

***2Q10 Earnings
Conference Call
2009/2010 Harvest***

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.

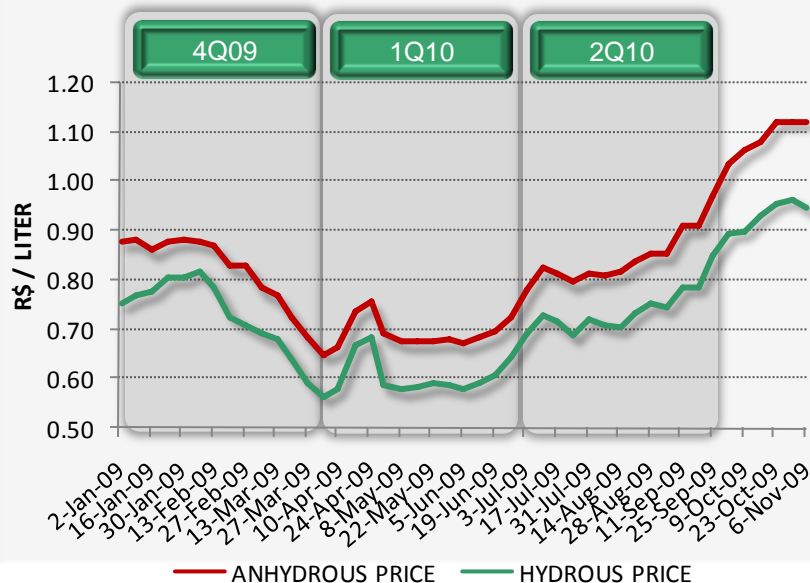
Forward-looking statements are no guarantee of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

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.

-  Strong growth in Net Revenue and Adjusted EBITDA;
-  Adjusted EBITDA plus results of our sugar and dollar hedge positions amounted R\$ 94.8 million;
-  R\$ 18 million Investments will be earmarked to increase production flexibility at the São Martinho and Iracema units (+120,000 tons already in the 2010/11 crop year).

Chart 1

Ethanol Prices



Revised UNICA estimate calls for ethanol output 2.6 billion liters lower than in the initial forecast;

Adverse weather negatively impacts sugarcane quality and crushing operations;

From January 2009 to September 2009, ethanol demand was 18% higher than in the previous crop year;

Anhydrous and hydrated ethanol prices recover from the lows registered at the start of the crop year.

Chart 2

Ethanol Demand

Billion Liters

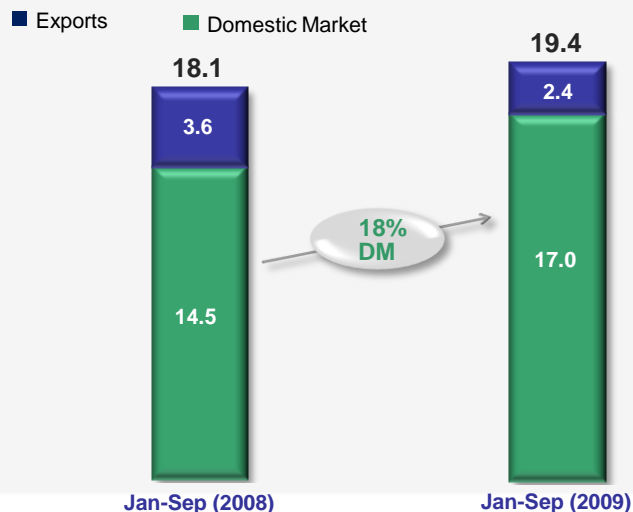


Chart 3

Ethanol Production

Center-South - UNICA

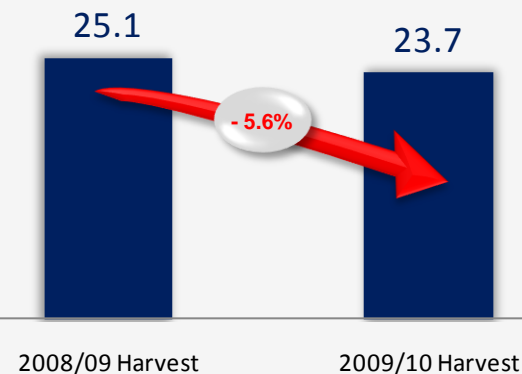


Table 1

Hedge Position – Sugar

São Martinho Group

	Volume Tonnes	Average Price US\$ ¢ / pound
Inventories 2Q10 <i>2009/10 Harvest</i>	265,362	
Remaining Production <i>2009/10 Harvest</i>	194,393	
Total Available <i>Oct/2009 to March/2010</i>	459,755	
Total Hedged <i>Price Fixed With Clients + Sale of "CALL"</i>	293,726	19.06
Total Free <i>Available for price fixing</i>	166,029	

Strong rally in sugar prices supported by lower sugar supply in India;

On September 30, São Martinho Group had roughly 166,000 tons of sugar available for price fixing.

Chart 1

Sugar Price

NY11 - R\$

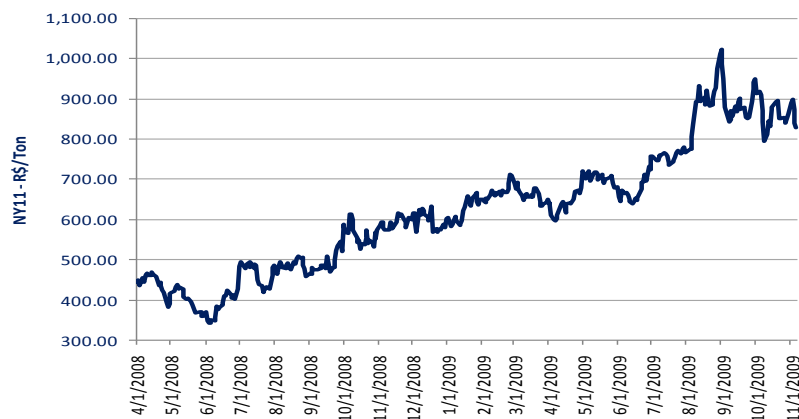
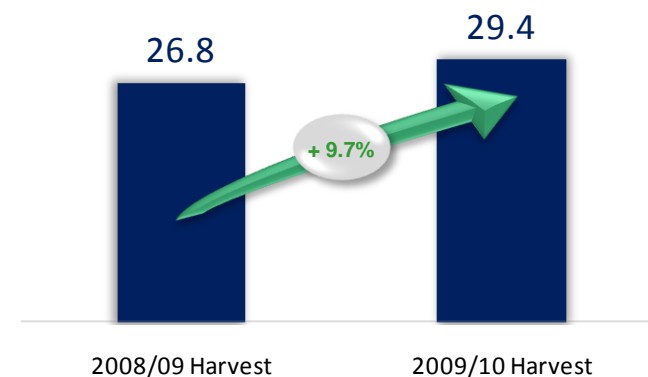


Chart 2

Sugar Production

Center-South - UNICA



Guidance Revision

2009/10 Harvest

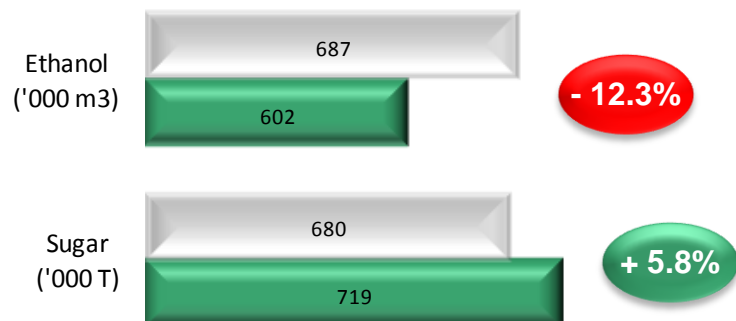
Chart 1

- Crushing and total TRS - 1st Estimate
- Crushing and total TRS - 2nd Estimate



Chart 2

- Production Volume - 1st Estimate
- Production Volume - 2nd Estimate

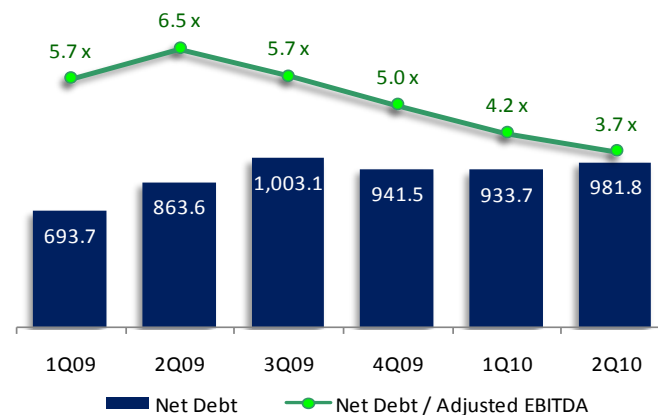


Net Debt Evolution

R\$ - Million

Chart 3

Net Debt / EBITDA - Evolution



Inventories – Market Value

R\$ - Million

Chart 4

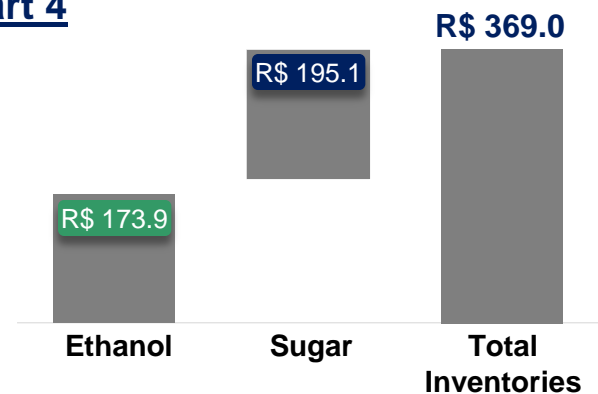


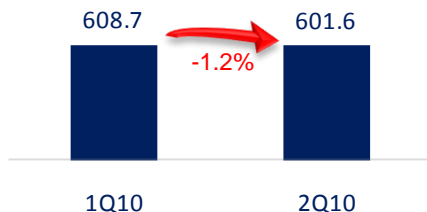
Table 1

	2Q10	2Q09	Change
Net Revenue	286,297	194,313	+47.3 %
Adjusted EBITDA	76,502	34,974	+118.7 %
Adjusted EBITDA Margin	26.7%	18.0%	+8.7 p.p.
Impact - Hedge	18,304	n.m.	n.m.
EBITDA (Hedge)	94,806	n.m.	n.m.
EBITDA Hedge Margin	33.1%	n.m.	n.m.
Net Income	20,249	(42,428)	n.m.

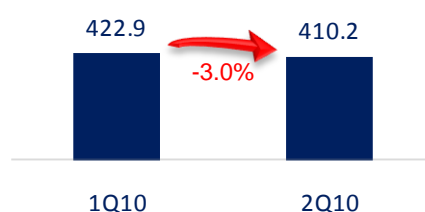
Chart 2

Sugar

Price



EBITDA Cost



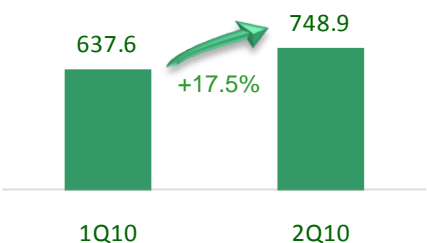
Margin

Adjusted EBITDA

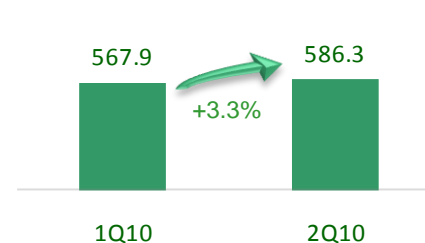


Ethanol

Price

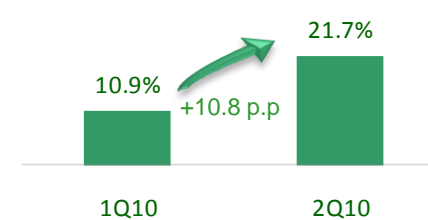


EBITDA Cost



Margin

Adjusted EBITDA



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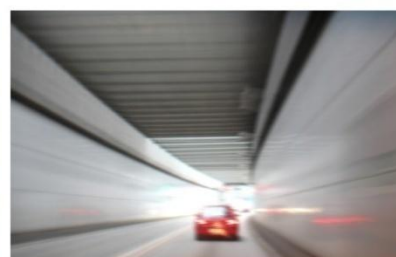
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