financing were as follows:

	Book value		Fair value	
	09,30,2014	03,31,2014	09,30,2014	03,31,2014
Senior notes due 2017	991,647	915,585	1,095,770	1,011,081
Senior notes due 2014	-	801,456	-	825,476
Other loans and financing	9,591,459	6,755,107	9,591,459	6,755,107
Expenses with securities placement	(31,080)	(23,421)	(31,080)	(23,421)
	10,552,026	8,448,727	10,656,149	8,568,243

The fair value of the senior notes due in 2017 and 2014 is based on prices quoted on the quarter information date.

The fair value of other loans and financing is very close to their book value, due to their exposure to variable interest rates (Note 27.i).

17. Taxes payable

	09,30,2014	03,31,2014
Installment payments – Refis IV	709,682	702,794
ICMS	104,824	116,350
National Institute of Social Security ("INSS")	27,314	25,836
Others	60,411	59,128
	902,231	904,108
Current	(224,108)	(231,872)
Non-current	678,123	672,236

The amounts payable in the long term were scheduled to mature as follows:

	09,30,2014	03,31,2014
13 to 24 months	68,704	66,831
25 to 36 months	68,535	65,977
37 to 48 months	67,177	65,302
49 to 60 months	66,724	64,068
61 to 72 months	66,724	64,068
73 to 84 months	66,724	64,068
85 to 96 months	66,724	64,068
As from 97 months	206,811	217,854
	678,123	672,236

Payment in installments of tax debits - Law 11941/09 and Provisional Measure ("MP") 470/09 ("Refis IV")

On May 27 and October 13, 2009, Law 11941 and MP 470 were approved by the Brazilian government, setting up a tax recovery program (Refis IV), allowing taxpayers to settle federal tax debts, previous tax recovery programs and other federal taxes being challenged in the courts, with discounts on the fines and interest previously applied.

Laws No, 12,865 of October 10, 2013, 12 973 of 14 May 2014 and 12 996 of June 18, 2014 reopened the deadline for inclusion of debt in the Tax Recovery Program - Refis IV, This benefit was availed in a timely fashion and the RESA is awaiting the release of the consolidation of the values included in the program.

According to the Group's organization agreement signed by the shareholders, any payment related to installments of tax debits existing before June 1, 2011, is to be repaid in full by the shareholders of Raízen Group.

Investment subsidy - ICMS

The Group, through its subsidiary Cosan Centroeste, benefits from a state incentive program with Goiás State, in the form of financing of part of the ICMS payments, called "Industrial Development Program of Goiás - Produzir", with the amount financed being repaid later. The Group's use of this investment subsidy is conditional on its complying with all the obligations determined by the program, the terms of which relate to factors under the Group's control.

18. Income tax and social contribution

a) Reconciliation of expense tax and social contribution:

	Jul-Sep/2014	Jul-Sep/2013	Apr-Sep/2014	Apr-Sep/2013
Income before income tax and social contribution	320,233	727,994	815,780	691,381
Income tax and social contribution at nominal rate (34%)	(108,879)	(247,518)	(277,366)	(235,070)
Adjustments made for determining the effective rate:				
Interest on capital	-	(511)	-	(2,031)
Equity accounting	(3,054)	(3,963)	(4,242)	(4,195)
Gifts, donations, class associations	(600)	(1,689)	(4,593)	(3,112)
Tax incentives	555	(445)	1,163	115
Exchange variation on overseas investee	2,928	197	2,016	2,809
Difference of rate of presumed profit and real profit	23,062	-	31,663	-
Income from company abroad	(13,868)	(431)	4,110	(2,425)
Reversal of tax deferred liability in the corporate restructuring (i)	-	-	43,341	-
Gain on capital by dilution of shareholding (Note 11,c,iii)	10,313	-	10,313	-
Others	(1,104)	6,267	843	6,529
Revenue (expense) from income and social contribution taxes	(90,647)	(248,093)	(192,752)	(237,380)
Effective rate	28,3%	34,1%	23,6%	34,3%

i) Refers to deferred tax liabilities about temporary differences generated, substantially, by the change in the useful life of assets of property, plant and equipment, which were reverted in the contribution of net assets related to the activity of cogeneration of power to UTEs due to the fact that part of those companies are taxed according to the presumed profit regime.

a,1) Income tax and social contribution recovering

	09,30,2014	03,31,2014
Tax ("IRPJ")	329,879	276,481
Social Contribution ("CSLL")	107,539	93,008
	(437,418)	(369,489)

a,2) Income tax and social contribution payable

	09,30,2014	03,31,2014
IRPJ	25,338	2,297
CSLL	18,998	2,329
	44,336	4,626

b) Deferred income tax and social contribution - assets and liabilities:

Assets (liabilities)	Base	IRPJ 25%	CSLL 9%	09,30,2014 Total	03,31,2014 Total
Tax losses:					
Tax losses	1,551,117	387,779	-	387,779	427,952
Negative base for social contribution	1,653,588	-	147,203	147,203	161,777
Temporary differences:					
Tax goodwill from reverse takeover	460,939	115,235	41,485	156,720	180,830
Provision for judicial claims	300,350	75,088	27,032	102,120	90,549
Provision for write-off against goodwill	288,549	72,137	25,969	98,106	98,106
Miscellaneous provision and other temporary differences	596,756	149,189	54,566	203,755	191,152
Provision for rights of exclusivity of supply	390,346	97,587	35,131	132,718	112,868
Foreign exchange variance – Cash basis	976,824	244,206	87,914	332,120	246,125
Others	3,426	857	308	1,165	1,342
Total tax assets		1,142,078	419,608	1,561,686	1,510,701
Biological assets	(12,971)	(3,243)	(1,167)	(4,410)	(23,168)
Cost of capitalized loans	(211,908)	(52,977)	(19,072)	(72,049)	(75,134)
Fair value of property, plant and equipment	(878,490)	(219,623)	(79,064)	(298,687)	(302,147)
Fair value of intangible assets	(320,033)	(80,008)	(28,803)	(108,811)	(95,458)
Revision of property, plant and equipment useful life	(855,281)	(213,820)	(76,975)	(290,795)	(270,649)
Tax goodwill amortized	(1,555,677)	(388,919)	(140,011)	(528,930)	(491,856)
Total tax liabilities		(958,590)	(345,092)	(1,303,682	(1,258,412)
Total deferred taxes		183,488	74,516	258,004	252,289
Deferred taxes – Assets, net				452,530	290,695
Deferred taxes – Liabilities, net				(194,526)	(38,406)
Total deferred taxes				258,004	252,289

c) Net activity of deferred taxes:

	Apr-Sep/2014
Balance at beginning of the period	252,289
Income expense	16,130
Deferred taxes on comprehensive income	6,383
Business combination (Note 11 b.i)	(16,926)
Others	128
Balance at the end of the period	258,004

d) Realization of deferred income tax and social contribution:

In assessing the deferred tax recovery capacity, Management takes into consideration future taxable income projections and changes in temporary differences, When it is more likely that part or all taxes will not be used or realized a provision is recognized, There is no validity period for NOL; however, the use of prior-year accumulated losses is limited to 30% of annual taxable income.

On September 30 and March 31, 2014, the Group had the following expected realization of deferred tax assets:

	09,30,2014	03,31,2014
Years:		
2015	464,862	372,788
2016	361,762	383,880
2017	123,399	117,973
2018	66,232	67,153
2019	34,806	33,226
After 2019	510,625	535,681
Total	1,561,686	1,510,701

On September 30, 2014, the subsidiaries Curupay Agroenergia Ltda,, Agrícola Ponte Alta Ltda,, RaízenBiotecnologia S,A, and Unimodal Ltda, recognized tax loss carry-forwards, NOL balances and a negative basis of social contribution in the amount of R$33,328 (R$32,422 on March 31, 2014), for which no deferred tax assets were recognized, because it was considered improbable that the amount would be recovered.

19. Provision for judicial claims

In the Group's organization process, it was agreed that Cosan and Shell should reimburse the Group the amount of lawsuits in progress before its organization, when effectively settled before the courts, As at September 30 and March 31, 2014, the balance of such contingencies to be reimbursed and non-reimbursable provision were as follows:

			09,30,2014	03,31,2014
	Non-reimbursable judicial claims	Reimbursable judicial claims	Total	Total
Tax	124,882	296,752	421,634	370,160
Civil	6,559	193,780	200,339	172,998
Labor	64,676	149,641	214,317	199,103
Environmental	4,924	54,027	58,951	58,168
	201,041	694,200	895,241	800,429

Also during the organization process, it was agreed among the shareholders of Cosan and Shell that the Group should reimburse them the amount of judicial deposits made and contributed by them to the organization of the Raízen, if they are redeemed by the Group, As at September 30 and March 31, 2014, the balances of reimbursable and non-reimbursable deposits were as follows:

			09,30,2014	03,31,2014
	Judicial deposits of the group	reimbursable judicial deposits	Total	Total
Taxes	133,469	209,108	342,577	294,920
Civil	6,256	24,019	30,275	26,133
Labor	8,236	39,222	47,458	44,754
	147,961	272,349	420,310	365,807

i) Non-reimbursable judicial claims

	Tax	Civil	Labor	Environmental	Total
On March 31, 2014	94,214	6,422	52,459	3,298	156,393
Provisioned in the year (i)	26,220	403	26,087	1,989	54,699
Payments	-	(27)	(220)	(164)	(411)
Write-offs/reversals (i)	(204)	(214)	(17,687)	(229)	(18,334)
Monetary adjustment	4,652	(25)	4,037	30	8,694
On September 30, 2014	124,882	6,559	64,676	4,924	201,041

i) Recorded in the income for the period in "other operating revenues, net", except for the provision of INSS on the income of RESA, in the amount of R$15,417, which was reclassified in "taxes payable" in current liability. In RCSA there is an amount of R$10,649 which refers to the acquisition of Latina (Note 11,b,i).

ii) Reimbursable judicial claims

	Tax	Civil	Labor	Environmental	Total
On March 31, 2014	275,946	166,576	146,644	54,870	644,036
Provisioned during the year	163,119	33,458	44,932	9,809	251,318
Payments	(66,837)	(12,491)	(653)	(4,542)	(84,523)
Write-offs/reversals	(90,226)	(2,683)	(49,259)	(9,373)	(151,541)
Monetary adjustment	14,750	8,920	7,977	3,263	34,910
On September 30, 2014	296,752	193,780	149,641	54,027	694,200

iii) Total of judicial claims

	Tax	Civil	Labor	Environmental	Total
On March 31, 2014	370,160	172,998	199,103	58,168	800,429
Provisioned during the year	189,339	33,861	71,019	11,798	306,017
Payments	(66,837)	(12,518)	(873)	(4,706)	(84,934)
Write-offs/reversals	(90,430)	(2,897)	(66,946)	(9,602)	(169,875)
Monetary adjustment	19,402	8,895	12,014	3,293	43,604
On September 30, 2014	421,634	200,339	214,317	58,951	895,241

Breakdown of judicial claims assessed as probable loss

a) Taxes

The main tax claims as of September 30 and March 31, 2014, were as follows:

			09,30,2014	03,31,2014
	Non-reimbursable judicial claims	Reimbursable judicial claims	Total	Total
INSS (i)	110,829	30,664	141,493	123,096
ICMS (ii)	8,879	49,953	58,832	176,091
IPI	1,301	81,235	82,536	3,222
PIS and COFINS	-	36,910	36,910	3,553
Attorney's fees (iii)	1,145	35,120	36,265	54,633
IRPJ and CSLL	2,728	59,555	62,283	329
Others	-	3,315	3,315	9,236
	124,882	296,752	421,634	370,160

(i) INSS

The accrued INSS amount corresponds to the amounts to social security contributions on revenues, in conformity with Article 22-A of Law 8,212/91, whose constitutionality is being challenged by means of a lawsuit.

(ii) ICMS

The amount accrued as ICMS credits is represented by: (a) tax assessment notices received for which, despite their being challenged at administrative or legal levels, the Group's legal counsel believe the likelihood of loss to be probable; (b) use of credits and financial charges in matters in which the opinion of the Group's management and legal counsel differs from that of the tax authorities.

(iii) Attorney's fees

The Group engages law firms to defend its civil, labor and tax lawsuits, Attorney's fees payable under some agreements are based on a percentage of the amount of any favorable lawsuit, The Group accrues the amounts payable to law firms for lawsuit whose likelihood of loss is assessed as possible or remote, The amount currently accrues refers mainlyto lawsuits whose financial responsibility is incumbent upon Shell because they originated in a period prior to the Group's organization and, therefore, are reimbursable.

b) Civil and labor

The Group and its subsdiaries are parties to several civil actions related to; (i) indemnity for property damages and damagers for the suffering of pain; (ii) contractual disputes; (iii) public civil actions to refrain from burning sugarcane chaff; (iv) environmental executions, (v) the repair of environmental damage caused by fuel leakage; and (vi) contractual breaches and disputes over the ownership of the Company's real estate and the recovery of unpaid amounts from customers.

The Group and its subsdiaries are also party to various labor claims filed by former employees and service providers' employees who challenge the payment of overtime, night shift premiums and hazardous duty premiums, job readmittance, return of deductions from payroll such as union confederation dues, union dues, etc.

c) Environmental

The main environmental claims are related to environmental recovery activities to be performed in fuel stations, distribution points, airports and customer distribution centers, including the removal of contaminated material, the treatment of certain areas, laboratory analyses and post-recovery monitoring.

Judicial claims deemed as possible losses

a) Taxes

The main judicial claims whose likelihood of an unfavorable outcome is rated as possible, and, as a consequence, for which no provision for judicial claims was recorded in the financial statements, were as follows:

			09,30,2014	03,31,2014
	Non-reimbursable judicial claims	Reimbursable judicial claims	Total	Total
ICMS (i)	136,585	2,574,827	2,711,412	2,656,094
INSS (ii)	35,119	342,786	377,905	353,723
IPI (iii)	2,957	429,501	432,458	499,745
IRPJ and CSSL (iv)	2,222	543,833	546,055	611,769
PIS and COFINS (v)	35	1,429,077	1,429,112	1,379,396
Offsets against IPI credits – IN 67/98 (vi)	-	117,846	117,846	115,921
Others	5,246	237,852	243,098	232,815
	182,164	5,675,722	5,857,886	5,849,463

If a reimbursable provision for these claims should be recognized in the future due to a change in the likelihood of success, or for any other reason, the Group will immediately record an amount receivable from shareholders in the same amount and, therefore, there will be no impact on the Group's income, If the provision is not reimbursable, the Group will record it as a balancing item to income.

The main claims whose likelihood of loss is assessed as possible in the Group are summarized below:

(i) ICMS - tax on circulation of goods

Refers mainly to: (i) a penalty imposed for alleged failure to pay ICMS and to comply with ancillary obligations, in the operation of an agricultural partnership and manufacturing to order, between May 2005 and March 2006, and May 2006 and March 2007; (ii) ICMS on shipments of crystal sugar for export, which the inspector considers to be a semi-finished product and therefore taxable under ICMS regulations; (iii) ICMS on alleged differences in sugar and ethanol stocks observed by cross-checking magnetic files and inventory registers; (iv) assessment for differences in ICMS rates for sales of ethanol to companies located in other Brazilian states which subsequently had their state registration cancelled; (v) requirements for ICMS payments on disallowed credits for diesel oil used in the agro-industrial production process; (vi) failure to reverse ICMS credits; (vii) failure to reverse ICMS-ST credits in full; (viii) requirements to pay ICMS-ST on inter-state sales to industrial customers; and (ix) failure to fulfill ancillary obligations.

(ii) INSS:

(i) Discussing the validity and constitutionality of MPS/SRP Regulatory Instruction 03/2005, which restricted the constitutional exemption of social security contributions to revenues deriving from exports made exclusively through direct sales, it being understood that exports made through export or trading companies should be taxed; (ii) payment of the SENAR contribution in direct and indirect export transactions, where the Federal Revenue Service ("SRF") understands that there is no right to constitutional exemption; and, (iii) payment of social security contributions on the resale of products in the domestic market and to third parties, which is not included in the social security tax basis and which levies only on the gross revenue deriving from the effective production of the establishment rather than on products purchased.

(iii) IPI – Excise tax on manufactured products

In Normative Instruction No, 67/98 the SRF validated a procedure whereby manufacturing plants accounted for sales without assessing and paying IPI related to several types of sugarcane, including demerara, higher refined, special refined, special extra refined and granulated refined sugars, from July 6, 1995 through November 16, 1997, as well as amorphous refined sugar sales from January 14, 1992 through November 16, 1997, This rule was taken into effect in the Group's related proceedings against the Federal Revenue, whose probability of loss is classified as possible, according to the Group's legal advisers.

The increase in the amount of this contingency in the quarter ended September 30, 2014, is principally due to a change in the expectation of a loss on a 2009 tax execution, related to IPI IN 67/98, from remote to possible, This change in probability was the result of a proof that has still to be produced, in line with the other outstanding cases relating to the issue.

(iv) IRPJ and CSLL

Refers mainly to tax assessments issued by the SRF, whereby IRPJ and CSLL for prior years were charged, relating to: (i) the deductibility of amortization expenses relating to specific goodwill; (ii) the offset of NOL; and (iii) the tax on differences in revaluations of property, plant and equipment items, The Group is challenging the collections before the competent authorities.

(v) PIS and COFINS

Refers mainly to disallowed PIS and COFINS credits under the non-cumulative system, set forth in Laws 10,637/2002 and 10,833/2003, respectively, Such disallowances derive, in summary, from the SRF's restrictive interpretation of the concept of "inputs", as well as differences in relation to the interpretation of such laws, These challenges are at the administrative level.

(vi) Offsets against IPI credits – IN 67/98

Normative Instruction SRF No, 67/98 made it possible to obtain a refund of IPI tax payments for sales of refined amorphous sugar from January 14, 1992 through November 16, 1997, In view of this rule, RESA applied for offsetting amounts paid during the relevant periods against other tax liabilities of its own, However, the SRF denied its application for both reimbursement and offsetting of such amounts, Thus, RESA challenged this ruling in an administrative proceeding.

Upon being notified to pay tax debts resulting from offset transactions in light of certain changes introduced by IN SRF No, 210/02, RESA filed a writ of mandamus and applied for a preliminary injunction seeking to stay the enforceability of offset taxes, in an attempt to prevent the tax authorities from demanding the relevant tax debts in court, The preliminary injunction was granted by the relevant court, the probability of loss being considered by the authorities as a possible.

b) Civil and labor

As at September 30, the main labor and civil judicial claims whose likelihood of unfavorable outcome was rated as possible, and, as a consequence, for which no provision for judicial claims was recorded in the financial statements, were as follows:

			09,30,2014	03,31,2014
	Non-reimbursable judicial claims	Reimbursable judicial claims	Total	Total
Civil	75,122	956,997	1,032,119	920,813
Labor	172,742	377,244	549,986	553,153
	247,864	1,334,241	1,582,105	1,473,966

20. Commitments

As mentioned in Note 20 to the annual financial statements as at March 31, 2014, the Group has commitments for sales and purchases of sugarcane and industrial equipment, leasing contracts and warehousing service contracts, There was no significant change in these commitments during the period ended September 30, 2014.

21, Shareholders' equity

a) Capital stock and capital reserve

a,1) Changes which occurred in RESA

As at September 30 and March 31, 2014, the capital stock was R$5,016,354. From this amount was deducted the balance of redeemable preferred shares of the amount of R$ 265,531 (R$264,276 as at March 31, 2014) leaving a total of R$4,750,823 (R$4,752,078 as at March 31, 2014).

The totally subscribed and paid-up capital stock on June 30, 2014 was as follows:

	Shareholders (shares in units)		
	Shell	**Cosan**	**Total**
Common	2,951,297,817	2,951,297,817	5,902,595,634
Class A Preferred	-	1	1
Class B Preferred	-	133,242,457	133,242,457
Class C Preferred	763,476	-	763,476
Total	2,952,061,293	3,084,540,275	6,036,601,568

RESA does not have any authorized capital regulation in its bylaws as at September 30 and March 31, 2014)

Redeemable preference shares of RESA

The tax benefits from the use of tax carry-forwards and goodwill tax amortization, recognized before the formation of the JV, will be reimbursed to Cosan to the extent that the Company uses them to reduce taxes payable, Such reimbursements will be made by means of the payment of exclusive dividends to Cosan, the holder or Class B preferred shares, in the amount of the tax benefit used by the Company in the period from January to December.

As mentioned in Note 10 in the Annual General Meeting held on July 28, 2014, the shareholders of RESA deliberated and approved payment in the amount of R $ 42,381, or less than that declared on March 31, 2014, R $ 1255, related to preferred shares, On September 30, 2014, the balance payable of Class B preferred shares was R $ 261,993 (R $ 260,738 at March 31, 2014).

Due to the merger of IPL into REPSA and, subsequently, into RESA, Class C preference shares were issued to guarantee exclusive dividends to Shell in the amount of R$3,538, through the use by RESA of tax credits and the funds in the current account comprising the merged net assets.

As at September 30 and March 31, 2014, the balance of preferred shares (Classes B and C), accounting for the shareholders' equity, listed under capital stock, amounted to R$ 265,531(R$264,276 as at March 31, 2014), The return to the shareholders' equity is registered in the line item Related Parties (Note 10,a), R$ 261,993 (R$260,738 at as March 31, 2014) belonging to Cosan's shareholders, classified in non-current liabilities, and R$932 and R$2,606 belonging to Shell's shareholders, classified as current and non-current liabilities, respectively.

a,2) Changes occurred in RCSA

As at September 30 and March 31, 2014, the subscribed capital stock of RCSA was R$3,343,720. That caption is deducted from the balance of redeemable preference shares in amount of R $ 222,423 (R $ 274,392 on March 31, 2014), totaling R $ 3,121,297 (R $ 3,069,328 on March 31, 2014)

	Shareholdings (ações em unidades)		
	Shell	Cosan	Total
Ordinary	1,651,584,242	1,651,584,242	3,303,168,484
Preferred class A	-	1	1
Preferred class B	-	93,648,276	93,648,276
Preferred class C	262,884,501	-	262,884,501
Total	1,914,468,743	1,745,232,519	3,659,701,262

Redeemable preference shares of RCSA

This refers to the tax benefits arising from the use of tax losses balance and the social contribution negative base generated by Shell before RCSA's organization, as well as the tax benefits arising from the tax amortization of goodwill arising from Cosan's contribution and the tax benefits from the use of PIS and COFINS credits deriving from Fix contribution (shareholder of Raízen Mime Combustíveis S.A.), should be reimbursed to the relevant shareholders to the extent that RCSA uses them to reduce the balance of taxes payable.

In order to carry out these reimbursements, Class A preferred shares were issued exclusively to Fix, Class B to Cosan and Class C exclusively to Shell in order to compensate them through the payment of dividends in the amount of the tax benefit used by RCSA in the fiscal year from January to December of each year.

As at July 28, 2014, the Extraordinary General Meeting, making the payment of dividends in the amount of R$ 240,409 to R$ 164,779 and shareholder Cosan R$ 75,630 being credited to the shareholder Shell was approved.

As at September 30 and March 31, 2014, the remaining balances of preferred shares payable to Shell, Cosan and Fix amounted to R$207,297, R$15,126 and R$435, respectively (Note 10.a).

Capital reserve

This corresponds to the goodwill reserve arising from the difference between the subscription price paid for the shares and the par value, Such reserve can only be used for capital increase, loss absorption, redemption, refund or purchase of shares or payment of cumulative dividends to preferred shares.

Goodwill paid by RESA on the acquisition of additional interest in the subsidiary TEAS, amounting to R$5,973, is recorded in this reserve.

Tax incentive reserve

Corresponds to the effect from the incentives recognized in the subsidiary of RESA, Raízen Caarapó, arising from the Instrument of Agreement No, 331/2008 entered into between Caarapó and the State Government of Mato Grosso do Sul, whereby tax benefits on sugar processing transactions in the State are guaranteed through September 22, 2018, equivalent to 67% of the ICMS debt balance.

Special goodwill reserve - Merger of IPL

Due to the merger of IPL into REPSA, whose primary assets correspond to the investment held by it in REPSA's capital and the goodwill determined based on tax records and recorded upon RESA's organization, the aforementioned goodwill became deductible for income tax and social contribution on net income, Accordingly, in conformity with the provisions introduced by ICPC 09 (R1) – Individual, Separate and Consolidated Financial Statements and Application of the Equity Method, a special goodwill reserve was recognized in the equity of Raízen Energia as a balancing item to deferred tax assets, in the amount of R$ 241,107, equivalent to the tax benefit of 34% of the amortization of such goodwill, This transaction was not considered as reimbursable to the shareholder Shell and, therefore, the Group's shareholders will benefit from the aforementioned transaction through RESA's operation.

b) Dividends and interest on capital

The Group's dividends are not distributed based on combined calculations, but individually by RESA and RCSA; therefore, the individual calculations are as follows:

b,1) RESA's dividends

i) Dividends

Pursuant to RESA's bylaws the amounts of the legal reserve and of the dividends for the year ended on March 31, 2014 are disclosed in the annual financial statements in Note 21.

During the semester ended September 30, 2014, the payout of the dividends provided for in the financial statement as at March 31, 2014, except the mandatory minimum dividends in the amount of R$ 1,036, were full paid.

ii) Interest on capital

At an Extraordinary General Meeting held on December 31, 2013, RESA's shareholders discussed and approved the declaration of interest on capital recorded in the period from January 1 to December 31, 2013, in the amount of R$40,000, to be individually credited at the proportion of 50% to each shareholder, Therefore the net amount payable isof R$ 34,000.

b,2) RCSA dividends

i) Dividends

In accordance with the bylaws of RCSA, the amounts of the legal reserve and of the dividends for the year ended on March 31, 2014 are disclosed in the annual financial information in Note 20,b.

At the Extraordinary General Meeting held on July 28, 2014, the shareholders of RCSA deliberated and approved the declaration of dividends to the holders of ordinary shares in proportion to the shares held by them in the amount of R $ 246,104, which was paid in October 31, 2014.

ii) Interest on capital
As at September 30, 2014, there was a net remaining balance of interest on shareholders' equity amounting to R$19,550, which is to be paid during the year ending March 31, 2015.

c) Equity accounting adjustment

i) Effect of conversion of foreign currency - CTA

This corresponds to differences in the conversion to reais of the accounting information of investees with different functional currencies from RESA and RCSA.

ii) Net derivative gain – hedge accounting

This refers to changes in the fair value arising from cash-flow hedging of revenues from the export of raw sugar (called "VHP"), and exchange variations in foreign exchange agreement advances ("ACCs") and export pre-payments ("PPEs").

iii) Actuarial liabilities

Relatives to gains and losses from the provision for payment of post-employment benefits, This component is recognized in other comprehensive income; however, it will not be reclassified to income in subsequent periods.

d) Legal reserve

Refers to the destination of 5% of the net income to legal reserve, pursuant to Company bylaws and in compliance with Brazilian Corporate Law.

e) Reserves for retention of earnings

e.1) RESA

The remaining balance of the net income after allocations to the legal reserve and provisioning of dividends, was appropriated to that account.

e.2) RCSA:

On July 28, 2014, at a meeting of the Board of Directors, it was discussed and approved to make the payment of dividends to the holders of ordinary shares in proportion to the shares held by them in the amount of R$298,651, being R$160,473 for Shell and Cosan to R$138,178.

22. Net operating revenue

	Jul-Sep 2014	Jul-Sep 2013	Apr-Sep 2014	Apr-Sep 2013
Gross revenue from sales of products and services	16,951,317	15,681,593	32,602,573	29,341,591
Taxes and sales deductions/abatements	(597,532)	(498,651)	(1,153,048)	(1,144,625)
Net operating revenue	16,353,785	15,182,942	31,449,525	28,196,966

23. Segment reporting

Information on segments is based on information used by the Group's management to analyze the performance of operating segments and make decisions related to investment resources.

The Group is divided into two segments:

(i) Energy: the production and sale of a series of sugarcane byproducts, including VHP, ethanol fuel, and anhydrous and hydrated ethanol, This segment also includes activities related to the cogeneration of electricity from sugarcane bagasse.
(ii) Fuels: the distribution and sale of fuel, primarily through the franchised gas station network under the "Shell" brand in Brazil.

The Group monitors net operating revenues from the sale of its products in domestic and foreign markets, as follows:

	Apr-Sep/2014			Apr-Sep/2013		
	Energy	Fuel	Combined	Energy	Fuel	Combined
Foreign market	2,149,581	-	2,149,581	2,778,850	-	2,778,850
Domestic market (1)	1,583,420	27,716,524	29,299,944	1,184,595	24,233,521	25,418,116
Total	3,733,001	27,716,524	31,449,525	3,963,445	24,233,521	28,196,966

(1) Includes sales made to customers in Brazil under the export-related category.

The net operating revenue is broken down by product as follows:

	Apr-Sep/2014			Apr-Sep/2013		
	Energy	Fuel	Combined	Energy	Fuel	Combined
Sugar	1,657,936	-	1,657,936	2,251,457	-	2,251,457
Ethanol	1,546,675	1,636,727	3,183,402	1,338,934	1,428,385	2,767,319
Cogeneration	405,568	-	405,568	250,497	-	250,497
Diesel	-	12,173,420	12,173,420	-	10,466,644	10,466,644
Gasoline	-	11,086,449	11,086,449	-	9,635,604	9,635,604
Jet	-	2,497,779	2,497,779	-	2,416,301	2,416,301
Other products and services	122,822	322,149	444,971	122,557	286,587	409,144
Total	3,733,001	27,716,524	31,449,525	3,963,445	24,233,521	28,196,966

The percentage of net operating revenue by geographic area is as follows:

Energy:

	Consolidated	
Geographic area	**Apr-Sep/2014**	**Apr-Sep/2013**
Brazil	42,42%	29,89%
Asia	17,98%	13,66%
Europe	25,03%	32,21%
Central America	4,56%	8,05%
North America	3,18%	3,46%
South America (except for Brazil)	6,83%	12,73%
Total	100,00%	100,00%

Fuels: Totally composed of sales in Brazil,

The main clients during the semester ended September 30, 2014 and 2013 and its share in the total sales of each segment, were as follows:

Energy:

	Consolidated	
Client	**Apr-Sep/2014**	**Apr-Sep/2013**
Shell Western Supply and Trading	3,25%	4,11%
Sucden	6,93%	6,64%
Wilmar Sugar Pte Ltd	6,76%	5,60%
Camil Alimentos	5,90%	4,03%

Fuels:

	Consolidated	
Client	**Apr-Sep/2014**	**Apr-Sep/2013**
TAM Linhas Aéreas	5,77%	6,68%
Carrefour Comércio e Indústria	3,04%	3,28%
Ferrovia Centro Atlântica	0,27%	0,69%
Erimates Airlines	0,42%	0,45%

24. Expenses by nature

Reconciliation of expenses by nature

The expense group is recognized in the consolidated statement of income by function, The reconciliation of results by nature for the semesters ended September 30, 2014 and 2013, is shown in detail below:

a) Expenses by nature:

	Jul-Sep 2014	Jul-Sep 2013	Apr-Sep 2014	Apr-Sep 2013
Fuels - resale	13,464,983	11,921,252	26,386,641	23,018,525
Raw materials	633,981	828,344	1,154,656	1,165,901
Depreciation and amortization	538,615	566,892	952,255	1,002,724
Expenses with personnel	341,667	323,364	624,305	607,301
Other expenses	271,179	232,370	417,454	335,935
Cutting, loading and transport	206,479	227,549	350,841	378,452
Freight	73,264	65,920	141,847	126,142
Selling expenses	55,618	41,427	119,323	70,465
Maintenance materials	68,853	56,350	114,060	153,034
Contracted labor	51,403	80,772	111,304	152,306
Rents and leasing	40,567	76,993	87,016	141,781
Biological assets and agricultural products	64,595	6,438	53,173	9,749
Power resale	44,361	-	49,178	-
Logistics expenses	24,668	22,995	49,153	44,293
Telecommunications	3,773	3,046	6,775	5,983
	15,884,006	14,453,712	30,617,981	27,212,591

b) Classified as:

	Jul-Sep 2014	Jul-Sep 2013	Apr-Sep 2014	Apr-Sep 2013
Costs of products sold and services provided	15,226,143	13,753,441	29,345,150	25,953,599
Selling expenses	427,905	471,819	828,941	810,900
General and administrative expenses	229,958	228,452	443,890	448,092
	15,884,006	14,453,712	30,617,981	27,212,591

25. Other operating revenues, net

	Apr-Sep/2014	Apr-Sep/2013	Apr-Sep/2014	Apr-Sep/2013
Other operating revenues				
Profit in the sale of property, plant and equipment and investment	38,034	23,750	83,838	64,360
Rentals and lease revenue	33,396	28,916	70,514	59,027
Capital gain on dilution of equity interest (Note 11.c.iii)	30,333	-	30,333	-
Royalties revenue	12,018	11,661	23,785	22,905
Commission on sales of lubricants and cards	10,859	12,173	22,105	23,826
Merchandising	10,770	8,901	19,863	14,387
Other revenues	8,933	6,142	19,621	14,302
	144,343	91,543	270,059	198,807
Other operating expense				
Constitution of provision for judicial claims and paid indemnities	(5,581)	(6,158)	(9,575)	(13,205)
Other expenses	(687)	(4,705)	(8,325)	(9,712)
	(6,268)	(10,863)	(17,900)	(22,917)
	138,075	80,680	252,159	175,890

26. Financial income

	Jul-Sep/2014	Jul-Sep/2013	Apr-Sep/2014	Apr-Sep/2013
Financial expenses				
Interest	(135,729)	(112,770)	(287,169)	(224,593)
Bank expenses	(5,633)	(3,322)	(10,338)	(6,427)
Passive monetary variation (i)	(1,261)	(15,696)	188	(25,442)
	(142,623)	(131,788)	(297,319)	(256,462)
Less: capitalized amounts on qualified assets (Note 13)	8,945	16,269	21,014	32,485
	(133,678)	(115,519)	(276,305)	(223,977)
Financial revenues				
Interest	46,401	28,351	98,063	57,309
Earnings from financial investments	53,377	27,436	97,875	59,122
Others	1,795	244	2,651	244
Active monetary variation (i)	(3,033)	7,303	(3,509)	11,051
Change in fair value of financial instruments	-	-	-	12,516
	98,540	63,334	195,080	140,242
Foreign exchange variation	(334,897)	(32,447)	(263,604)	(361,309)
Net impact of derivatives	91,399	14,371	89,382	(11,503)
	(278,636)	(70,261)	(255,447)	(456,547)

(i) The results of monetary variation are substantially impacted by deflation of the IGP-M index for the quarter ended September 30, 2014.

27. Financial instruments

a) Overview

The Group shows exposure to the following risks deriving from the use of financial instruments:

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

This note shows information about the exposure of the Group to each of above risks, the objectives, practices and processes used by the Group to measure and manage them, and the capital management of the Group.

b) Risk-management structure

The Group has specific treasury and trading policies that define the Groups's risk-management practice, To monitor the activities and ensure compliance with the Group's policies there are two committees: (i) the Risk Committee, which meets on a weekly basis to analyze the performance of commodities (mainly sugar) and exchange markets and decide on the hedge positions and pricing strategies of sugar exports, in order to reduce the adverse effects of changes in price and exchange rates, and to monitor liquidity and counterparty (credit) risks; and (ii) the Ethanol Committee, which meets on a monthly basis in order to analyze the risks related to the sale of ethanol and the adequacy of the limits set in risk policies.

The Group is exposed to market risks, the main risks being: (i) the volatility of sugar and ethanol prices and, (ii) the volatility of the exchange rate, The contracting of financial instruments for hedging purposes is made based on a periodic analysis of the exposure to risk that Management intends to cover.

On September 30 and March 31, 2014, the fair values relating to derivative financial instrument transactions for hedging or other purposes were measured at fair value using observable inputs, such as prices quoted in active markets or discounted cash flows based on market curves and were as follows:

	Notional		Fair Value	
	09,30,2014	**03,31,2014**	**09,30,2014**	**03,31,2014**
Price risk				
Derivatives of products				
Future contracts	857,149	1,336,437	56,859	(12,053)
Foreign-exchange risk				
Exchange-rate derivatives				
Future contracts	(767,498)	42,500	(3,407)	274
Forward contracts	(986,529)	(1,810)	(23,305)	42,310
Exchange lock	(13,792)	227,698	986	21,106
	(1,767,819)	268,388	(25,726)	63,690
Interest- rate risk				
Derivatives of exchange rate	1,175,000	1,088,503	(843)	(5,056)
Swap contracts	887,262	-	(1,702)	(773)
	2,062,262	1,088,503	(2,545)	(5,829)
Total			28,588	45,808
Current assets			197,785	224,476
Non-current assets			41,329	1,109
Total assets			239,114	225,585
Current liabilities			(194,762)	(166,899)
Non-current liabilities			(15,764)	(12,878)
Total liabilities			(210,526)	(179,777)
Total			28,588	45,808

Price risk - Derives from the possibility of variation in the market prices of goods sold by the Group, mainly, VHP sugar (sugar #11), refined sugar (#5 or "white sugar") and ethanol, Price fluctuations can cause substantial changes in revenue, To minimize this risk, the Group always monitors the market and takes steps to ensure it is prepared for price fluctuations, In the table below, the positions of derivative financial instruments covering commodity-price risks are shown:

Price risk: outstanding derivatives of products on September 30, 2014

Derivatives	Purchased/ Sold	Market	Agreement	Maturity	Notional (units)	Notional (R$ thousand)	Fair value (R$ thousand)
Future	Sold	NYSE LIFFE	Sugar#5	Nov/14	250 t	253	(6)
Future	Sold	ICE	Sugar#11	Fev/15	830,010 t	811,738	73,960
Future	Sold	ICE	Sugar#11	Abr/15	49,990 t	44,485	(598)
Future	Sold	ICE	Sugar#11	Jun/15	200,365 t	184,483	1,294
Future	Sold	ICE	Sugar#11	Set/15	265,493 t	255,897	6,994
Future	Sold	ICE	Sugar#11	Fev/16	49,990 t	48,288	(522)
Future	Sold	ICE	Sugar#11	Jun/16	7,265 t	7,254	62
Future	Sold	ICE	Sugar#11	Set/16	5,944 t	6,002	34
Option	Sold	ICE	Sugar#11	Fev/15	137,166 t	3,156	-
Subtotal of future sugar sold					1,546,473 t	1,361,556	81,218
Future	Purchased	NYSE LIFFE	Sugar#5	Nov/14	(250) t	(254)	4
Future	Purchased	ICE	Sugar#11	Fev/15	(481,404) t	(465,253)	(37,343)
Future	Purchased	ICE	Sugar#11	Abr/15	(3,658) t	(3,552)	(253)
Future	Purchased	ICE	Sugar#11	Jun/15	(2,032) t	(1,998)	(141)
Optin	Purchased	ICE	Sugar#11	Fev/15	(137,166) t	(3,499)	
Subtotal of future sugar purchased					(624,510) t	(474,556)	(37,733)
Subtotal of future sugar					921,963 t	887,000	43,485
Future	Sold	BMFBovespa	Etanol	Set/14-Fev/15	52,560 m³	61,068	11
Future	Sold	NYMEX	Ethanol	Out/14	2,520 m³	11,771	1,947
Future	Sold	NYMEX	Ethanol	Nov/14	1,470 m³	6,574	949
Future	Sold	NYMEX	Ethanol	Dez/14	2,940 m³	13,054	1,920
Future	Sold	NYMEX	Ethanol	Jan/15	630 m³	2,748	384
Future	Sold	NYMEX	Ethanol	Fev/15	630 m³	2,748	369
Future	Sold	NYMEX	Ethanol	Mar/15	630 m³	2,748	354
Future	Sold	NYMEX	Ethanol	Abr/15	2,940 m³	12,007	771
Future	Sold	NYMEX	Ethanol	Mai/15	2,940 m³	12,007	731
Future	Sold	NYMEX	Ethanol	Jun/15	2,940 m³	12,007	704
Future	Sold	CHGOETHNL	Etanol	Out/14-Mar/15	199,000 m³	231,166	19,069
Future	Sold	CHGOETHNL	Ethanol	Abr/15	49,600 m³	54,252	4,405
Future	Sold	CHGOETHNL	Ethanol	Mai/15	41,600 m³	46,184	4,297
Future	Sold	CHGOETHNL	Ethanol	Jun/15	41,600 m³	46,184	4,195
Future	Sold	EURTHNL T2	Ethanol	Out/14	1,000 m³	1,350	(198)
Subtotal of future ethanol sold					403,000 m³	515,868	39,908
Future	Purchased	BMFBovespa	Etanol	Set/14-Fev/15	(62,400 m³)	(73,388)	(19)
Future	Purchased	NYMEX	Ethanol	Out/14	(2,520 m³)	(11,924)	(2,099)
Future	Purchased	NYMEX	Ethanol	Nov/14	(1,470 m³)	(6,753)	(1,126)
Future	Purchased	NYMEX	Ethanol	Dez/15	(2,940 m³)	(12,490)	(1,356)
Future	Purchased	NYMEX	Ethanol	Jan/15	(2,940 m³)	(12,037)	(1,003)
Future	Purchased	NYMEX	Ethanol	Fev/15	(2,940 m³)	(12,037)	(931)
Future	Purchased	NYMEX	Ethanol	Mar/15	(2,940 m³)	(12,037)	(863)
Future	Purchased	NYMEX	Ethanol	Abr/15	(630 m³)	(2,686)	(279)
Future	Purchased	NYMEX	Ethanol	Mai/15	(630 m³)	(2,686)	(270)
Future	Purchased	NYMEX	Ethanol	Jun/15	(630 m³)	(2,686)	(264)
Future	Purchased	CHGOETHNL	Etanol	Out/14-Mar/15	(417,640 m³)	(478,415)	(56,033)
Future	Purchased	CHGOETHNL	Ethanol	Mai/15	(4,000 m³)	(4,060)	(32)
Future	Purchased	CHGOETHNL	Ethanol	Jun/15	(4,000 m³)	(4,060)	(22)
Future	Purchased	EURTHNL T2	Ethanol	Out/14	(1,000 m³)	(1,387)	483
Subtotal of future ethanol purchased					(506,680 m³)	(636,646)	(63,814)
Physical fixed	Sold	CHGOETHNL	Ethanol	Set/14-Fev/15	314,824 m³	454,512	47,252
Future	Purchased	CHGOETHNL	Ethanol	Set/14-Mar/15	(290,689 m³)	(363,585)	(9,972)
Subtotal of physical fixed ethanol					24,135 m³	90,927	37,280
Subtotal of future ethanol					(79,545 m³)	(29,851)	13,374
Total of derivatives of products on September 30, 2014						857,149	56,859
Total of derivatives of products on March, 31 2014						1,336,437	(12,053)

c) Foreign exchange risk

Arises from the possibility of fluctuations in the exchange rates used by the Group to calculate export and import revenues, debt flows and other foreign currency-denominated assets and liabilities, The Group uses derivatives transactions to manage cash flow risks arising from US Dollar-denominated export revenues, net of other foreign currency-denominated cash flows, The table below shows the outstanding derivative positions as at September 30, 2014 used to hedge against the exchange rate risk:

Price risk: Outstanding exchange-rate derivatives on September 30, 2014

Derivatives	Purchased /Sold	Market	Agreement	Maturity	Notional (US$ thousand)	Notional (R$ thousand)	Fair Value (R$ thousand)
Future	Sold	BMFBovespa	Commercial Dollar	Out/14	220,000	539,220	638
Future	Sold	BMFBovespa	Commercial Dollar	Nov/14	284,500	701,736	2,520
Future	Sold	BMFBovespa	DDI	Out/14	220,000	539,220	2,177
Subtotal of futures purchased					724,500	1,780,176	5,335
Future	Purchased	BMFBovespa	Commercial Dollar	Out/14	(209,000)	(512,259)	(606)
Future	Purchased	BMFBovespa	Commercial Dollar	Jan/15	(250,000)	(626,090)	(2,446)
Future	Purchased	BMFBovespa	DDI	Jan/16	(575,000)	(1,409,325)	(5,690)
Subtotal of futures purchased					(1,034,000)	(2,547,674)	(8,742)
Forward	Sold	Over The Counter ("OTC")/CETIP	NDF	Out/14	250,000	564,414	(48,317)
Forward	Purchased	OTC/CETIP	NDF	Jan/16	(250,000)	(659,595)	25,056
Forward	Purchased	OTC/CETIP	NDF	Out/14	(363,667)	(891,348)	(44)
Subtotal of forwards purchased/sold					(363,667)	(986,529)	(23,305)
Exchange lock	Sold	OTC	Exchange lock	Out/14	7,172	17,578	(1,324)
Exchange lock	Sold	OTC	Exchange lock	Nov/14	7,214	17,682	(1,167)
Exchange lock	Sold	OTC	Exchange lock	Dez/14	5,512	13,509	(1,115)
Exchange lock	Sold	OTC	Exchange lock	Jan/15	6,804	16,678	(1,179)
Exchange lock	Purchased	OTC	Exchange lock	Out/14	(6,186)	(15,162)	1,150
Exchange lock	Purchased	OTC	Exchange lock	Nov/14	(6,890)	(16,888)	1,300
Exchange lock	Purchased	OTC	Exchange lock	Dez/14	(7,283)	(17,852)	1,275
Exchange lock	Purchased	OTC	Exchange lock	Jan/15	(7,223)	(17,703)	1,274
Exchange lock	Purchased	OTC	Exchange lock	Fev/15	(3,799)	(9,312)	626
Exchange lock	Purchased	OTC	Exchange lock	Abr/15	(947)	(2,322)	146
Subtotal of exchange locks					(5,626)	(13,792)	986
Exchange total on September 30, 2014					(678,793)	(1,767,819)	(25,726)
Exchange total on March 31, 2014					303,319	262,388	63,690

On September 30 and March 31, 2014, the Group presented the following net exposure to US Dollar variance in assets and liabilities denominated in US Dollars:

	09,30,2014		03,31,2014	
	R$	US$ (in thousands)	R$	US$ (in thousands)
Cash and cash equivalents (Note 3)	52,158	21,280	208,447	92,111
Restricted cash	100,632	41,058	118,889	52,536
Trade notes receivable abroad (Note 5)	228,971	93,419	366,939	162,148
Related parties	907,431	370,228	597,043	263,828
Loans and financing (Note 16)	(5,680,883)	(2,317,782)	(3,929,725)	(1,736,511)
Derivatives	28,588	11,664	45,808	20,242
Others	1,453	593	-	-
Foreign exchange exposure, net	(4,361,650)	(1,779,539)	(2,592,599)	(1,145,646)

d) Effects of hedge accounting

As disclosed in the annual financial statement of March 31, 2014 the Group made a formal designation of its transactions subject to hedge accounting for derivative instruments used to hedge cash flows from VHP sugar export revenues.
From 1st April 2014 the Group also designates the hedge accounting of exchange variation related to the export of sugar and ethanol using financial instruments to hedge cash flows from US$-denominated revenues, by documenting: (i) the hedge relationship; (ii) the Group's risk-management goal and strategy to contract the hedge; (iii) the identification of the financial instrument; (iv) the hedged item or transaction; (v) the nature of the risk to be hedged; (vi) the description of the hedge relationship; (vii) the correlation between the hedge and the hedged item; and (viii) the retrospective and prospective statement of hedge effectiveness, The Group designated as eligible financial instruments its ACCs, PPEs, exchange locks, and NDFs.

On September 30, 2014, the impacts accounted for in the Group's shareholder's equity and the estimated realization in the income statement were as follows:

			As at September 30, 2014		
			Fiscal years		
Derivative	Market	Risk	2014/15	2015/16	Total
Future	OTC/NYBOT	*Sugar#11*	133,421	7,643	141,064
Future	BMF&BOVESPA	Ethanol	314	-	314
ACC and PPE	Debt	Exchange	(96,597)	(80,907)	(177,504)
			37,138	(73,264)	(36,126)
(-) Deferred taxes			(12,627)	24,908	12,281
Effect in shareholder's equity on September 30, 2014			24,511	(48,356)	(23,845)
Effect in shareholder's equity on March 31, 2014			(10,848)	(604)	(11,452)

Below are the changes in the balances of other comprehensive income during the year:

Cash-flow hedge

Balance as at March 31, 2014	(11,452)
Gains (losses) during the period:	
Swap future contracts and commodities contracts	226,379
Exchange lock contracts	(1,780)
ACC and PPE contracts	(177,504)
Financial sales/income	(65,870)
Total effect in adjustment for equity valuation from cash-flow hedge (before deferred taxes)	(18,775)
Effect of deferred taxes in equity valuation adjustment	6,383
Balance on September 30, 2014	(23,844)

e) Interest-rate risk

The Group monitors fluctuations in floating interest rates pegged to some debts, mainly those pegged to LIBOR, and makes use of derivatives to minimize these risks. The table below shows the outstanding derivatives positions used to hedge against the interest-rate risk, as at September 30, 2014:

				Price risk of outstanding interest-rate derivatives on September 30, 2014		
Derivatives	**Assets/ Liabilities**	**Market**	**Maturity**	**Notional (US$ thousand)**	**Notional (in thousands of R$)**	**Fair Value (in thousands of R$)**
Interest swap	Santander	OTC	Dez/15	231,000	566,181	(536)
Interest swap	Citibank	OTC	Dez/15	(219,000)	(536,769)	(501)
Interest swap	Goldman	OTC	Jan/16	175,000	428,925	(2,939)
Interest swap	Bank of America	OTC	Set/17	75,000	183,825	719
Interest swap	Credit Agricole	OTC	Mar/19	100,000	245,100	1,555
Subtotal of swaps				362,000	887,262	(1,702)
Future	BMFBovespa	DI	Jan/16	707,874	1,735,000	(1,245)
Future	BMFBovespa	DI	Jan/16	(228,478)	(560,000)	402
Subtotal of futures				479,396	1,175,000	(843)
Total interest on September 30, 2014				841,396	2,062,262	(2,545)
Total interest on March 30, 2014				481,000	1,088,503	(5,859)

f) Credit risk

Credit risks as well as the policies and procedures implemented by the Group are disclosed in the annual financial statements for March 31, 2014.

Guarantee margins – The derivatives operations on commodity exchanges (NYBOT, LIFFE and BM&FBovespa) require an initial guarantee margin, The total margin deposited on September 30, 2014 was R$195,717, of which R$86,428 was committed financial investments and R$109,289 was the margin of derivatives operations, The total margin deposited on March 31, 2014 was R$233,494, of which R$99,782 was committed financial investments and R$133,712 was the margin of derivatives operations, The Group's OTC derivative transactions are exempt from margin guarantees.

The credit risk on cash and cash equivalents, consisting mainly of investment funds and CDBs (Note 3), is distributed among the main national and international banks rated as investment-grade by international risk-rating agencies.

g) Liquidity risk

Liquidity risk as well as the policies and procedures implemented by the Group are disclosed in the annual financial statements for March 31, 2014.

The table below shows the financial liabilities by maturity:

					09,30,2014	03,31,2014
	Up to one year	Up to two years	From three to five years	Five years or more	Total	Total
Loans and financing (Note 16)	2,235,273	1,872,623	5,035,035	1,409,095	10,552,026	8,448,727
Derivative financial instruments (Note 27)	194,762	15,758	6	-	210,526	179,777
Suppliers (Note 15)	1,128,206	-	-	-	1,128,206	1,414,087
Related parties (Note 10)	202,949	301,316	41,442	872,111	1,417,818	1,453,468
Taxes payable (Note 17)	224,108	68,704	202,436	406,983	902,231	904,108
	3,985,298	2,258,401	5,278,919	2,688,189	14,210,807	12,400,167

h) Debt-acceleration risk

The Group and its subisidiaries are subject to certain covenants under its loans and financing, such as cross-default and negative pledges, which are being met as required under the agreements.

i) Fair value

Setting procedures, measurement and recognition Doo fair value of assets and liabilities remain the same value disclosed in the annual financial statements of March 31, 2014.

The categories of financial instruments are presented as follows:

		Book value		Market value	
	Classification	09,30,2014	03,31,2014	09,30,2014	03,31,2014
Financial assets					
Cash and cash equivalents (Note 3)	Fair value through income	1,758,734	2,337,621	1,758,734	2,337,621
Restricted cash (Note 4)	Fair value through income	271,085	304,582	271,085	304,582
Trade accounts receivable (Note 5)	Loans and receivables	2,291,763	1,775,905	2,291,763	1,775,905
Derivative financial instruments (27,b)	Fair value through income	239,114	225,585	239,114	225,585
Related parties (Note 10)	Loans and receivables	1,783,809	1,663,388	1,783,809	1,663,388
Other financial assets (Note 9)	Loans and receivables and value through profit	923,175	903,947	923,175	903,947
		7,267,680	7,211,028	7,267,680	7,211,028
Financial liabilities					
Loans and financing (1) (Note 27,b)	Loans and financing	(10,552,026)	(8,448,727)	(10,656,149)	(8,568,243)
Derivative financial instruments	Fair value through income	(210,526)	(179,777)	(210,526)	(179,777)
Suppliers (Note 15)	Loans and financing	(1,128,206)	(1,414,087)	(1,128,206)	(1,414,087)
Related parties (Note 10)	Loans and financing	(1,417,818)	(1,453,468)	(1,417,818)	(1,453,468)
		(13,308,576)	(11,496,059)	(13,412,699)	(11,615,575)

(1) Stated net of securities placement expenses.
(2) On September 30, 2014, includes derivatives designated as hedge instruments in the amount of R$141,378 (R$17,353 on March 31, 2014)

Fair value hierarchy

The definition, recognition and recording of the fair value hierarchy are the same as disclosed in the annual financial statements of March 31, 2014.

Assets assessed at fair value	Level 1	Level 2	Total
March 31, 2014			
Derivative financial assets	187,825	94,561	282,386
Derivative financial liabilities	(199,487)	(37,091)	(236,578)
Total	(11,662)	57,470	45,808
September 30, 2014			
Derivative financial assets	192,205	46,911	239,116
Derivative financial liabilities	(139,593)	(70,935)	(210,528)
Total	52,612	(24,024)	28,588

As at September 30, 2014 and March 31, 2014, there were no transfers between these levels.

j) Sensitivity analysis

Pursuant to CVM Rule No, 475 issued on March 17, 2008, the following is the sensitivity analysis of the fair value of financial instruments in accordance with the types of risks deemed to be significant by the Group:

Assumptions for the sensitivity analysis

For the analysis, the Group adopted three scenarios, one probable and two that may have effects on the impairment and fair value of the Group's derivative financial instruments, The probable scenario was defined as from the sugar future market and dollar curves on September 30 and March 31, 2014 that determines tha balance of derivatives at fair value as at the mentioned date, The adverse possible and remote scenarios were defined taking into consideration the adverse impacts of 25% and 50% on the sugar and dollar price curves, which were considered as the base for the probable scenario.

Sensitivity table

The following is the sensitivity exhibited by the change in the fair value of the Group's financial derivatives and its subsidiaries in the probable, possible and remote scenarios:

			Impacts on Income (*)			
	Risk factor	Probable scenario	Possible Scenario + (25%)	Fair value balance	Remote Scenario + (50%)	Fair value balance
Price risk						
Derivatives of products						
Future contracts:						
Sales undertakings	Increase of sugar price	43,485	(210,964)	(167,479)	(421,928)	(378,443)
Purchase undertakings	Decrease of hydrated ethanol price	13,374	(141,463)	(128,089)	(282,926)	(269,552)
Total price risk		56,859	(352,427)	(295,568)	(704,854)	(647,995)
Foreign exchange risk						
Exchange rate derivatives						
Future contracts:						
Commitment for purchase and sale	Decrease in price R$/US$	(3,408)	(204,031)	(207,439)	(408,062)	(411,470)
Forward contracts:						
Commitment for purchase and sale	Decrease in price R$/US$	(23,305)	(13,277)	(36,582)	(26,555)	(49,860)
Exchange lock:						
Commitment for purchase and sale	Decrease in price R$/US$	987	(4,102)	(3,115)	(8,204)	(7,217)
Total exchange-rate risk		(25,726)	(221,410)	(247,136)	(442,821)	(468,547)
Interest-rate risk						
Interest derivatives						
Swap contracts, lock, DI and NDF	Decrease in interest rates	(2,545)	(12,983)	(15,528)	(25,297)	(27,842)

(*) Projected results to occur up to 12 months from September 30, 2014.

Additionally, the Group and its subisidiares made two simulations involving appreciations and depreciations of exchange rates (R$/US$) by +/- 25% (possible) and +/- 50% (remote) and their impacts on the Group's assets and liabilities pegged to the US Dollar.

	Exchange rate simulations (R$/US$)				
		Scenarios			
	Balance sheet date	+25%	+50%	-25%	-50%
September 30, 2014	2,4510	3,0638	3,6765	1,8383	1,2255
March 31, 2014	2,2630	2,8288	3,3945	1,6973	1,1315

The probable scenario takes into consideration the position on September 30, 2014, The effects of possible and remote scenarios would be recorded in consolidated income as exchange variation gain (loss) and are as follows:

		Exchange variation effect			
		Scenarios			
Net exchange exposure on September 30, 2014		+25%	+50%	-25%	-50%
Cash and cash equivalents (Note 3)	52,158	13,040	26,079	(13,040)	(26,079)
Restricted cash	100,632	25,158	50,316	(25,158)	(50,316)
Trade notes receivable abroad (Note 5)	228,971	57,243	114,486	(57,243)	(114,486)
Related parties	907,431	226,858	453,716	(226,858)	(453,716)
Loans and financing (Note 16)	(5,680,883)	(1,420,221)	(2,840,442)	1,420,221	2,840,442
Derivatives	25,974	6,494	12,987	(6,494)	(12,987)
Others	1,453	363	727	(363)	(727)
	(4,364,264)	(1,091,065)	(2,182,131)	1,091,065	2,182,131

		Exchange variation effect			
					Scenarios
Net exchange exposure on March 31, 2014		**+25%**	**+50%**	**-25%**	**-50%**
Cash and cash equivalents (Note 3)	208,447	52,112	104,224	(52,112)	(104,224)
Restricted cash	118,889	29,723	59,445	(29,723)	(59,445)
Trade notes receivable abroad (Note 5)	165,500	41,375	82,750	(41,375)	(82,750)
Related parties (Note 10)	597,043	149,261	298,522	(149,261)	(298,522)
Loans and financing (Note 16)	(3,929,725)	(982,431)	(1,964,863)	982,431	1,964,863
Derivatives (Note 27)	21,920	5,480	10,960	(5,480)	(10,960)
	(2,817,926)	(704,480)	(1,408,962)	704,480	1,408,962

The Group and its subisidiaries made simulations of floating interest rates on borrowings and financing and income from investments pegged to the CDI rate; these simulations involved appreciations and depreciations of 25% and 50%, The results are as follows:

		September 30, 2014		
		Interest-rate sensitivity		
		Probable scenario	**Possible scenario (+/-25%)**	**Remote scenario (+/-50%)**
Financial statements	Decrease	150,853	113,140	56,570
	Increase	150,853	188,567	282,850
Loans and financing	Decrease	(423,360)	(317,520)	(158,760)
	Increase	(423,360)	(529,200)	(793,800)

		March 31, 2014		
		Interest-rate sensitivity		
		Probable scenario	**Possible scenario (+/-25%)**	**Remote scenario (+/-50%)**
Financial statements	Decrease	145,563	109,172	72,782
	Increase	145,563	181,954	218,345
Loans and financing	Decrease	(425,590)	(319,193)	(212,795)
	Increase	(425,590)	(531,988)	(638,385)

k) Capital management

The capital management as well as the credit rating assigned to the Group remain the same disclosed in the annual financial statements of March 31, 2014.The financial leverage ratios as at September 30 and March 31, 2014 were calculated as follows:

	09,30,2014	**03,31,2014**
Third-party capital		
Loans and financing (Note 16)	10,552,026	8,448,727
(-) Cash and cash equivalents (Note 3)	(1,758,734)	(2,337,621)
(-) Financial investments linked to financings (Note 4)	(75,369)	(71,088)
(-) National Treasury Certificate – CTN (Note 9)	(456,201)	(434,366)
	8,261,722	5,605,652
Own capital		
Shareholders' equity		
Attributable to shareholders of the parent company	11,225,484	10,870,990
Non-controlling shareholders interest	130,248	110,877
	11,355,732	10,981,867
Total third-party capital	19,617,454	16,587,519
Financial leverage ratio	42%	34%

28. Antecipated revenues

	09,30,2014	03,31,2014
Commission on sales (a)	274,335	294,910
Loyalty - cards (b)	53,333	54,333
Contracts	7,159	31,388
Other	6,758	6,510
	341,585	387,141
Current	(55,781)	(79,506)
Non-current	285,804	307,635

(a) Refers to the receipt in advance of R$411,502 from Shell, relating to the commissions on the sale of lubricant at Shell's stations, over a period of ten years, as set forth in the lubricant sales representation agreement, In both quarters, April-September 2014 and April-September 2013, RCSA recorded in income an amount of R$20,575 in revenue from commissions recognized under "other operating revenues (expenses), net".

(b) Refers to the receipt in advance of R$60,000 for the development of trade partnerships in order to explore the customer portfolio over 30 years, In both quarters, April-September 2014 and April-September 2013, RCSA recorded in the income under "other operating revenues (expenses), net", an amount of R$1,000 as amortization of the principal amount according to the contract in force.

29, Retirement supplementation plan

Defined-contribution plan

The Group sponsors the Root Benefits Plan, administered by Raízprev - Private Pension Fund, which is a closed supplementary pension entity nonprofit.

The entity is endowed with administrative and financial independence, having as object the administration and execution of plans-retirement benefits, as defined in the Regulations of the benefit plans, as having the following Sponsoring companies Raizen Group:

- Raízen Tarumã Ltda,
- Raízen Caarapó Açúcar e Álcool Ltda,
- Cosan Centroeste Açúcar e Álcool Ltda,
- Raízen Paraguaçú Ltda,
- Raízen Araraquara Açúcar e Álcool Ltda,
- Raízen Energia S,A,
- Raízen Combustíveis S,A, e suas controladas

The Group has no legal or constructive obligations for additional contributions in the event the plan has insufficient assets for the payment of all benefits or in the event of eventual deficit.

In the period ended September 30, 2014, the amount of contribution recognized as expense was R$8,135 (R$6,522 in the semester ended September 30, 2013).

30, Insurance

The Group and its subsidiaries have an insurance and risk-management program that offers coverage and protection consistent with its assets and operations.

The insurance coverage taken is based on a strict risk and loss study conducted by local insurance advisers, and the insurance is considered by Management to be sufficient to cover probable losses that may arise, based on the nature of the activities of the Group's companies.

The risk provisions adopted are not part of the scope of review of the quarterly financial statements, Consequently, they were not examined by the Group's independent auditors.

31, Subsequent events

Contracting of ballot loan bank credit (BNDES PASS)

In October 2014, Raizen Fuels S,A,, obtained a loan program related to BNDES of R$ 400,000, of which R$ 300,000 was brokered by Santander Bank and R$100,000 at Banco Safra, with the rate of interest TJLP + 2,70% per annum, maturing on February 15, 2015.

Issue of CRAs

Under the notice to the linked market in September 4, 2014, RESA is completing the issuance of CRAs to raise R$ 675 million, including the full exercise of Option Additional Lot (20%), in accordance with Article 14, paragraph 2 CVM Instruction 400 and full exercise of the Over-Allotment Option (15%), in accordance with Article 24 of CVM Instruction No, 400, with an expected settlement between the 20th and October 21, 2014 and publication of closure of the operation scheduled for October 24, 2014.

Contracting of Working Capital Loan - Loan

In October 2014, the subsidiare of RESA, Raizen Fuels Finance S/A, obtained a working capital (loan) loan of 66 million of Euros, with an interest rate of 2,875% per annum and maturing on October 15, 2021.

Extraordinary General Meeting

On October 16, 2014, at the Extraordinary General Meeting ("EGM"), the statement and making the payment of part of the interim dividends calculated between the period of April 1, 2014 to September 30, 2014, was approved for the holders of ordinary shares in proportion to the shares held by them in the amount of R $ 220,360, paid on October 31, 2014. At the same AGE, the declaration and making the payment of interest on equity calculated understood for the period between February 1 to March 31, was also approved as a complement to the already declared value at the EGM of March 31, 2014, and the period April 1 to September 30, 2014, in the net amount of R $ 46,538 to each shareholder, paid on October 31, 2014.

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