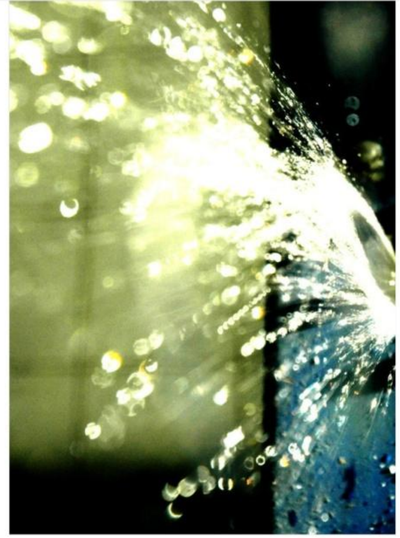
SMTO3 NOVO MERCADO
BOVESPA BRASIL



São Martinho

4Q08 Earnings Conference Call

2007-08 Harvest

Sugar Contracts NY11 - ICE

US$ - Cents / Pound

Sugar

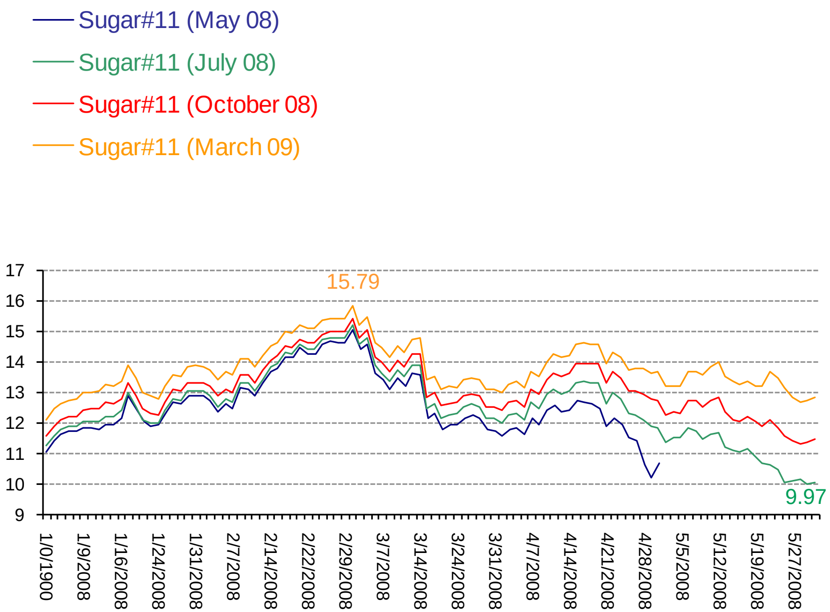


Chart 1

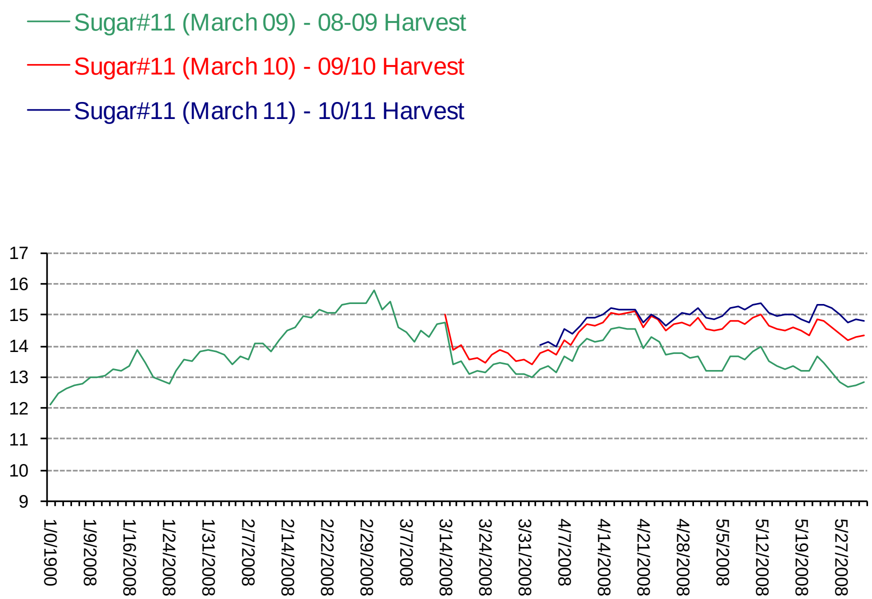
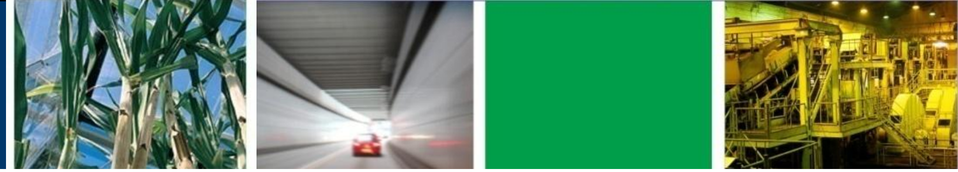


Chart 2

Source: Bloomberg

- Strong volatility in contracts for the 2008-09 harvest
- Global stocks at high levels
- Uncertainties about Indian production

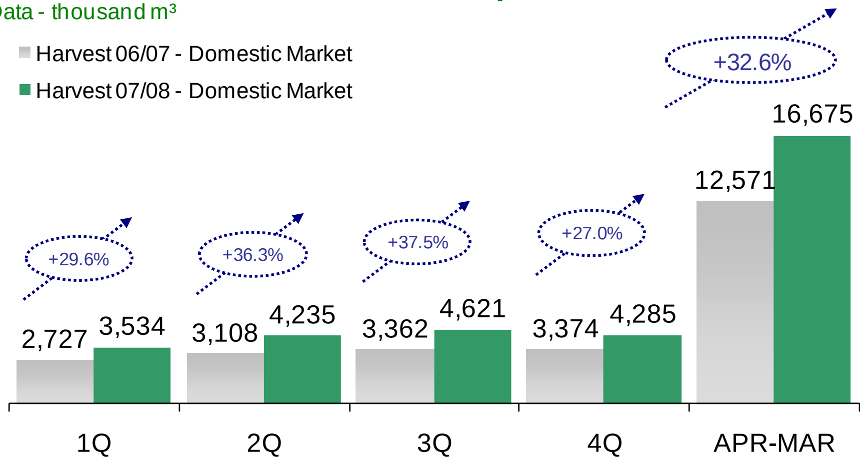
- Lower volatility in contracts for the 2009-10 and 2010-11 harvest
- Global sugar production expected to decline
- Indian producers could potentially migrate to other harvests



Ethanol

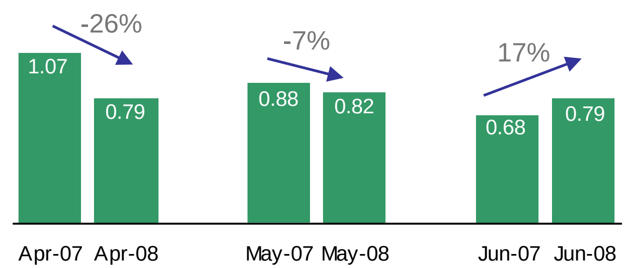
Brazil - Domestic Ethanol Comsuption

Data - thousand m³



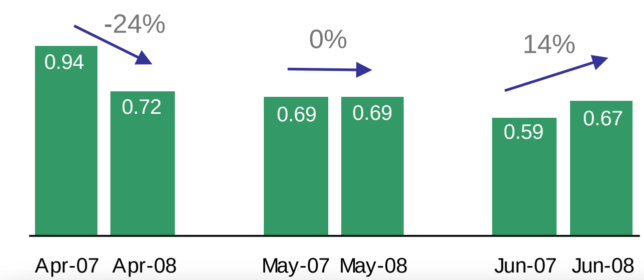
Price Comparison - Anhydrous

R$ / LITER



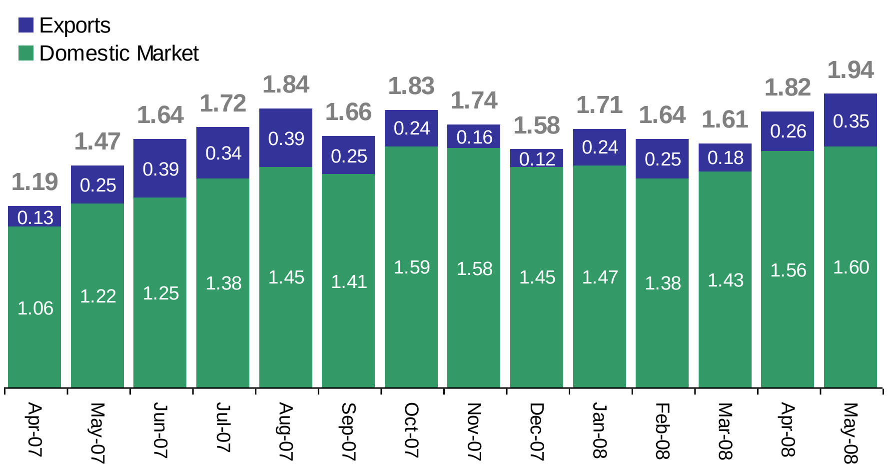
Price Comparison - Hydrous

R$ / Liter



Total Ethanol Sales

Data - Billion Liters

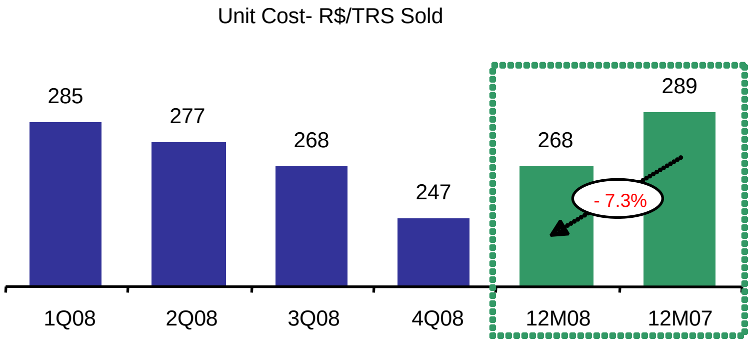


- Domestic ethanol demand at the start of the 2008-09 harvest is already 14% higher than the monthly average in the 2007-08 harvest
- Export volume in January-May 2008 period is 29% higher year on year
- Average ethanol price in 2008-09 harvest should exceed average prices in 2007-08 harvest

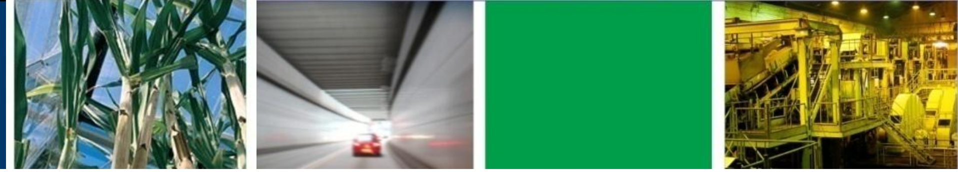
São Martinho

Financial Highlights

	4Q08	4Q07	Chg. %	12M08	12M07	Chg. %
Data (R$ thousand)						
Net Revenue	231,500	183,765	26.0%	712,420	826,537	-13.8%
Cash COGS	(129,759)	(101,909)	27.3%	(449,603)	(436,584)	3.0%
Net Income	46,186	48,226	-4.2%	88,837	255,108	-65.2%
EBITDA (Adjusted)	62,611	56,302	11.2%	133,472	290,089	-54.0%
EBITDA Margin	27.9%	30.6%	-2.7 p.p.	18,9%	34,2%	-15.2 p.p.
Sales Volume (TRS)	497	348	42.7%	1,569	1,403	11.8%
Average Prices						
Sugar	468.7	541.7	-13.5%	452.1	658.6	-31.4%
Hydrous	725.1	836.3	-13.3%	675.6	827.9	-18.4%
Anhydrous	825.2	896.9	-8.0%	798.3	989.4	-19.3%

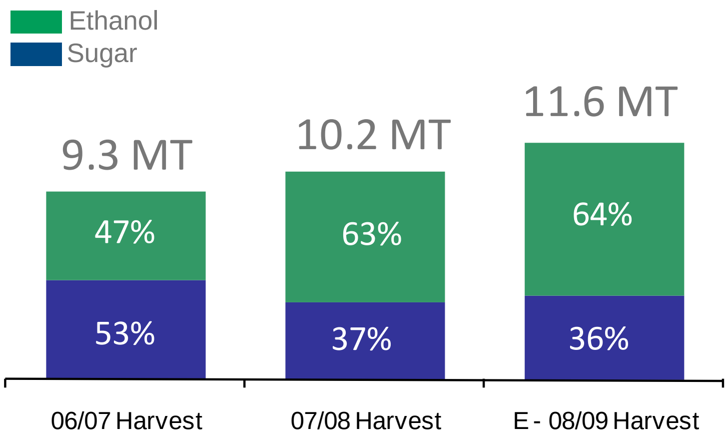


- Concentration of sales in 4Q08
- Sale of inventories on March 31, 2008
- Dilution of fixed costs with evolution of sugarcane crushing



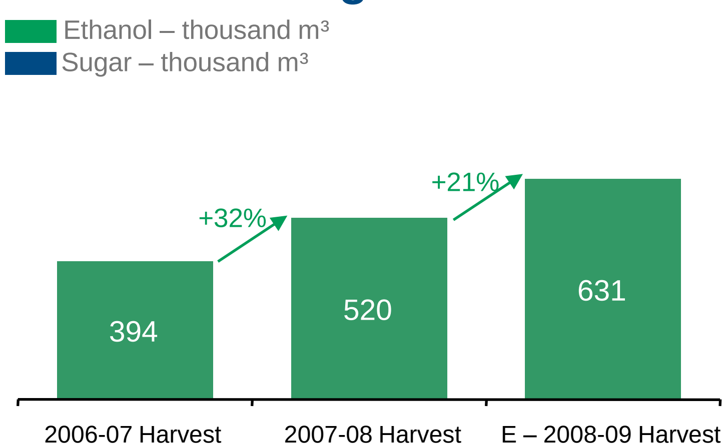
Operational

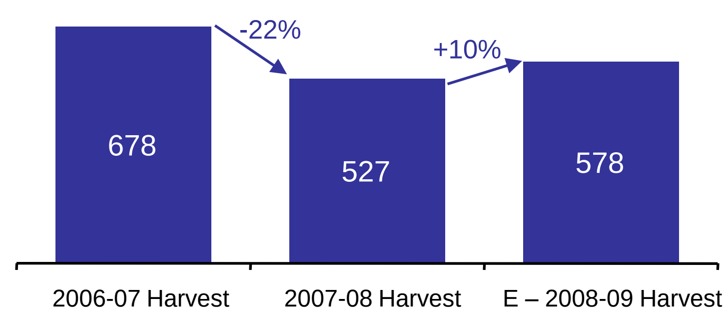
Crushing and Production Mix



- Mix reflects current market prices
- In-house sale of production starting in 2008-09 harvest
- High storage capacity and strategic location of plants

Ethanol and Sugar Production





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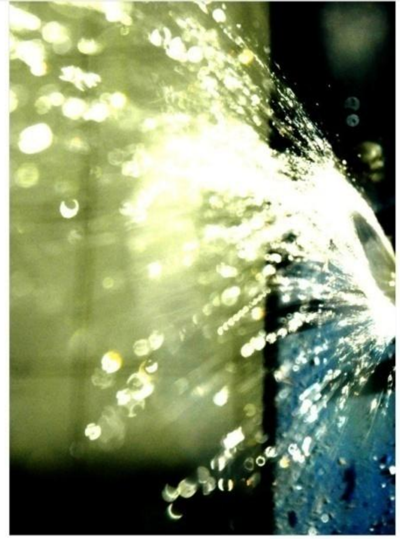

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