

Q3 2014 Earnings Call

Company Participants

- Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer
- Marcos Marinho Lutz, Chief Executive Officer

Other Participants

- Christian Audi, Analyst
- Gustavo Allevato, Analyst
- Paolo Vallesi, Analyst
- Ravi Jain, Analyst
- Rodrigo Mugaburo, Analyst

Presentation

Operator

Good morning, ladies and gentlemen. At this time, we would like to welcome everyone to Cosan's Third Quarter of 2014 Results Conference Call. Today with us we have Mr. Marcos Lutz, CEO; Mr. Marcelo Martins, CFO and Investor Relations Officer; and Mr. Guilherme Machado, Investor Relations Manager.

We would like to inform you that this event is recorded and all participants will be in a listen-only mode during the company's presentation. After Cosan's remarks, there will be a question-and-answer session for industry analysts. At that time, further instructions will be given. (Operator Instructions). The audio and slideshow of this presentation are available through live webcast at www.cosan.com.br/ir. The slides can also be downloaded from the webcast platform.

Before proceeding, let me mention that forward-looking statements will be made under the Safe Harbor of the Securities Litigation Reform Act of 1996. Forward-looking statements are based on the beliefs and assumptions of Cosan's management and on information currently available to the company. 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 of Cosan and could cause results to differ materially from those expressed in such forward-looking statements.

Now, I'll turn the conference over to Mr. Martins. Sir, you may begin your conference.

Marcelo Eduardo Martins {BIO 16440115 <GO>}

Thank you. Good morning, everyone. I would like to start the call with the pro forma consolidated highlights for Cosan we had in this quarter a net positive increase in net revenues of 8%, which jumped from BRL9.5 billion to BRL10.3 billion in this quarter. We have seen some volatility amongst the various businesses that form the portfolio of Cosan. The most relevant and positive impact came from the Fuel Distribution business at Raizen, which was enough to compensate some negative impact on the net revenues coming from the Energy business at Raizen and Comgas as well.

Despite the increase in the net revenues, we saw a reduction in the EBITDA of 12% from BRL1.2 billion to BRL1.06 billion in this quarter mainly as a function of the postponement of shipments of sugar and ethanol in Raizen Energia and a lower transportation revenue in Rumo. We also saw a reduction in EBITDA margin from 12.6% to 10.3% in this quarter.

Net income also went down to BRL15 million from BRL206 million last year. And the main reason for that negative impact is basically the impact on the exchange rate variance on the debt of Raizen, and also higher financial expenses at Cosan SA; just wanted to remember that most of our debt sitting at Cosan SA was hedged to reais except for the Perpetual Bond in the outstanding amount of \$500 million.

Now, moving to the different businesses, I'd like to start with Raizen Combustiveis, the fuels business. We saw an increase or a jump in the volume sold of 6% from 6.1 billion to 6.5 billion liters. We also saw a jump in the prices of roughly 6%, which caused an impact or a positive impact of 13% in the net revenues of the company from BRL12.7 billion to BRL14.3 billion during this quarter. The EBITDA also increased 13% from BRL483 million to BRL546 million in this quarter and the EBITDA margin remained stable at 3.8% in comparison with the same quarter in 2013.

As for Raizen Energia, we saw a reduction in the sugarcane crush, the volume of sugarcane crushed of 9% from 26.8 million to 24.5 million tonnes in this quarter, as a function mainly of the very dry weather that has been impacted the production of sugarcane and as a consequence of sugar and ethanol in the southeast region of Brazil. We also had, as I said, a negative impact on the sugar production of 12% from 2.1 million to 1.9 million tonnes of sugar being produced in this quarter. Ethanol production went slightly up, 2% from 884 million liters to 903 million liters in this quarter. We also saw a very positive impact on the price of energy sold mainly in the spot market, which jumped from BRL170 million to BRL258 million per megawatt hour in the third quarter of 2014.

TSR as a function of the drought which ended up concentrating more sugar or sucrose in the sugarcane, saw a positive impact of 4% from 135 to 140 kilos per tonne. The net revenue went down 28% to BRL2.3 billion in this quarter and the EBITDA also went down 30% reaching BRL630 million with an EBITDA margin of 27%.

What we've been doing is we've been adjusting the EBITDA by the biological assets variance during the quarter. And in this quarter we had an impact of 64.6, which would lead the EBITDA to roughly BRL700 million if it was not for the biological asset variation

FINAL

during the quarter. In terms of the hedging of sugar, we had 2.6 million tonnes hedged for this crop year and 566,000 tonnes for next year, at an average price of 17.94 cents per pound for this year and 17.44 for next year at an exchange rate of 2.38 for this year and 2.66 for the year of 2015-2016.

Now, moving to Comgas. We saw a jump in volume of 5%. Even though it was a positive variance we have been in terms of the volumes sold for both the residential and industrial segments, we've been under what we have planned for this quarter of the year as a function of slower economic activity and also the drought in the State of Sao Paulo. Net revenues went down 2% from BRL1.68 billion to BRL1.64 billion, mainly as a function of the reduction in the construction revenues due to a lower investment in this quarter relative to the same quarter of last year. EBITDA went up 2% from BRL369 million to BRL377 million at an EBITDA margin of 23% now compared to 22% last year.

Rumo had a big jump in the volume loaded at that port of 10% from 2.8 million to 3.1 million tonnes during this quarter, this was a very, very substantial increase in the volume loaded, but it was not enough to offset a reduction in the volume actually -- a volume of sugar effectively transported during this quarter. So, as a result, we had a negative impact on the net revenues of 21%, a negative reduction of 21% compared to the same quarter of last year, reaching BRL260 million of revenues in this quarter. As a consequence, EBITDA also went down by 25%, reaching BRL86 million with an EBITDA margin of 33.1% during this quarter.

For the Lubricants business, we had an increase of 4% in the volumes sold mainly of base oil which was enough to offset a drop in the sale of finished lubes. We saw a 6% jump in net revenues that reached BRL430 million during this quarter and a jump of 17% in EBITDA, resulting in BRL31 million compared to BRL26 million in the third quarter of 2013.

For Radar, we saw an increase of 69% in the net revenues, reaching \$27 million mainly as a function of the sale of properties that took place during this quarter. But, we had a negative impact in EBITDA because of the decrease in the land portfolio valuation in comparison with the same quarter of 2013.

Now, moving to the net debt position of the company. We had an increase in the leverage to 2.9 times, which was basically a function of the, I'm sorry, FX negative variance or negative impact on the real during this quarter. Therefore, we ended up increasing our net debt position, but the maturity profile of the debt is still very, very reasonable with 91% of the debt maturing in the long-term and it's also worth mentioning that the cost of debt for Cosan was reduced in comparison with the same quarter of last year mainly as a function of a debt refinancing that took place this year.

We have also adjusted the guidance for this year of 2014 mainly as a result in the case of Cosan consolidated of a reduction in the projection for the sugarcane crushed at Raizen were very much at the end of our crop season with the two mills still crushing. It's fair to assume that the actual volume of sugarcane crushed will stay between 57 million and 58 million tonnes during this year. The volume of sugar sold will also come down and we're

projecting something in the range of 4.1 million to 4.3 million tonnes, and the volume of ethanol sold should be between 1.9 billion and 2.1 billion liters during this quarter.

We are projecting a pro forma EBITDA on the consolidated -- a pro forma consolidated basis for Cosan between BRL4 billion and BRL4.3 billion and a pro forma CapEx between BRL2.4 billion and BRL2.7 billion. We have also revised the guidance for Rumo for both the volume of sugar loaded which should be between 10.5 million and 11.5 million tonnes and EBITDA which should be between BRL290 million and BRL310 million. We are doing that mainly as the impact of the reduction in the sugar transported during this quarter and which will have a broader impact in the year. We'll have a negative impact on the EBITDA of Rumo.

For Radar, we are projecting an EBITDA between BRL140 million and BRL150 million, and Cosan Lubricants an EBITDA of 110 and 140 with a total volumes sold between 265 million and 285 million liters during this year of 2014. For Comgas, the only number that we're adjusting is the projected CapEx for this year, which should be between BRL600 million and BRL700 million.

I would like to turn it back to you now for our Q&A session.

Questions And Answers

Operator

Thank you. We will now begin the question-and-answer session for investors and analysts. (Operator Instructions). Our first question comes from Christian Audi with Santander.

Q - Christian Audi {BIO 1825501 <GO>}

Thank you. Hello, Marcos and rest of the team. I had a few questions. The first one, Marcelo, on your last point about leveraging. I know one of your focus has been on deleveraging. So, I was wondering if you could comment on what your targets for net debt to EBITDA is and how soon you think you can get there?

The second question was related to Comgas in the ongoing tariff discussions. Are you concerned with recent discussions related to a potential change in the methodology used to review the tariff?

And then lastly on the Fuel Distribution segment. I was wondering if you could talk about your outlook for margins. We've had several changes now with the market GDP, not growing as much, among others, so wondering should we expect the 2015 of more stable margins relative to what we saw in this quarter or do you still expect upside?

And then lastly, can you just talk about more specifically your targets for opening of new convenience stores? You have 930 now, how many do you expect to add next year in the same for gas stations place? Thanks.

FINAL

A - Marcelo Eduardo Martins {BIO 16440115 <GO>}

Hi, Christian. Well, in terms of your first question, we have certainly a lower target for net debt to EBITDA ratio, which we have also indicated to the market to be for Raizen of roughly 2 times, which is pretty much where they are today.

In terms of the consolidated EBITDA for Cosan on a pro forma basis, we think that it will end up being higher than 2 times, given because, as you know well, once we start consolidating -- if we have a transaction approved by CADE, that number should be higher. But, in any case, I think that what we would probably like to do is, first focus on the businesses because they have different profiles and therefore the debt profile of those businesses should be different. But in any case, we are certainly aligned with the idea of reducing the leverage of the company.

As I said before, the debt profile is okay, it's reasonable, it's actually good in the sense that most of the debt is long-term and the cost of debt relative to other companies of our size is very good too in Brazil. I mean, in terms of reference to CDI, it's probably somewhere between 100% and 110% of the CDI, which is a very reasonable cost for our long-term debt profile like the one we have.

Having said that, the purpose of the management of the company is to reduce debt over time. It's hard to do it when you see spikes in the exchange rate, but the way we're going to achieve it is probably by selling assets that are considered to be non-core for us. Let me just make it clear before you misunderstand me. I'm not saying that we will sell businesses, but we could eventually dispose assets like land, for instance, or land that we don't consider to be core and use the proceeds for that sale of land to pay dividends and reduce debt.

It's something that we'll achieve over time. We have a plan already outlined for the reduction of debt in addition to the sale of assets we'll also increase dividend payouts from the companies and the idea is that we are going to use those proceeds or part of those proceeds to deleverage the company. As I said, we're not going to get to 2 times in the short-term, but we will certainly reduce this leverage over time. I'd like to turn it back to Mr. Marcos --

Q - Christian Audi {BIO 1825501 <GO>}

And very quickly a follow-up.

A - Marcelo Eduardo Martins {BIO 16440115 <GO>}

Yes.

Q - Christian Audi {BIO 1825501 <GO>}

Is there any space to sell underperforming mills or are market conditions just difficult to do that at this point in time?

A - Marcelo Eduardo Martins {BIO 16440115 <GO>}

Bloomberg Transcript

We're not considering shutting down mills at this point in time. We wouldn't rule out any possibility, but it's not basically in the pipeline considering shutting down mills at this point in time.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

Christian, what I understood in terms of selling mills, we don't see also a buyer's market. So, again, this is also not part of the pipeline because of that.

Going to your question in Comgas, again, we're observing the regulatory process, we are still comfortable with it. But, I'd like to remind that this -- when we have always the option to move, I mean, to make more or less investment in the next cycle, we always have the option to adapt the company to, let's say, a more cash color generation of capital company versus a large investment growth company, and obviously the cycle will be what it is. Let's say, the framework after we negotiate for the next cycle will be what it is and we will adapt to maximize on it.

Our view is at the end that makes sense and is aligned with, let's say, the state's policy, the State of Sao Paulo policy; cycle with larger investments. So, we should basically have, let's say, this process going through the beginning of, let's say, the first quarter of next year, but I'd like to remind that the communicated regulatory or let's say the communicated plan for the State of Sao Paulo is to double the participation of the natural gas in the Sao Paulo energy matrix is to also reduce 25% relative to 2005 emissions, which have a very good play for natural gas substitution or entering natural gas in the matrix, and ethanol in the matrix.

And the third, again, there's a policy, which is, again, goes to say the State of Sao Paulo, a strong expansion and also finding other ways of supply natural gas for the networks in the Sao Paulo state.

So, the three of them are communicated in public and those are 100% aligned with what we believe and we believe the regulatory plan that will result from the negotiation at this point will be on those lines. So, again, that's kind of our view. If the question is if we are comfortable with the process or not, we'll say we are comfortable with the process.

Q - Christian Audi {BIO 1825501 <GO>}

Yeah, it was more, Marcos. I was just a bit surprised of potential discussion about changing, if you will, the rules of the game that's laid in the process, it's a process that's ongoing that you've been working hard at and it was just surprising to me that there are speculation and discussions about potential changes to methodology, kind of, laid in the game, if you will, that seems to -- where do you feel that that adds little bit more of regulatory --

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

At the end, this process is an open process where anybody -- you can actually go to a public audience like that and make your point and propose a new methodology. I mean, this is a open process. So, this normally brings speculation. It is natural that actually

FINAL

everybody -- let's say, all the heavy users in the industry and -- everybody that's -- some saying around natural gas who participate on this process. And that's part of the game, have to keep in mind though that whatever is there, I mean, we have a contract and whatever is there defines to us what should be our conduct in the next five years.

This can be, again, two main categories will be more like, say, low growth, higher dividend type of plan for next five years or higher growth, lower dividend type of policy for the next five years. So, whatever results from that, again, we'll -- for instance, if we go for, let's say, lower revenues, it will be also higher dividend and lower investment. So, at the end, that framework is set. So, I think this as an umbrella should make you comfortable with the process as a whole.

But, having said that, I don't see any change versus what we've discussed in-person when we last met. I mean, we are comfortable with the process and we believe that in line with our wishes, I think the state will also want the expansion, want the growth on the process, because we believe that natural gas will be more abundant at the end of the next cycle, and the state should prepare its infrastructure for that, and we are the main player for this, so at the end that's the core of discussion.

Q - Christian Audi {BIO 1825501 <GO>}

Okay.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

And for your last question, again, we keep our process ongoing in terms of convenience stores. Again, we should meet the target of 1,500 on the three-year plan.

Q - Christian Audi {BIO 1825501 <GO>}

And opening of gas stations, you're close to 6,000 now. How do you see that in a, for example, in a year, like, 2015 that from a macro point of view will it be a more difficult one?

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

We have opened very few in the last years. What we have done was conversions from white flags. As we've been saying, despite of stronger or a weaker economy, the conversion is a process that happens because we propose more value through the operator of a white flag than what they have today. So, at the end this has a lot to do with, let's say, organized market where let's say incentives of tax evasion et cetera start disappearing because somehow the government is structured in a way that this is more complicated.

And therefore, this is a trend. But I have to say the low hanging fruit is pretty much done. So, from now on, we'll be talking about smaller sites. We always have large sites that are still on the game and those happen as well, but let's say, the bulk of it is pretty much converted. But, there is growth on this process. Let's put a 1% or 2% growth that will come from this for long-term because again, we still have 40% or so of the sites' white flags.

Bloomberg Transcript

Q - Christian Audi {BIO 1825501 <GO>}

It's great. And then on the margin outlook, Marcos, you see again given the macro outlook in the resilience of gasoline, but not so much of the resilience of diesel. Looking to 2015, you see more of a stable EBITDA for cubic meter environment or there is still upside for, again that comes --

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

We see it -- we're stable on the core, we see a stable environment, but we have some drivers to improve that margin, that are the non-fuel items and also the V-Power penetration; we launched V-Power Nitro and this is going well. So, things like that also help us moving up a little bit. The core, so the regular gasoline and diesel sales, I think, is a more stable environment in any time.

Q - Christian Audi {BIO 1825501 <GO>}

Thanks.

Operator

Our next question comes from Ravi Jain with HSBC.

Q - Ravi Jain {BIO 16135293 <GO>}

Hi, I had a quick couple of questions on the Energia side of the business. Could you just give us, I mean, of course it's little too early, but your first initial expectations for the next harvest? I mean, do you see a material growth or even -- assuming a normalized weather, should we just expect flat growth in crushing in the Centre South region?

And the second question was little on the ethanol mix. I mean, given an increase in blending and potential, let's say, price hike in gasoline or some states like Minas trying to reduce ethanol ICMS tax et cetera, do you see a better ethanol mix next year for you as well as the industry?

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

I'm not sure if I understand what do you mean with ethanol mix. If it's like ethanol anhydrous versus hydrous ethanol, we see -- what?

Q - Christian Audi {BIO 1825501 <GO>}

Sorry, more ethanol versus sugar, in that sense, would it be swing toward the ethanol next year?

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

Definitely, if you have -- if you have larger price -- higher price of gasoline, you would push up prices of ethanol that will give more incentives to people to produce ethanol. That if you divert sugar sucrose to ethanol and therefore lower the production of sugar and therefore increase the price of sugar, and the forecast of that system.

FINAL

So, at the end, how I normally see those things are somehow communicating market that in one end a price increase we will have a reaction on the other side with a price increase. And sugar at the end is so elastic in terms of demand than fuels, that they are kind of the rock on this process, where if you have for some reason higher prices in ethanol, sugar will always consume whatever is there, in terms of demand. So, whatever is needed to pay for that sugar to supply the demand, this will be the price of sugar.

So answering your question is, I might see -- we might see a spike, but this is canceled very quickly by price of sugar in the other sites. So, I don't see a big change in mix towards ethanol. We might see beginning of the crop more ethanol oriented, but then you have a reaction on price of sugar and this changed in the second half, already. So, that's probably the case if we see a price increase of gasoline, now. okay?

In terms of production for the next crop, again, we don't see a huge growth even if we have perfect weather. I think, normal weather, which means raining from now all the way to March, we will increase production in our field definitely, where we see especially third-party suppliers with less productivity not only because of the weather, but also because of under-investment on the fields. So, those guys in many cases, at the end of the, let's say, all the six or seven cuts, instead of replanting cane straight forward, they are actually doing a year of soybeans or something like that to reduce their fertilization costs, to reduce let's say, the capital needed to replant for another cycle of sugarcane.

So, this somehow removes some land from sugarcane for one year. This is also a fact. So, I think we will see some growth for next year. But, this won't be a large growth, the thing will be a slight growth for next year in terms of production in the Center South of Brazil.

Q - Ravi Jain {BIO 16135293 <GO>}

Thank you. That's very helpful. One very quick follow-up on the CapEx in this business. I mean, I think the CapEx right now is, your guidance is between 2 billion to 2.2 billion. In the next couple of years, in the next few years, do you see an opportunity to reduce that or is it already at a stable level where this is required in the next couple of years, this level of CapEx?

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

We see a reduction trend. I think it's important to note that according to the IFRS rules, my operational costs throughout the intercrop are capitalized. So, once we have a year like that where we have less crop years and lot more intercrop -- sorry, less crop days and more intercrop days, you switch some of your OpEx towards CapEx. So, in fact, we are observing an increase in CapEx because of more days of intercrop that are somehow accounted as CapEx. So, in fact, what we've done this year is a reduction of our CapEx. You will see that at the end of the crop whenever all the numbers is somehow closed and finalized, after we sell all our inventory and all the COGS that are today in inventory flow through the numbers through the balance sheet, you will see that there was a quite important reduction of the sum of CapEx plus OpEx for the cash generation of the business actually had improved this year. But, CapEx line itself somehow got a little distorted for less days of crop, therefore absorbing part of the OpEx that otherwise would be OpEx if the crop was there.

Q - Ravi Jain {BIO 16135293 <GO>}

That's very helpful. Thank you so much.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

You're welcome.

Operator

Our next question comes from Paolo Vallesi with Brasil Plural.

Q - Paolo Vallesi

Good afternoon, gentlemen. I've two questions, if I may. The first one is about fuel demand growth in the third quarter. I was hoping you would outline for us how much of that growth is attributed to the Latina acquisition and how much of that is actually considered organic growth for the period, so we can get a better idea of what would be a sustainable growth rate going forward?

And then the second question is about co-generation. We've heard in some local media that a change in how the free market electricity prices are calculated, currently to a reduction in the actual free market price. I was hoping you guys could speak to how this may impact your co-generation business, that would also be very helpful. Thank you.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

Hi, Paolo. The first question is pretty much half and half, okay; 2.5% roughly was organic, I think, close to 3% out of the six is half Latina, half organic growth. Organic meaning also some conversions of white flags, okay, because there is a organic that we call internally the same station sales that is also something we grow, but plus the new sidetrack we add that somehow is organic, but not necessarily organic whether we're having market share of new sites, okay. But, half will be Latina basically, half will be those two categories.

The other question was --

Q - Paolo Vallesi

The other question was on co-generation.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

On the co-gen definitely if this passes the spot price, we'll be kept for, again, for a while. So, we have today what we call the, let's say, the reference price for any electricity that you produce without selling or let's say consume without buying, which is called PLD. This was with a cap of 800 and something. And there is a discussion to reduce that cap, so basically that cap was defined by the highest generation cost, which was diesel in a faraway place. There to remove that point of production to reduce that cap to 400 and something. I've to say that almost 90% or 85% of our volume is contracted, so not exposed to that PLD. But, we have an impact on our, let's say, extra 15% on the PLD side.

FINAL

Bloomberg Transcript

Q - Paolo Vallesi

All right. That's very clear. Thank you.

Operator

Our next question comes from Rodrigo Mugaburo with Morgan Stanley.

Q - Rodrigo Mugaburo

Hi, good morning, thank you for the question. I have actually two questions. One a follow-up in the net debt. I want to understand a little bit better on the fourth quarter, we should see I believe a reduction due to the spin-off, right, the Rumo portion of the debt should be out of, let's say, 3.3, is that correct?

And then my second question is related to the hedging on the -- that you are hedging the 2.6 million tonnes hedged. How much does it represent in relative terms of the total share to be sold during the '14-'15 crop season? Thank you.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

The second one is roughly 86% of the volume sold, but again have in mind that is based on what we project to produce and this can have a variation up or down to be the very end of the crop. So, we never hedge 100% because we always can actually run a little shortened of production and you will be over-hedged or vice versa. So, that's the first one.

And the another one, you're right, I think that's the case. I mean, when you spin-off Rumo debt, Rumo will be on the other entity.

Q - Rodrigo Mugaburo

Okay. Thank you.

Operator

Our next question comes from Gustavo Allevato with Santander.

Q - Gustavo Allevato {BIO 18933135 <GO>}

Hi, guys, good morning. Thanks for the question. Just a quick follow-up for the lubricant business. Is there any room to keep improving this business, because we saw some improvement in quarter-over-quarter. So should we expect some improvement for the next quarters? Thank you.

A - Marcos Marinho Lutz {BIO 6779636 <GO>}

Yes, Gustavo. I think -- I think we had two quarters in the beginning of the year that were kind of perfect storm, a combination of very slow demand and mainly because in this -- mainly because of the World Cup that actually was quite a slower on this segment per se.

FINAL

Bloomberg Transcript

FINAL

But also we have the combination of a higher effects and a higher base oil price, so we had our main raw material going up in more loose market, I mean, very soft market without the ability to pass those price increase -- those cost increases to the price. So, we had kind of a complicated moment, which they see the opposite, we see reduction -- a sharp reduction in base oil price and we see a tighter demand.

So, we actually are recovering this to the levels that we have before with improvements, because I think the operation is more efficient every day and actually with larger, let's say volumes and more efficient systems. So, we ask we are to resume the positive trend we had discounting those two, let's say, perfect storm quarters as we noted last call as well. Basically, we are positive with this business, very sustainable, very steady, but that had this impact for once.

Q - Gustavo Allevato {BIO 18933135 <GO>}

Okay. Thank you.

Operator

This concludes today's question-and-answer session. I'd like to invite Mr. Marcelo Martins to proceed with his closing statement. Please go ahead, sir.

A - Marcelo Eduardo Martins {BIO 16440115 <GO>}

Well, thank you very much for participating. And I just wanted to remind you that on the 21st of November, we are going to have our Investors Day in New York. You should have received the stated date and you should be getting some additional information very soon. Thank you very much. Have a good day.

Operator

This concludes Cosan's audio conference for today. Thank you very much for your participation, and have a good day.

This transcript may not be 100 percent accurate and may contain misspellings and other inaccuracies. This transcript is provided "as is", without express or implied warranties of any kind. Bloomberg retains all rights to this transcript and provides it solely for your personal, non-commercial use. Bloomberg, its suppliers and third-party agents shall have no liability for errors in this transcript or for lost profits, losses, or direct, indirect, incidental, consequential, special or punitive damages in connection with the furnishing, performance or use of such transcript. Neither the information nor any opinion expressed in this transcript constitutes a solicitation of the purchase or sale of securities or commodities. Any opinion expressed in the transcript does not necessarily reflect the views of Bloomberg LP. © COPYRIGHT 2022, BLOOMBERG LP. All rights reserved. Any reproduction, redistribution or retransmission is expressly prohibited.

Bloomberg Transcript