

# HARVEST 2018/19

Actual: March/2019

Disclosure: 2019/07/03



## OPERATING AND FINANCIAL REPORT

HV 2018/19



PRODUZINDO ENERGIA PARA A VIDA

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## Operational Summary - (HV 17/18 x HV 18/19)

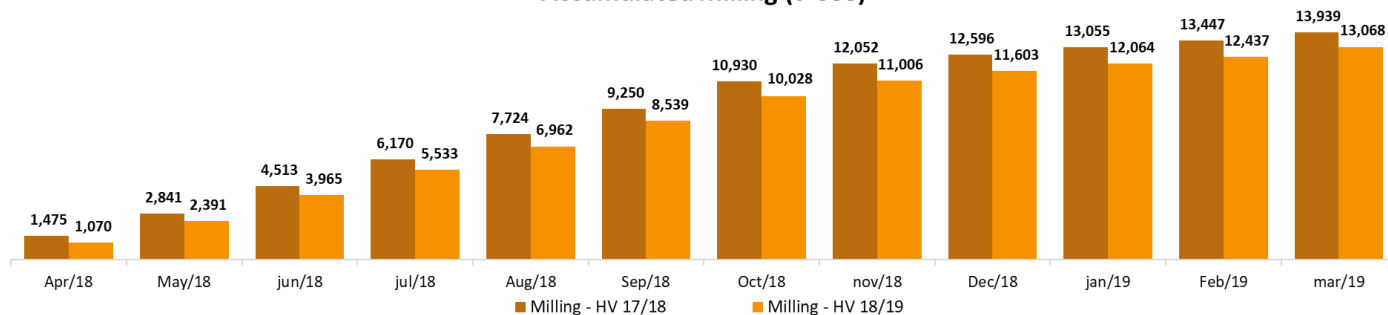
Industrial and Agricultural Operating Performance – Accumulated Harvest (March)

| Sugarcane Total           | HV 17/18 (R)      | HV 18/19 (R)      | Nominal Change  | Change %     |
|---------------------------|-------------------|-------------------|-----------------|--------------|
| <b>Raw Material</b>       | <b>13,938,770</b> | <b>13,068,213</b> | <b>-870,558</b> | <b>-6.2%</b> |
| Own Sugarcane (t)         | 5,100,094         | 4,844,092         | -256,002        | -5.0%        |
| Third-Party Sugarcane (t) | 8,838,676         | 8,224,121         | -614,556        | -7.0%        |
| <b>POL (%) - S. Total</b> | <b>13.34</b>      | <b>13.50</b>      | <b>0.16</b>     | <b>1.2%</b>  |
| <b>ATR - S. Total</b>     | <b>133.62</b>     | <b>135.04</b>     | <b>1.43</b>     | <b>1.1%</b>  |
| <b>TCH - S. Total</b>     | <b>77.78</b>      | <b>74.51</b>      | <b>-3.27</b>    | <b>-4.2%</b> |

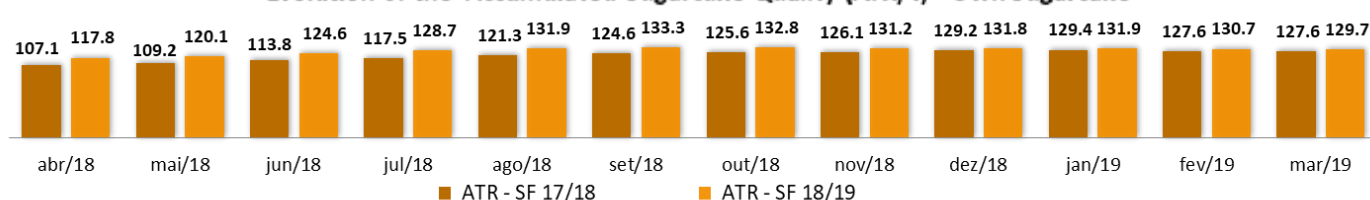
| Production                   | HV 17/18 (R)      | HV 18/19 (R)      | Nominal Change    | Change %      |
|------------------------------|-------------------|-------------------|-------------------|---------------|
| <b>Equivalent Sugar (bg)</b> | <b>36,034,086</b> | <b>33,891,120</b> | <b>-2,142,966</b> | <b>-5.9%</b>  |
| <b>Total Sugar (bg)</b>      | <b>20,826,633</b> | <b>17,984,039</b> | <b>-2,842,594</b> | <b>-13.6%</b> |
| VHP Sugar (t)                | 943,942           | 800,861           | -143,081          | -15.2%        |
| Crystal Sugar (bg)           | 1,947,800         | 1,966,820         | 19,020            | 1.0%          |
| <b>Molasses (t)</b>          | <b>67,812</b>     | <b>52,405</b>     | <b>-15,407</b>    | <b>-22.7%</b> |
| <b>Total Ethanol (m³)</b>    | <b>445,783</b>    | <b>472,342</b>    | <b>26,559</b>     | <b>6.0%</b>   |
| Anhydrous (m³)               | 258,852           | 239,310           | -19,541           | -7.5%         |
| Hydrous (m³)                 | 186,931           | 233,031           | 46,101            | 24.7%         |
| <b>Energy (MWh)</b>          | <b>696,020</b>    | <b>642,364</b>    | <b>-53,656</b>    | <b>-7.7%</b>  |

(Sc = 50 Kg/20 = tons)

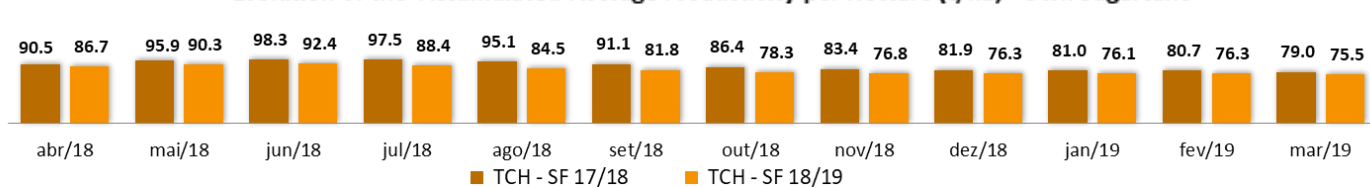
Accumulated Milling (t '000)



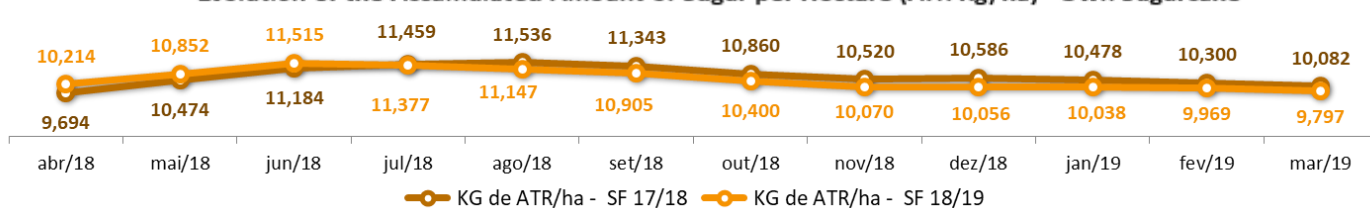
Evolution of the Accumulated Sugarcane Quality (ATR/t) - Own Sugarcane



Evolution of the Accumulated Average Productivity per Hectare (t/ha) - Own Sugarcane



Evolution of the Accumulated Amount of Sugar per Hectare (ATR Kg/ha) - Own Sugarcane



## Gross Revenue - (HV 17/18 x HV 18/19)

Gross Revenue– Accumulated Harvest (March)

| Commercial - Volume         | HV 17/18 (R)      | HV 18/19 (R)      | Nominal Change    | Change %      |
|-----------------------------|-------------------|-------------------|-------------------|---------------|
| <b>VOLUME</b>               |                   |                   |                   |               |
| Sucrose Production - (Sc)   | 35,403,063        | 34,474,687        | -928,376          | -2.6%         |
| <b>Total Sugar - (sc)</b>   | <b>20,461,743</b> | <b>18,696,911</b> | <b>-1,764,832</b> | <b>-8.6%</b>  |
| VHP Sugar - (t)             | 933,419           | 828,531           | -104,888          | -11.2%        |
| Crystal Sugar - (sc)        | 1,793,372         | 2,126,300         | 332,927           | 18.6%         |
| <b>Total Ethanol - (m³)</b> | <b>440,826</b>    | <b>470,822</b>    | <b>29,996</b>     | <b>6.8%</b>   |
| Anhydrous - (m³)            | 259,564           | 244,406           | -15,158           | -5.8%         |
| Hydrous - (m³)              | 181,262           | 226,416           | 45,153            | 24.9%         |
| <b>Molasses - (t)</b>       | <b>66,213</b>     | <b>52,196</b>     | <b>-14,017</b>    | <b>-21.2%</b> |
| <b>Energy Total - (MWh)</b> | <b>422,711</b>    | <b>510,330</b>    | <b>87,619</b>     | <b>20.7%</b>  |

(Sc = 50Kg/20 = tons)

| Commercial - Gross Price        | HV 17/18 (R)    | HV 18/19 (R)    | Nominal Change | Change %      |
|---------------------------------|-----------------|-----------------|----------------|---------------|
| <b>AVERAGE PRICE</b>            |                 |                 |                |               |
| Sucrose Production - (R\$/Sc)   | 62.03           | 58.55           | -3.48          | -5.6%         |
| <b>Total Sugar - (R\$/Sc)</b>   | <b>65.15</b>    | <b>56.70</b>    | <b>-8.45</b>   | <b>-13.0%</b> |
| VHP Sugar - (R\$/t)             | 1,298.16        | 1,106.07        | -192.09        | -14.8%        |
| Crystal Sugar - (R\$/sc)        | 67.69           | 67.61           | -0.08          | -0.1%         |
| <b>Total Ethanol - (R\$/m³)</b> | <b>1,893.77</b> | <b>1,981.73</b> | <b>87.96</b>   | <b>4.6%</b>   |
| Anhydrous - (R\$/m³)            | 1,869.49        | 1,950.99        | 81.50          | 4.4%          |
| Hydrous - (R\$/m³)              | 1,928.55        | 2,014.92        | 86.36          | 4.5%          |
| <b>Molasses - (R\$/t)</b>       | <b>425.88</b>   | <b>482.77</b>   | <b>56.90</b>   | <b>13.4%</b>  |
| <b>Energy Total - (R\$/MWh)</b> | <b>172.76</b>   | <b>261.36</b>   | <b>88.60</b>   | <b>51.3%</b>  |

| Commercial - Gross Revenues      | HV 17/18 (R)     | HV 18/19 (R)     | Nominal Change  | Change %      |
|----------------------------------|------------------|------------------|-----------------|---------------|
| <b>REVENUES</b>                  |                  |                  |                 |               |
| Gross Revenue - (R\$ mil)        | 2,311,275        | 2,175,945        | -135,330        | -5.9%         |
| Sucrose Production - (R\$ mil)   | 2,196,147        | 2,018,416        | -177,730        | -8.1%         |
| <b>Total Sugar - (R\$ mil)</b>   | <b>1,333,123</b> | <b>1,060,174</b> | <b>-272,949</b> | <b>-20.5%</b> |
| VHP Sugar - (R\$ mil)            | 1,211,725        | 916,412          | -295,313        | -24.4%        |
| Crystal Sugar - (R\$ mil)        | 121,397          | 143,762          | 22,365          | 18.4%         |
| <b>Total Ethanol - (R\$ mil)</b> | <b>834,825</b>   | <b>933,043</b>   | <b>98,218</b>   | <b>11.8%</b>  |
| Anhydrous - (R\$ mil)            | 485,251          | 476,835          | -8,417          | -1.7%         |
| Hydrous - (R\$ mil)              | 349,574          | 456,209          | 106,635         | 30.5%         |
| <b>Molasses - (R\$ mil)</b>      | <b>28,199</b>    | <b>25,199</b>    | <b>-3,000</b>   | <b>-10.6%</b> |
| <b>Others - (R\$ mil)</b>        | <b>42,101</b>    | <b>24,149</b>    | <b>-17,951</b>  | <b>-42.6%</b> |
| <b>Energy Total - (R\$ mil)</b>  | <b>73,028</b>    | <b>133,380</b>   | <b>60,352</b>   | <b>82.6%</b>  |

### Gross Revenue from Energy - Mills + Power Plants - Contracts x Spot

| Description          | 4Q 17/18       |               |                  | 4Q 18/19       |               |                  | Change        |              |               |              |               |              |
|----------------------|----------------|---------------|------------------|----------------|---------------|------------------|---------------|--------------|---------------|--------------|---------------|--------------|
|                      | Qty (MWh)      | R\$/MWh       | Value (R\$' 000) | Qty (MWh)      | R\$/MWh       | Value (R\$' 000) | QTY (Nom)     | QTY (%)      | R\$/MWh (Nom) | R\$/MWh (%)  | Valor (Nom)   | Value (%)    |
| Total contract       | 375,845        | 154.90        | 58,220           | 250,453        | 223.04        | 55,860           | -125,392      | -33.4%       | 68.13         | 44.0%        | -2,360        | -4.1%        |
| Total Spot           | 25,888         | 347.52        | 8,997            | 121,846        | 341.01        | 41,551           | 95,958        | 370.7%       | -6.51         | -1.9%        | 32,555        | 361.9%       |
| Swap (Resale)        | 20,978         | 277.00        | 5,811            | 138,031        | 260.58        | 35,968           | N/A           | N/A          | N/A           | N/A          | N/A           | N/A          |
| <b>Overall total</b> | <b>422,711</b> | <b>172.76</b> | <b>73,028</b>    | <b>510,330</b> | <b>261.36</b> | <b>133,380</b>   | <b>87,619</b> | <b>20.7%</b> | <b>88.60</b>  | <b>51.3%</b> | <b>60,352</b> | <b>82.6%</b> |

| Fixings Frame Sugar VHP |                        | Volume  | % Fixed * | Cents/lb | brl/ton |
|-------------------------|------------------------|---------|-----------|----------|---------|
| Harvest 2018/19         | Hedge Volume (t)       | 809,305 | 100%      | 13.55    | 1,112   |
|                         | Hedge Volume (t)       | 304,903 | 34%       | 14.47    | 1,250   |
| Harvest 2019/20         | Volume to be fixed (t) | 586,052 | 66%       | 13.58    | 1,199   |
|                         | Total Production       | 890,954 | 100%      | 13.88    | 1,217   |

\* Includes potential likely of desk operations (OTOs)

## Economic and Financial Summary – (HV 17/18 x HV 18/19)

As of the closing of the Harvest 2018/19 (March/19), ALL THE RESULTS presented in our performance reports become CONSOLIDATED PRO-FORMA (Usina and Energética). This change will facilitate the analysis since Energética is guarantor in all the financial operations of the Usina Coruripe. In addition, the new demonstrations were more comparable with the other players in the sector, which, for the most part, have all cogeneration results presented within the same economic entity.

### Balance Sheet – Accumulated Harvest (March)

| Consolidated Balance Sheets under BRGAAP |                       |            |                    |         |  |                       |            |                    |          |
|--|-----------------------|------------|--------------------|---------|--|-----------------------|------------|--------------------|----------|
| ASSETS                                   | Amount (R\$ thousand) |            |                    |         | LIABILITY                              | Amount (R\$ thousand) |            |                    |          |
|  | 2018/03/31            | 2019/03/31 | Variation<br>(+ -) |         |  | 2018/03/31            | 2019/03/31 | Variation<br>(+ -) |          |
| Current                                  | 1,237,437             | 1,294,904  | 5%                 | 57,467  | Current                                | 695,946               | 1,237,473  | 78%                | 541,527  |
| Cash, Banks and Applications             | 246,621               | 316,304    | 28%                | 69,683  | Suppliers                              | 95,474                | 99,741     | 4%                 | 4,267    |
| Accounts Receivable                      | 72,154                | 96,948     | 34%                | 24,794  | Loans and Financing                    | 467,324               | 905,494    | 94%                | 438,170  |
| Readily Marketable Inventories           | 21,428                | 30,894     | 44%                | 9,466   | Taxes and Contributions                | 48,185                | 29,443     | -39%               | -18,742  |
| Stock Semifinished                       | 1,453                 | 1,307      | -10%               | -146    | Advances from Customers                | 3,476                 | 72,686     | 1991%              | 69,210   |
| Third Party Stock                        | 13,557                | 7,490      | -45%               | -6,067  | Labor Legislation Liabilities          | 66,306                | 66,863     | 1%                 | 557      |
| Advences from suppliers                  | 400,274               | 393,293    | -2%                | -6,981  | Other Obligations (Derivatives)        | 2,916                 | 7,859      | 170%               | 4,943    |
| Warehouse                                | 57,103                | 52,880     | -7%                | -4,223  | Proposed dividends                     | 12,080                | 55,387     | 359%               | 43,307   |
| Biological Assets                        | 235,485               | 236,289    | 0%                 | 804     | Related Parties                        | 185                   | 0          | -100%              | -185     |
| Recoverable Taxes                        | 100,386               | 122,491    | 22%                | 22,105  |  |                       |            |                    |          |
| Related Parties                          | 35,749                | 0          | -100%              | -35,749 |  |                       |            |                    |          |
| Other Credits                            | 53,227                | 37,008     | -30%               | -16,219 |  |                       |            |                    |          |
| Noncurrent                               | 3,306,992             | 4,143,146  | 25%                | 836,154 | Noncurrent                             | 2,645,044             | 2,866,838  | 8%                 | 221,794  |
| Long-term Receivables                    | 2,054,117             | 2,908,043  | 42%                | 853,926 | Loans and Financing                    | 1,929,190             | 1,821,951  | -6%                | -107,239 |
| Financial investments                    | 3,074                 | 1,580      | -49%               | -1,494  | Taxes and Contributions                | 13,565                | 95,494     | 604%               | 81,929   |
| Advences from suppliers                  | 0                     | 65,795     | 100%               | 65,795  | Provisions for Contingencies           | 5,457                 | 8,756      | 60%                | 3,299    |
| Related Parties                          | 72,109                | 42,747     | -41%               | -29,362 | Provisions for Deferred Income Tax and | 451,087               | 593,420    | 32%                | 142,333  |
| Recoverable Taxes                        | 1,064                 | 1,740      | 64%                | 676     | Other Obligations                      | 245,745               | 347,217    | 41%                | 101,472  |
| Judicial Deposits                        | 4,025                 | 1,415      | -65%               | -2,610  |  |                       |            |                    |          |
| Other Credits Receivable                 | 1,973,845             | 2,794,766  | 42%                | 820,921 |  |                       |            |                    |          |
| Investments                              | 17,995                | 19,189     | 7%                 | 1,194   | Net Equity                             | 1,203,439             | 1,333,739  | 11%                | 130,300  |
| Fixed Assets                             | 1,234,315             | 1,215,321  | -2%                | -18,994 | Share Capital                          | 420,056               | 408,845    | -3%                | -11,211  |
| Intangible                               | 565                   | 593        | 5%                 | 28      | Shares in Treasury                     | -1,215                | -1,215     | 0%                 | 0        |
|  |                       |            |                    |         | Revaluation Reserve                    | 13,044                | 2,986      | -77%               | -10,058  |
|  |                       |            |                    |         | Equity Adjustment                      | 120,256               | 105,293    | -12%               | -14,963  |
|  |                       |            |                    |         | Profit Reserves                        | 651,298               | 817,830    | 26%                | 166,532  |
| TOTAL ASSETS                             | 4,544,429             | 5,438,050  | 20%                | 893,621 | TOTAL LIABILITY                        | 4,544,429             | 5,438,050  | 20%                | 893,621  |

Dollar on March 2018 = 3.3235

Dollar on March 2019 = 3.8964

### Income Statement – Accumulated Harvest (March)

| Income Statement - BRGAAP                            |  | Amount (R\$ thousand) | (R\$ March/18 | %T          | Amount (R\$ thousand) | (R\$ March/19 | %T           | Change R\$     | Change %      |
|--|--|-----------------------|---------------|-------------|-----------------------|---------------|--------------|----------------|---------------|
| (+) Gross Sales Revenue                              |  | 2,311,275             |               | 100.0%      | 2,175,945             |               | 100.0%       | -135,330       | -5.9%         |
| (-) Deductions                                       |  | -85,273               |               | -3.7%       | -122,052              |               | -5.6%        | 36,779         | 43.1%         |
| (=) Net Sales Revenue (A)                            |  | 2,226,002             |               | 96.3%       | 2,053,893             |               | 94.4%        | -172,109       | -7.7%         |
| (-) Cost of Goods Sold (B)                           |  | -1,230,632            |               | -55.3%      | -1,123,130            |               | -54.7%       | -107,502       | -8.7%         |
| (-) Depreciation, Amortization, Depletion            |  | -283,217              |               | -12.7%      | -314,275              |               | -15.3%       | 31,058         | 11.0%         |
| (-) Crop Treatment Amortization                      |  | -176,122              |               | -7.9%       | -174,562              |               | -8.5%        | -1,561         | -0.9%         |
| (=) Gross Profit                                     |  | 536,031               |               | 24.1%       | 441,927               |               | 21.5%        | -94,104        | -17.6%        |
| (-) Administrative Expenses (C)                      |  | -124,027              |               | -5.6%       | -123,406              |               | -6.0%        | -621           | -0.5%         |
| (-) Depreciation                                     |  | -4,345                |               | -0.2%       | -4,065                |               | -0.2%        | -280           | -6.4%         |
| (-) Expenses with Sales and Logistics (D)            |  | -106,785              |               | -4.8%       | -93,266               |               | -4.5%        | -13,519        | -12.7%        |
| (-) Depreciation                                     |  | -3,553                |               | -0.2%       | -3,509                |               | -0.2%        | -44            | -1.2%         |
| (=) Operating Income - Before Income / Expenses      |  | 297,321               |               | 13.4%       | 217,681               |               | 10.6%        | -79,640        | -26.8%        |
| (±) Other Operating Income and Expenses (E)          |  | 77,872                |               | 3.5%        | 81,937                |               | 4.0%         | 4,065          | 5.2%          |
| (±) Other Depreciation, Loss of Permanent Assets     |  | -46,304               |               | -2.1%       | -24,181               |               | -1.2%        | -22,123        | -47.8%        |
| (±) Equity   |  | 475                   |               | 0.0%        | 1,221                 |               | 0.1%         | 746            | 157.1%        |
| (=) Operating Profit                                 |  | 329,364               |               | 14.8%       | 276,658               |               | 13.5%        | -52,706        | -16.0%        |
| (±) Net Financial ex Foreign Exchange                |  | -188,938              |               | -8.5%       | 314,098               |               | 15.3%        | 503,036        | 266.2%        |
| (±) Exchange Rates                                   |  | -48,914               |               | -2.2%       | -199,368              |               | -9.7%        | -150,454       | 307.6%        |
| (=) Income Before Income tax and social contribution |  | 91,512                |               | 4.1%        | 391,388               |               | 19.1%        | 299,876        | 327.7%        |
| (-) Income Tax and Social Contribution               |  | -19,594               |               | -0.9%       | -146,607              |               | -7.1%        | -127,013       | 648.2%        |
| <b>Net Income / Loss</b>                             |  | <b>71,918</b>         |               | <b>3.2%</b> | <b>244,781</b>        |               | <b>11.9%</b> | <b>172,863</b> | <b>240.4%</b> |
| EBITDA (F)=(A+B+C+D+E)                               |  | 842,905               |               | 37.9%       | 797,249               |               | 38.8%        | -45,656        | -5.4%         |
| Variation of Biological Assets (G)                   |  | 24,530                |               |             | 19,269                |               |              | -5,261         | -21.4%        |
| Gains / losses on derivatives on exports (H)         |  | 6,845                 |               |             | 0                     |               |              | -6,845         | -100.0%       |
| ADJUSTED EBITDA (I)=(F+G+H)                          |  | 874,280               |               | 39.3%       | 816,518               |               | 39.8%        | -57,762        | -6.6%         |
| Gross Debt   |  | 2,396,514             |               |             | 2,727,445             |               |              | 330,931        | 13.8%         |
| Net Debt   |  | 2,146,819             |               |             | 2,409,561             |               |              | 262,742        | 12.2%         |
| Readily Marketable Inventories                       |  | 22,881                |               |             | 32,201                |               |              | 9,320          | 40.7%         |
| Net Debt Stocks                                      |  | 2,123,938             |               |             | 2,377,360             |               |              | 253,422        | 11.9%         |

Dollar on March 2018 = 3.3235

Dollar on March 2019 = 3.8964

## Economic and Financial Summary – (HV 17/18 x HV 18/19)

### Opening of Net Financial - Accumulated Harvest (March)

| Opening of Net Financial and Foreign Exchange          | Amount<br>(R\$ thousand)<br>March/18 | Amount<br>(R\$ thousand)<br>March/19 |
|--|--------------------------------------|--------------------------------------|
| <b>( = ) NET FINANCIAL</b>                             | <b>-188,938</b>                      | <b>314,098</b>                       |
| ( + ) Correction IAA / Provision IAA credit 4870       | 59,306                               | 794,379                              |
| ( + ) Interest on Mutual Loan                          | 8,005                                | 5,972                                |
| ( - ) Provision Pis / Cofins referring to IAA / 4870   | -1,424                               | -74,210                              |
| ( - ) Attorney's fees related to Provision IAA/4870    | -7,562                               | -101,472                             |
| ( + ) Income from Investments                          | 12,985                               | 13,023                               |
| ( ± ) Other Financial Expenses / Income                | -10,336                              | -22,676                              |
| ( - ) Interest on loans                                | -258,757                             | -270,265                             |
| ( ± ) Gains and Losses, Net of Derivative Transactions | 8,844                                | -30,652                              |
| <b>( = ) EXCHANGE VARIATION</b>                        | <b>-48,914</b>                       | <b>-199,368</b>                      |

Dollar on March 2018 = 3.3235

Dollar on March 2019 = 3.8964

### Capex and Depreciation - Accumulated Harvest (March)

| Group of Accounts                         | BRGAAP                       |                |                                |                 |               |                  | Balance In<br>March 31, 2019 |
|---|------------------------------|----------------|--------------------------------|-----------------|---------------|------------------|------------------------------|
|   | Balance In<br>March 31, 2018 | Additions      | Disposals and/or<br>Write-offs | Depreciation    | Transfers     | Reclassification |                              |
| Aircraft                                  | 979                          | 0              | 0                              | -203            | 0             | 0                | 777                          |
| Facilities, Buildings and Improvements    | 299,717                      | 3,203          | 0                              | -19,531         | 2,358         | 0                | 285,747                      |
| Furniture and Utensiles                   | 8,631                        | 1,807          | -33                            | -1,886          | 29            | 0                | 8,549                        |
| Machinery, Vehicles and Implements        | 498,501                      | 37,824         | -1,666                         | -59,409         | 15,387        | 0                | 490,638                      |
| Common Replacement Parts and Itens        | 102,138                      | 149,915        | 0                              | -172,815        | 0             | 0                | 79,239                       |
| Land and Properties                       | 0                            | 0              | 0                              | 0               | 0             | 0                | 0                            |
| Fixed Asset in Progress                   | 18,828                       | 640            | -11                            | 0               | 0             | 0                | 19,457                       |
| Advance to Suppliers                      | 17,765                       | 27,276         | 0                              | 0               | -17,775       | -92              | 27,174                       |
| <b>Total Capex</b>                        | <b>946,559</b>               | <b>220,665</b> | <b>-1,710</b>                  | <b>-253,843</b> | <b>0</b>      | <b>-92</b>       | <b>911,580</b>               |
| Sugarcane Crops                           | 287,756                      | 138,353        | -11,425                        | 0               | -5,322        | -105,621         | 303,742                      |
| Treatment of Sugacane Cultivation         | 0                            | 0              | 0                              | 0               | 0             | 0                | 0                            |
| <b>Total Plant Carrier</b>                | <b>287,756</b>               | <b>138,353</b> | <b>-11,425</b>                 | <b>0</b>        | <b>-5,322</b> | <b>-105,621</b>  | <b>303,742</b>               |
| Sugacane Cultivation                      | 70,925                       | 959            | -11,047                        | -67,838         | 5,322         | 105,621          | 103,941                      |
| Treatment of Sugacane Cultivation         | 164,560                      | 161,618        | 0                              | -174,562        | 0             | 0                | 151,617                      |
| <b>Total Biological Assets in Current</b> | <b>235,485</b>               | <b>162,577</b> | <b>-11,047</b>                 | <b>-242,400</b> | <b>5,322</b>  | <b>86,351</b>    | <b>236,289</b>               |
| Intangible                                | 565                          | 105            | 0                              | -169            | 0             | 92               | 593                          |
| <b>Grand Total</b>                        | <b>1,470,377</b>             | <b>521,703</b> | <b>-24,185</b>                 | <b>-496,411</b> | <b>0</b>      | <b>-19,269</b>   | <b>1,452,215</b>             |

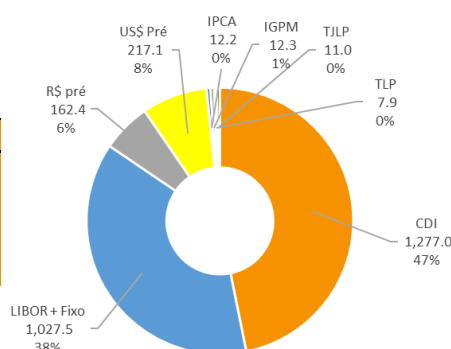
| DEPRECIATION - DEPLETION - AMORTIZATION       | Amount<br>(R\$ thousand)<br>March/19 |
|---|--------------------------------------|
| Depreciation, Treatment and Depletion in COGS | -488,836                             |
| Depreciation in the Administrative            | -4,065                               |
| Depreciation in the Commercial                | -3,509                               |
| <b>Total Depreciation - Income Statement</b>  | <b>-496,410</b>                      |
| Stock Depreciation                            | 0                                    |
| <b>Total Depreciation</b>                     | <b>-496,410</b>                      |

# Indebtednes

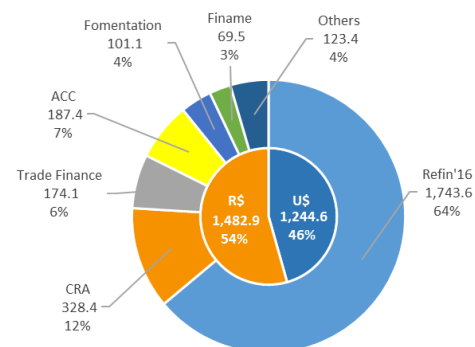
Indebtednes Analysis – Accumulated Harvest (March- 2019)

| Dollar on 2019/03/31 |         |
|----------------------|---------|
| (USD):               | 3.8964  |
| March of 2019        | (R\$MM) |
| Gross Debt           | 2,727.4 |
| Net Debt             | 2,409.6 |

Due Balance Gross by Indexer (R\$ MM)



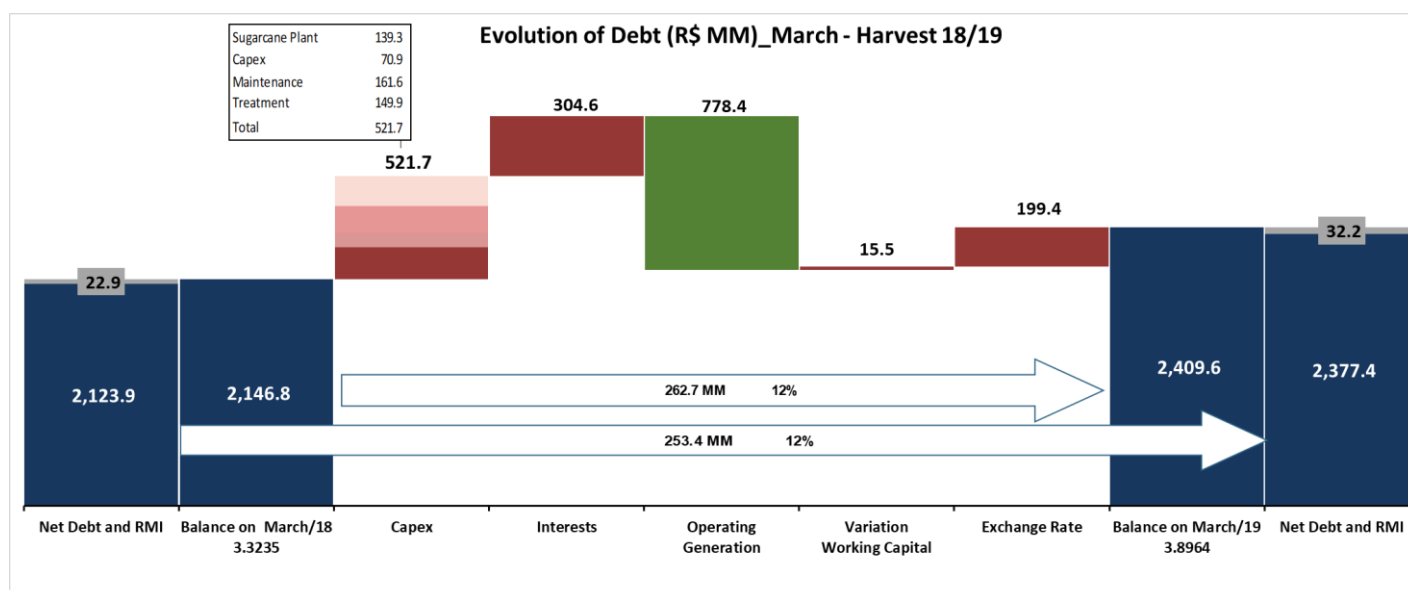
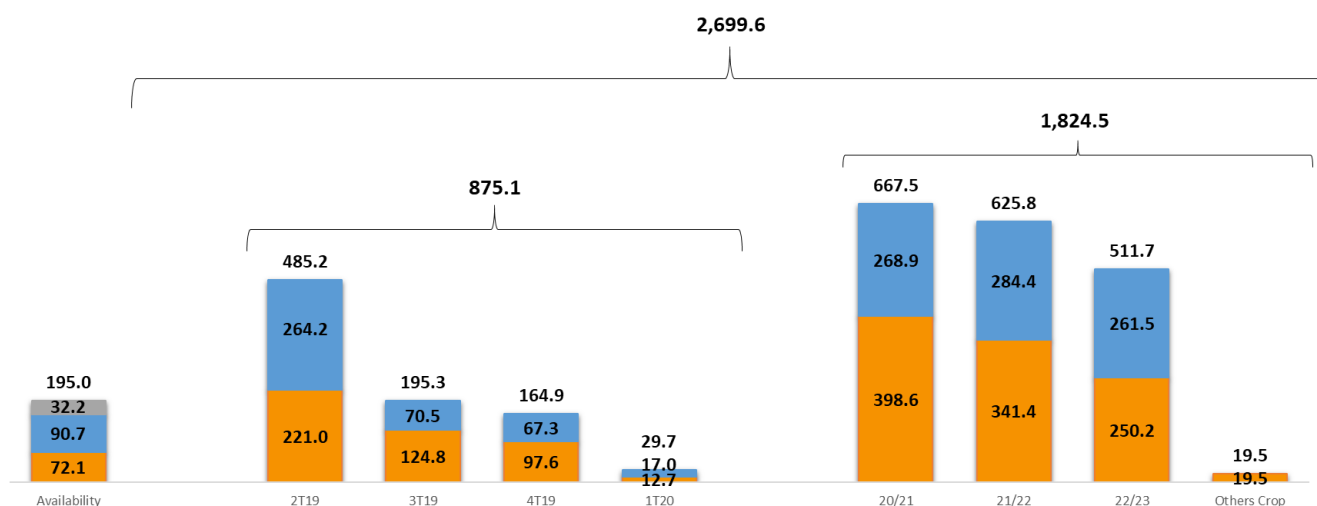
Due Balance Gross by Type and Currency (R\$ MM)



Principal Amortization Schedule (R\$ MM)

■ R\$ ■ US\$ ■ RMI

Average Debt Maturity  
1 Years and 8 Months



# Economic and Financial Summary – (HV 18/19 x HV 19/20)

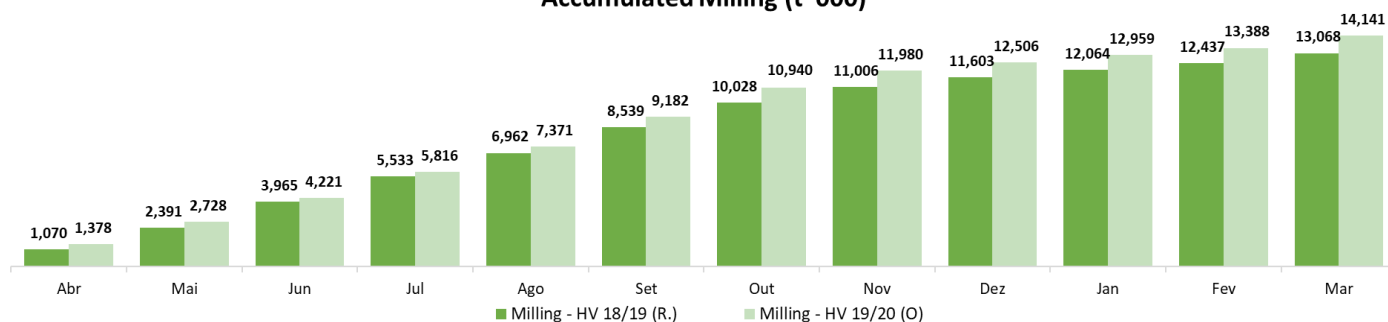
Projections Harvest 2019/20 (March- 2020) - GUIDANCE

| Sugarcane Total           | HV 18/19 (R)      | HV 19/20 (O)      | Nominal Change   | Change %    |
|---------------------------|-------------------|-------------------|------------------|-------------|
| <b>Raw Material</b>       | <b>13,068,213</b> | <b>14,140,947</b> | <b>1,072,734</b> | <b>8.2%</b> |
| Own Sugarcane (t)         | 4,844,092         | 5,264,547         | 420,455          | 8.7%        |
| Third-Party Sugarcane (t) | 8,224,121         | 8,876,400         | 652,280          | 7.9%        |
| <b>POL (%) - S. Total</b> | <b>13.50</b>      | <b>13.58</b>      | <b>0.08</b>      | <b>0.6%</b> |
| <b>ATR - S. Total</b>     | <b>135.04</b>     | <b>135.93</b>     | <b>0.89</b>      | <b>0.7%</b> |
| <b>TCH - S. Total</b>     | <b>74.51</b>      | <b>77.72</b>      | <b>3.21</b>      | <b>4.3%</b> |

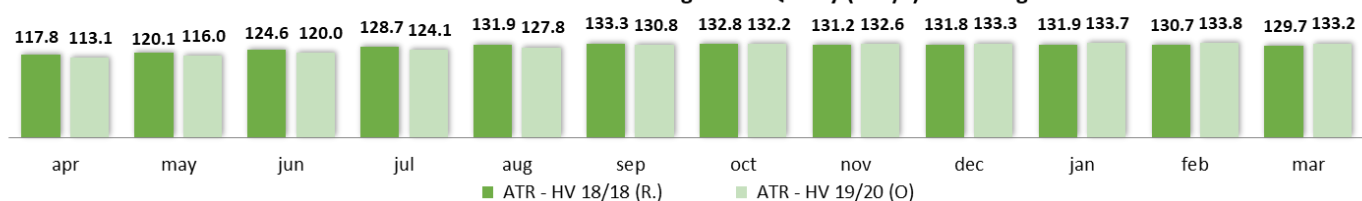
| Production                   | HV 18/19 (R.)     | HV 19/20 (O)      | Nominal Change   | Change %     |
|------------------------------|-------------------|-------------------|------------------|--------------|
| <b>Equivalent Sugar (bg)</b> | <b>33,891,120</b> | <b>36,692,127</b> | <b>2,801,007</b> | <b>8.3%</b>  |
| <b>Total Sugar (bg)</b>      | <b>17,984,039</b> | <b>20,557,739</b> | <b>2,573,700</b> | <b>14.3%</b> |
| VHP Sugar (t)                | 800,861           | 900,387           | 99,526           | 12.4%        |
| Raw Sugar (Sc)               | 87,683            | 150,000           | 62,317           | 71.1%        |
| Crystal Sugar (bg)           | 1,879,137         | 2,400,000         | 520,863          | 27.7%        |
| <b>Molasses (t)</b>          | <b>52,405</b>     | <b>55,051</b>     | <b>2,645</b>     | <b>5.0%</b>  |
| <b>Total Ethanol (m³)</b>    | <b>472,342</b>    | <b>479,128</b>    | <b>6,786</b>     | <b>1.4%</b>  |
| Anhydrous (m³)               | 239,310           | 285,150           | 45,839           | 19.2%        |
| Hydrous (m³)                 | 233,031           | 193,978           | -39,054          | -16.8%       |
| <b>Energy (MWh)</b>          | <b>642,364</b>    | <b>693,719</b>    | <b>51,354</b>    | <b>8.0%</b>  |

(Sc = 50 Kg/20 = tons)

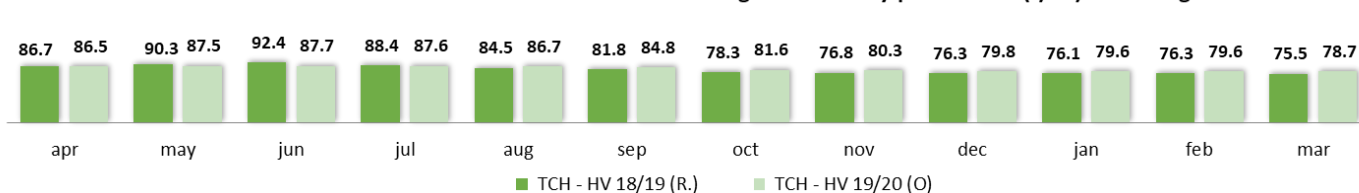
Accumulated Milling (t '000)



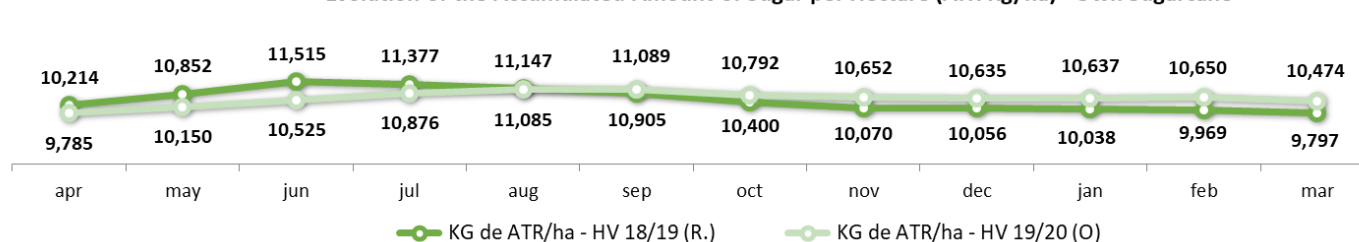
Evolution of the Accumulated Sugarcane Quality (ATR/t) - Own Sugarcane



Evolution of the Accumulated Average Productivity per Hectare (t/ha) - Own Sugarcane



Evolution of the Accumulated Amount of Sugar per Hectare (ATR Kg/ha) - Own Sugarcane



# Economic and Financial Summary – (HV 18/19 x HV 19/20)

Projections Harvest 2019/20 (March- 2020) - GUIDANCE

| Commercial - Volume              | HV 18/19 (R)      | HV 19/20 (P)      | Nominal Change   | Change %      |
|----------------------------------|-------------------|-------------------|------------------|---------------|
| <b>VOLUME</b>                    |                   |                   |                  |               |
| <b>Sucrose Production - (Sc)</b> | <b>34,474,687</b> | <b>36,764,936</b> | <b>2,290,249</b> | <b>6.6%</b>   |
| <b>Total Sugar - (sc)</b>        | <b>18,696,911</b> | <b>19,819,802</b> | <b>1,122,890</b> | <b>6.0%</b>   |
| VHP Sugar - (t)                  | 828,531           | 863,930           | 35,400           | 4.3%          |
| Crystal Sugar - (sc)             | 2,126,300         | 2,541,200         | 414,900          | 19.5%         |
| <b>Total Ethanol - (m³)</b>      | <b>470,822</b>    | <b>503,128</b>    | <b>32,305</b>    | <b>6.9%</b>   |
| Anhydrous - (m³)                 | 244,406           | 270,131           | 25,724           | 10.5%         |
| Hydrous - (m³)                   | 226,416           | 232,997           | 6,581            | 2.9%          |
| <b>Molasses - (t)</b>            | <b>52,196</b>     | <b>64,489</b>     | <b>12,293</b>    | <b>23.6%</b>  |
| <b>Energy* - (MWh)</b>           | <b>510,330</b>    | <b>384,427</b>    | <b>-125,903</b>  | <b>-24.7%</b> |

(Sc = 50Kg/20 = tons)

| Commercial - Gross Price             | HV 18/19 (R)    | HV 19/20 (P)    | Nominal Change | Change %     |
|--------------------------------------|-----------------|-----------------|----------------|--------------|
| <b>AVERAGE PRICE</b>                 |                 |                 |                |              |
| <b>Sucrose Production - (R\$/Sc)</b> | <b>58.55</b>    | <b>61.76</b>    | <b>3.21</b>    | <b>5.5%</b>  |
| <b>Total Sugar - (R\$/Sc)</b>        | <b>56.70</b>    | <b>60.88</b>    | <b>4.17</b>    | <b>7.4%</b>  |
| VHP Sugar - (R\$/t)                  | 1,106.07        | 1,183.11        | 77.04          | 7.0%         |
| Crystal Sugar - (R\$/sc)             | 67.61           | 72.58           | 4.96           | 7.3%         |
| <b>Total Ethanol - (R\$/m³)</b>      | <b>1,981.73</b> | <b>2,040.43</b> | <b>58.69</b>   | <b>3.0%</b>  |
| Anhydrous - (R\$/m³)                 | 1,950.99        | 2,023.69        | 72.70          | 3.7%         |
| Hydrous - (R\$/m³)                   | 2,014.92        | 2,059.83        | 44.91          | 2.2%         |
| <b>Molasses - (R\$/t)</b>            | <b>482.77</b>   | <b>580.07</b>   | <b>97.30</b>   | <b>20.2%</b> |
| <b>Energy* - (R\$/MWh)</b>           | <b>261.36</b>   | <b>243.38</b>   | <b>-17.98</b>  | <b>-6.9%</b> |

| Commercial - Gross Revenues           | HV 18/19 (R)     | HV 19/20 (P)     | Nominal Change | Change %      |
|---------------------------------------|------------------|------------------|----------------|---------------|
| <b>REVENUES</b>                       |                  |                  |                |               |
| <b>Gross Revenue - (R\$ mil)</b>      | <b>2,175,945</b> | <b>2,372,613</b> | <b>196,668</b> | <b>9.0%</b>   |
| <b>Sucrose Production - (R\$ mil)</b> | <b>2,018,416</b> | <b>2,270,552</b> | <b>252,136</b> | <b>12.5%</b>  |
| <b>Total Sugar - (R\$ mil)</b>        | <b>1,060,174</b> | <b>1,206,549</b> | <b>146,375</b> | <b>13.8%</b>  |
| VHP Sugar - (R\$ mil)                 | 916,412          | 1,022,120        | 105,708        | 11.5%         |
| Crystal Sugar - (R\$ mil)             | 143,762          | 184,429          | 40,667         | 28.3%         |
| <b>Total Ethanol - (R\$ mil)</b>      | <b>933,043</b>   | <b>1,026,594</b> | <b>93,551</b>  | <b>10.0%</b>  |
| Anhydrous - (R\$ mil)                 | 476,835          | 546,660          | 69,826         | 14.6%         |
| Hydrous - (R\$ mil)                   | 456,209          | 479,934          | 23,725         | 5.2%          |
| <b>Molasses - (R\$ mil)</b>           | <b>25,199</b>    | <b>37,408</b>    | <b>12,210</b>  | <b>48.5%</b>  |
| <b>Energy* - (R\$ mil)</b>            | <b>133,380</b>   | <b>93,561</b>    | <b>-39,818</b> | <b>-30%</b>   |
| <b>Others - (R\$ mil)</b>             | <b>24,149</b>    | <b>8,500</b>     | <b>-15,649</b> | <b>-64.8%</b> |

# Economic and Financial Summary – (HV 18/19 x HV 19/20)

Projections Harvest 2019/20 (March- 2020) - GUIDANCE

| Income Statement - BRGAAP                              | HV 18/19 (R) | %T     | HV 19/20 (P) | %T     | Change R\$ | Change % |
|--|--------------|--------|--------------|--------|------------|----------|
| ( + ) Gross Sales Revenue                              | 2,175,945    | 100.0% | 2,372,613    | 100.0% | 196,668    | 9.0%     |
| ( - ) Deductions                                       | -122,052     | -5.6%  | -133,979     | -5.6%  | 11,927     | 9.8%     |
| ( = ) Net Sales Revenue (A)                            | 2,053,893    | 94.4%  | 2,238,634    | 94.4%  | 184,741    | 9.0%     |
| ( - ) Cost of Goods Sold (B)                           | -1,123,130   | -54.7% | -1,137,382   | -50.8% | 14,252     | 1.3%     |
| ( - ) Depreciation, Amortization, Depletion            | -314,275     | -15.3% | -318,431     | -14.2% | 4,156      | 1.3%     |
| ( - ) Crop Treatment Amortization                      | -174,562     | -8.5%  | -160,843     | -7.2%  | -13,718    | -7.9%    |
| ( = ) Gross Profit                                     | 441,927      | 21.5%  | 621,977      | 27.8%  | 180,051    | 40.7%    |
| ( - ) Administrative Expenses (C)                      | -123,406     | -6.0%  | -125,643     | -5.6%  | 2,237      | 1.8%     |
| ( - ) Depreciation                                     | -4,065       | -0.2%  | -3,829       | -0.2%  | -236       | -5.8%    |
| ( - ) Expenses with Sales and Logistics (D)            | -93,266      | -4.5%  | -129,091     | -5.8%  | 35,825     | 38.4%    |
| ( - ) Depreciation                                     | -3,509       | -0.2%  | -2,834       | -0.1%  | -675       | -19.2%   |
| ( = ) Operating Income - Before Income / Expenses      | 217,681      | 10.6%  | 360,580      | 16.1%  | 142,899    | 65.6%    |
| ( ± ) Other Operating Income and Expenses (E)          | 81,937       | 4.0%   | 24,581       | 1.1%   | -57,356    | -70.0%   |
| ( ± ) Other Depreciation, Loss of Permanent Assets     | -24,181      | -1.2%  | 0            | 0.0%   | 24,181     | -100.0%  |
| ( ± ) Equity   | 1,221        | 0.1%   | 0            | 0.0%   | -1,221     | -100.0%  |
| ( = ) Operating Profit                                 | 276,658      | 13.5%  | 385,161      | 17.2%  | 108,503    | 39.2%    |
| ( ± ) Net Financial ex Foreign Exchange                | 314,098      | 15.3%  | -203,336     | -9.1%  | -517,434   | -164.7%  |
| ( ± ) Exchange Rates                                   | -199,368     | -9.7%  | 0            | 0.0%   | 199,368    | -100.0%  |
| ( = ) Income Before income tax and social contribution | 391,388      | 19.1%  | 181,824      | 8.1%   | -209,564   | -53.5%   |
| ( - ) Income Tax and Social Contribution               | -146,607     | -7.1%  | -53,093      | -2.4%  | 93,514     | -63.8%   |
| Net Income / Loss                                      | 244,781      | 11.9%  | 128,732      | 5.8%   | -116,049   | -47.4%   |
| EBITDA (F)=(A+B+C+D+E)                                 | 797,249      | 38.8%  | 871,099      | 38.9%  | 73,850     | 9.3%     |
| Variation of Biological Assets (G)                     | 19,269       |        | 0            |        | -19,269    | -100.0%  |
| Gains / losses on derivatives on exports (H)           | 0            |        | 0            |        | 0          | -100.0%  |
| ADJUSTED EBITDA (I)=(F+G+H)                            | 816,518      | 39.8%  | 871,099      | 38.9%  | 54,581     | 6.7%     |



## Certifications

### Recent Agricultural Performance Awards & Certifications

|   |  |  |   |
|---|--|--|---|
|  <p>Evaluated as A classification by BENRI, reflecting its position among the best cane fields in Brazil</p> | <p>GRUPO APR 16/17</p>  <p>Awarded by the IDEA Group with the Productivity Champion Prize 16/17 between the plants in the Center-South of Brazil'</p> | <p>GRUPO APR 15/16</p>  <p>Awarded by the IDEA Group with the Productivity Champion Prize 15/16 between the plants in the Center-South of Brazil'</p> | <p>OCT/2017<br/>OCT/2018</p>  <p>Elected by Época Magazine with the first place in the Future Vision dimension of the Agribusiness Segment</p> |
|---|--|--|---|

### People & Management Awards

|  |   |   |   |  |
|--|---|---|---|--|
|  <p>JUL/2015</p> <p>Awarded by IstoÉ Dinheiro Rural Magazine with the first place in Corporate Management</p> | <p>2018 melhores empresas para trabalhar</p> <p>NOV/2018<br/>NOV/2017<br/>NOV/2016</p> <p>Elected by Você S/A magazine as one of the 150 best companies to work for in Brazil</p> | <p>Great Place To Work</p> <p>JUL/2018<br/>JUL/2017<br/>JUL/2016</p> <p>Recognized by Época/Great Place to Work Brazil as one of the best Companies to Work in Brazil</p> |  <p>MAY/2018<br/>MAY/2017</p> <p>Recognized Grupo Gestão RH as one of the best companies Human Resources Teams in Brazil</p> | <p>Valor CARREIRA</p> <p>AUG/2017<br/>AUG/2016<br/>AUG/2015</p> <p>Recognized by Valor Econômico newspaper as one of the best companies in People Management</p> |
|--|---|---|---|--|

### Social, Environmental & Certifications

|   |  |   |  |  |  |
|---|--|---|--|--|--|
|  <p>Environmental Reserves: Mata Atlântica Feliz Deserto Biome, AL Cerrado Janurária Biome, MG</p>   | <p>Prêmio MASTER CANA</p> <p>SEP/2018<br/>SEP/2017<br/>SEP/2016</p> <p>Best company in People Management and Socio Environmental Responsibility</p>  |  <p>Restoration of forests and restocking of the Coruipé with native species 17,000 hectares of its own land are destined for preservation</p> |  <p>JUL/2018<br/>JUL/2017</p> <p>Recognized for stimulate the practice of sustainable actions in its productive chain. Highlight of this year was in the area of security</p>       |  <p>Social Projects: Day care centers; Papermaking Workshop, Florescer and Barriga Cheia Projects</p> |  <p>NOV/2015</p> <p>Awarded the DuPont Safety Award in the Occupational Health and Safety Management Category</p> |
|  <p>JUL/2018<br/>JUL/2015</p> <p>Recognized by the good practices of socio-environmental responsibility, citizenship, human capital and community relations.</p> |  <p>NOV/2018<br/>NOV/2017</p> <p>We were selected for the group of Brazilian companies from the Sustainability Guide of Exame Magazine.</p> |  <p>OCT/2018</p> <p>Elected champion in sustainability among the best of agribusiness by Globo Rural</p>                                       |  <p>We were the first plant in the country to receive the Atlantic Forest, granted in 2017 by the Mata Atlântica Biosphere Reserve (RBMA), linked to the MaB program of Unesco.</p> |  <p>ISO 9001 Quality management system. Certifies the quality of the products produced.</p>           |  <p>ISO 14001 Environmental management system. Proves that the productive chain respects the environment</p>      |
|  <p>OHSAS 18001 Occupational Health and Workplace Safety Management System. Acknowledges concern about the safety and health of the employee</p>                 |  <p>FSSC 22000 Quality Management Food Safety. Ensures food safety management in food production.</p>                                       |  <p>Certificate for export of Ethanol to the United States.</p>  |  <p>Awarded in the category Preservation and Conservation of Flora</p>  |  |  |