



Earnings Release Conference Call

1Q18



São Martinho

17/18 Harvest



DISCLAIMER

- 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, climate 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.

A large red combine harvester is shown in a field of tall, golden-brown grain, likely sugarcane, during sunset or sunrise. The harvester's headlights are on, and its large rear wheel is prominent in the foreground. The background shows a vast field under a dramatic, cloudy sky.

1. Operational Highlights

2. Financial Highlights

3. Indebtedness

4. Hedge

Operational Highlights



Table 1

OPERATING DATA			
	1Q17	1Q18	YoY (%)
São Martinho - Consolidated			
Crushing ('000 tons)	8,186	8,739	6.8%
Own	5,644	5,966	5.7%
Third Parties	2,542	2,773	9.1%
Production			
Sugar ('000 tons)	480	504	5.1%
Anhydrous ('000 m3)	154	159	3.2%
Hydrous ('000 m3)	136	170	24.7%
Cogeneration ('000 MWh)	241	300	24.5%
Average TRS (Kg/Ton)	122.4	125.0	2.2%
Total TRS Produced ('000 tons)	1,002	1,092	9.0%
Mix Sugar - Ethanol	50% - 50%	48% - 52%	

Financial Highlights



Table 1
R\$ '000

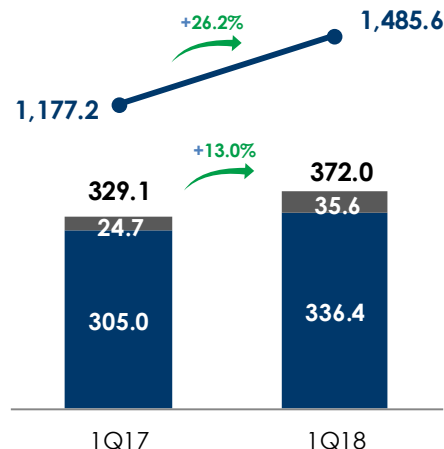
Highlights	1Q17	1Q18	Chg. (%)
Net Revenue	709,426	867,856	22.3%
Adjusted EBITDA	333,750	475,340	42.4%
Adjusted EBITDA Margin	47.0%	54.8%	7.7 p.p.
Adjusted EBIT	176,702	273,193	54.6%
Adjusted EBIT Margin	24.9%	31.5%	6.6 p.p.
Net Income before taxes	46,552	160,879	245.6%
Net Income	39,669	116,873	194.6%
Net Debt / EBITDA	1.95 x	1.52 x	

Table 2
R\$ '000

Cash Income	1Q17	1Q18	Chg. (%)
Net Income	39,669	116,873	194.6%
Taxes	6,883	44,006	
Income Tax paid	(1,154)	(1,731)	
Biological Asset	(11,322)	15,539	
Maturity of Hedge / PPA	67,989	55,509	-18.4%
Cash Income	102,065	230,196	125.5%
Total shares ex- treasury (in thousand)	337,738	358,580	
Cash Income per share	0.30	0.64	112.4%

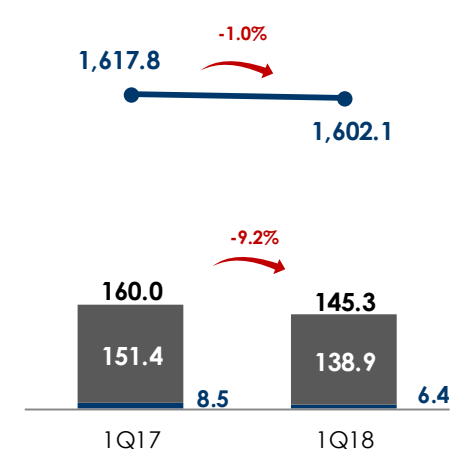
Graph 1

SUGAR



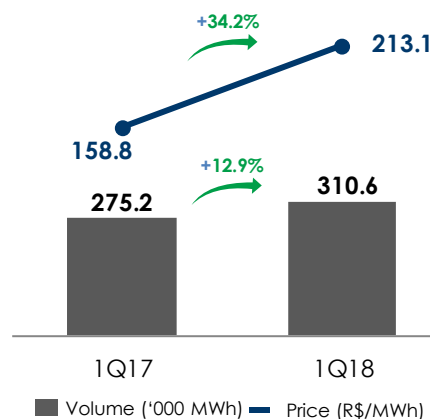
Graph 2

ETHANOL



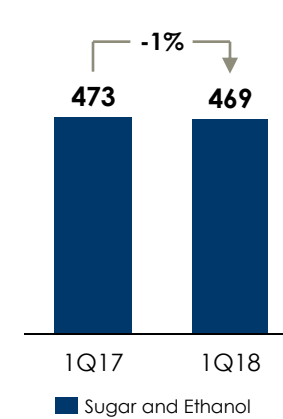
Graph 3

COGEN



Graph 4

Unit COGS (TRS)



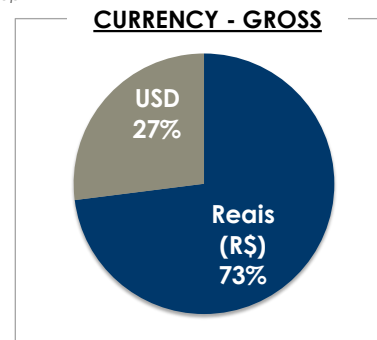
Indebtedness



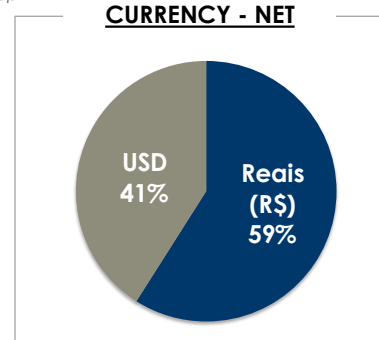
Table 1

INDEBTEDNESS	Mar/17	Jun/17	Chg%.
R\$ '000			
Indebtedness in foreign exchange	1,217,557	1,113,734	-8.5%
BNDES / Rural Credit	842,630	808,198	-4.1%
Working Capital	1,371,682	1,264,547	-7.8%
Agribusiness Certificate of Receivables (CRA)	-	864,149	
Gross Debt	3,781,331	4,050,628	7.1%
Cash and Cash Equivalents	1,196,782	1,366,034	14.1%
Net Debt	2,584,549	2,684,594	3.9%
Net Debt / EBITDA LTM	1.55 x	1.52 x	

Graph 1



Graph 2



Adj. EBITDA LTM*

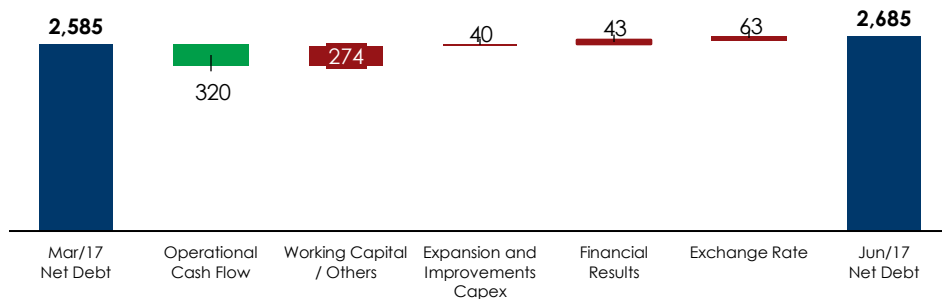
1,666.784

1,763,462

Graph 3

Debt Evolution

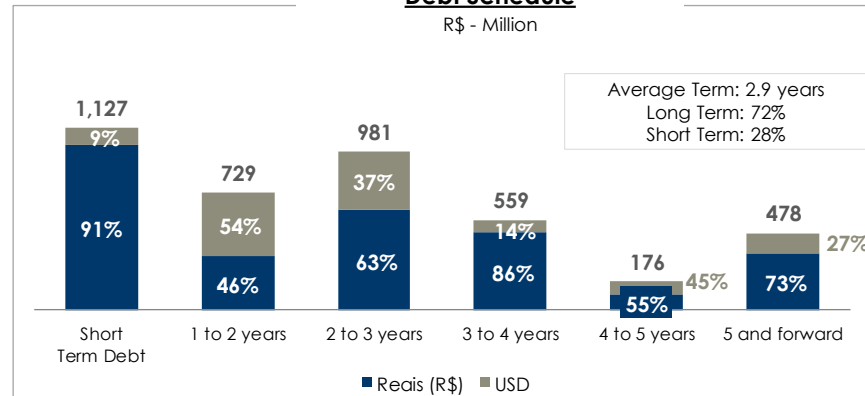
R\$ - Million



Graph 4

Debt Schedule

R\$ - Million



* EBITDA considers 100% of UBV Results.

Table 1

	Volume Hedged ('000 tons)	Avg. Price (US\$ c/p)
Sugar		
Jul/17 (N17)	167,823	18.78
Oct/17 (V17)	185,939	19.73
Mar/18 (H18)	148,801	19.11
Crop year 2017/2018	502,563	19.23

- ✓ Our sugar prices hedged represents, approximately 77% of own cane and 62% of total sugar.

Table 2

TOTAL			SUGAR		OTHERS	
Dollar	US\$ '000	Average Price (R\$/US\$)	US\$ '000	Average Price (R\$/US\$)	US\$ '000	Average Price (R\$/US\$)
2017/2018 crop year	231,435	3.50	224,630	3.50	6,804	3.37

- ✓ The volume of NDF's in U.S. dollar on June 2017, represented approximately 105% of the total hedged sugar volume.

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