Copersucar S.A.

Financial statements
March 31, 2015

Contents

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Independent auditors' report on the financial statements

To the Management and Board Members of
Copersucar S.A.
São Paulo - SP

We have examined the individual and consolidated financial statements of Copersucar S.A. ("Company"), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of March 31, 2015 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows, for the year then ended, as well as the summary of the significant accounting practices and other explanatory notes.

Management's responsibility for the financial statements

The Company's management is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB, as well as for the internal controls that it deemed necessary to enable the preparation of these financial statements free of significant distortions, regardless of whether the latter were caused by fraud or error.

Responsibility of the independent auditors

Our responsibility is to express an opinion on these financial statements based on our audit, undertaken in accordance with Brazilian and international auditing standards. These standards require compliance with ethical requirements by the auditors and that the audit be planned and executed with the objective of obtaining reasonable assurance that the financial statements are free from significant distortions.

An audit involves the carrying out of procedures selected to obtain evidence related to the amounts and disclosures presented in the financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of significant distortion in the financial statements, regardless of whether the latter are caused by fraud or error. In this risk assessment, according to auditing standards, the auditor considers relevant internal controls for the preparation and adequate presentation of the financial statements of the Company, to plan the audit procedures that are appropriate in the circumstances, but not for purposes of expressing an opinion on the efficacy of these internal controls of the Company. An audit also includes the evaluation of the adequacy of adopted accounting practices and reasonability of accounting estimates made by Management, as well as an assessment of the presentation of financial statements taken as a whole.

We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

Opinion on the financial statements
In our opinion, the aforementioned individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Copersucar S.A. as of March 31, 2015, the individual and consolidated performance of its operations and its respective cash flows for the year then ended, in conformity with the accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB).

Other issues

Statements of added value
We have also examined the individual and consolidated statements of added value (DVA) for the year ended March 31, 2015, prepared under responsibility of Company's management, whose presentation is required by Brazilian Corporate Law for publicly-held companies and as supplementary information under IFRS that do not require the presentation of a statement of added value. These statements were submitted to the same audit procedures previously described and, in our opinion, these supplementary statements are adequately presented, in all material respects, in relation to the basic financial statements taken as a whole.

São Paulo, May 25, 2015

KPMG Auditores Independentes
CRC 2SP014428/O-6

Fernando Rogério Liani
Accountant CRC 1SP229193/O-2

Copersucar S.A.

Balance sheets at March 31, 2015 and 2014

(In thousands of reais)

		Consolidated		Parent company	
Assets	**Note**	**2015**	**2014**	**2015**	**2014**
Current assets					
Cash and cash equivalents	6	1,051,254	604,346	493,384	298,442
Accounts receivable	7	821,925	1,163,026	816,370	401,443
Dividends receivable	24	-	-	2,881	4,881
Inventories	8	2,557,292	1,719,845	1,242,299	720,226
Recoverable taxes and contributions	9	316,850	237,988	306,904	230,832
Advances to suppliers	10	1,765,089	790,275	15,002	21,676
Stock Exchange transactions	11	26,145	121,146	8	74
Unrealized derivative financial instruments	22	677,265	319,229	257,503	20,790
Prepaid expenses		20,727	22,140	4,690	1,552
Other accounts receivable		95,138	88,199	27,357	4,979
Total current assets		**7,331,685**	**5,066,195**	**3,166,398**	**1,704,895**
Non-current assets					
Deferred tax assets	12	331,537	132,768	313,557	114,804
Recoverable taxes and contributions	9	70,373	-	70,373	-
Judicial deposits	21	34,655	34,529	20,985	20,985
Unrealized derivative financial instruments	22	18,396	12,389	18,396	12,376
Loan operations	24	-	-	95,009	90,247
Prepaid expenses		8,119	-	8,119	-
Other accounts receivable		5,072	910	2,550	68
Investments	13	844,317	107,929	1,944,523	1,121,745
Investment property	14	-	-	70,296	21,572
Property, plant and equipment	15	672,616	465,372	90,406	120,437
Intangible assets	16	253,101	181,356	18,701	19,486
Total non-current assets		**2,238,186**	**935,253**	**2,652,915**	**1,521,720**
Total assets		**9,569,871**	**6,001,448**	**5,819,313**	**3,226,615**

		Consolidated		Parent company	
Liabilities	**Note**	**2015**	**2014**	**2015**	**2014**
Current liabilities					
Suppliers	17	2,704,998	2,040,708	2,196,913	1,220,207
Loans and financing	18	2,053,863	990,349	1,558,225	477,174
Labor payroll obligations		26,383	31,939	18,835	19,984
Provision for income and social contribution taxes		13,636	4,936	7,944	4,931
Taxes and contributions payable	19	71,618	65,602	28,131	16,445
Stock Exchange transactions	11	60,297	70,189	-	-
Advances from clients	20	1,229,971	28,914	7,239	11,284
Dividends payable	24	-	1,906	-	1,906
Unrealized derivative financial instruments	22	257,486	323,933	196,181	3,423
Other accounts payable		95,790	28,557	5,538	590
Total current liabilities		**6,514,042**	**3,587,033**	**4,019,006**	**1,755,944**
Non-current liabilities					
Loans and financing	18	2,431,370	1,771,155	1,422,690	1,066,477
Employee benefits	33	42,226	20,385	-	9,041
Taxes and contributions payable	19	448	565	-	-
Provisions for contingencies	21	36,574	35,870	20,985	20,985
Deferred tax liabilities	12	35,946	43,905	18,564	10,881
Other accounts payable		14,491	6,580	-	-
Unsecured liability of the subsidiary	13	-	-	1,972	3,441
Total non-current liabilities		**2,561,055**	**1,878,460**	**1,464,211**	**1,110,825**
Shareholders' equity					
Capital		180,301	180,301	180,301	180,301
Treasury shares		(8)	(8)	(8)	(8)
Legal reserve		19,992	19,992	19,992	19,992
Profit reserves		123,119	131,508	123,119	131,508
Equity evaluation adjustments		12,692	14,090	12,692	14,090
Additional dividend proposed		-	13,963	-	13,963
Net assets attributable to controlling shareholders	25	**336,096**	**359,846**	**336,096**	**359,846**
Interest of non-controlling shareholders		**158,678**	**176,109**	-	-
Total shareholders' equity		**494,774**	**535,955**	**336,096**	**359,846**
Total liabilities and shareholders' equity		**9,569,871**	**6,001,448**	**5,819,313**	**3,226,615**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of income

Years ended March 31, 2015 and 2014

(In thousands of reais)

		Consolidated		Parent company	
		2015	2014	2015	2014
	Note				
Net income	27	20,985,802	23,153,315	5,984,736	5,936,899
Unrealized derivative financial instruments	22	373,666	(69,150)	-	-
Cost of sales	31	(20,452,761)	(22,156,769)	(5,921,650)	(5,743,067)
Gross income		**906,707**	**927,396**	**63,086**	**193,832**
Sales expenses	31	(195,713)	(295,326)	(54,417)	(55,676)
Administrative expenses	31	(186,566)	(147,431)	(88,494)	(73,585)
Other income	28	88,982	38,699	24,020	3,543
Other expenses	29	(49,301)	(46,437)	(13,328)	(1,192)
Income before net financial		**564,109**	**476,901**	**(69,133)**	**66,922**
Financial income	30	1,570,618	514,228	440,044	235,015
Financial expenses	30	(2,261,420)	(738,074)	(550,072)	(337,401)
Net financial		**(690,802)**	**(223,846)**	**(110,028)**	**(102,386)**
Equity in net income of subsidiaries	13	22,276	(13,456)	71,280	157,550
Income (loss) before taxes		**(104,417)**	**239,599**	**(107,881)**	**122,086**
Current income and social contribution taxes	32	(24,636)	(55,098)	(3,013)	(4,931)
Deferred income and social contribution taxes	32	118,142	(26,770)	102,483	(38,513)
Total income and social contribution taxes		**93,506**	**(81,868)**	**99,470**	**(43,444)**
Net income (loss) for the year		**(10,911)**	**157,731**	**(8,411)**	**78,642**
Income (loss) attributed to					
Controlling shareholders		(8,411)	78,642	(8,411)	78,642
Non-controlling shareholders		(2,500)	79,089	-	-
Net income (loss) for the year		**(10,911)**	**157,731**	**(8,411)**	**78,642**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of comprehensive income

Years ended March 31, 2015 and 2014

(In thousands of reais)

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Income (loss) for the year	(10,911)	157,731	(8,411)	78,642
Comprehensive income				
Accumulated translation adjustment included	(9,781)	-	(9,781)	-
Accumulated translation adjustment	180,367	-	180,367	-
Non Deliverable Forward investment hedge	(260,548)	-	(260,548)	-
Income and social contribution taxes	88,586	-	88,586	-
Total comprehensive income	**(12,287)**	**157,731**	**(9,786)**	**78,642**
Comprehensive income attributable to:				
Controlling shareholders	(9,786)	78,642	(9,786)	78,642
Non-controlling shareholders	(2,500)	79,089	-	-
Total comprehensive income	**(12,287)**	**157,731**	**(9,786)**	**78,642**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of changes in shareholders' equity

Years ended March 31, 2015 and 2014

(In thousands of reais)

		Reserves								
	Capital	**Treasury shares**	**Legal reserve**	**Profit reserves**	**Equity evaluation adjustment**	**Accumulated loss**	**Additional dividends proposed**	**Equity attributable to controlling shareholders**	**Interest of non-controlling shareholders**	**Total**
In 2013	80,301	(8)	16,060	62,434	23,164	-	16,218	198,169	105,100	303,269
Capital increase	100,000	-	-	-	-	-	-	100,000	-	100,000
Realization of deemed cost	-	-	-	-	(9,074)	9,074	-	-	-	-
Distribution of proposed additional dividend	-	-	-	-	-	-	(16,218)	(16,218)	-	(16,218)
Net income (loss) for the year	-	-	-	-	-	78,642	-	78,642	60,372	139,014
Distribution of income:										
Legal reserve	-	-	3,932	-	-	(3,932)	-	-	-	-
Proposed dividends (R$ 0.0119 per share)	-	-	-	14,710	-	(14,710)	-	-	-	-
Compulsory minimum dividends (R$ 0.0006 per share)	-	-	-	(747)	-	-	-	(747)	-	(747)
Additional dividends proposed (R$ 0.0113 per share)	-	-	-	(13,963)	-	-	13,963	-	-	-
Profit retention	-	-	-	69,074	-	(69,074)	-	-	-	-
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	10,637	10,637
In 2014	180,301	(8)	19,992	131,508	14,090	-	13,963	359,846	176,109	535,955
Realized deemed cost	-	-	-	-	(22)	22	-	-	-	-
Distribution of proposed additional dividend	-	-	-	-	-	-	(13,963)	(13,963)	-	(13,963)
Loss for the year	- -	-	-	-	-	(8,411)	-	(8,411)	(2,500)	(10,911)
Profit retention	-	-	-	(8,389)	-	8,389	-	-	-	-
Comprehensive income for the year:								-		-
Accumulated translation adjustment included	-	-	-	-	(9,781)	-	-	(9,781)	-	(9,781)
Net investment hedge in foreign transactions	-	-	-	-	8,405	-	-	8,405	-	8,405
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	(14,931)	(14,931)
In 2015	180,301	(8)	19,992	123,119	12,692	-	-	336,096	158,678	494,774

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of cash flows

Years ended March 31, 2015 and 2014

(In thousands of reais)

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Cash flow from operating activities				
(Loss)/income for the year	**(10,911)**	**157,731**	**(8,411)**	**78,642**
Adjusted by:				
Equity in income of subsidiaries and associated companies	(22,276)	13,456	(71,280)	(157,550)
Subsidiary gains with foreign exchange variation	(208,915)	(33,506)	(37,394)	(1,127)
Depreciation and amortization	33,800	24,535	9,010	5,445
Deferred taxes	(118,142)	26,770	(102,483)	38,513
Interest and exchange variation on loans and financings	692,978	354,101	449,598	201,538
Net amount of write-offs of property, plant and equipment and intangible asse	4,529	44,602	435	298
Increase in provision for contingencies	704	718	-	-
Employee benefits	46,185	12,080	15,303	736
Change in inventories' fair values	259,213	(220,568)	24,477	(75,331)
Change in fair value of derivative financial instruments	(652,411)	144,228	(271,897)	64,095
Gain from interest in associates' investment	(22,030)	-	(22,030)	-
Changes in assets and liabilities				
Decrease/(increase) in trade accounts receivable	346,152	(412,982)	(414,927)	(190,628)
Decrease/(increase) in operations with related parties	1,199,899	(3,859)	(5,085)	(134,903)
(Increase) in inventories	(1,089,266)	(309,083)	(546,551)	(86,903)
(Increase) in recoverable taxes	(149,234)	(66,478)	(146,445)	(62,119)
(Increase) in prepaid expenses	(6,705)	-	(11,257)	-
(Increase) in other accounts receivable	(25,492)	(95,530)	(45,045)	(5,291)
(Increase)/decrease in advances in suppliers	(751,153)	(237,833)	6,674	(3,887)
Decrease/(increase) in stock exchange operations	58,296	(68,685)	65	(110)
(Increase) in judicial deposits	(126)	(747)	-	-
Increase in suppliers	529,601	727,108	976,705	201,662
(Decrease) in social and labor obligations and employee benefits	(14,597)	(12,273)	(10,190)	(13,134)
Increase in taxes and contributions payable	51,334	37,493	14,698	10,565
Increase in other accounts payable	75,647	14,326	4,952	323
Interest paid on loans and financing	(365,236)	(110,877)	(231,797)	(73,072)
Income and social contribution taxes paid	(36,735)	(2,519)	-	-
Dividends received	5,576	18,771	4,881	1,149
Net cash flow used in operating activities	**(169,315)**	**979**	**(417,994)**	**(201,089)**
Cash flows from investment activities				
Application of funds in investments	(525,837)	(32,229)	(525,837)	(32,229)
Funds invested in properties	-	-	-	(175)
Application of funds in property, plant and equipment	(188,474)	(194,301)	(27,339)	(79,485)
Application of funds in intangible assets	(12,117)	(9,510)	(14)	(8,213)
Net cash used in investment activities	**(726,428)**	**(236,040)**	**(553,190)**	**(120,102)**
Cash flows from financing activities				
Paid-in capital	-	100,000	-	100,000
Dividends paid	(14,710)	(15,735)	(14,710)	(15,735)
Loss with financial instrument – investment hedge	(38,627)	-	(38,627)	-
Loans and financing obtained	6,515,339	3,038,228	1,716,757	1,815,677
Payments of loans and financing	(5,119,351)	(2,852,734)	(497,294)	(1,559,170)
Net cash generated (consumed) in financing activities	**1,342,651**	**269,759**	**1,166,126**	**340,772**
Net increase in cash and cash equivalents	**446,908**	**34,698**	**194,942**	**19,581**
Statement of changes in cash and cash equivalents				
At the end of the year	1,051,254	604,346	493,384	298,442
At the beginning of the year	604,346	569,648	298,442	278,861
Net increase in cash and cash equivalents	**446,908**	**34,698**	**194,942**	**19,581**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of added value

Years ended March 31, 2015 and 2014

(In thousands of reais)

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Income				
Sale of merchandise, products and services	21,512,009	23,720,625	6,835,665	6,771,351
Other income	331,725	275,174	(130)	(3,563)
Change in fair value of financial instruments	373,666	(69,150)	-	-
Estimated allowance for doubtful accounts	106	2,277	-	2,176
	22,217,506	**23,928,926**	**6,835,535**	**6,769,964**
Inputs acquired from third parties				
Cost of products, goods, and services sold	(20,333,144)	(22,059,447)	(5,921,648)	(5,743,066)
Materials, outsourced services and other	(273,252)	(346,940)	(58,685)	(50,849)
Other	(27,414)	(43,531)	(113)	(114)
	(20,633,810)	**(22,449,918)**	**(5,980,446)**	**(5,794,029)**
Gross added value	**1,583,696**	**1,479,008**	**855,089**	**975,935**
Depreciation and amortization	(33,800)	(24,535)	(9,010)	(5,445)
Added value received as transfer				
Equity in net income of subsidiaries	22,276	(13,456)	71,280	157,550
Financial income	1,570,618	514,228	440,044	235,015
Other	67,831	36,491	11,009	2,800
	1,660,725	537,263	522,333	395,365
Total added value payable	**3,210,621**	**1,991,736**	**1,368,412**	**1,365,855**
Distribution of added value	**(3,210,621)**	**(1,991,736)**	**(1,368,412)**	**(1,365,855)**
Personnel				
Direct remuneration	(101,733)	(96,831)	(45,176)	(48,682)
Benefits	(66,776)	(47,246)	(19,786)	(16,254)
FGTS	(7,754)	(6,618)	(3,249)	(3,203)
	(176,263)	(150,695)	(68,211)	(68,139)
Taxes, rates and contributions				
Federal	(335,395)	(446,347)	(327,600)	(400,337)
State	(425,448)	(476,146)	(424,083)	(474,474)
Municipal	(4,356)	(3,256)	(535)	(525)
	(765,199)	(925,749)	(752,218)	(875,336)
Third parties' capital remuneration				
Interest	(2,261,419)	(738,073)	(550,072)	(337,400)
Rents	(18,651)	(19,488)	(6,322)	(6,338)
	(2,280,070)	(757,561)	(556,394)	(343,738)
Remuneration of own capital				
Loss/(income) for the year	8,411	(63,932)	8,411	(63,932)
Dividends	-	(14,710)	-	(14,710)
Non-controlling interest	2,500	(79,089)	-	-
	10,911	(157,731)	8,411	(78,642)

See the accompanying notes to the financial statements.

Notes to the financial statements

(In thousands of reais)

1 Operations

The Company, established as a privately-held corporation, is domiciled in Brazil, is headquartered in the city of São Paulo (SP) and may set up and shut down branches, offices or agencies, as well as appoint agents or representatives, anywhere in Brazil or abroad. The registered address of the Company's office is Avenida Paulista, nº 287. The individual and consolidated financial statements of the Company for the year ended March 31, 2015 comprise the parent company and its subsidiaries.

The Company is engaged in the following main activities:

- To import, export, trade, manufacture, store, load and unload sugar, ethanol and by-products in the domestic and foreign markets;
- To provide sugar, ethanol and by-products sales agency services;
- Land, air, river, and sea logistics;
- To provide cargo transportation services, including hazardous cargo transportation, and to act as multimodal transportation operator;
- Production and sales of electricity, steam, exhaust steam, and any derivative arising from the co-generation of electricity;
- The provision of technical and consultancy services related to the above-mentioned activities; and
- Equity interests in other companies.

The year of the Company and its subsidiaries ends on March 31 every year, except for Copersucar North America, LLC, whose year ends as of December 31 of each year.

New businesses

(i) Joint venture with Cargill

On March 27, 2014, Copersucar announced an agreement with Cargill to merge its global activities of sugar trading with a new company, with shared management and 50% interest of each partner to originate, market and trade sugar globally.

The new joint venture aims to provide better services to clients by connecting the skills and competencies of both companies, in order to improve the efficiency, quality and logistics of the production chain, benefiting from the global presence and large scale offer of partner plants of Copersucar in Brazil, complemented by origination in countries and regions such as Thailand, India, Central America and Australia. Additionally, it will also benefit from the recognized expertise of the two companies in logistics management and access to port terminals in Brazil.

The ethanol business, trading of sugar in the domestic market and fixed assets, such as plants and terminals, are out of the scope of this transaction. These activities will continue to be separate businesses, and individually controlled by Cargill and Copersucar.

In August 2014, Copersucar and Cargill completed the establishment of Alvean Sugar SL, headquartered in Bilbao, Spain, after obtaining all necessary approvals from competition regulatory agencies for formalization of joint venture announced in March 2014, to combine its global sugar activities and operate in origination and global trading of raw and white sugar. The new company started operations on October 1, 2014, and its main trading activities are concentrated in Genève, Switzerland, with offices in nine other locations around the world. Alvean's equity income (loss) is part of Copersucar's income (loss) beginning as of this date.

(ii) Certificates of Receivables from Agribusiness (CRA)

On March 24, 2015, Certificates of Receivables from Agribusiness (CRA) offer in the amount of R$300,000 and backed by certificates issued by Copersucar was closed, which will allow the Company to use financial funds to strengthen its working capital to manage its sugar and ethanol trading businesses. Securities were fully acquired by financial market investors in an operation that had Octante Securitizadora as issuer and Bradesco BBI as leading coordinator. Securities mature in three years (March 2018).

2 Company's entities

			Equity interest	
Entity	**City/State: - Country**	**Relationship**	**2015**	**2014**
Companhia Auxiliar de Armazéns Gerais	São Paulo/SP - Brazil	Subsidiary	99.99995%	99.99995%
Copersucar Armazéns Gerais S.A.	São Paulo/SP - Brazil	Subsidiary	99.99997%	99.99997%
Uniduto Logística S.A.	São Paulo/SP - Brazil	Associate	39,073700%	38.58000%
Logum Logística S.A.	Rio de Janeiro/RJ - Brazil	Jointly-controlled subsidiary	20.00000%	20.00000%
Sugar Express Transportes S.A.	São Paulo/SP - Brazil	Subsidiary	99.99000%	99.99000%
Centro de Tecnologia Canavieira S.A.	São Paulo/SP - Brazil	Associate	18,511600%	20.54000%
Copersucar International N.V.	Caracasbadiweg - Curaçau	Subsidiary	100.00000%	100.00000%
Copersucar Trading A.V.V.	Orangestad - Aruba	Indirect subsidiary	100.00000%	100.00000%
Copersucar Europe B.V.	Rotterdam - Netherlands	Indirect subsidiary	100.00000%	100.00000%
Copa Shipping Company Limited	Tortola - British Virgin Islands	Indirect jointly-controlled subsidiary	50.00000%	50.00000%
Copersucar North America, LLC	Franklin/TN - USA	Subsidiary	100.00000%	100.00000%
Copersucar Asia Limited	Hong Kong - China	Indirect subsidiary	100.00000%	100.00000%
Eco-Energy Global Biofuels LLC	Franklin/TN - USA	Indirect subsidiary	65.00000%	65.00000%
Alvean Sugar Intermediação e Agenciamento Ltda.	São Paulo/SP - Brazil	Jointly-controlled subsidiary	50.00000%	-
Alvean Sugar, S.L.	Billion - Spain	Jointly-controlled subsidiary	50.00000%	-

Companhia Auxiliar de Armazéns Gerais

The Subsidiary, based in the capital of the state of São Paulo is to sell food products and goods in general on the wholesale market, rent warehouses, provide storage facilities, export sugar and other products of vegetable origin and undertake port operating activities.

On October 18, 2013, the Company suffered a major fire in Copersucar Sugar Terminal at the Port of Santos, who damaged part of its structures. The accident prompted a contingency and reconstruction plan that allowed the control of all shipments of the crop still in December, with the partial resumption of operations as of January 2014. Thus, the export plan for the crop was readjusted and no contracts with clients were left outstanding. Identified damages were duly indemnified by contracted insurance and resumption of full reception and storage capacity occurred in March 2015.

Copersucar Armazéns Gerais S.A.

The Subsidiary, which is headquartered in the State of São Paulo, is mainly engaged, through its subsidiaries, in the wholesale trade of food products and goods in general, retail and wholesale trade and distribution of fuel for automotive or industrial purposes, and rental of warehouses.

Uniduto Logística S.A.

The Associated company, headquartered state of São Paulo, aims to develop, build and operate pipelines to move liquids for marketing in domestic and foreign markets, intermodal terminals and port terminals for the export of such liquids; moreover, to participating in other companies whose business purpose is one or more activities listed in the previous items.

Logum Logística S.A.

Jointly-controlled subsidiary is headquartered in Rio de Janeiro, Rio de Janeiro State (RJ), and is engaged in: construction and operation of intermodal and multimodal networks for the transport of ethanol, oil by-products and other biofuels to the domestic and international markets; activities directly or indirectly related to intermodal and multimodal transport of ethanol, oil by-products and other biofuels; participation in projects whose aim is to promote the development of intermodal and multimodal transport of ethanol, oil by-products and other biofuels; import, export, acquisition, sale, distribution or lease of all the machinery and equipment related to the aforementioned activities, and exploration and development of opportunities in business related to the installation of optic fiber cables in its rights of way.

Sugar Express Transportes S.A.

The subsidiary Sugar Express Transportes S.A. is responsible for the road transport of sugar and ethanol.

Centro de Tecnologia Canavieira S.A. (CTC)

The Associated company, which is headquartered in the State of São Paulo, is engaged in the research and development of new technologies to be applied in the agricultural activities, logistics and manufacturing processes of the sugarcane and sugar and alcohol sectors; research and development of sugarcane varieties, especially the genetic improvement of sugarcane; control of diseases and pests, particularly for biological control purposes; and transfer of agricultural, industrial and laboratory technologies.

Copersucar International N.V.
The subsidiary based in Curaçau has as its corporate purpose equity interests in other companies.

Copersucar Trading A.V.V.
The Subsidiary established in Aruba is engaged in importing and exporting sugar and ethanol, which are mainly purchased from Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo.

Copersucar Europe B.V.
The Subsidiary established in Holland is engaged in the trade of sugar and ethanol, especially from related companies.

Copa Shipping Company Limited
Copa Shipping Company Limited, a maritime freight company headquartered in the British Virgin Islands, was set up in partnership with the Jamal Al-Ghurair (JAG) Group, which, among other business activities, owns Al Khaleej Sugar (AKS), the largest sugar refinery in the world and one of its strategic clients. Copa Shipping charters ships to transport the cargo of Copersucar S.A. and AKS, optimizing the cost management and quality control of this service. Copersucar S.A., through Copersucar Trading, and Global Equity Investments, a subsidiary of the JAG Group, hold 50% of Copa Shipping Company Limited each.

Copersucar North America, LLC
Copersucar North America, LLC, a company based in the United States, was established to hold investments in other companies' capital.

Eco-Energy Global Biofuels, LLC
Company headquartered in Franklin, Tennessee, United States, which operates in an integrated manner in the biofuel supply chain, focusing on trade, logistics and marketing services.

Copersucar Asia Limited
The Subsidiary established in Hong Kong is engaged in the trade of sugar and ethanol, especially from related companies.

Alvean Sugar, S.L.
Subsidiary established in Spain is engaged in originating and global trading raw and white sugar.

Alvean Sugar Intermediação e Agenciamento Ltda.
Subsidiary established in Brazil is engaged in providing agency services and intermediating raw and white sugar trading.

3 Preparation basis

a. Statement of conformity
These financial statements include:

- The consolidated financial statements are prepared according to the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) and also in accordance with BR GAAP. The individual financial statements of the parent company were prepared according to the BR GAAP.

  However, review of Technical Pronouncement No. 7 (approved in December 2014) changed CPC 35, CPC 37 and CPC 18 and authorized the use of equity in investees in IFRS individual financial statements, thus eliminating the difference between BR GAAP and IFRS. Thus, there is no difference between the shareholders' equity and consolidated result presented by Company and the shareholders' equity and result of the parent company in the Individual financial statements. Accordingly, the Company's consolidated financial statements and the parent company's individual financial statements are being presented side by side in a single set of financial statements.

  The issue of the financial statements was authorized by the Board of Directors on May 25, 2015.

b. Measuring basis

The individual and consolidated financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheets:

- Derivative financial instruments measured at fair value;
- Non-derivative financial instruments designated at fair value through profit or loss are measured at fair value;
- Property, plant and equipment - measured at acquisition and deemed cost; and
- Inventories - calculated at fair value less selling expenses, through marking to market.

c. Functional currency and presentation currency

The individual and consolidated financial statements are presented in Reais, which is the functional currency of the all the Company's entities, except for Copersucar North America LLC and Eco-Energy Global Biofuels LLC, the functional currency of which is the US dollar. All financial information presented in BRL has been rounded to the nearest value, except otherwise indicated.

d. Use of estimates and judgments

The preparation of the parent company and consolidated financial statements in accordance with the accounting pronouncements issued by the Accounting Pronouncements Committee (CPC) and IFRS requires Management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed in a continuous manner. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Information regarding critical judgments referring to the accounting policies adopted which significantly impact the amounts recognized in the individual and consolidated financial statements are included in the following notes:

- **Note 8** - Inventories;
- **Note 12** - Deferred tax assets and liabilities;
- **Note 14** - Investment property;
- **Note 22** - Financial instruments; e
- **Note 34** - Operating leases.

Information on uncertainties as to assumptions and estimates that pose a high risk of resulting in a material adjustment within the next financial year are included in the following notes:

- **Note 4.e.iv** - Depreciation (useful life of property, plant and equipment);
- **Note 4.f.iv** - Amortization (useful life of intangible assets);
- **Note 12** - Deferred tax assets and liabilities (use of tax losses); and
- **Note 21** - Provision for contingencies (provisions and contingencies).

e. Measurement of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities, the Group uses observable data as much as possible. Fair values are classified at different levels according to hierarchy based on information (inputs) used in valuation techniques, as follows:

- **Level 1**: Prices quoted (not adjusted) in active markets for identical assets and liabilities.
- **Level 2**: Inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).
- **Level 3**: Inputs, for assets or liabilities, which are not based on observable market data (non-observable inputs).

The Group recognizes transfers between fair value hierarchic levels at the end of the financial statements period in which changes occurred.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, additional information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Inventories

Inventories are measured at fair value less selling costs, at market price (“mark-to-market”), according to the Company and its subsidiaries’ commodities and operation markets. In determining fair value, the Company uses as a reference the quotation and indices disclosed by public sources and related to the products and active markets where it operates. Changes in the fair value of these inventories are recognized in the income (loss) for the year.

Accounts receivable

The fair value of accounts receivable and other receivables, that is determined for disclosure purposes, is estimated as the present value of future cash flows, discounted at the market interest rate on presentation date.

Property, plant and equipment

Fair value of property, plant and equipment items for deemed cost purposes was based on market approach and cost approach at market prices on the transition date for similar assets, when available, and replacement costs, when applicable.

Intangible assets

The fair value of trademarks and patents acquired in a business combination is based on the present value of estimated royalty payments that have been avoided by the ownership of the trademark or patent. The fair value of customer relationships acquired in a business combination is calculated under the multi-period excess earnings method, through which an underlying asset is valued after the deduction of a fair return on all other assets that contribute to the creation of the respective cash flows.

The fair value of other intangible assets is based on the discounted cash flows expected to be accrued from the use and possible sale of the assets.

Investment property

The fair value of the investment property, for deemed cost purposes, was determined based on the market approach and on cost approaches through quoted market prices as of the date of transition to similar assets, where available, and replacement cost where appropriate.

Derivative financial instruments

The fair value of forward exchange agreements is based on the listed market price, if available. The fair value of derivative instruments to hedge currencies and interest rates consists of determining the terms and conditions contracted and calculating the present value based on market curves extracted from the Bloomberg and BM&F databases.

If a listed market price is not available, fair value is estimated by discounting the difference between the contractual forward price and the current forward price by using a risk-free interest rate (based on government bonds) - see note 22.

Non-derivative financial liabilities

Non-derivative financial liabilities are measured at fair value upon initial recognition and, at each reporting date for purposes of disclosure. The fair value that is determined based on the present value of principal and future cash flows, discounted at market interest rate on the date of presentation of the financial statements. For convertible debt securities, the market interest rate is determined by reference to similar liabilities that do not have a conversion option. For financial leases, the interest rate is calculated by referring to similar lease agreements.

Loans and financing
The fair value that is determined for disclosure purposes is calculated based on the present value of principal and future cash flows, discounted at market interest rate on the date of presentation of the financial statements.

Other non-derivative financial liabilities
The fair value that is determined for disclosure purposes is calculated based on the present value of principal and future cash flows, discounted at market interest rate on the date of presentation of the financial statements.

4 Significant accounting policies

The accounting practices described below have been consistently applied to all the years presented in these individual and consolidated financial statements in accordance with IFRS and the accounting pronouncements issued by the Accounting Pronouncements Committee (CPC), unless otherwise stated.

The accounting policies have also been consistently applied by the Company's entities.

a. Consolidation basis

(i) Subsidiaries
The financial statements of the subsidiaries are included in the consolidated financial statements as from the date they start to be controlled by the Company until the date such control ceases. The accounting policies of the subsidiaries are aligned with the policies adopted by the Company.

The individual financial statements of the parent company, financial information of subsidiaries are recognized under the equity method.

(ii) Investments in jointly-controlled subsidiaries

A joint venture is a contractual agreement that joins together two or more parties for the purpose of executing a particular business undertaking which is subject to joint control.

The individual financial statements of the parent company, financial information from joint ventures are recognized under the equity method.

(iii) Investments in associates

Associates are the entities in which the Company has, directly or indirectly, significant influence but not control on financial and operating policies. The significant influence is characterized by the Company holding, directly or indirectly, from 20% to 50% of the voting rights of the other entity.

In the parent company's individual financial statements, investments in associates are accounted for at the equity method and are initially recognized at cost. When the participation of the Company in the losses of an investee, whose shareholders' equity has been accounted for, exceeds its ownership interest in the investee recorded at the equity method, the accounting value of that ownership interest, including long-term investments, is reduced to zero and additional losses are no longer recognized, except when the Company has constructive obligations or made payments on behalf of the investee, when a provision for investment losses is recorded.

(iv) Transactions eliminated in the consolidation

Intragroup balances and transactions, and any income or expenses derived from intragroup transactions, are eliminated in the preparation of the consolidated financial statements. Unrealized gains originating from transactions with investees recorded using the equity method are eliminated against the investment in the proportion of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only up to the point where there is no evidence of loss due to impairment.

(v) Interest of non-controlling shareholders

The Group chose to measure minority interests in acquiree at their proportion in identifiable net assets on acquisition date.

Changes to the Group's interest in a subsidiary that do not result in loss of control are accounted for as transactions of shareholders' equity.

b. Foreign currency

(i) Foreign currency transactions

Transactions in foreign currency are translated into the respective functional currencies of the Company's entities at the exchange rates on the dates of the transactions, except for monetary assets and liabilities denominated and calculated in foreign currencies on the date of presentation are converted into the functional currency at the exchange rate determined on that date. Exchange gain or loss in monetary items is the difference between the amortized cost of the functional currency at the beginning of the year, adjusted by interest and effective payments during the year, and the amortized cost in foreign currency at the exchange rate at the end of the presentation year. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the foreign exchange rate on the date the fair value was determined.

Exchange differences arising from the reconversion are charged to income.

(ii) Transactions abroad

Assets and liabilities of foreign transactions are translated into Brazilian reais (functional currency) at the exchange rate prevailing on presentation date. Income and expenses from foreign transactions are converted into reais at the average exchange rates calculated in the year.

Foreign currency differences generated in the translation to the currency presentation are recognized in the income (loss) for the year, since the functional currency of the operation abroad is the Real.

Such exchange variations are recognized in earnings or losses in the individual financial statements of the parent company or subsidiary.

For the translation of transactions in US dollar (USD) to the functional currency of the Company (Brazilian real - R$), the following exchange rates were used for the Consolidated and Parent company:

	Average annual interest		Spot closing rate	
	2015	**2014**	**2015**	**2014**
R$/USD	2.4784	2.2497	3.2080	2.2630

c. Financial instruments

(i) Non-derivative financial assets

The Company initially recognizes the loans, receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are initially recognized on the date of the negotiation under which the Company becomes a party to the contractual provisions of the instrument.

The Company fails to recognize a financial asset when the contractual rights to the cash flows of the asset expire, or when the Company transfers the rights to reception of the contractual cash flows on a financial asset in a transaction in which essentially all the risks and benefits of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Company has the following non-derivative assets: financial assets recorded at fair value through profit or loss, investments held to maturity, loans and receivables and financial assets available for sale.

Financial assets measured at fair value through profit or loss
A financial asset is classified at fair value through profit or loss if it is held for trading, or stated as such when initially recognized. Financial assets are stated at fair value through profit or loss if the Company manages these investments and makes decisions on investment and redemption based on fair value according to the risk management and strategy of investment documented by the Company. The transaction costs, after initial recognition, are recognized in income (loss) as incurred. Financial assets recorded at fair value through profit or loss are measured at fair value and changes in the fair value of such assets are recognized in the income for the year.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments, but not quoted on any active market. These assets are recognized initially at fair value plus any attributable transaction costs. After the initial recognition, loans and receivables are measured at amortized cost through the effective interest method, less any impairment loss.

Loans and receivables comprise cash and cash equivalents, accounts receivable, other receivables, related parties and advance to supplier.

(ii) Non-derivative financial liabilities
The Company recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the negotiation date on which the Company becomes a party to the contractual provisions of the instrument. The Company fails to recognize a financial liability when its contractual obligations are discharged or canceled or expired.

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Such financial liabilities are initially recognized at fair value plus any transaction costs directly assignable. After their initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method.

Other non-derivative financial liabilities comprise loans and financing, suppliers, and other accounts payable.

(iii) Derivative financial instruments
The company holds futures, options and over-the-counter derivative financial instruments as part of its commodity trade transactions and the management of its hedging policy for product sale transactions.
The objective of operations involving derivatives is always related to the operation of the Company associated with and the reduction of its exposure to market risks, identified in its policies and guidelines and, also, with the management of the volatility of financial flows. The results obtained from such operations are consistent with the policies and strategies defined by Company's management. All gains and losses arising from derivative financial instruments are stated at their market value.

Derivatives are initially recognized at their fair value, while the attributable transaction costs are recognized in profit or loss when incurred, as a component of the gross profit. After the initial recognition, derivatives are measured at fair value and changes accounted for in profit or loss for the year as a component of the gross profit.

Gains/losses related to unrealized derivative financial instruments arising from commodity price hedging are recognized in gross profit, whereas effects of derivatives related to exchange and interest risks are recognized in financial income.

(iv) Net investment hedge abroad

The Company uses hedge accounting for foreign currency differences between the operation's functional currency abroad and functional currency of the parent company (Brazilian Real).

Within the hedge effectiveness, exchange differences arising from the reconversion of financial liability designated as hedge, of a net investment in a foreign operation are recognized in other comprehensive income and accumulated as equity evaluation adjustments in shareholders' equity. When net investment subject to hedging is disposed of, corresponding portion held in account valuation adjustments to equity under shareholders' equity is reclassified into income as part of gains or losses on disposal.

d. Inventories

The Company's inventories comprise commodities and are mark-to-market less costs to sell. In determining fair value, the Company uses as a reference the indices disclosed by public sources and related to the products and active markets where it operates. Changes in the fair value of these inventories are recognized in the income (loss) for the year.

e. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment items are stated at historical acquisition or construction cost, net of depreciation and accumulated impairment losses, when applicable. Purchased software that is integral to the functionality of a piece of equipment is capitalized as part of that equipment.

The cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of assets built by the Company includes materials and direct labor; as well as any other costs attributable to bringing the assets to the location and condition requires for them to operate in the manner intended by Management; costs for dismantling and restoration of the site where they are located; and borrowing costs on qualifiable assets.

When parts of a property, plant and equipment item have different useful lives, they are accounted for as separate items (major components) of PP&E.

Gains and losses on disposal of a property, plant and equipment item are determined by comparing the proceeds from disposal with the carrying amount of Property, plant and equipment and are recognized net within "Other operating income/expenses" in the statement of income.

(ii) Reclassification for investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as an investment property. Any increase resulting from this remeasurement is recognized in income (loss) to the extent the gain reverses earlier impairment loss of this property, which cannot exceed the book value initially recognized (net of depreciation). If there is a remaining increase, the same is recognized in equity evaluation adjustments, as part of other comprehensive income. Any decrease is recognized in income (loss).

(iii) Subsequent costs

The replacement cost of a component of property, plant and equipment is recognized in the book value of the item when it is probable that the future economic benefits embodied in the component will flow to the Company and its cost can be reliably measured. Book value of the component that has been replaced by another component is accounted for in the statement of income for the year in which replacement occurred. Costs of normal maintenance on property, plant and equipment are charged to the income statement as incurred.

(iv) Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use, or, in the case of assets constructed by the Company, as of the date the construction is concluded and the asset is available for use.

Depreciation is calculated on the depreciable values, which is the cost of an asset, or other amount that substitutes cost, less residual values.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, as this method is that more closely reflects the pattern of consumption of future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term or the estimated useful life of the asset, unless it is reasonably certain that the Company will obtain ownership at the end of the lease term. Land is not depreciated.

The annual weighted average rates for the current year are as follow:

	Annual weighted average rate	
	2015	
	Consolidated	Parent company
Constructions and improvements	1.90%	1.90%
Machinery and equipment	3.77%	2.86%
Data processing equipment	19.52%	19.52%
Furniture and fixtures	6.94%	6.95%
Vehicles	8.59%	8.50%
Improvements to third-party property	4.92%	-

The depreciation methods, useful lives and residual values are reviewed at each reporting date, and adjusted if appropriate.

f. Intangible assets and goodwill

(i) Intangible assets with defined useful life

Intangible assets acquired by the Company with finite useful lives are measured at cost, less accumulated amortization and accumulated impairment losses, when applicable.

(ii) Intangible assets with undefined useful life

Goodwill

The goodwill calculated on the acquisition of Eco-Energy Global Biofuels, LLC shares is supported by expected future earnings. The Company assesses annually the likelihood of recovering the goodwill on these investments, to this end employing practices applied in the market regarding the subsidiary's cash flow. The goodwill's recoverability is assessed based on an analysis and the detection of facts or circumstances likely to give rise to the need to advance the tests performed each year. Should a new fact or circumstance suggest a difficulty in recovering the goodwill, the test is advanced.

(iii) Subsequent expenses

Subsequent expenses are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally-generated goodwill and trademarks, are recognized in profit or loss as incurred. Book value of the intangible assets that has been replaced by another component is accounted for in the statement of income for the year in which replacement occurred. Costs of maintenance on PP&E are charged to the income statement as incurred.

(iv) Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss, under the caption "Administrative expenses", on a straight-line basis over the estimated useful lives of the intangible assets, except goodwill from the date they are available for use, since this is the method that best reflects the consumption pattern of the future economic benefits embodied in the asset. Software estimated useful life for current and comparative years is 5 years.

g. Investment property

Investment property is property held to earn rentals or for capital appreciation or both, but not for sale in the ordinary course of business, or use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and, subsequently, when significant, at fair value, and changes to fair value are recognized in the income (loss).

Cost includes expenses directly attributable to the acquisition of an investment property. The cost of investment property build by the owner includes the material used, direct labor, or any other cost directly attributable to bringing the investment property to a working condition for its intended purpose, and the capitalized interest on borrowings.

h. Leased assets

The Company’s leases are operating leases. Leased assets are not recognized on the Company’s balance sheet (lessee). An investment property under an operational lease is recognized in the Company's balance sheet (lessor) at its historical cost.

i. Impairment

(i) Non-derivative financial assets (including receivables)

A financial asset not measured at fair value through profit or loss, including interest in an investee accounted by the equity method, is assessed at each reporting for objective evidence of impairment loss. An asset is impaired when there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that such loss event had a negative effect on the projected future cash flows of that asset that can be reliably estimated.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of the amount due to the Company and its subsidiary on terms that the Company would not consider otherwise, indication that the debtor or issuer will file for bankruptcy, or disappearance of an active market for a security. In addition, for an investment in equity instrument, a significant or prolonged decrease in the fair value of the asset, below its cost, is objective evidence of impairment.

Financial assets measured at the amortized cost

For its receivables, the Company considers as evidence of impairment both individually and on an aggregate basis. All and individually significant receivables are assessed for impairment. All the receivables are material on an individual basis, identified as non-impaired on an individual basis are collectively assessed for any impairment loss not yet identified. Assets that are not individually significant are assessed on an aggregate basis in relation to impairment by grouping the notes with similar risk characteristics.

When assessing impairment on an aggregate basis the Company makes use of historical trends of probability of default, the recovery term and the amounts of losses incurred, adjusted to reflect the Management's judgment regarding assumptions if the current economic and credit conditions are such that the actual losses will probably be higher or lower than those suggested by historical trends.

An impairment of a financial asset measured at amortized cost is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The losses are recognized in an allowance in the income statement against loans and receivables or assets held to maturity. Interest on the impaired asset continues to be recognized. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.
Provisions for estimated losses on receivables from the trade receivable portfolio are recognized in the income statement for the year under "Selling expenses" as an Estimated Provision for Doubtful Accounts (PECLD) in each year of recoverable amount valuation, in accordance with IAS 39/CPC 38 - “Financial Instruments: Recognition and Measurement.”

(ii) Non-financial assets

The carrying amounts of the non-financial assets of the Company, except for inventories, investment properties and deferred income tax and social contribution assets, are reviewed at each reporting date for indication of impairment. If such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets with an undefined useful life, the recoverable value is estimated on an annual basis.

The recoverable value of an asset or cash-generating unit is the greater of its value in use and its fair value less selling expenses. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market conditions as to the recoverability period of capital and the risks specific to the asset or CGU (Cash Generating Unit). For the purpose of impairment testing, the assets that cannot be individually tested are grouped together into the smallest group of assets that generates cash inflows that are largely independent of the cash flows of other assets or cash generating units.

The Company's corporate assets do not generate separate cash inflows. If there is indication that a corporate asset is impaired, the recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs in a reasonable and consistent manner.

An impairment loss is recognized when the carrying amount of an asset or its CGU exceeds its recoverable value. Impairment losses are recorded in the income (loss) for the year. Impairment losses recognized for CGUs are initially allocated to reduce the carrying amount of any goodwill attributed to the CGUs and then, if there was a remaining loss, to reduce the carrying amount of the other assets within the CGU or group of CGUS on a pro-rata basis.

Except for goodwill, for financial statements date we evaluate impaired assets that have been recognized in prior years to seek indications that impairment has increased, decreased or no longer exists. A loss of value is reversed if there has been a change in estimates used to determine the recoverable value. An impairment loss is reversed only with the condition that the book value of the asset does not exceed the book value that would have been calculated, net of depreciation or amortization, if the value loss had not been recognized.

j. Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (pension fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as employee benefit expenses in income (loss) for the year in periods the services are rendered by the employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. The contributions to a defined contribution plan whose expected maturity is 12 months from the end of the year in which the employee renders the service are discounted to their present values.

(ii) Short-term employee benefits

Obligations for short-term employee benefits are measured on a non-discounted basis and incurred as expenses as the related service is rendered.

The liability is recognized at the amount expected to be paid under the short term cash bonus or profit sharing plans if the Company has a legal or constructive obligation to pay this amount as a result of prior service rendered by the employee, and the obligation can be reliably estimated.

(iii) Post-employment benefits

Post-employment benefits granted and to be granted to employees, retirees and pensioners are assessed each year through an actuarial calculation performed by an independent actuary. The results are analyzed and provisions are recorded in the event the results are material. The assumptions used in the actuarial calculation and other information on these benefits are presented in note 33.

(iv) Other long-term benefits to employees

The Company grants a long-term bonus to its executives. This benefit is granted every three years and its payment is linked to the achievement of an EBITDA continuity target (net income without the effects of income tax and social contribution, finance costs and depreciation and amortization charges). A provision is recorded for this amount on the accrual basis, as presented in note 24.

k. Provisions

A provision is set up when the Company has a legal or constructive obligation as a result of a past event, which can be reliably estimated, and it is probable that an outflow of funds will be required to settle the obligation. Provisions are calculated by discounting the expected future cash flows at a pre-tax rate which reflects the current market evaluations as to the value of the cash over time and the specific risks of the liability. The effects of discounting to present value are recognized in net income as expense.

l. Leases

(i) Leased assets

Assets maintained as lease by the Company and that substantially transfer to the Company all ownership risks and benefits are classified as financial lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognized in the Group's balance sheet.

(ii) Lease payments

The payments made under operating leases are recognized in the income statement on the straight-line basis, in accordance with the effective term of the lease. Lease incentives received, when applicable, are recognized as an integral part of the total lease expenses over the effective term of the lease.

(iii) Determining whether an agreement contains a lease

At the inception of an agreement, the Company defines whether the agreement is for or contains a lease. A specified asset is a leased item if meeting the agreement depends on the use of said specified asset. The agreement transfers the asset use right if the agreement transfers to the Company the right to control the use of the underlying asset.

At the inception of an agreement or at the time of a possible revaluation thereof, the Company separates payments and other considerations required by said agreement between those for leasing and those for other components, taking as a basis their relative fair values. Should the Company conclude that, for a given financial lease, a reliable separation of the payments is impracticable, one asset and one liability are recognized for an amount equal to the fair value of the underlying asset. Subsequently, the minimum lease payments made under financial leases are apportioned between financial expense (based on the Company's incremental interest rate) and reduction of the outstanding liability.

m. Capital

Common and preferred shares are classified as shareholders' equity.

The minimum mandatory dividends, as established in the By-laws, are recognized as liabilities. Additional dividends proposed should be approved by the Board of Directors of the Company and recognized in the Shareholders' equity under this caption.

n. Determination of net income

a. Operating income

(i) Sugar and ethanol sales

Income from sale of sugar and ethanol in the normal course of business is measured at the fair value of the consideration received or receivable, net of returns, commercial discounts and bonuses. Operating income is recognized when: (i) risks and benefits more significant related to ownership of the goods have been transferred to the purchaser; (ii) it is probable that the financial economic benefits will flow to the Company; (iii) costs and potential return of goods can be reliably estimated; (iv) there is no continuous involvement with goods sold; and (v) the amount of operating income can be reliably measured. In the event it is probable that discounts will be granted and their amounts can be reliably measured, the discounts are recognized as to deduction from operating income as the related sales are recognized.

b. *Financial income and expenses*

Financial income substantially comprise income from interest-earning investments, exchange rate gains and positive changes in the fair value of financial instruments used to hedge currency and interest rate risks, as well as gains on the settlement of these instruments. Interest income is recognized in profit or loss using the effective interest method.

Financial expenses substantially comprise interest expenses on borrowings and negative changes in the fair value of financial instruments used to hedge currency and interest risks, as well as losses on the settlement of these instruments. Borrowing costs which are not directly attributable to the acquisition, construction, or production of a qualifying asset are accounted for in profit or loss using the effective interest rate method.

c. *Income and social contribution taxes*

The income and social contribution taxes, both current and deferred, are calculated based on the rates of 15% plus a surcharge of 10% on taxable income in excess of R$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carryforward and negative basis of social contribution, limited to 30% of the annual taxable income.

The income and social contribution tax expense comprises current and deferred taxes on income. Current taxes and deferred taxes are recognized in profit or loss unless they are related to the business combination, or items directly recognized in shareholders' equity or other comprehensive income.

(i) Current tax

Current taxes are the taxes payable or receivable on the taxable income or loss for the year, at tax rates enacted or substantively enacted on the reporting date, and any adjustments to taxes payable in relation to prior years. Current taxes also include any tax payable arising from the declaration of dividends.

(ii) Deferred tax

Deferred taxes are recognized in relation to the temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the related amounts used for taxation purposes. Deferred taxes are measured at tax rates expected to be applied to temporary differences when they are reversed, based on laws enacted or substantively decreed up to the reporting date of the financial statements.

Deferred income and social contribution tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, whether they are related to taxes levied by the same tax authority and on the same taxable entity, or on different taxable entities, but there is an intention to settle current tax assets and liabilities on a net basis or tax assets and liabilities will be realized simultaneously.

A deferred income and social contribution tax asset is recognized in relation to unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable income will be available and against they will be used.

Deferred income and social contribution tax assets are reviewed at each reporting date and reduced to the extent their realization is no longer probable.

(iii) Tax exposures

When determining current and deferred income tax, the Company takes into consideration the impact of uncertainties related to tax positions taken and whether additional taxes and interest may be due. The Company believes that the provision for income tax recorded in liabilities is adequate for all outstanding tax years, based on its evaluation of several factors, including interpretations of tax laws and past experience. This evaluation is based on estimates and assumptions and may involve several judgments on future events. New information may be provided, making the Company change its judgment on the existing provision adequacy; such changes of provision will impact income tax expenses for the year in which they are made.

o. Segment information

IFRS 8 and CPC 22 - Segment Reporting require that segments be reported in a manner which is consistent with the managerial reports provided and reviewed by the chief operating decision-maker, the CEO, for purposes of assessing the performance of each segment and the allocation of resources.

Although the Company operates in different areas within the sugar and alcohol sector, Management considers it to have two operating segments: Sugar/Ethanol and Services. See Note 5.

p. Net earnings per share

The basic earnings per share are calculated based on the income for the year attributable to the Company's controlling and non-controlling shareholders and the weighted average of outstanding common shares in the respective year. The diluted earnings per share are calculated based on the mentioned average of outstanding shares, adjusted by instruments that can potentially be converted into shares, with a dilution effect, in the years presented, pursuant to CPC 41 and IAS 33.

q. Statements of added value

The Company prepared individual and consolidated statements of added value in accordance with the rules of technical pronouncement CPC 09 - Statement of Added Value, which are presented as an integral part of the financial statements under BRGAAP applicable to publicly-held companies, whereas under IFRS they represent additional financial information.

r. New standards and interpretations not yet adopted

Several news Standards, amendments to standards and interpretations are effective for the years started after April 1, 2014, and have not been adopted to the preparation of these consolidated financial statements. Those that may be relevant to the Group are listed below. The Group does not plan to adopt this standard in advance.

IFRS 9 Financial Instruments (2010), IFRS 9 Financial Instruments (2009)

IFRS 9, published in July 2014, replaces guidelines of IAS 39 Financial Instruments: Recognition and Measurement (Financial Instruments: Recognition and Measurement). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the hedge accounting requirements. This rule maintains existing guidelines on financial instruments' recognition and derecognition provided for in IAS 39.

IFRS 9 is effective for periods beginning on or after January 1, 2018, with early adoption allowed.

IFRS 15 - Income from Contracts with Clients

The IFRS 15 requires an entity to recognize the amount of income reflecting the consideration that it expects to receive in exchange for control of these goods or services. The new standard will replace most of the detailed guidance on income recognition that currently exists in IFRS and GAAP when the new standard is adopted. The new standard is applicable beginning on or after January 1, 2017, with early adoption permitted by the IFRS. The standard may be adopted retrospectively, adopting a cumulative effects approach. The Company is evaluating the effects IFRS 15 will have on its financial statements and disclosures. The Company has not yet chosen the transition method to the new standard or determined the effects of the new standard in today's financial reports.

5 Operating segments

The results reported to the CEO, chief operating decision maker of the Company are presented by segments: Sugar/Ethanol and Services.

Below we describe the Company's operating segments:

- **Sugar/Ethanol** - purchase and sale of raw sugar and white sugar in the domestic and international markets; purchase and sale of hydrated ethanol in the domestic and international markets; and purchase and sale of biofuels in North America.
- **Services** - comprises the results from the provision of logistics services and loading of sugar and ethanol.

The selected information on results by segment, measured based on the same accounting policies used in the preparation of the consolidated financial statements, are as follows:

	2015			2014		
	Sugar/Ethanol	**Services**	**Total**	**Sugar/Ethanol**	**Services**	**Total**
Net income (a)	21,248,043	111,425	21,359,468	22,983,394	100,771	23,084,165
Cost of sales	(20,451,930)	(831)	(20,452,761)	(22,111,706)	(45,063)	(22,156,769)
Gross margin	796,113	110,594	906,707	871,688	55,708	927,396

(a) The amounts shown as net income as of March 31, 2015 ad 2014 include the Income from unrealized derivative financial instruments, separately disclosed in the statements of income.

The other income statement items, as well as the information on assets and liabilities, are not included in the information by segment, since it is possible to use the gross profit margin to assess the segments' performance.

Net operating income by geographic area is as follows:

Region/Country	**2015**	**2014**
South Africa	6,222	11,969
Germany	3,687	360
Saudi Arabia	271,638	817,515
Algeria	-	252,592
Austria	-	4,715
Australia	-	1,134
Bangladesh	51,511	55,567

Region/Country	**2015**	**2014**
Belgium	-	13,866
Brazil	5,722,251	5,229,008
Canada	853,982	1,418,057
China	66,648	109,647
Hong Kong		48,369
Singapore	157,874	505,135
Colombia	10,108	31,253
South Korea	53,641	41,569
Denmark	-	32,161
Egypt	51,628	239,920
United Arab Emirates	870,392	1,132,082
Spain	-	2,165
United States	9,742,202	9,598,054
Philippines	15,906	-
Finland	-	35,921
France	-	24,165
Great Britain	634,813	1,010,178
Holland	-	23,392
Seychelles Islands	587,207	417,752
British Virgin Islands.	4,120	-
Indonesia	-	95,182
Japan	-	20,227
Malaysia	228,984	126,268
Mauritania	-	20,015
Mexico	-	59
Netherlands	21,398	2,183
Peru	-	5,220
Sweden	1,776	35,944
Switzerland	1,486,456	1,406,713
Uruguay	143,358	384,958
Total	20,985,802	23,153,315

6 Cash and cash equivalents

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Cash	59	37	26	29
Demand deposits	558,025	285,016	12,584	47,143
Interest earning bank deposits	493,170	319,293	480,774	251,270
Total	1,051,254	604,346	493,384	298,442

Demand deposits correspond to the balances in current bank accounts.

The balances of interest earning bank deposits are represented by fixed-income securities, which substantially yield of 100.36% of the variation of CDI-CETIP - Certificate of Interbank Deposit, have daily liquidity and can be redeemed immediately, without a fine or loss of yield.

For more information on the Company's exposure to interest, foreign currency and liquidity risks, see Note 22.

7 Accounts receivable

	Note	Consolidated		Parent company	
		2015	**2014**	**2015**	**2014**
Domestic clients		414,444	272,597	418,206	271,776
Foreign clients		405,852	846,938	1,009	2,327
Related parties	24	1,629	43,491	397,155	127,340
Total		821,925	1,163,026	816,370	401,443

The Company's exposure to credit risks, as well as balances average age, currency risk and impairment losses related to accounts receivable are disclosed in note 22.

Accounts receivable are classified as receivables stated at amortized cost. The Company assessed the adjustment to present value, with the CDI - Certificate of Interbank Deposit market rate, balance of its accounts receivable as of March 31, 2015 and 2014, and concluded that the amounts substantially match the carrying amounts presented on the balance sheet, considering that most of accounts receivable are issued with maturities of 20 days on average.

8 Inventories

	Consolidated		Parent company	
	2015	2014	2015	2014
Sugar	1,431,904	878,123	508,797	435,704
Ethanol	1,106,719	770,101	731,537	277,480
Gasoline	12,953	44,870		-
RIN / LCFS	2,358	17,997		-
Stocks, packaging, and other	3,358	8,754	1,965	7,042
Total	2,557,292	1,719,845	1,242,299	720,226

The inventories of tradable products - sugar, ethanol, gasoline (and gasoline by-products), RINs and LCFS (Renewable Identification Numbers) are valued at fair value based on quoted market prices (mark to market) less costs to sell. On a monthly basis, the acquisition cost, without including freight and storage expenses and recoverable taxes, is compared with the equivalent quoted market price as of the reporting date. Reference prices are available to the public and obtained from active markets, as follows:

- Prices of raw sugar contracts negotiated on the Intercontinental Exchange (ICE) (sugar contract *#11*) / NYBOT;
- Prices of domestic sugar contracts disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);
- Prices of anhydrous and hydrated ethanol disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);
- Prices of anhydrous ethanol over-the-counter contracts, based on *Ethanol (Platts) T2 FOB Rotterdam*, disclosed by CME Group;
- Prices of anhydrous ethanol over-the-counter contracts, based on *Chicago Ethanol (Platts) Swap Futures*, disclosed by CME Group.
- Prices of Renewable Identification Numbers (RINs)/ Low Carbon Fuel Standards (LCFs), with different expiry dates, as published by the Oil Price Information Service (OPIS)/ Heating Oil Bio Reference.
- Prices of gasoline and its by-products (C5, CBOB, Agreement 93 and NC4), as published by the Oil Price Information Service (OPIS) (C5 and NC4) and by Platts - CME Group (CBOB and Agreement 93).

The adjustment amount is accounted for under "Selling costs" on the income statement for the year.

The reference prices used to determine the fair value of inventories each year are as follows:

Commodity	Market index	Unit	2015	2014
Raw sugar	Sugar #11 (ICE/NYBOT)	¢lb	17.76	19.40
White sugar	Crystal Sugar (CEPEA/ESALQ)	R$/ton	1,026.40	1,003.67
Anhydrous ethanol	Anhydrous ethanol (CEPEA/ESALQ)	R$/m3	1,420.40	1,610.20
Hydrous ethanol	Hydrous ethanol (CEPEA/ESALQ)	R$/m3	1,261.30	1,419.50
Anhydrous ethanol (Europe)	Ethanol (Platts) T2 FOB Rotterdam (CME Group)	EUR/m3	499.00	525.00
Anhydrous ethanol (USA)	Ethanol (Platts) Chicago Platts (CME Group)	USD/GL	1.63	3.16
Gasoline	OPIS/ Platts	USD/GL	1.60	2.78
RIN	OPIS / Heating Oil Reference	US$/unit	0.68	0.59
LCFS	OPIS / Heating Oil Reference	US$/unit	-	25.00

9 Recoverable taxes and contributions

	Consolidated		Parent company	
	2015	2014	2015	2014
ICMS	98,041	88,182	97,951	88,055
IPI	-	9,265	-	9,265
PIS	21,899	9,613	18,992	8,296
COFINS	87,437	38,266	87,359	38,204
IRPJ	92,209	78,280	87,071	74,026
CSLL	17,264	14,382	15,531	12,986
Total current	316,850	237,988	306,904	230,832
ICMS	61,108	-	61,108	-
IPI	9,265	-	9,265	-
Total non-current	70,373	-	70,373	-

10 Advances to suppliers

	Note	Consolidated		Parent company	
		2015	2014	2015	2014
Related parties	24	1,485,073	493,796	2	15
Suppliers - Plants		280,016	296,479	15,000	21,661
		1,765,089	790,275	15,002	21,676

Correspond to advances made during the year, especially, for the future delivery of sugar regarding the 2015/2016 crops.

11 Stock Exchange transactions

Refer to the balances receivable and payable of deposited amounts related to the margin and premiums paid or received in transactions with derivatives not settled on the Stock Exchange.

12 Deferred tax assets and liabilities

Deferred tax assets and liabilities were allocated as follows:

- **Consolidated**

	Assets		Liabilities		Net	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Intangible assets	14,974	14,974	-	-	14,974	14,974
Deferred foreign exchange variation	8,379	(1,724)	-	-	8,379	(1,724)
Provisions	16,369	19,722	2,378	2,724	18,747	22,446
Depreciation	-	-	(8,798)	(13,910)	(8,798)	(13,910)
Tax loss carryforwards	206,959	111,811	(8,170)	(10,474)	198,789	101,337
Fair value of inventories	(3,735)	(12,058)	-	(14,436)	(3,735)	(26,494)
Derivatives	-	-	(10,394)	-	(10,394)	-
Deemed cost	-	-	(7,247)	(7,259)	(7,247)	(7,259)
Investment hedge abroad	88,586	-	-	-	88,586	-
Other	5	43	(3,715)	(550)	(3,710)	(507)
Total	331,537	132,768	(35,946)	(43,905)	295,591	88,863

- **Parent company**

	Assets		Liabilities		Net	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Intangible assets	14,974	14,974	-	-	14,974	14,974
Deferred foreign exchange variation	8,655	(1,724)	-	-	8,655	(1,724)
Provisions	11,068	14,422	-	-	11,068	14,422
Tax loss carryforwards	194,009	99,190	(8,170)	(10,474)	185,839	88,716
Fair value of inventories	(3,735)	(12,058)	-	-	(3,735)	(12,058)
Derivatives	-	-	(10,394)	-	(10,394)	-
Deemed cost	-	-	-	(407)	-	(407)
Investment hedge abroad	88,586	-	-	-	88,586	-
Total	313,557	114,804	(18,564)	(10,881)	294,993	103,923

Change in temporary differences during the year:

- **Consolidated**

	Balance at 2013	**Recognized in income**	**Balance at 2014**	**Recognized in income (loss)**	**Recognized in other comprehensive income**	**Balance at 2015**
Intangible assets	15,070	(96)	14,974	-	-	14,974
Deferred foreign exchange variation	1,424	(3,148)	(1,724)	10,103	-	8,379
Provisions	24,502	(2,056)	22,446	(3,699)	-	18,747
Depreciation	(11,457)	(2,453)	(13,910)	5,112	-	(8,798)
Tax loss carryforwards	93,420	7,917	101,337	97,452	-	198,789
Fair value of inventories	13,555	(40,049)	(26,494)	22,759	-	(3,735)
Derivatives	-	-	-	(10,394)	-	(10,394)
Deemed cost	(20,665)	13,407	(7,258)	11	-	(7,247)
Investment hedge abroad.	-	-	-	-	88,586	88,586
Other	(216)	(292)	(508)	(3,202)	-	(3,710)
Total	**115,633**	**(26,770)**	**88,863**	**118,142**	**88,586**	**295,591**

- **Parent company**

	Balance at 2013	Recognized in income	Balance at 2014	Recognized in income (loss)	Recognized in other comprehensive income	Balance at 2015
Intangible assets	14,974	-	14,974	-	-	14,974
Deferred foreign exchange variation	1,424	(3,148)	(1,724)	10,379	-	8,655
Provisions	19,464	(5,042)	14,422	(3,354)	-	11,068
Tax loss carryforwards	93,311	(4,595)	88,716	97,123	-	185,839
Fair value of inventories	13,555	(25,613)	(12,058)	8,323	-	(3,735)
Derivatives	-	-	-	(10,394)	-	(10,394)
Deemed cost	(291)	(116)	(407)	407	-	-
Investment hedge abroad	-	-	-	-	88,586	88,586
Other	(1)	1	-	-	-	-
Total	**142,436**	**(38,513)**	**103,923**	**102,484**	**88,586**	**294,993**

Deferred tax assets were recognized, since Management analyzed its estimates of future earnings and considered it probable that future taxable earnings against which these expenses can be charged will be available.

13 Investments

As of March 31, 2015, Company recorded a gain of R$ 71,280 (gain of R$ 157,550 - March 31, 2014) arising from equity in the earnings of its associates, subsidiaries and joint ventures in the parent company financial statements.

The chart above presents a summary of the equity income of subsidiaries, associates and joint ventures.

	Interest %	Number of shares	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Shareholders' equity	Income	Other income (losses)	Income or loss	Equity in net income of subsidiaries	
													Parent company	**Consolidated**
March 31, 2015														
Companhia Auxiliar de Armazéns Gerais **(a)**	99.99995	2,019,842	64,936	324,646	389,582	104,194	173,689	277,883	111,699	99,148	(87,389)	11,759	11,759	-
Copersucar Armazéns Gerais **(a)**	99.99997	3,512,925	7,226	7,721	14,947	1,696	250	1,946	13,001	12,310	(13,466)	(1,156)	(1,156)	-
Sugar Express Transportes S.A. **(a)**	99.99000	49,995	6,951	2,278	9,229	993	10,208	11,201	(1,972)	10,514	(9,044)	1,470	1,470	-
Copersucar International N.V. **(a)**	100.00000	24,253,702	-	838,665	838,665	-	-	-	838,665	42,285	-	42,285	42,285	-
Copersucar North America LLC (a)	100.00000	100	889,577	445,675	1,335,252	505,698	531,191	1,036,889	298,363	9,872,672	(9,874,347)	(1,675)	(1,675)	-
CTC-Centro de Tecnologia Canavieira S.A**. (c)**	18.51160	132,938	173,865	284,857	458,722	36,652	89,750	126,402	332,320	132,723	(121,054)	11,669	2,670	2,670
Uniduto Logística S.A. **(c)**	39.0737	91,784,883	1,104	62,473	63,577	9	-	9	63,568	30	(368)	(338)	(132)	(132)
Logum Logística S.A. **(b)**	20.00000	281,560,777	164,266	1,885,614	2,049,880	1,728,055	-	1,728,055	321,825	135,981	(281,247)	(145,266)	(29,053)	(29,053)
Alvean Sugar Intermediação e Agenciamento Ltda. (b)	50.00000	100,000	1,297	500	1,797	1,345	-	1,345	452	5,775	(5,423)	352	176	176
Alvean Sugar, S.L. (b)	50.00000	764,020	2,990,555	42,532	3,033,087	1,632,080	34,248	1,666,328	1,366,759	2,986,002	(2,896,124)	89,878	44,936	44,939
Copa Shipping (b)	50.00000	25,000	14,259	71	14,330	9,552	565	10,117	4,214	275,619	(268,263)	7,356	-	3,676
													71,280	22,276
March 31, 2014														
Companhia Auxiliar de Armazéns Gerais **(a)**	99.99995	2,019,842	121,901	253,147	375,048	110,281	161,947	272,228	102,820	82,380	(61,829)	20,551	20,551	-
Copersucar Armazéns Gerais S.A**.)**	99.99997	3,512,925	5,168	9,834	15,002	767	78	845	14,157	11,186	(9,980)	1,206	1,206	-
Sugar Express Transportes S.A. **(a)**	99.99000	49,995	17,765	2,282	20,047	1,964	21,524	23,488	(3,441)	39,952	(44,154)	(4,202)	(4,202)	-
Copersucar International N.V. **(a)**	100.00000	24,253,702	-	796,381	796,381	-	-	-	796,381	80,143	-	80,143	80,143	-
Copersucar North América LLC (a)	100.00000	100	1,146,500	251,916	1,398,416	775,248	343,107	1,118,355	280,061	9,512,345	(9,427,618)	84,727	84,727	-
CTC-Centro de Tecnologia Canavieira S.A**. (c)**	20.54000	130,292	93,168	178,093	271,261	45,450	71,936	117,386	153,875	96,329	(97,239)	(910)	(1,300)	(1,300)
Uniduto Logística S.A. **(c)**	39.07000	52,962,525	1,123	42,527	43,650	9	-	9	43,641	42	(422)	(380)	(146)	(146)
Logum Logística S.A. **(b)**	20.00000	141,260,632	154,886	1,597,125	1,752,011	1,504,533	-	1,504,533	247,478	69,759	(186,908)	(117,149)	(23,429)	(23,429)
Copa Shipping (b)	50.00000	25,000	5,146	81	5,227	2,024	266	2,290	2,937	313,133	(290,291)	22,842	-	11,419
													157,550	(13,456)

(a) Subsidiary

(b) Joint control

(c) Associate

The table below presents the breakdown of investments:

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Copersucar Armazéns Gerais S.A.	-	-	13,001	14,157
Companhia Auxiliar de Armazéns Gerais	-	-	111,699	102,820
Logum Logistica S.A.	64,365	49,496	64,365	49,496
Uniduto Logistica S.A.	30,242	21,580	30,242	21,580
Centro de Tecnologia Canavieira S.A.	63,141	33,227	63,141	33,227
Copa Shipping Company Limited	2,107	2,983	-	-
Copersucar North América LLC	-	-	139,671	103,951
Copersucar International N.V.	-	-	838,665	796,381
Alvean Sugar Intermediação e Agenciamento Ltda.	226	-	226	-
Alvean Sugar, S.L.	683,380	-	683,380	-
	843,461	**107,286**	**1,944,390**	**1,121,612**
Other unconsolidated investments - valued at fair value:				
Other investments	856	643	133	133
	856	**643**	**133**	**133**
Total investments	**844,317**	**107,929**	**1,944,523**	**1,121,745**
Subsidiary's unsecured liability				
Sugar Express Transporte S.A.	**-**	**-**	**(1,972)**	**(3,441)**

Centro de Tecnologia Canavieira S.A., in an extraordinary shareholders' meeting held on July 10, 2014, decided and approved capital increase of R$165,002 through issuance of 83,741 new common shares. The share of Copersucar S.A. went from 20.54% on March 31, 2014 to 18.51% as of September 30, 2014, generating gains of R$22,030 recorded up to October 2014 under caption "other income".

14 Investment property

Parent company	**Land**	**Constructions and improvements**	**Fixed assets under construction**	**Total**
Cost				
Balance at 2014	5,433	17,739	26	23,198
Transfers	10,094	39,688		49,782
Balance at 2015	**15,527**	**57,427**	**26**	**72,980**
Depreciation				
Balance at 2014	-	(1,626)	-	(1,626)
Depreciation for the year	-	(1,058)	-	(1,058)
Balance at 2015	**-**	**(2,684)**	**-**	**(2,684)**
Net book value				
In 2014	**5,433**	**16,113**	**26**	**21,572**
In 2015	**15,527**	**54,743**	**26**	**70,296**

The parent company Copersucar S.A. has a warehouse and a tanking park which are held as investment properties through a lease to the related party Copersucar Armazéns Gerais. These leases' periods vary from two to five years, respectively. Subsequent refurbishments may occur if agreed upon between the parties. No contingent rent is charged.

The fair value of this asset does not differ from the cost of acquisition.

15 Property, plant and equipment

Consolidated	**Land**	**Constructions and improvements**	**Machinery and equipment**	**Data processing equipment**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Fixed assets under construction**	**Total**
Cost									
Balance at 2014	24,071	28,610	165,791	2,344	3,706	7,582	160,268	169,245	561,617
Additions	16	37	26,517	87	1,463	5,949	2,547	151,859	188,475
Foreign exchange variation	3,522	5,588	29,693	-	658	3,717	4,775	7,082	55,035
Disposals	-	(4)	(1,479)	(36)	(74)	(668)	(3,827)	-	(6,088)
Transfers	(255)	44,678	85,862	145	183	39	15,911	(151,218)	(4,655)
Balance at 2015	27,354	78,909	306,384	2,540	5,936	16,619	179,674	176,968	794,384
Depreciation									
Balance at 2014	-	(2,417)	(60,227)	(1,524)	(1,477)	(1,579)	(29,021)	-	(96,245)
Depreciation for the year	-	(2,209)	(10,991)	(168)	(633)	(1,636)	(4,771)	-	(20,408)
Foreign exchange variation	-	(636)	(4,417)		(310)	(860)	(485)	-	(6,708)
Disposals			421	24	20	203	925	-	1,593
Balance at 2015	-	(5,262)	(75,214)	(1,668)	(2,400)	(3,872)	(33,352)	-	(121,768)
Net book value									
In 2014	24,071	26,193	105,564	820	2,229	6,003	131,247	169,245	465,372
In 2015	**27,354**	**73,647**	**231,170**	**872**	**3,536**	**12,747**	**146,322**	**176,968**	**672,616**

Parent company	**Land**	**Machinery and equipment**	**Data processing equipment**	**Furniture and fixtures**	**Vehicles**	**Fixed assets under construction**	**Total**
Cost							
Balance at 2014	10,094	6,514	2,044	2,527	1,892	101,608	124,679
Additions	-	-	64	39	732	26,504	27,339
Disposals			(16)	(37)	(577)		(630)
Transfers	(10,094)	66,043	145	201	39	(110,726)	(54,392)
Balance at 2015	-	72,557	2,237	2,730	2,086	17,386	96,996
Depreciation							
Balance at 2014	-	(1,576)	(1,379)	(946)	(341)	-	(4,242)
						-	
Depreciation for the year	-	(2,050)	(134)	(178)	(182)	-	(2,544)
Disposals	-		12	14	170		196
Balance at 2015	-	(3,626)	(1,501)	(1,110)	(353)	-	(6,590)
Net book value							
In 2014	**10,094**	**4,938**	**665**	**1,581**	**1,551**	**101,608**	**120,437**
In 2015	**-**	**68,931**	**736**	**1,620**	**1,733**	**17,386**	**90,406**

Fixed assets under construction

The Company has a property in the city of Paulínia (State of São Paulo), where construction works were carried out for ethanol storage and distribution facilities. The construction works of storage and distribution facilities were completed and transferred to Property, plant and equipment and Investment Property as of September 30, 2014.

Through its subsidiary, Cia. Auxiliar de Armazéns Gerais, the Company has carried out a refurbishment project at the Copersucar Sugar Terminal (TAC) located at the Port of Santos, State of São Paulo, affected by a fire in October 2013.

The Company assessed the capitalizable costs of loans and did not make any adjustments, since the balances calculated were reviewed and deemed immaterial.

16 Intangible assets

Consolidated	Software	Brands	Goodwill	Relationship with clients and other parties	Total
Cost					
Balance at 2014	34,672	5,116	120,066	38,373	198,227
Foreign exchange variation	1,124	1,657	53,497	12,339	68,617
Additions	1,370	-	10,747	-	12,117
Write-offs	(74)	-	-	-	(74)
Transfers	4,656	-	-	-	4,656
Balance at 2015	41,748	6,773	184,310	50,712	283,543
Amortizations					
Balance at 2014	(10,596)	(641)	-	(5,634)	(16,871)
Amortization for the year	(8,470)	(551)	-	(4,589)	(13,610)
Write-offs	39		-	-	39
Balance at 2015	(19,027)	(1,192)	-	(10,223)	(30,442)
Net book value					
In 2014	24,076	4,475	120,066	32,739	181,356
In 2015	22,721	5,581	184,310	40,489	253,101

Parent company	Software	Brands	Total
Cost			
Balance at 2014	26,593	137	26,730
Additions	14		14
Transfers	4,611		4,611
Balance at 2015	31,218	137	31,355
Balance at 2014	(7,244)	-	(7,244)
Amortization for the year	(5,410)	-	(5,410)
Balance at 2015	(12,654)	-	(12,654)
Net book value			
In 2014	19,349	137	19,486
In 2015	18,564	137	18,701

17 Suppliers

	Note	Consolidated		Parent company	
		2015	**2014**	**2015**	**2014**
Suppliers		623,828	979,333	65,685	108,755
Related parties	24	2,081,170	1,061,375	2,131,228	1,111,452
Total		2,704,998	2,040,708	2,196,913	1,220,207

The balances of trade payables and related parties correspond to the item “Payables for ethanol and sugar purchases".

The exposure of the Company to liquidity risks related to accounts payable to suppliers and other accounts payable, is disclosed in Note 22.

18 Loans and financing

This note provides information on contract terms of loans bearing interest, which are measured at the amortized cost. For more information on the Company's exposure to interest, foreign currency and liquidity risks, see note 22.

							Consolidated		Parent company	
Description	**Purpose**	**Guarantee**	**Currency**	**Index**	**Average annual interest rate**	**Year of maturity**	**2015**	**2014**	**2015**	**2014**
Export credit note	Working capital	Guarantee of Cooperative	US$	Prefixed rate	3.54%	2015	63,882	138,097	63,882	138,097
Export pre-payment	Working capital	Aval da Cooperativa/Copersucar S.A.	US$	Prefixed rate	4.19%	2015 a 2017	486,322	571,056	-	-
Direct External Borrowing	Working capital	Guarantee of Cooperative	US$	Prefixed rate	1.7%	2015 a 2016	1,047,561	453,823	1,047,561	453,823
Working capital	Working capital	Aval da Cooperativa/Copersucar S.A.	US$	Prefixed rate	2.63%	2015 to 2020	952,777	579,198	-	-
Export credit note	Working capital	Guarantee of Cooperative	R$	CDI-CETIP	14.04%	From 2018 to 2022	907,861	549,134	907,861	549,134
Brazilian Real Note	Working capital	Guarantee of Cooperative	R$	CDI-CETIP	10.04%	2016	217,175	217,092	217,175	217,092
Certificate of Receivables from Agribusiness	Working capital	Guarantee of Cooperative	R$	CDI-CETIP	12.75%	2018	300,888	-	300,888	-
BNDES-PROCER	Working capital	Commercial pledge	R$	Prefixed rate	7.70%	2014	-	121,325	-	121,325
BNDES-FINAME	Assets Property, plant and equipment	Collateral	R$	Prefixed rate	2.50%	2021	54,271	106,573	54,271	64,180
BNDES-FINAME	Assets Property, plant and equipment	Guarantee of the Cooperative with fiduciary assignment	R$	TJLP	2.34%	2016 a 2022	27,546	2,987	-	-
BNDES-FINEM	Assets Property, plant and equipment	Guarantee from Copersucar S.A. with statutory lien	R$	TJLP	2.34%	2020 to 2022	426,950	22,219	389,277	-
Total loans and financing							4,485,233	2,761,504	2,980,915	1,543,651
Current liabilities							2,053,863	990,349	1,558,225	477,174
Non-current liabilities							2,431,370	1,771,155	1,422,690	1,066,477

Terms and schedule of debt amortization

Terms and conditions of outstanding loans are as follows:

Consolidated

					2015		2014	
	Currency	Index	Average annual interest rate	Year of maturity	Book value	Fair value	Book value	Fair value
Export credit note	US$	Prefixed rate	3.54%	2015	63,882	64,550	138,097	149,835
Export pre-payment	US$	Prefixed rate	4.19%	2015 a 2017	486,322	692,059	571,056	619,596
Direct External Borrowing	US$	Prefixed rate	1.70%	2015 a 2016	1,047,561	1,141,870	453,823	453,186
Working capital	US$	Prefixed rate	2.63%	2015 to 2020	952,777	987,963	579,198	628,430
Export credit note	R$	CDI-CETIP	14.04%	From 2018 to 2022	907,861	996,269	549,134	549,134
Brazilian Real Note	R$	CDI-CETIP	10.04%	2016	217,175	183,839	217,092	235,545
Certificate of Receivables from Agribusiness	R$	CDI-CETIP	12.75%	2018	300,888	300,708	-	-
BNDES - PROCER	R$	Prefixed rate	7.70%	2014	-	-	121,325	121,325
BNDES - FINAME	R$	Prefixed rate	2.50%	2021	54,271	54,271	106,573	106,573
BNDES - FINAME	R$	TJLP	2.34%	2016 a 2022	27,546	27,546	2,987	2,987
BNDES - FINEM	R$	TJLP	2.34%	2020 to 2022	426,950	426,950	22,219	22,218
					4,485,233	4,876,025	2,761,504	2,888,829

Of the amount presented above, R$ 4,022,129 thousand is guaranteed by the related party - Cooperative (refer to Note 24).

Parent company

					2015		2014	
	Currency	Index	Average annual interest rate	Year of maturity	Book value	Fair value	Book value	Fair value
Export credit note	US$	Prefixed rate	3.54%	2015	63,882	64,550	138,097	149,835
Direct External Borrowing	US$	Prefixed rate	1.70%	2015 a 2016	1,047,561	1,141,870	453,823	453,186
Brazilian Real Note	R$	CDI-CETIP	10.04%	2016	217,175	183,839	217,092	235,545
Certificate of Receivables from Agribusiness	R$	CDI-CETIP	12.75%	2018	300,888	300,708	-	-
BNDES - PROCER	R$	Prefixed rate	7.70%	2014	-	-	121,325	121,325
BNDES - FINAME	R$	Prefixed rate	2.50%	2021	54,271	54,271	64,180	64,180
Export credit note	R$	CDI-CETIP	14.04%	From 2018 to 2022	907,861	996,269	549,134	549,134
BNDES - FINEM	R$	TJLP	2.34%	2020 to 2022	389,277	389,277	-	-
					2,980,915	3,130,784	1,543,651	1,573,205

Maturities of the principal and interest of borrowings as of March 31, 2015

	Consolidated	Parent company
Up to 6 months	950,824	616,724
Between 6 months and 1 year	1,103,039	941,501
1-2 years	1,453,810	501,000
2-5 years	406,933	406,933
> 5 years	570,627	514,757
	4,485,233	2,980,915

The Company and its subsidiaries do not have covenants in the borrowing agreements in effect.

19 Taxes and contributions payable

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
ICMS	60,259	34,976	27,243	15,714
PIS	36	13	9	9
COFINS	164	60	38	40
ISS	643	559	96	77
INCOME AND SOCIAL CONTRIBUTION TAXES	9,107	29,327	626	605
Other	1,409	667	119	-
Total Current	71,618	65,602	28,131	16,445
Taxes in installments	448	565	-	-
Total non-current	448	565	-	-
Total	72,066	66,167	28,131	16,445

20 Advances from clients

	Note	Consolidated		Parent company	
		2015	**2014**	**2015**	**2014**
Domestic market clients		7,451	11,284	7,239	11,284
Foreign market clients		1,732	17,630	-	-
Related parties	24	1,220,788	-	-	-
		1,229,971	**28,914**	**7,239**	**11,284**

21 Provision for contingencies

Management, based on information from its legal advisors, analyzed the outstanding legal proceedings, and in respect of tax and labor claims previous experience with regards to amounts claimed, recorded provisions for amounts considered sufficient to cover estimated losses from current lawsuits, as follows:

	Consolidated			Parent company		
	Tax	Labor	Total	Tax	Labor	Total
Balance at 2013	34,283	869	35,152	20,985	-	20,985
Provisions formed during the year	830	-	830	-	-	-
Provisions used during the year	-	(112)	(112)	-	-	-
Balance at 2014	35,113	757	35,870	20,985	-	20,985
Provisions formed during the year	427	603	1,030	-	-	-
Provisions used during the year	-	(326)	(326)	-	-	-
Balance at 2015	35,540	1,034	36,574	20,985	-	20,985

In relation to the contingencies presented above, as of March 31, 2015, there are judicial deposits for the Consolidated and Parent Company totaling R$ 34,655 and R$ 20,985, respectively (R$34,529 and R$ 20,985 as of March 31, 2014).

The Company has filed a lawsuit to exclude ICMS tax from the calculation base for PIS and COFINS, as it considers that this sum (ICMS) is not earnings or invoicing, but rather a state tax, and the Company is merely a paying agent. As a result of a court order, the Company has been paying PIS and COFINS after excluding ICMS tax from the calculation base, and has made court deposits of the difference.

The Company is not a party to other contingencies for which an unfavorable outcome is regarded as possible.

22 Financial instruments

Overview

The Company is subject to a number of risks, such as financial (liquidity, market and credit), legal and operational risks. Based on an in-depth analysis of the risk matrix, the Company selects the risks which are most likely to occur and their financial impact, and monitors them on a periodic basis. The risks treated as priorities are as follows:

- Credit risk;
- Liquidity risk;
- Market risk: commodity prices and exchange rate; and
- Operating risk.

Currently, the risk management policy adopts the following assumptions:

- All the risks classified as "priorities" are identified, reviewed and monitored;
- Capital expenditure limits are approved by the Board of Directors;
- All exposures are reported and measured with the appropriate frequency; and
- The risk management area monitors the exposures, the risks taken against the pre-established limits, notifies the business areas, the Audit and Risk Committee and the Executive Board of any deviations, and provides guidance on how to reduce exposure and request additional limits.

This note presents information on the Company's exposure to each one of the abovementioned risks, the Company's goals, policies and processes for the measurement and management of risk, and the Company's capital management. Additional quantitative disclosures are included throughout these financial statements.

Risk management structure
The Board of Directors has responsibility for the establishment and supervision of the Company's risk management structure. The Board of Directors set up the Audit and Risk Committee, which is responsible, together with the risk management area, for developing and monitoring the Company's risk policies. This Committee regularly reports to the Board of Directors on its activities, whereas the risk management area reports to the CEO.

The risk management policies of the Company are established to identify and analyze the risks the Company faces, to define capital limits, exposures and controls of risks, and to monitor risks and adherence to the pre-established limits. The risk management policies and systems are determined annually and reviewed to reflect changes in the market conditions and in the Company's activities. The Company, through its training and management rules and procedures, aims at developing a disciplined and constructive control environment, i.e., a risk culture where all the employees are aware of their roles and duties.

Audit and Risk Committee
The Company's Audit and Risk Committee is made up of four members appointed by the Board of Directors for three-year terms coinciding with the terms of the Board of Directors itself. Fortnightly, meetings are held with all members of the Supervisory Board and Risk Committee.

The Committee aids Management and plays an important role in Corporate Governance model adopted by the Company. Activities attributions are as follows:

- Evaluate and monitor operating and financial risks existing in the Company's business;
- Follow up, with external auditor, relevant and/or significant matters related to accounting practices adopted by Management on the Company's financial statements;
- Follow up and discuss internal controls, reports, pending items and issues referring to internal and external audit work; and
- Suggest and direct internal audit tasks and functions.

The Company's Audit and Risk Committee supervises how management keeps track of the performance of the risk management policies and procedures, and reviews the adequacy of the risk management structure in relation to the risks faced by the Company. The Committee is assisted in its supervision role by Internal Audit. The Internal Audit department carries out both regular reviews and reviews of controls and risk management procedures, the outcomes of which are reported to the Audit and Risk Committee.

Credit risk

It is the possibility of a financial loss if a client or a counterpart of a financial instrument fails to fulfill its contractual obligations arising mainly from accounts receivable and investments of the Company.

(i) Accounts receivable

The Company and its subsidiaries are subject to credit risk. Management seeks to mitigate credit risk using a strict credit policy, client selection, monitoring of sales financing terms per business segment, and individual credit limits; these procedures are adopted to minimize possible default risks in accounts receivable.

The Company operates in sugar and ethanol segments and provides sugar lifting services in its port terminal. For domestic market clients, average receipt period is 20 days for sugar; while for ethanol sales, 70% of clients pay within 11 days and remaining 30% pay at sight. As regards accounts receivable from foreign market, including Latin America, approximately 80% of clients pay them using *Cash Against Documents*, that is, only after obligations are paid, documents are released to the client for unloading of goods. Clients that do not use this payment type, pay through credit letter with prime banks.

More than 80% of the Company’s clients are client for more than 5 years and present a very low history of losses. When monitoring clients’ credit risk, clients are grouped according to their credit characteristics - including whether they are distributors, industries or refineries - geographical location and history of financial difficulties.

(ii) Guarantees

Guarantees are provided on contracting of bank credit facilities needed to maintain parent company and subsidiaries’ cash balance, however, there are guarantees received and granted to the related party whose details are in Note 24.

(iii) Purchase contracts with non-related suppliers

The Company is subject to default risks on delivery of products included in purchase contracts at fixed price with non-related plants and trading firms (suppliers/ third parties’ origination). To minimize risk of concentration on non-related supplier, current policy determines that individual volume contracted at fixed price should not exceed 20% of total estimated purchase volume for current crop with non-related parties.

Liquidity risk

Liquidity risk is the risk of the Company encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Company's approach in liquidity management is to guarantee that it always has sufficient liquidity to perform its obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with a risk of sullying the Company's reputation.

Market risk

Market risk represents the likelihood of financial losses to which the Company is exposed, resulting from variations on commodities prices, foreign exchange rates and interest rates. The purpose of market risk management is to control and monitor all exposures to these risks so that they remain within acceptable parameters defined by the Board of Directors.

The Company buys and sells derivatives and also complies with financial obligations to manage market risks. All these operations are conducted according to guidelines established by the Supervisory and Risk Board and decided by the Board of Directors.

(i) Commodity price risk

The Company maintains commodity derivatives to minimize income fluctuation caused by recognition of assets and liabilities, and rights and obligations at fair value, evaluated according to commodities' quotation disclosed by ICE, NYBOT, LIFFE intercontinental exchange and CEPEA, ESALQ indices.

Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need. The use of these derivative contracts is monitored and based on risk limits pre-established by the Board of Directors.

The Company does not have sugar and ethanol production plants. Approximately 75% of traded raw material is acquired from partner production units, while other 25% derives from non-partner production units and other trading firms. In accordance with supply contract entered into by Copersucar S.A. and Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo, which are partner parties, negotiation price is formed based on CEPEA/ESALQ index over the year for delivery of goods.

Sugar is traded in domestic and foreign markets and sale price is formed by *Sugar #11/ICE* sugar price of the New York Stock Exchange. This turns such risk into the main portfolio risk factor. Net exposure of purchases and sales is managed with the use of *Sugar #11/ICE* derivative financial instruments (future or over-the-counter) referred to the same stock exchange, and is monitored through risk limits pre-established by the Board of Directors.

Ethanol is also traded in domestic and foreign markets and its sales price is formed by CEPEA/ESALQ index. This turns such risk into the main portfolio risk factor. Accordingly, net position between purchase and sales at fixed price is exposed to the risk of ethanol price variation. Monitoring of risk exposure is carried out through limits pre-established by the Board of Directors.

Gains or losses originated from these hedging instruments are recorded in income for the year.

(ii) Currency risk

The Company is subject to currency risk in the sales, purchases and loans and investments denominated in a currency other than its functional currency of the Company, the real (R$).

The Company uses Over-the-counter Contracts or Exchange Contracts to hedge against currency risk, effective for less than one year counted as of financial statements date. When necessary, these contracts are renewed on maturity.

Monetary assets and liabilities denominated in foreign currency are managed by their net exposure, through purchase and sale of foreign currency at demand or future rates (forwards), when necessary, for short-term exposures.

Amounts of the Company's main bank loans in USD are hedged using swap contracts, over-the-counter contracts or are offset against assets indexed at the same currency.

Interest on loans is denominated in the loan's currency. In general, loans are denominated in currencies equal to the cash flows generated by the Company's basic operations, mainly in Brazilian reais, but also in USD.

The Company uses financial instruments (NDF - non Deliverable Forward) to hedge against foreign exchange variation on investments in its Subsidiary in Spain (Alvean), whose functional currency is the Dollar.

Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need. The use of these derivative contracts is defined every year, at the risk limit pre-established by the Board of Directors and monitored on a fortnightly basis by the Audit and Risk Committee.

(iii) Interest rate risk

The Company's debt is linked to fixed and floating rates, therefore, it is exposed to interest rate fluctuations. CDI exposure risk is partially offset by financial investments.

The purpose of managing the Company's total financial cost is to make its financial costs be in line with those practiced in the market, considering entities of similar size.

Operational risk

Operating risk is the risk of direct or indirect losses arising from different causes related to the Company's business processes, personnel, technology and infrastructure and external factors, except credit, market and liquidity risks, as those arising from legal and regulatory requirements and from generally accepted corporate behavior standards.

The purpose of the Company is to monitor possible operating risks and mitigate financial losses and damages to reputation and business continuity, thus seeking cost effectiveness and avoiding non-effective control procedures.

Capital management

Management's policy is to maintain capital basis sufficient to maintain investor, creditor and market trust. The main objective is future development of business.

The Company operates with several financial instruments, as follows: interest earning bank deposits, receivables from clients, payables to suppliers and loans and financing. Transactions with derivative financial instruments contracted to hedge against market volatility, as well as forward merchandise purchase and sale transactions with Cooperative, are also part of financial instruments' portfolio. The following hedging instruments are used for this purpose: Exchange swap, transactions with NDF - Non-Deliverable Forwards, futures and options of commodities and currency.

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Financial instruments measured at fair value through profit or loss				
Assets				
Cash and cash equivalents	1,051,254	604,346	493,384	298,442
Inventories	2,557,292	1,719,845	1,242,299	720,226
Stock Exchange transactions	26,145	121,146	8	74
Unrealized derivative financial instruments	695,661	331,618	275,899	33,166
Liabilities				
Stock Exchange transactions	60,297	70,189	-	-
Unrealized derivative financial instruments	257,486	323,933	196,181	3,423
Loans and receivables				
Accounts receivable	821,925	1,163,026	816,370	401,443
Advances to suppliers	1,765,089	790,275	15,002	21,676
Other accounts receivable	100,210	89,109	29,907	5,047
Dividends	-	-	2,881	4,881
Granted loans - related parties	-	-	95,009	90,247
Liabilities held at amortized cost				
Suppliers	2,704,998	2,040,708	2,196,913	1,220,207
Loans and financing	4,485,233	2,761,504	2,980,915	1,543,651
Advances from clients	1,229,971	28,914	7,239	11,284
Other accounts payable	110,281	35,137	5,538	590

Classification of financial instruments

During the years ended March 31, 2015 and 2014, no reclassification of financial instruments was performed.

Credit risks

Credit risk exposure

Maximum credit risk exposure is substantially focused on financial instruments below:

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Demand deposits	558,025	285,016	12,584	47,143
Interest earnings bank deposits	493,170	319,293	480,774	251,270
Accounts receivable	821,925	1,163,026	816,370	401,443
Advances to suppliers	1,765,089	790,275	15,002	21,676
Stock Exchange transactions	26,145	121,146	8	74
Unrealized derivative financial instruments	695,661	331,618	275,899	33,166
Other accounts receivable	100,210	89,109	29,907	5,047

Financial investment transactions are scattered into several financial institutions that are considered as prime institutions by the market.

The three most important clients of the Company are responsible for R$ 281 thousand of receivables on March 31, 2015 (R$ 305 thousand on March 31, 2014), and during these periods relevant exchanges occurred between clients.

Other financial instruments do not present significant risk concentrations, except for accounts receivable for which the Company uses credit letters, CAD - *Cash Against Documents*, or credit insurance to hedge its portfolio.

Accounts receivable

Maximum exposure to credit risk, on report date and per geographical region, of accounts receivable presented above was as follows:

	Consolidated					
	2015	**Amount secured**	**Net exposure**	**2014**	**Amount secured**	**Net exposure**
Domestic	398,958	-	398,958	212,898	-	212,898
South Africa (b)	88	88	-	-	-	-
Germany (b)	429	429	-	-	-	-
United Arab Emirates (b)	57,695	57,695	-	56,789	56,789	-
Algeria (b)	3	3	-	44,667	44,667	-
Colombia (b)	53	53	-	2,184	2,184	-
Peru (b)	805	805	-	-	-	-
Uruguay (b)	-	-	-	2,376	2,376	-
Rep. Of Seychelles (b)	-	-	-	48,234	48,234	-
England (b)	253	253	-	3,103	3,103	-
Dubai (b)	-	-	-	111,972	111,972	-
Switzerland (b)	4,227	4,227	-	188,675	188,675	-
Singapore (b)	7,515	7,515	-	1,574	1,574	-
USA (c)	346,555	346,555	-	336,766	336,766	-
Canada (c)	3,715	3,715	-	7,491	7,491	-
Others (a)	-	-	-	146,142	146,142	-
Related parties (c)	1,629	1,629	-	155	155	-
	821,925	422,967	398,958	1,163,026	950,128	212,898

	Parent company					
	2015	**Amount secured**	**Net exposure**	**2014**	**Amount secured**	**Net exposure**
Domestic	419,215	-	419,215	306,087	-	306,087
Other	-	-	-	95,354	-	95,354
Related parties (c)	397,155	397,155	-	2	-	2
	816,370	397,155	419,215	401,443	-	401,443

(a) 100% guaranteed balances as follow: 80% *Cash Against Document*, 13% through credit letter and 7% per credit insurance;

(b) Balances 100% guaranteed by credit letters from a prime international banks; and

(c) The Company does not consider the existence of credit risk for these transactions.

Impairment losses

Accounts receivable mature as follows:

Consolidated

	2015		2014	
	Gross	**PECLD**	**Gross**	**PECLD**
Not overdue	766,588	-	924,793	-
Overdue for 0-30 days	39,356	-	218,715	-
Overdue for 31-120 days	12,879	-	5,012	-
> 120 days	4,121	(1,019)	15,372	(866)
Total	822,944	(1,019)	1,163,892	(866)

Parent company

	2015		2014	
	Gross	**PECLD**	**Gross**	**PECLD**
Not overdue	788,787	-	345,606	-
Overdue for 0-30 days	22,302	-	50,505	-
Overdue for 31-120 days	4,030	-	4,715	-
> 120 days	2,117	(866)	1,483	(866)
Total	817,236	(866)	402,309	(866)

The expense on the recognition of the allowance estimated for doubtful accounts (PECLD) was recorded in 'Selling expenses' in the statement of income. Whenever provisioned amounts is not expected to be recovered, the amount in this caption is realized against the definite write-off of the receivable, and this provision becomes tax deductible.

Commodity risk

Consolidated

	Volume		Notional		Fair value 2015			Fair value 2014		
	2015	**2014**	**2015**	**2014**	**Up to 6 months**	**> 6 months**	**Fair value**	**Up to 6 months**	**Over 6 months**	**Fair value**
Forward contracts										
Long position										
Goods										
Sugar (tons)	356,066	1,734,649	60,098	626,006	266,525	15,674	282,199	72,024	(2,109)	69,915
Ethanol (m3)	3,994,795	2,379,406	5,026,419	3,179,091	212	5,682	5,894	416,091	11,295	427,386
Gasoline (m3)	-	270,437	-	352,424	-	-	-	5,456	2,767	8,223
Corn (tons)	495,320	-	107,377	-	-	(3,671)	(3,671)	-	-	-
RIN/LCFS (credit unit)	7,523	-	18,154	-	-	(1,594)	(1,594)	-	-	-
Natural gas (mmbtu)	1,138	-	1,383	-	631	695	1,327	-	-	-
					267,368	**16,786**	**284,155**	**493,571**	**11,953**	**505,524**
Future contracts (Forward)										
Short position										
Goods										
Sugar (ton)	(130,765)	(1,290,563)	(185,774)	(519,689)	63,347	-	63,347	16,499	(9,938)	6,561
Options - Sugar (tons)	-	(81,427)	-	(19,236)	-	-	-	(3,136)	-	(3,136)
Ethanol (m3)	(4,828,219)	(3,082,936)	(6,323,135)	(4,419,244)	984	(4,645)	(3,661)	(468,212)	(19,145)	(487,357)
Gasoline (m3)	(33,228)	(260,582)	(53,960)	(388,386)	(351)	5,791	5,440	(5,307)	(2,779)	(8,086)
Corn (tons)	(457,330)	-	(99,270)	-	-	3,581	3,581	-	-	-
RIN/LCFS (credit unit)	(7,568)	-	(17,804)	-	-	(516)	(516)	-	-	-
Natural gas (mmbtu)	(183)	-	(1,619)	-	(28)	(152)	(180)	-	-	-
					63,952	**4,059**	**68,011**	**(460,156)**	**(31,862)**	**(492,018)**

The Company uses basically two categories of price instruments to control commodities' exposure:

a. Futures and option derivative contracts negotiated directly by the Company in Stock Exchange (ICE/NYBOT) or over-the-counter with prime financial institutions, including NDF (*Non Deliverable Forward*)

b. Forward contracts traded directly with clients and suppliers

Fair value of futures and options derivative contracts in stock exchange is equivalent to market value for reversal of such positions. Transactions conducted in stock exchange environment need to have initial margins available and adjustments are made on a daily basis.

For over-the-counter contracts, measurement at fair value is given by the difference between prices fixed on contracting and their respective market values, through public information. This measurement follows usual market models and is monthly calculated both by the Company and by banks that intermediate transactions. For these contracts, margin calls are not needed. The impact on the Company's cash flow only occurs on the settlement date of the contracts.

Measurement at fair value of forward contracts with clients and suppliers is carried out based on the difference between fixed purchase or sale price and market price on base date. To determine market prices, the same setting indicators are used, that is Sugar #11/ICE quotations. For each future contract of AA (*Against Actuals*), SEO (*Seller Execution Order*) and BEO (*Buyer Execution Order*) types, there is a physical contract with the same price and volume variables.

The methodology of the calculation of fair value adopts quotations of contract no. 11 of ICE FUTURES Intercontinental Exchange of New York as pricing basis to define indicators, according to weighing based on percentage pre-attributed to reference screen for a certain month and also months in which daily quotations will be used as the basis (average) to calculate reference screen value.

Forward contracts include the volume of 418,719 tons and notional value of R$ 409,702 on March 31, 2015, balance referring to Supply Contract with the Cooperative (see note 23). These volumes represent contract portion whose price is already defined according to CEPEA methodology, as contract negotiation price follows CEPEA/ESALQ Gross Sugar index. Fair value calculation model on base date is determined by the difference between: (i) estimated CEPEA/ESALQ Gross Sugar index based on average quotations of disclosed Sugar #11/ICE contract prices and (ii) average of Sugar #11/ICE prices on weighed base date according to delivery volumes corresponding to each screen maturity at ICE. Polarization effects (4.05%) and freight and lifting costs are adjusted at price CEPEA/ESALQ Gross Sugar index.

Sensitivity analysis for commodities risk

The Company adopted three scenarios for the sensitivity analysis, being one of them the probable scenario presented below, and two other scenarios that may present the impairment of the Company's financial instruments' fair values.

Probable scenario was internally defined by Market Intelligence area and represents the Company's expectations on this indicator variation over the following 12 months. The scenarios: Possible and Remote scenarios are those proposed by CVM Instruction no. 475/08.

Used methodology was *delta MTM,* i.e. to recalculate fair value with the stress of each scenario on market rate as of March 31, 2015.

	Scenarios		
Commodities price risk	**Probable**	**Possible**	**Remote**
Scenarios and price levels	***21.9%***	***-25%***	***-50%***
Non-derivative	307,139	(350,974)	(701,948)
Derivatives	(27,827)	31,799	63,598
Total effects	279,312	(319,175)	(638,350)

Due to this commodity (sugar) quotation behavior seasonality, this scenario is subject to variations during the year/crop.

Liquidity risk

We present below the contractual maturities of financial liabilities including payment of estimated interest and excluding, the impact of the negotiation agreements of currencies by the net position.

Consolidated	**Contractual cash flow**	**6 months or less**	**From 6 to 12 months**	**1-2 years**	**From 2 to 5 years**	**> 5 years**
2015						
Suppliers	2,704,998	2,704,998	-	-	-	-
Loans and financing	4,485,233	950,823	1,103,040	1,453,810	406,933	570,627
Advances from clients	1,229,971	1,229,971	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	206,819	-	206,819	-	-	-
- Swap	4,829	4,829	-	-	-	-
- Commodity future	45,838	45,838	-	-	-	-
Other accounts payable	110,281	95,790	-	14,491	-	-
2014						
Suppliers	2,040,708	2,040,708	-	-	-	-
Loans and financing	2,761,504	607,871	382,479	923,427	647,438	200,289
Advances from clients	28,914	28,914	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	2,244	1,458	683	103	-	-
- *Swap*	3,423	3,423	-	-	-	-
- Commodity future	318,266	318,266	-	-	-	-
Other accounts payable	35,137	35,137	-	-	-	-

Parent company	Contractual cash flow	6 months or less	From 6 to 12 months	1-2 years	From 2 to 5 years	> 5 years
2015						
Suppliers	2,196,913	2,196,913	-	-	-	-
Loans and financing	2,980,915	616,723	941,502	501,000	406,933	514,757
Advances from clients	7,239	7,239	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	191,351	-	191,351	-	-	-
- *Swap*	4,830	4,830	-	-	-	-
Other accounts payable	5,538	5,538	-	-	-	-
2014						
Suppliers	1,220,207	1,220,207	-	-	-	-
Loans and financing	1,543,651	325,609	151,565	801,816	245,116	19,545
Advances from clients	11,284	11,284	-	-	-	-
Other accounts payable	590	590	-	-	-	-

Foreign exchange risk

Foreign currency exposure

The Company’s exposure is substantially linked to US dollar (USD) variation on the following base dates:

Consolidated	2015	2014
Assets		
Cash and cash equivalents	449,047	237,783
Accounts receivable	323,136	890,381
Inventories	1,475,860	1,211,277
Advances to suppliers	421,150	76,212
Stock Exchange transactions	52,949	121,072
Unrealized derivative financial instruments	389,961	298,439
Recoverable taxes	77	17
Other accounts receivable	62,893	54,433
Investments	683,380	-
Property, plant and equipment	209,803	90,652
Intangible assets	233,518	160,828
Liabilities		
Suppliers	(401,274)	(910,521)
Loans and financing	(2,550,542)	(1,742,175)
Advances from clients	(1,224,774)	-
Social charges and labor legislation obligations	(3,972)	(7,819)
Taxes and contributions payable	(42,476)	(48,303)
Stock Exchange transactions	(60,296)	(70,190)
Unrealized derivative financial instruments	(61,291)	(320,509)
Deferred tax liabilities	(2,743)	(19,037)
Other accounts payable	(89,488)	(116,347)
Gross exposure of the shareholders' equity	(135,082)	(93,807)
Notional derivatives contracted to hedge against the foreign exchange risk	427,838	202,309
Net exposure	292,756	108,502

Parent company	**2015**	**2014**
Assets		
Accounts receivable	375,925	96,220
Inventories	162,260	213,303
Investments	683,380	-
Liabilities		
Suppliers	(56,577)	(50,077)
Loans and financing	(1,111,443)	(591,920)
Gross exposure of the shareholders' equity	53,545	(332,474)
Notional derivatives contracted to hedge against the foreign exchange risk	85,321	484,718
Net exposure	138,866	152,244

The Company's foreign exchange exposure refers basically to book balances referring to subsidiary Copersucar Trading operation.

Amounts below comprise the Notional balance presented above:

			Consolidated		**Parent company**	
Description	**Counterparty**	**Maturity**	**2015**	**2014**	**2015**	**2014**
Foreign exchange NDF (Investment and Merchandise)	Itaú / Deutsche / Standart Chartered / JP Morgan / HSBC/Citibank/ Merril Lynch	2015 a 2016	(677,627)	(282,409)	(1,020,144)	-
Swap Foreign exchange	Itaú /Rabobank /Citibank/Santander	2015 a 2017	1,105,465	484,718	1,105,465	484,718
Total			427,838	202,309	85,321	484,718

Foreign exchange sensitivity analysis

The Company adopted three scenarios for the sensitivity analysis, being one of them the probable scenario presented below, and two other scenarios that may present the impairment of the Company's financial instruments' fair values.

Probable scenario was internally defined by Market Intelligence area and represents the Company's expectations on this indicator variation over the following 12 months. Possible and Remote scenarios are those proposed by CPC.

Methodology used was *delta MTM*, that is, fair value recalculation with each scenario focused on market rate on March 31, 2015 less amounts already recognized, and calculation of income value by which the Company would be affected according to each scenario. The analysis considers that all the remaining variables, especially interest rates, are kept constant.

	Scenarios		
Exchange risk	**Probable**	**Possible**	**Remote**
Scenarios and price levels	**-1.18% (3.1700 BRL/USD)**	**25% (4.0100 BRL/USD)**	**50% (4.8120 BRL/USD)**
Assets	(50,956)	1,075,443	2,150,886
Liabilities	52,556	(1,109,214)	(2,218,428)
Derivatives	(5,068)	106,960	213,919
Total effects	(3,468)	73,189	146,377

Brazilian Real appreciation against currencies above, on March 31, 2015, would have the same effect, but with the opposite result on currencies presented above, considering that all other variables would remain constant.

Interest rate risk

Profile

On the balance sheet dates, the profile of financial instruments remunerated through variable-rates was:

Fixed rate instruments

The Company does not record any fixed rate financial assets or liabilities at fair value through profit or loss, and does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in the interest rates on the reporting date would not change income (loss).

Variable rate instruments

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Financial assets	485,395	319,272	462,457	251,270
Financial liabilities	(971,427)	(549,134)	(1,036,646)	(549,134)

The Company does not perform sensitivity analysis for financial instruments linked to interest variable rates, as it considers that possible impacts are irrelevant for the Company's financial statements.

Gains (losses) with unrealized derivative financial instruments

Summary of gains (losses) recorded on March 31, 2015 and 2014 that affected balance sheet, and amounts that affected the Company's accumulated income on those dates:

Consolidated

	2015			2014		
	Effects on the balance sheet		Effects on income (loss)	Effects on the balance sheet		Effects on income (loss)
	Assets	Liabilities		Assets	Liabilities	
Fixed-term / commodities	390,272	45,837	373,666	291,087	318,266	(69,150)
	390,272	45,837	373,666	291,087	318,266	(69,150)
Non deliverable forwards	29,491	206,819	13,848	7,352	2,244	1,873
SWAP	275,898	4,830	241,327	33,179	3,423	(64,082)
	305,389	211,649	255,175	40,531	5,667	(62,209)
Total	695,661	257,486		331,618	323,933	
Current	677,265	257,486		319,229	323,933	
Non-current	18,396	-		12,389	-	

	Parent company					
	2015			2014		
	Effects on the balance sheet		Effects on income (loss)	Effects on the balance sheet		Effects on income (loss)
	Assets	Liabilities		Assets	Liabilities	
Non deliverable forwards	-	191,351	7,562	-	-	-
SWAP	275,898	4,830	241,326	33,166	3,423	(64,095)
Total	275,898	196,181	248,888	33,166	3,423	(64,095)
Current	257,503	196,181		20,790	3,423	
Non-current	18,396	-		12,376	-	

Fair value

Fair value vs. book value

The fair values of the financial assets and liabilities, together with the book values presented in the balance sheet, are as follows:

	2015		2014	
Consolidated	**Book value**	**Fair value**	**Book value**	**Fair value**
Financial instruments measured at fair value through profit or loss				
Assets				
Cash and cash equivalents	1,051,254	1,051,254	604,346	604,346
Inventories	2,557,292	2,557,292	1,719,845	1,719,845
Stock Exchange transactions	26,145	26,145	121,146	121,146
Unrealized derivative financial instruments	695,661	695,661	331,618	331,618
Liabilities				
Stock Exchange transactions	60,297	60,297	70,189	70,189
Unrealized derivative financial instruments	257,486	257,486	323,933	323,933
Loans and receivables				
Accounts receivable	821,925	821,925	1,163,026	1,163,026
Advances to suppliers	1,765,089	1,765,089	790,275	790,275
Other accounts receivable	100,210	100,210	89,109	89,109
Liabilities held at amortized cost				
Suppliers	2,704,998	2,704,998	2,040,708	2,040,708
Loans and financing	4,485,233	4,876,025	2,761,504	2,888,829
Advances to clients	1,229,971	1,229,971	28,914	28,914
Other accounts payable	110,281	110,281	35,137	35,137

Parent company	2015		2014	
	Book value	**Fair value**	**Book value**	**Fair value**
Financial instruments measured at fair value through profit or loss				
Assets				
Cash and cash equivalents	493,384	493,384	298,442	298,442
Inventories	1,242,299	1,242,299	720,226	720,226
Stock Exchange transactions	8	8	74	74
Unrealized derivative financial instruments	275,899	275,899	33,166	33,166
Liabilities				
Unrealized derivative financial instruments	196,181	196,181	3,423	3,423
Loans and receivables				
Accounts receivable	816,370	816,370	401,443	401,443
Advances to suppliers	15,002	15,002	21,676	21,676
Other accounts receivable	29,907	29,907	5,047	5,047
Dividends	2,881	2,881	4,881	4,881
Granted loans - related parties	95,009	95,009	90,247	90,247
Liabilities held at amortized cost				
Suppliers	2,196,913	2,196,913	1,220,207	1,220,207
Loans and financing	2,980,915	3,130,784	1,543,651	1,573,205
Advances from clients	7,239	7,239	11,284	11,284
Other accounts payable	5,538	5,538	590	590

Fair value hierarchy

The table below provides an analysis of financial instruments that are measured at fair value after first-time recognition, grouped in Levels 1 to 3 based on the observable level of fair value:

- **Level 1 measurements of fair value** - Are obtained from (unadjusted) prices quoted in active markets for identical assets and liabilities;

- **Level 2 fair value measurements** - Are obtained through other variables in addition to quoted prices included in Level 1, which are verifiable directly for the asset or liability (that is, as prices) or indirectly (that is, based on prices);

- **Level 3 fair value measurements** - Are obtained through evaluation techniques that include variables for the asset or liability, but that are not based on verifiable market data (non-verifiable data). There are no financial instruments grouped at this level.

Consolidated	Level 1	Level 2
2015		
Assets		
Cash and cash equivalents	558,084	493,170
Inventories	-	2,557,292
Stock Exchange transactions	-	26,145
Unrealized derivative financial instruments	-	695,661
Liabilities		
Stock Exchange transactions	-	60,297
Unrealized derivative financial instruments	-	257,486
2014		
Assets		
Cash and cash equivalents	285,053	319,293
Inventories	-	1,719,845
Stock Exchange transactions	-	121,146
Unrealized derivative financial instruments	-	331,618
Liabilities		
Stock Exchange transactions	-	70,189
Unrealized derivative financial instruments	-	323,933

Parent company	Level 1	Level 2
2015		
Assets		
Cash and cash equivalents	12,610	480,774
Inventories	-	1,242,299
Stock Exchange transactions	-	8
Unrealized derivative financial instruments	-	275,899
Liabilities		
Unrealized derivative financial instruments	-	196,181
2014		
Assets		
Cash and cash equivalents	47,172	251,270
Inventories	-	720,226
Stock Exchange transactions	-	74
Unrealized derivative financial instruments	-	33,166
Liabilities		
Unrealized derivative financial instruments	-	3,423

23 Contractual commitments

Sales

Considering that the Company operates mainly in the commodities market, sales are substantially made at the sales date price. However, most contracts are short-term contracts. As of March 31, 2015, sugar contracted volume is 4,173 thousand tons (5,327 thousand tons on March 31, 2014) and ethanol contracted volume is 2,135 thousand m³ as of March 31, 2015 (1,811 thousand m³ on March 31, 2014).

Purchasing

In accordance with the contract entered into by the Company and its related party - Cooperativa, committed volumes on March 31, 2015 and 2014 were (sugar in thousand tons and ethanol in thousand m³):

Purchase	2015	2014
White sugar	1,672	1,587
Raw sugar	3,462	3,986
Total	**5,134**	**5,573**
Anhydrous ethanol	2,250	2,311
Hydrous ethanol	2,211	2,336
Total	**4,461**	**4,647**

Logistics

The Company has strategic partnerships for the provision of railroad transportation services with the following suppliers:

América Latina Logística - ALL

- Provision of sugar transportation services in wagons of ALL railroad to Santos Port terminal (São Paulo State - SP), maturing in 2028;

- Ethanol transportation through ALL railroads with destination indicated by Copersucar. This contract effectiveness follows ALL railroad concessions.

Ferrovia Centro Atlântica - FCA

- Transportation from Ribeirão Preto (SP) terminal to Santos Port (SP) terminal, effective until 2026;

24 Related parties

Parent company and part of the final parent company

The Company's final controlling parties are the following groups:

Shareholders - Group	Number of common shares	Quantity of preferred shares	Total shares	% Interest
Virgolino Oliveira	136,537,290	2	136,537,292	11.0572
Zilor	136,470,950	3	136,470,953	11.0517
Pedra	123,481,862	1	123,481,863	9.9999
Santa Adélia	83,767,543	2	83,767,545	6.7837
Cocal	77,153,075	1	77,153,076	6.2480
Batatais	74,642,239	1	74,642,240	6.0447
Aralco	72,023,093	4	72,023,097	5.8326
Viralcool	70,948,322	2	70,948,324	5.7456
Balbo	67,984,431	3	67,984,434	5.5055
Ipiranga	62,957,606	2	62,957,608	5.0985
São J. da Estiva	42,337,360	1	42,337,361	3.4286
São Manoel	40,320,740	1	40,320,741	3.2653
Ferrari	31,586,248	1	31,586,249	2.5579
Pitangueiras	31,144,060	1	31,144,061	2.5221
Furlan	30,894,483	1	30,894,484	2.5019
São Luiz	28,837,064	1	28,837,065	2.3353
Umoe Bioenergy	26,375,699	1	26,375,700	2.1360
Jacarezinho	19,993,486	1	19,993,487	1.6191
Improvements	16,897,505	2	16,897,507	1.3684
Cerradão	16,393,879	1	16,393,880	1.3276
Santa Lucia	15,484,721	1	15,484,722	1.2540
Santa Maria	13,826,284	1	13,826,285	1.1197
Caçu	8,744,649	1	8,744,650	0.7082
Decal - Rio Verde	5,980,744	1	5,980,745	0.4843
Other	51,150	1	51,151	0.0042
	1,234,834,483	37	1,234,834,520	100.0000

Remuneration of key management staff

The Company's key personnel are the president of the Board of Directors, the Executive president and officers of the following areas: Commercial, Logistics, Administrative-Financial and Planning.

For the year ended March 31, 2015, remuneration of management's key personnel totaled R$10,142 (R$9,647 for the year ended March 31, 2014) and includes salaries, short and long-term remuneration, short- and long-term and post-employment benefits.

Remuneration of key management personnel includes:

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Short-term employee benefits	8,103	7,273	8,103	7,273
Post-employment benefits	957	903	957	903
Variable remuneration - long-term (a)	1,082	1,471	1,082	1,471
	10,142	9,647	10,142	9,647

(a) Part of the amount segregated as long-term benefit refers to bonus granted to personnel- and is linked to the Company's value based on EBITDA perpetuity. Provisions are recorded for these amounts and will be paid in case goal is reached after three years.

Other related party balances

		Consolidated		Parent company	
	Note	**2015**	**2014**	**2015**	**2014**
Current assets					
Accounts receivable					
Cooperativa		1,482	43,491	1,482	12,838
Companhia Auxiliar de Armazéns Gerais		-	-	20,610	20,610
Copersucar Trading A.V.V.		-	-	374,916	93,892
Alvean Sugar Intermediação e Agenciamento Ltda.		147		147	
	7	1,629	43,491	397,155	127,340
Dividends receivable					
Companhia Auxiliar de Armazéns Gerais		-	-	2,881	4,881
		-	-	2,881	4,881
Advances to suppliers					
Companhia Auxiliar de Armazéns Gerais		-	-	2	15
Cooperativa		1,485,073	493,796	-	-
	10	1,485,073	493,796	2	15
Non-current assets					
Granted loans					
Companhia Auxiliar de Armazéns Gerais		-	-	84,544	68,715
Copersucar Armazéns Gerais S.A.		-	-	250	-
Sugar Express Transportes S.A.		-	-	10,215	21,532
		-	-	95,009	90,247
Current liabilities					
Suppliers					
Cooperativa		2,081,170	1,050,334	2,081,173	1,050,334
Imocop Empreendimentos e Participações S.A.		-	11,041		11,041
Copersucar Trading A.V.V.		-	-	50,055	50,077
	17	2,081,170	1,061,375	2,131,228	1,111,452
Advances from clients					
Alvean Sugar S.L.		1,220,788	-	-	-
Dividends					
Dividends payable		-	1,906	-	1,906

Other related party transactions

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Value of the transaction for the year				
Sale of goods				
Eco-Energy Global Biofuels LLC	-	542,619	-	-
Cooperativa	-	34,688	-	-
Copersucar Trading A.V.V.	-	-	279,369	186,497
	-	**577,307**	**279,369**	**186,497**
Sale of services				
Cooperativa	11,183	22,565	-	-
	11,183	**22,565**	**-**	**-**
Product acquisition				
Copersucar Trading A.V.V.	-	-	-	(30,460)
Eco-Energy Global Biofuels LLC	-	(49,318)	-	-
Cooperativa	(10,104,025)	(10,564,467)	(7,177,352)	(6,202,044)
	(10,104,025)	**(10,613,785)**	**(7,177,352)**	**(6,232,504)**
Acquisition of Services				
Companhia Auxiliar de Armazéns Gerais	-	-	-	(2,417)
Copersucar Armazéns Gerais S.A.	-	-	(2,776)	(1,826)
	-	**-**	**(2,776)**	**(4,243)**
Financial - Interest				
Copersucar Armazéns Gerais S.A.	-		(283)	
Companhia Auxiliar de Armazéns Gerais	-	-	(13,761)	3,564
Sugar Express Transportes S.A.	-	-	(4,300)	1,619
	-	**-**	**(18,062)**	**5,183**

Related-party transactions are transactions carried out between the Parent company and its direct and indirect subsidiaries or other related parties (Cooperativa) and refer basically to:

- **Sale/Acquisition of assets and services -** Products (sugar and ethanol) purchase and sale transactions and port services traded in accordance with contract entered into by the parties, at conditions similar to those agreed on with third parties, considering volumes, involved risks and corporate policies.

- **Asset values -** (a) Advances made for the acquisition of products and services, (b) Loan contracts with subsidiaries or direct or indirect shareholders at interest rates similar to those of this fund raising and (c) Rent of properties.

- **Liability values -** (a) Advances received for the supply of products and services and (b) Loan contracts with subsidiaries or direct or indirect shareholders at interest rate similar to those of this fund raising.

Supply contract with Cooperativa

The Company has an exclusivity agreement directly or indirectly ensuring benefits and financial and market advantages for the acquisition of sugar and ethanol from Cooperativa, over a period of two years and six months, renewed at each year/crop. Quantities to be delivered are defined on a monthly basis at a volume that contemplates scenario of six subsequent months, so that, beginning as of that time, Cooperativa becomes responsible for delivery or even for possible undelivered amounts, if contracted break limit is exceeded.

Guarantee of products supply is linked to continuity of contract with Cooperativa. The contract also guarantees access to certain facilities that are essential to carry out the Company's business, such as those intended for storage of ethanol and sugar deriving from Cooperativa and associated plants. Prices practiced in this contract are related to CEPEA/ESALQ index (plus premium of 2% up to September 2014).

Billings and payments related to acquired products occur through index based on CEPEA/ESALQ (plus estimated premium of 2% up to September 2014) for that month and, on year/crop closing, financial settlement of differences calculated between these billings ad effective CEPEA/ESALQ index (plus premium of 2% up to September 2014) is carried out. Adjustment amounts calculated for the year/crop were recorded in cost of sold merchandises.

Pursuant to the contract, guarantors of sugar and ethanol sale transactions are plants associated to Cooperativa.

Supply contract for Alvean Sugar SL

The Company has a supply contract through its subsidiary Copersucar Trading AVV with Alvean Sugar SL that is effective beginning as of October 2014, with no defined end date.

The purpose of this contract is to guarantee supply of sugar by Copersucar Trading AVV to Alvean Sugar SL; according to this contract, the parties agreed that Copersucar Trading AVV is committed to selling exclusively to Alvean, and to purchasing 100% of production in each crop year. Prices practiced in this contract are related to CEPEA/ESALQ index plus premiums according to the contract.

Guarantees or collateral signatures received from related parties

Loans and financing listed below are collateralized by related party Cooperativa:

Borrowing company	Type of financing	Bank	Maturity	2015	
Copersucar S.A.	NCE (in US$)	Itaú	2015	63,882	(b)
Copersucar S.A.	Resolution 4131 (in USD)	Rabobank	2015	163,098	(b)
Copersucar S.A.	Resolution 4131 (in USD)	Rabobank	2017	161,138	(b)
Copersucar S.A.	Resolution 4131 (in USD)	Citibank	2016	562,687	(b)
Copersucar S.A.	Resolution 4131 (in USD)	Bank of Tokyo	2017	160,639	(b)
Copersucar Trading AVV	Export prepayments (in USD)	Standard Chartered	2016	164,947	(b)
Copersucar Trading AVV	Export prepayments (in USD)	Brasil	2017	321,496	(b)
Copersucar Trading AVV	Working capital (in USD)	Deutsche Bank	2015	162,412	(b)
Copersucar Trading AVV	Working capital (in USD)	Bradesco	2015	112,306	(b)
Copersucar Trading AVV	Working capital (in USD)	Standard Chartered	2015	156,295	(b)
Copersucar North América	Working capital (in USD)	Brasil	2015	521,765	(b)
Copersucar S.A.	Brazilian Real Note	Santander	2016	217,175	(a)
Copersucar S.A.	Certificate of Receivables from Agribusiness	Octante Securitizadora	2018	300,888	(b)
Copersucar S.A.	Export credit notes (BRL)	HSBC	2015	54,214	(b)
Copersucar S.A.	Export credit notes (BRL)	Bradesco	2015	80,991	(b)
Copersucar S.A.	Export credit notes (BRL)	Brasil	2015	108,584	(b)
Copersucar S.A.	Export credit notes (BRL)	Brasil	2016	209,038	(b)
Copersucar S.A.	Export credit notes (BRL)	Brasil	2022	455,034	(b)
Cia. Auxiliar	FINEM	Brasil	2022	37,673	(a)
Cia. Auxiliar	FINAME	Bradesco	2016	955	(a)
Cia. Auxiliar	FINAME	Brasil	2016	1,018	(a)
Cia. Auxiliar	FINAME	Brasil	2022	5,894	(a)
				4,022,129	

(a) Collateralized loans and financing also guaranteed by related-party's inventories.

(b) Loans and financing guaranteed.

Guarantees or collateral signatures granted to related parties

The Company guarantees the following loans and financing to its related party Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo:

Borrowing company	Type of financing	Bank	Maturity	2015
Cooperativa	NCE - Export Credit Note	Brasil	2015	92,394
Cooperativa	Advance on exchange contract (ACC) - Advances Foreign exchange contract	Brasil	2015	172,548
				264,942

25 Shareholders' equity

The Company's paid-in capital is R$180,301 on March 31, 2015, represented by 401,501,186 shares, represented by 1,234,834,520 shares, being 1,234,834,483 common shares and 37 preferred shares, all of them nominative, registered and with no par value.

The Company is authorized to increase its capital according to decision of the Board of Directors, regardless of statutory reform, up to the limit of R$2,500,000.

Legal reserve

It is set up at the rate of 5% of the net income determined in each financial year, pursuant to article 193 of Law 6404/76 up to the limit of 20% of the share capital.

Equity evaluation adjustment

The reserve for equity valuation adjustments includes:

- adjustments for the adoption of deemed cost of fixed assets on the transition date; and
- accumulated translation adjustment included all foreign currency differences deriving from the translation of financial statements of foreign operations.

The amounts recorded in adjustments to asset valuation are reclassified to the result for the year wholly or partially, through asset impairment to which they refer.

26 Net earnings per share

In accordance with IAS 33/CPC 31 - "Earnings per share", reconciliation of net income for the year of Consolidated and Parent Company with amounts used to calculate basic and diluted net earnings per share, is as follows:

	Consolidated		Parent company	
	2015	2014	2015	2014
Income /loss for the year attributable to the Company's shareholders (a)	(10,911)	157,731	(8,411)	78,642
Weighted average of outstanding shares (b)	1,234,835	1,234,835	1,234,835	1,234,835
Diluted loss per common share (a) / (b)	(0.01)	0.13	(0.01)	0.06

27 Operating income

	Consolidated		Parent company	
	2015	2014	2015	2014
Sales of goods				
Sugar	5,838,870	7,903,058	1,582,310	1,518,020
Ethanol	14,543,773	14,559,869	4,362,822	4,384,515
Gasoline	74,502	152,743	-	-
Corn	(3,573)	(807)	-	-
RIN_LCFS (registration of renewable fuel)	83,854	138,719	-	-
Realized derivative financial instrument	336,951	298,961	(130)	(3,563)
Rendering of services	111,425	100,772	39,734	37,927
	20,985,802	23,153,315	5,984,736	5,936,899

We present below the reconciliation between gross income and income presented in the statement of income for the year:

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Gross tax income	21,511,844	23,702,339	6,840,727	6,776,850
Less:				
Sales tax	(846,712)	(827,163)	(846,699)	(826,943)
Sales taxes	(11,220)	(15,322)	(4,101)	(3,946)
Returns/rebates	(5,061)	(5,500)	(5,061)	(5,499)
	20,648,851	22,854,354	5,984,866	5,940,462
Realized derivative financial instrument	336,951	298,961	(130)	(3,563)
	20,985,802	23,153,315	5,984,736	5,936,899

28 Other income

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Premium for shipment anticipation (*Despatch*)	14,791	8,850	-	-
Legal provisions	93	277	-	-
Rent	7,173	15,384	1,604	752
Compensation	-	10,560	-	-
Overstated accounts receivable	-	2,793	-	2,789
Right to use pipeline	37,194	-	-	-
Gain with equity interest	22,030	835	22,030	2
Other	7,701		386	-
	88,982	38,699	24,020	3,543

29 Other expenses

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
Expenses with ship stay in port (*Demurrage*)	(15,636)	(30,622)	-	-
Brokerage/rates	(10,982)	(12,384)	(114)	(114)
Donations	(12,781)	(662)	(12,777)	(658)
Labor legal claim	(794)	(525)	-	-
PIS/Cofins taxes on other income	(205)	(384)	(184)	(336)
Impairment	(5,077)	-	-	-
Other	(3,826)	(1,860)	(253)	(84)
	(49,301)	(46,437)	(13,328)	(1,192)

30 Net financial income (loss)

	Consolidated		Parent company	
	2015	2014	2015	2014
Financial income				
Asset interest	46,321	31,674	52,857	35,222
Asset foreign exchange fluctuation	844,353	221,189	43,626	111,357
Transactions with derivative asset	638,566	251,572	302,154	78,691
Gain on investment foreign exchange variation	41,357	9,745	41,407	9,745
Other financial income	21	48	-	-
	1,570,618	514,228	440,044	235,015
Financial expenses				
Liability interest	(208,258)	(159,257)	(151,315)	(109,007)
Liability foreign exchange fluctuations	(1,769,052)	(332,654)	(341,215)	(195,358)
Transactions with derivative liabilities	(264,407)	(227,691)	(41,689)	(18,697)
Loss on investment foreign exchange variation	(4,013)	(8,617)	(4,013)	(8,617)
Other financial expenses	(15,690)	(9,855)	(11,840)	(5,722)
	(2,261,420)	(738,074)	(550,072)	(337,401)
Total net financial income				
	(690,802)	(223,846)	(110,028)	(102,386)

A substantial portion of amounts presented in captions Foreign exchange variation gains and losses is related to the Company's hedging policies; their respective hedged contra-entries are presented in Net income from Sales and Selling Costs, following prevailing accounting policies.

31 Expenses per type

	Consolidated		Parent company	
	2015	2014	2015	2014
Cost of products, except freights, transshipment and storage	(20,073,931)	(22,280,015)	(5,897,173)	(5,818,398)
Change in inventories' fair values	(259,213)	220,568	(24,477)	75,331
Depreciation and amortization	(32,695)	(24,242)	(9,010)	(5,445)
Personnel expenses	(176,263)	(150,695)	(68,210)	(68,139)
Freights, transshipment, warehousing and shipping expenses	(157,480)	(248,090)	(23,350)	(17,459)
Other expenses	(135,458)	(117,052)	(42,341)	(38,218)
	(20,835,040)	(22,599,526)	(6,064,561)	(5,872,328)
Classified as:				
Cost of sales	(20,452,761)	(22,156,769)	(5,921,650)	(5,743,067)
-Administrative	(186,566)	(147,431)	(88,494)	(73,585)
- Sales	(195,713)	(295,326)	(54,417)	(55,676)
	(20,835,040)	(22,599,526)	(6,064,561)	(5,872,328)

32 Expense com Income tax and social contribution

The reconciliation between the tax expense as calculated by the combined statutory rates and the income and social contribution tax expense charged to net income is presented below:

	Consolidated		Parent company	
	2015	**2014**	**2015**	**2014**
(Loss)/Income before income and social contribution taxes	(104,417)	239,599	(107,881)	122,086
Income attributable to non-controlling shareholders	2,500	(79,089)	-	-
Adjusted accounting profit	(101,917)	160,510	(107,881)	122,086
Equity in net income of subsidiaries	(22,276)	13,456	14,269	(322,420)
Foreign exchange variation of company abroad	(37,344)	(1,127)	(37,394)	164,870
Income (loss) of company headquartered abroad	(38,606)	(68,723)	(85,550)	(1,127)
Income /(loss) before income and social contribution taxes	(200,143)	104,116	(216,556)	(36,591)
Combined statutory rate	34%	34%	34%	34%
Income and social contribution taxes:				
Calculated at combined statutory rate	68,049	(35,375)	73,629	12,465
Permanent additions / exclusions:				
Transfer price adjustment	(19)	(906)	(19)	(906)
Fines	(169)	(438)	(164)	(15)
Donations/Sponsorship	(4,356)	(282)	(4,355)	(281)
Variation in interest	7,490	-	7,490	-
Other	(510)	(506)	(20)	(97)
Copersucar North America rate difference	123	(8,584)	-	-
Profits abroad	(47,163)	-	(47,163)	-
Deferred of prior year	(18,974)	-	(18,974)	-
Deferred on Copersucar Trading A.V.V. and Copersucar North America income (loss)	95,953	-	95,953	-
Income from claim	-	18,594	-	-
Long-term compensation	(7,133)	(6,932)	(7,001)	(6,832)
Other	52	7	7	5
IRPJ - PAT deductions and Sponsorship	163	27	87	-
Use of unrecorded tax loss	-	367	-	-
Income tax and social contribution in income for the year	44,716	(34,028)	50,680	4,395
Income tax and social contribution on income abroad	48,790	(47,840)	48,790	(47,839)
Effective rate	**47%**	**33%**	**46%**	**14%**
Current taxes	(24,636)	(55,098)	(3,013)	(4,931)
Deferred taxes	118,142	(26,770)	102,483	(38,513)
Total	**93,506**	**(81,868)**	**99,470**	**(43,444)**

Law 12973, enacted on May 13, 2014, introduced significant changes to federal tax rules. Provisions of said law have become mandatorily effective beginning as of 2015, with the option of early applying of the provisions beginning as of calendar year 2014. The Company did not early adopt the Law. Therefore, in January 2015, adjustments to conform to new accounting rules and Income tax and Social contribution calculation rules were made. Among these adjustments, write-off of difference between tax depreciation rate and economic useful life in LALUR of Copersucar S.A and Copersucar Armazéns Gerais S.A. is a highlight.

33 Employee benefits

The Company grants some benefits to its employees. Among these benefits, those listed below were evaluated through actuarial calculation.

Medical care

The Company grants the benefit of a medical care plan for which, since July 1, 2011, employees do not pay monthly contribution. In accordance with Law no. 9,656/98, in case of retirement, termination without cause or dismissal, medical care plan is maintained at conditions equal to those for active employees, provided that the employee is classified in one of the three conditions mentioned below and assumes full payment of his/her monthly fees.

Accordingly, the following plan maintenance periods are guaranteed:

Dismissed without cause
Guaranteed stay time will be 1/3 of time of contribution to Health Plan, being assured a minimum period of 6 months and a maximum period of 24 months.

Retirees

- **For employees with employment relationship time equal to or higher than 10 years and age equal to or higher than 45 years on July 1, 2011**: the right to remain as beneficiaries of the Plan under the same coverage conditions enjoyed during work contract, without counting a new grace period and over the time they wish, is assured.

- **For employees with employment relationship time of less than 10 years:** the right to remain as beneficiaries of the Plan under the same coverage conditions enjoyed during work contract, without counting a new grace period, is assured at the rate of one year for each contribution year.

Considering that plan costs are determined considering active and retired employees, the Company conducted an actuarial evaluation to verify existence of liabilities. Calculations were made by an outsourced specialized company and material impacts were not found.

Assumptions used for calculation

Financial and economic assumptions

	2015	**2014**
Benefits capacity factor	100%	100%
Expected long-term inflation rate	6.1%	5.70%
Actuarial discount nominal rate	13.1%	9.78%
Expected nominal return rate of long-term assets	0.00%	0.00%
Medical costs growth nominal rate - Medical inflation	8.2% (1)	7.81% (1)
Medical costs growth rate per age - *Aging factor*	2.00% (1)	2.00% (1)
Biometrical assumptions		
General mortality table	AT-2000 (2)	AT-83 (2)
Turnover table - (end of employment relationship)	See note (3)	See note (3)
Entry into retirement	100% eligibility	100% eligibility

(1) Estimated increase in contributions subsidized by current active members of the Plan

(2) General mortality table per sex

(3) Turnover table inversely proportional to length of work provided to the Company:
15 / TS + 1

No effects on variation of Health Plan costs' growth rate during the year.

Summary of members' reference file:

	2015	2014
Assets		
Inversion	194	204
Average age (years)	41	41
Plan time (years)	3.8	2.8
Future period of service (years)	12.0	12.0

Statistics on frequency, age, length of work, future length of work, and expected survival period refer to the Company's employees. Statistics on costs consider hypothetical family group formed by the member and spouse; female spouse is considered as 2 years younger.

Life insurance
For employees included in this benefit until 2005, the Company used to guarantee the payment of a lifetime insurance premium upon retirement, thus generating a post-employment benefit. For employees included after this period, benefit is funded by the Company over the period in which employees remain active, and are considered as expenses, not incurring actuarial risks.

The Company also submitted this benefit to actuarial evaluation and did not perform any adjustment, as values were not considered relevant.

Assumptions used for calculation

Financial and economic assumptions

	2015	2014
Benefits capacity factor	100%	100%
Expected long-term inflation rate	6.1%	5.70%
Actuarial discount nominal rate	13.1%	10.20%
Expected nominal return rate of long-term assets	0.00%	0.00%
Biometrical assumptions		
General mortality table	AT-2000 (1)	AT-83 (1)

(1) Estimated increase in subsidized contributions of current Plan's active members.

Summary of members' reference file:

	2015	2014
Assisted and enjoying the benefit		
Inversion	2	4
Average age	54	57
Expected survival period	16.0	17
Average monthly benefit	96.77	608.04

(1) Refers to the benefit of life insurance premium payment, according to contract entered into with the insurance company, currently at the rate of 0.00863 on monthly remuneration of assisted member.

Other short and long-term benefits

Based on its benefit program, the Company recorded a provision for bonus that is effective for one year, for the following professionals:

	2015	2014
Key personnel	20,804	26,576
Other executives	5,201	6,644
	26,005	33,220

34 Operational leases

Leases as lessee

Operational leases that cannot be cancelled are paid as follows:

	Consolidated		Parent company	
	2015	2014	2015	2014
Up to one year	75,409	44,078	5,243	5,575
Over 1 year - Up to 5 years	160,521	94,685	10,509	11,580
Over 5 years	140,030	130,778	-	-
Total	375,960	269,541	15,752	17,155

The Company recognized the following expenses amounts with operational leasing transactions:

	2015	2014
Expense with operating lease	44,322	21,781

The Company is the lessee of an area located in Santos Port of approximately 50,392 square meters, where its facilities are built. Contract is effective for 20 years, beginning as of March 7, 1996; on June 27, 2011, it was renewed for another 20 years beginning as of March 7, 2016.

The main provisos of the lease are:

- Deviation from contract object by the lessee;
- Wind up of lessee;
- Sublease;
- Lease transfer without previous authorization by Codesp;
- Lessee fails to pay more than 3 monthly payments;
- Interruption of the execution of the Lease without justified cause;
- Port operations carried out with violation of the applicable rules of law and regulations; and
- Non-compliance with court decisions.

All covenants of the operating lease contract are being fully complied with by the Company.

The Company was also the lessee of an area located in the municipality and courts of Guarujá, São Paulo State, of approximately 47,333 m² up to December 31, 2014, used to store products.

Through its indirect subsidiary Eco-Energy, the Company is the lessee of equipment for ethanol and gasoline storage and moving (tank-cars, trucks, railroad wagons, tanks and transshipment equipment), and office equipment; it also rents a property in the city of Franklin, TN, USA, for administrative purposes.

Leases as lessor
Parent company rents its investment properties under operating leases (see Note 14) to a related party, Copersucar Armazéns Gerais.

Through its indirect subsidiary Eco-Energy, the Company sub-rents tank-cars.

Minimum future payments under non-cancelable leases are as follows:

	Consolidated		**Parent company**	
	2015	**2014**	**2015**	**2014**
Up to one year	42,839	25,036	3,518	795
Over 1 year - Up to 5 years	67,382	22,315	8,793	766
Over 5 years	29,834	275	-	-
Total	140,055	47,626	12,311	1,561

During the year ended March 31, 2015, the amount of R$ 37,790 was recognized as income from rent in the Company's income (loss).

	2015	**2014**
Income from operating lease	37,790	16,566

35 Insurance coverage

The Company adopts the policy of contracting insurance coverage for assets subject to risks for amounts considered to be sufficient to cover eventual claims, considering the nature of its activity.

On March 31, 2015, the Company's insurance coverage against operating risks was comprised of R$ 744,155 for property insurance and R$ 50,000 for parent company's liability.

36 Statement of added value - DVA

In accordance with BRGAAP requirement applicable to listed companies and as additional information for IFRS purposes, the Company prepared consolidated and individual statement of added value.

This statement, supported by macro-economic concepts, is intended to present the Company's portion in Gross Domestic Product formation by determining values added by the Company and those received from other entities; distribution of these amounts to employees, government spheres, asset leases, loan, financing and debt security creditors, controlling and minority shareholders, and other remuneration that represents wealth transfer to third parties; said added value represents wealth created by the Company, in general, measured at income from sale of assets and from services provided less respective inputs acquired from third parties, including value added produced by third parties and transferred to the entity.