



*3Q07 and 9M07 Earnings
Conference Call*



Forward-Looking Statements

This presentation contains certain statements that are neither reported financial results or other historical information. They are forward-looking statements.

Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors that are beyond São Martinho's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators, the Company's ability to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, inflation and consumer confidence, on a global, regional or national basis.

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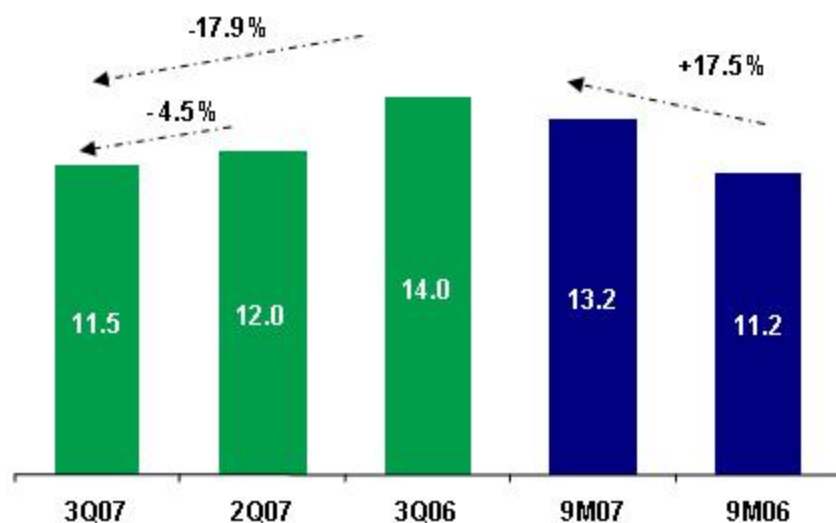
Highlights

- Completion of the IPO raising a total of R\$423.6 million, representing 18.75% of the Company's total capital;
- Start-up of the R\$343 million mill is scheduled for the 2008/09 harvest, when it will have cane crushing capacity of 1.7 million tonnes
- Net revenue climbed 6.8% q/q in 3Q07 to R\$189.7 million, and 22.2% in 9M07, to R\$652.6 million
- Higher sugar and hydrous ethanol sales volume and lower anhydrous ethanol sales volume in the quarter and in 9M07;
- EBITDA rose 6 p.p in 9M07 (30.4%) and seasonal impacts decreased EBITDA margin in this quarter;
- Higher average prices for ethanol and sugar in 9M07, for export ethanol in 3Q07 and lower sugar prices (DM and EM) and ethanol in the domestic market;
- Offer to acquire a medium-sized sugar and ethanol production unit located in the Center-South region of Brazil

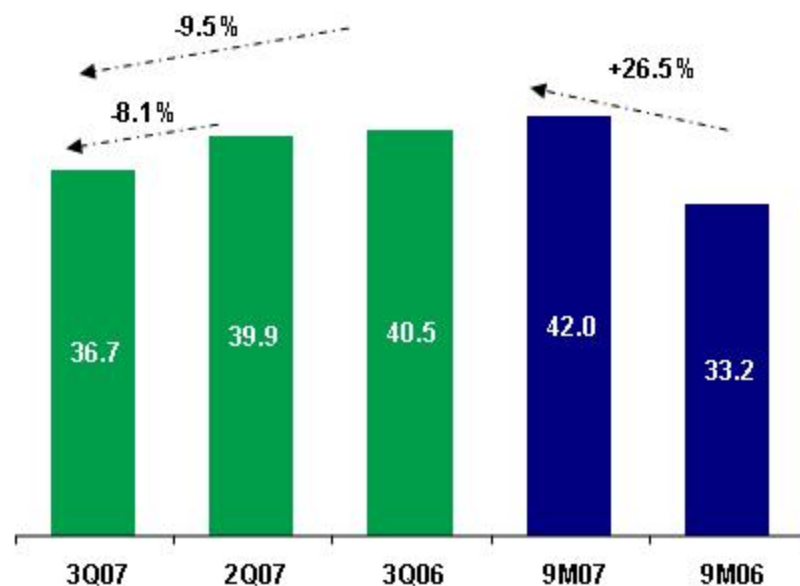


Sugar Prices

NY11 Average Price Cents/Pound



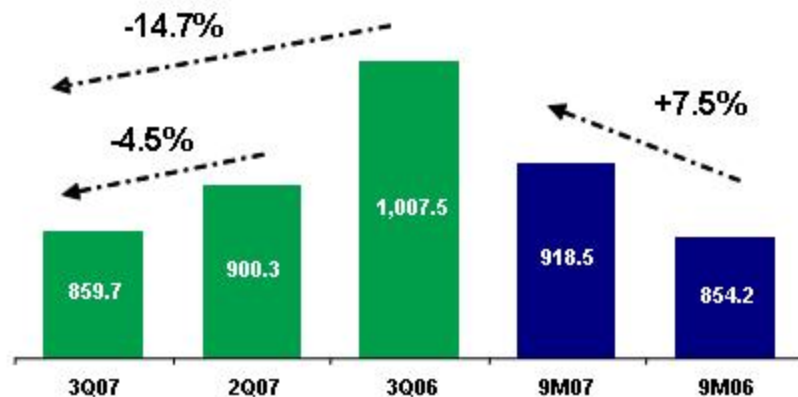
Sugar Average Price ESALQ R\$ / Sack



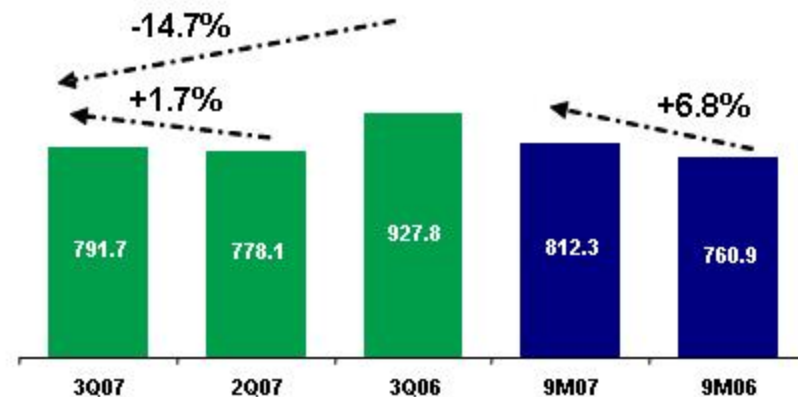


Ethanol Prices

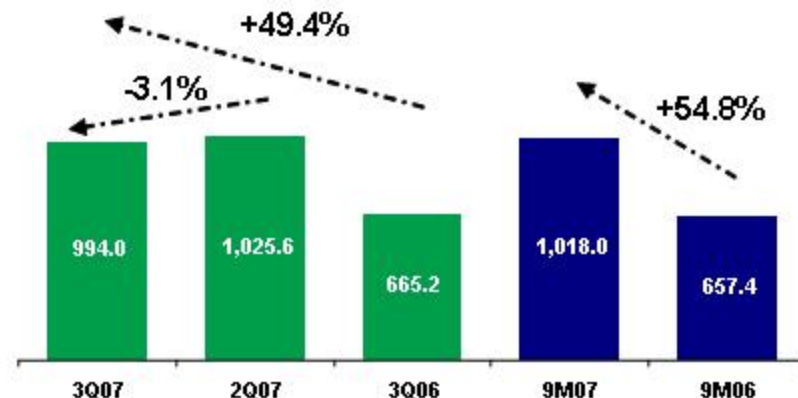
Anhydrous ESALQ, Net DM R\$ / M3



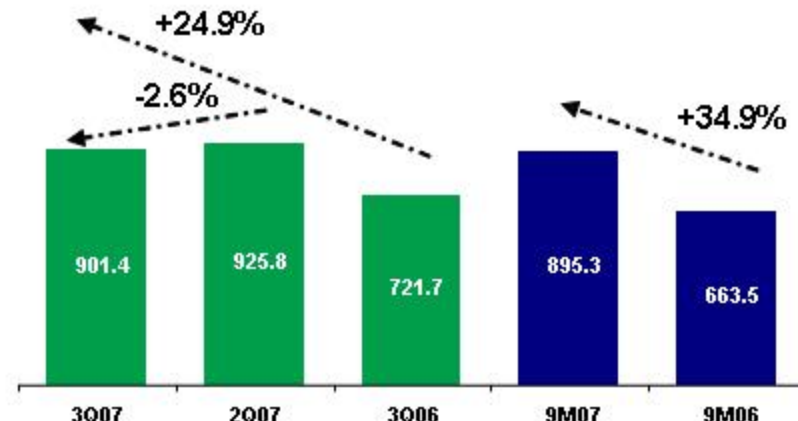
Hydrous ESALQ, Net DM - R\$ / M3



Anhydrous ESALQ EM R\$ / M3



Hydrous ESALQ EM - R\$ / M3





9M07x9M06 Highlights

Financial Highlights R\$ MM	9M07	9M06	Var %
Net Revenue	652.6	534.2	22.2%
COGS	(434.7)	(367.0)	18.5%
Gross Profit	217.9	167,2	30.3%
<i>Gross Margin (%)</i>	<i>33.4%</i>	<i>31.3%</i>	<i>+2.1 p.p.</i>
Operating Expenses	(101.7)	(91.1)	11.6%
EBITDA	198.4	130.4	52.1%
<i>EBITDA Margin</i>	<i>30.4%</i>	<i>24.4%</i>	<i>+6.0 p.p</i>
Net Financial Result	(13.1)	(19.5)	-32.9%
Non-operating Result	12.6	1.8	n.m.
Net Income	77.2	45.1	71.3%
<i>Net Margin (%)</i>	<i>11.8%</i>	<i>8.4%</i>	<i>+3.4 p.p</i>
Net Income per Share (R\$)	0.77	1.32	-41.6%



3Q07x3Q06 Highlights

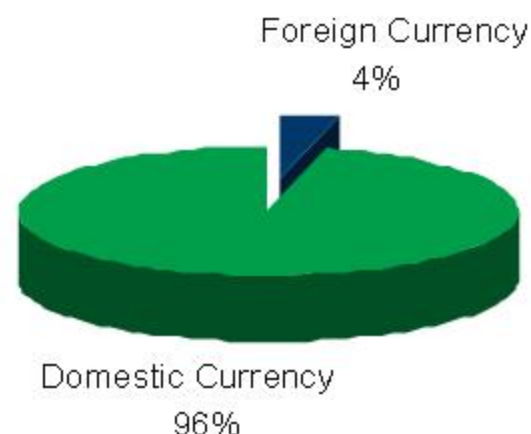
Financial Highlights R\$ MM	3Q07	3Q06	Var %
Net Revenue	189.7	177.6	6.8%
COGS	(142.8)	(112.9)	26.5%
Gross Profit	46.9	64.7	-27.5%
<i>Gross Margin (%)</i>	<i>24.7%</i>	<i>36.4%</i>	<i>-11.7 p.p</i>
Operating Expenses	(23.5)	(29.1)	-19.1%
EBITDA	51.0	63.3	-19.5%
<i>EBITDA Margin</i>	<i>26.9%</i>	<i>35.6%</i>	<i>-8.8 p.p</i>
Net Financial Result	(7.6)	(5.8)	31.0%
Non-operating Result	11.3	1.2	n.m.
Net Income	27.2	31.0	-12.4%
<i>Net Margin (%)</i>	<i>9.8%</i>	<i>11.6%</i>	<i>-1.8 p.p</i>
Net Income per Share (R\$)	0.19	0.61	-69.3%




Debt

In R\$ Thousand	Jan/07	Oct/06	Var%.
Gross Debt (market)	299.4	296.2	1.1%
Copersucar Debt	19.2	15.8	21.6%
Gross Debt	318.6	312.0	2.1%
Cash and Cash Equivalents	64.0	70.4	-9.0%
Net Debt	254.6	241.6	5.4%

Debt Distribution



 Net Debt / EBITDA (ltm): 0.9x

 New BNDES totaling R\$ 248.8 million: 90% at TJLP +2.15% p.a. and 10% at currency basket + 1.65% p.a.



Capital Expenditures

CAPEX Breakdown						
In R\$ Thousand	3Q07	3Q06	Var.%	9M07	9M06	Var.%
Sugarcane Planting	17,141	14,337	19.6%	38,963	34,483	13.0%
Industrial / Agricultural	37,429	5,188	621.5%	48,851	26,234	86.2%
Sub Total	54,570	19,525	179.5%	87,814	60,716	44.6%
<i>Upgrading, Mechanization and Expansion</i>						
Industrial / Agricultural	16,730	2,425	n.m.	27,179	12,589	115.9%
Sub Total	16,730	2,425	n.m.	27,179	12,589	115.9%
<i>Boa Vista Mill (Greenfield)</i>						
Sugarcane Planting	7,206	187	n.m.	13,066	187	n.m.
Industrial	19,073	-	n.m.	25,976	-	n.m.
Agricultural	4,224	2,450	72.4%	17,799	2,450	n.m.
Sub Total	30,503	2,637	n.m.	56,841	2,637	n.m.
Total	101,803	24,588	314.0%	171,835	75,942	126.3%

-  Construction of Boa Vista Mill
-  Modernization of Iracema Mill industrial structure
-  Adapting the harvest period to the new pattern of industrial demand
-  Intensification harvest mechanization
-  Improvement in plagues control

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