



**2Q13 Results**

# Disclaimer

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This presentation contains forward-looking statements relating to the business outlook, operating and financial projections, and the growth prospects of São Martinho S.A. These statements merely represent projections and as such are based exclusively on management's expectations about the future of the business.

Forward-looking statements are no guarantee of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results and could cause results to differ materially from those expressed in such forward-looking statements.

# Agenda



Harvest Update



Financial Highlights



Indebtedness



Inventories / Hedge

# Crushing and Production



Table 1

OPERATING DATA	6M13	6M12	Chg.(%)
São Martinho - Consolidated			
Crushed Sugarcane ('000 tons)	8,954	8,683	3.1%
Own	5,510	5,266	4.6%
Third Parties	3,444	3,417	0.8%
Mechanized Harvest	89.2%	85.7%	3.5 p.p
Production			
Sugar ('000 tons)	659	628	4.9%
Anhydrous Ethanol ('000 m <sup>3</sup> )	169	161	4.9%
Hydrous Ethanol ('000 m <sup>3</sup> )	146	139	5.3%
Ribonucleic Acid (RNA) Sodium Salt ('000 Kg)	171	130	31.4%
Cogeneration ('000 MWh)	126	109	15.7%

Table 2

GUIDANCE - 2012/2013 HARVEST		
Crushing (million tons)		12.0
Sugar ('000 tons)		900.0
Anhydrous ('000 m <sup>3</sup> )		282.0
Hydrous ('000 m <sup>3</sup> )		188.0
Mix	Anhydrous	60.0%
	Hydrous	40.0%
Mix	Sugar	56.0%
	Ethanol	44.0%

Chart 1

**Crushing - 1Q12 x 2Q12**  
( '000 tons)

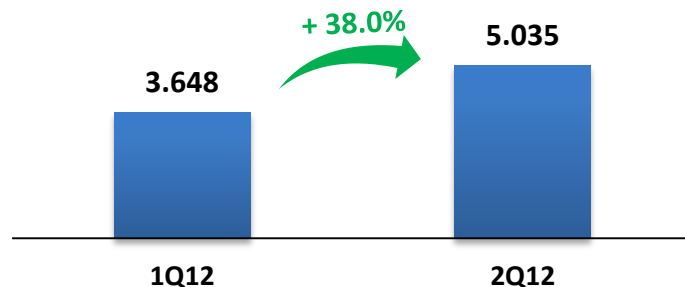
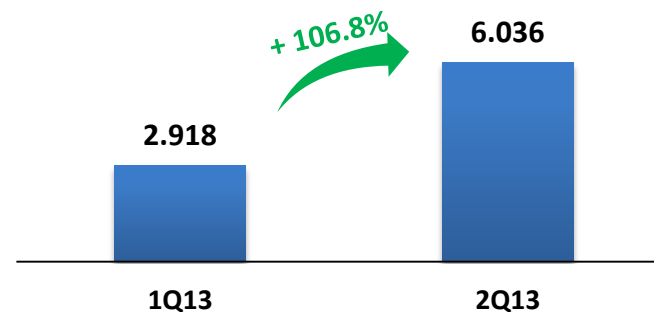


Chart 2

**Crushing - 1Q13 x 2Q13**  
( '000 tons)



# Financial Highlights



Table 1

## Financial Highlights – 2Q13

	2Q12	2Q13	Change
Net Revenue	398,122	546,913	37.4%
Adjusted EBITDA	163,075	236,340	44.9%
Adjusted EBITDA Margin	41.0%	43.2%	2.3 p.p.
Biological Assets Results	28,226	(4,272)	n.m.
Net Income	48,667	50,523	3.8%
Net Income Ex Biological Assets Results	20,441	54,795	168.0%
Sold TRS ('000 kg)	439	558	27.1%

Chart 1

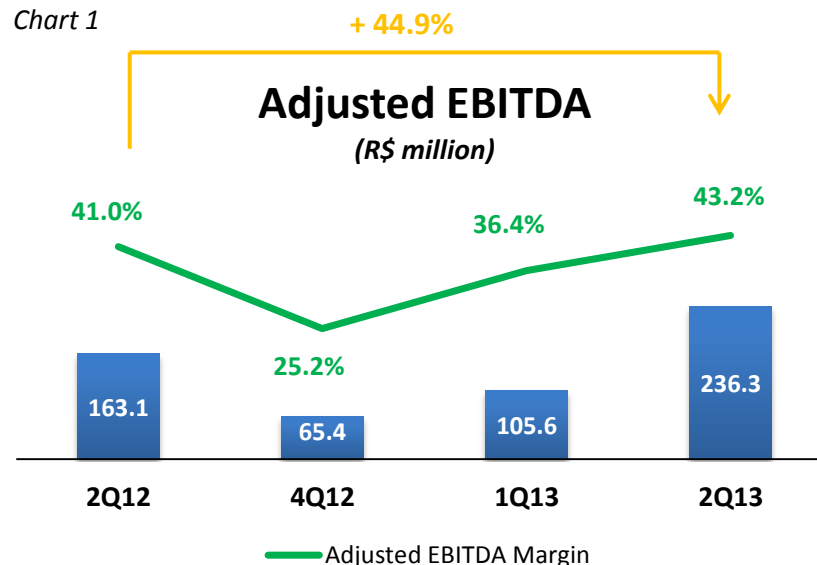


Chart 2

## Sugar Sales (‘000 tons)

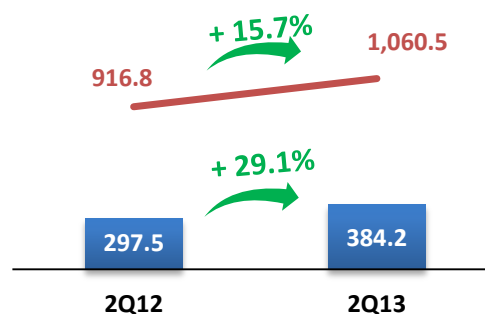
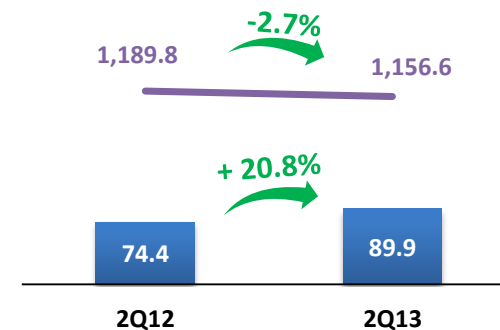


Chart 3

## Ethanol Sales (‘000 m³)



— Sugar Price (R\$/ton)

— Ethanol Price (R\$/m³)

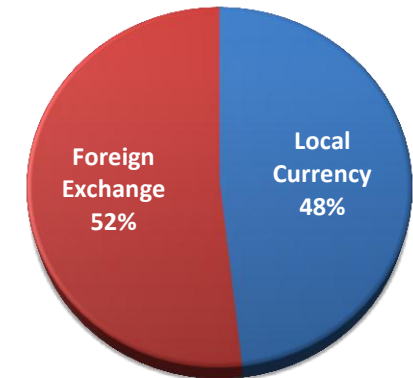
# Indebtedness



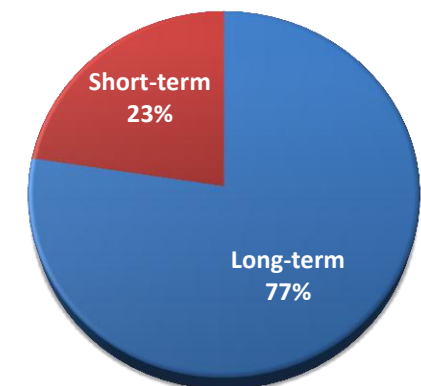
Table 1

Indebtedness (R\$ Thousand)	Sep/12	Mar/12	Chg. (%)
Foreign Exchange Debt (US\$)	918,654	437,376	110.0%
BNDES / Rural Credit	572,857	481,374	19.0%
Working Capital	101,208	110,125	-8.1%
Obligations from Santa Cruz	119,840	113,475	5.6%
<b>Gross Debt</b>	<b>1,712,559</b>	<b>1,142,350</b>	<b>49.9%</b>
Cash and Cash Equivalents	711,336	410,567	73.3%
<b>Net Debt</b>	<b>1,001,223</b>	<b>731,783</b>	<b>36.8%</b>
(+) Proportional Gross Debt at Santa Cruz	212,599	203,494	4.5%
<b>Consolidated Net Debt</b>	<b>1,213,822</b>	<b>935,277</b>	<b>29.8%</b>
<b>Net Debt / Acum. EBITDA</b>	<b>2.1 x</b>	<b>1.6 x</b>	

## CURRENCY



## TERM



### ✓ Net Indebtedness increase (Mar/12 – Sep/12) – Main factors:

- Investments in sugarcane plantation (expansion) and cogen – R\$ 85 MM;
- Working capital investments that will be reversed until Mar/13 – R\$ 274 MM;
- Foreign Exchange variation over long term indebtedness – R\$ 65 MM.



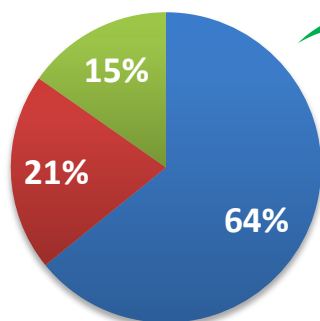
# Inventories / Hedge



Table 1

## Sales Volume 6M13 (TRS)

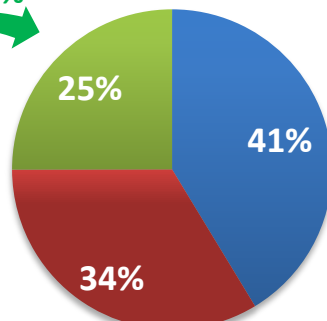
\* 851 million TRS



+ 10.0%

## Available for Sale (TRS)

\* 940 million TRS



■ Sugar ■ Anhydrous ■ Hydrous

Table 3

## Volume Available for Sale – 2Q13

	Inventories 2Q13	Remaining Production 2012/13 (*)	Volume Available for Sale
Hydrous (m <sup>3</sup> )	78,177	62,000	140,177
Anhydrous (m <sup>3</sup> )	87,904	93,000	180,904
<b>Total Ethanol (m<sup>3</sup>)</b>	<b>166,081</b>	<b>155,000</b>	<b>321,081</b>
<b>Sugar (tons)</b>	<b>128,722</b>	<b>241,000</b>	<b>369,722</b>

(\*) Estimated production until the end of the 2012/13 crop year

Table 2

## Sugar Hedge – 2Q13

	Volume (Tons)	Average Price (US\$ cents/pound)	% of Fixed Production
<b>Sugar</b>			
2012/2013 Harvest	259,646	22.29	70.0%
2013/2014 Harvest	346,997	22.03	38.0%
	<b>606,644</b>	<b>22.14</b>	

## IR Contacts

Telephone: +55 11 2105-4100

E-mail: [ri@saomartinho.ind.br](mailto:ri@saomartinho.ind.br)

Website: [www.saomartinho.ind.br/ir](http://www.saomartinho.ind.br/ir)

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