



Conference Call  
FY14 and 4Q14

*brasilagro* 



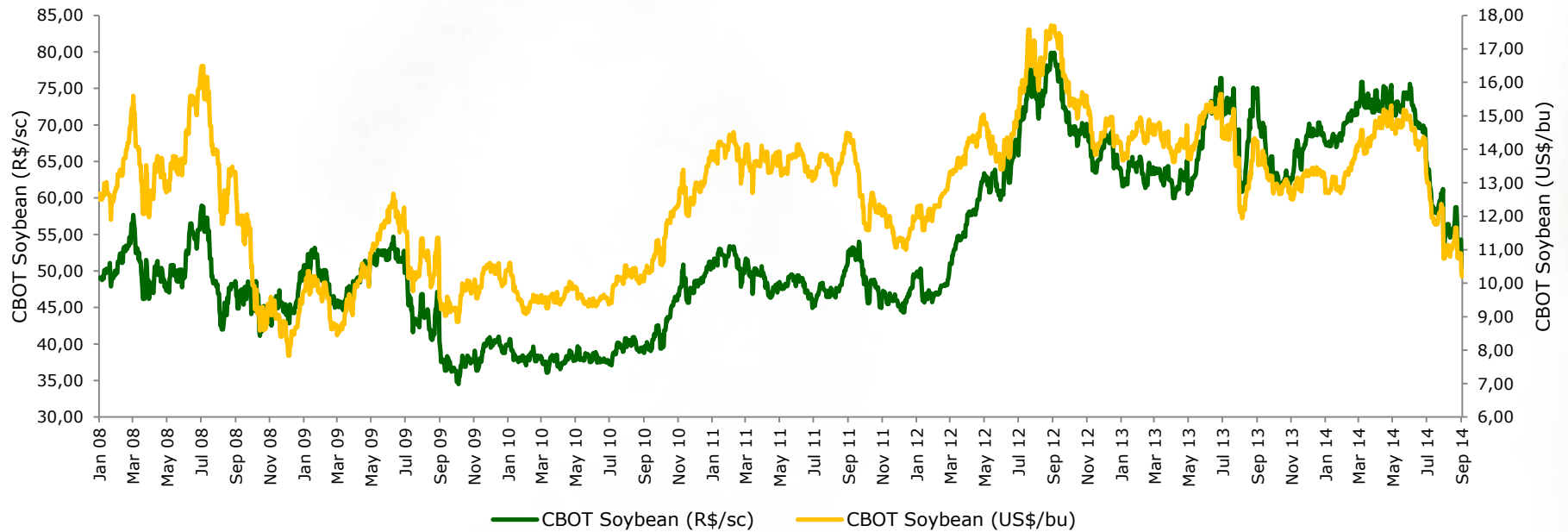
## FY14 - Highlights

- Acquisition of 141,000 ha in Paraguay.
- Sale of 24,624 ha in Paraguay for US\$ 14,8 million and 1,164 ha in Brazil for R\$ 41.3 million.
- 16,000 ha of environmental licenses obtained during FY14.
- 13,000 ha transformed during FY14.
- Independent portfolio appraisal of R\$ 1.3 billion.



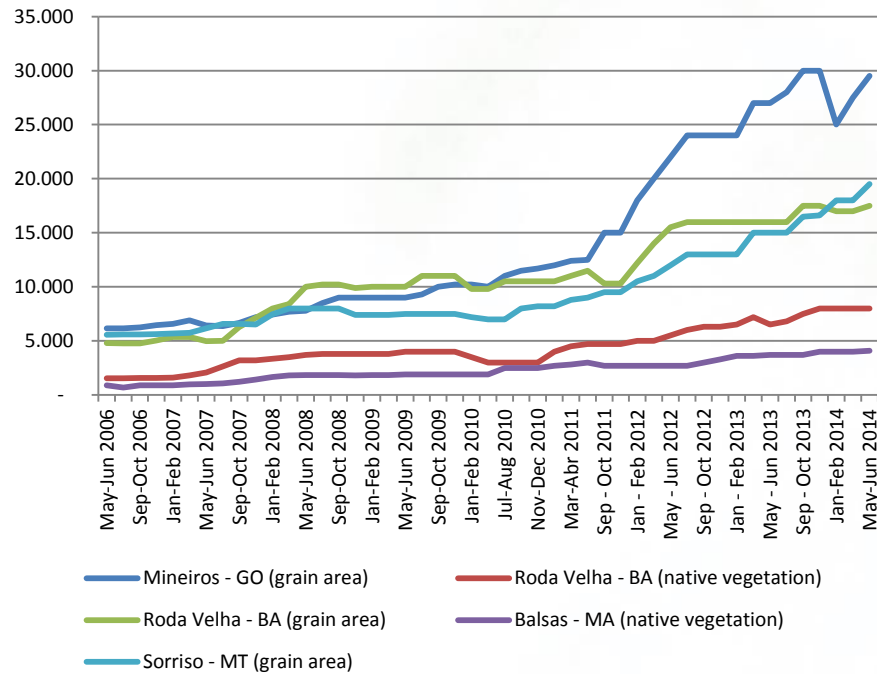
# Scenario

## SOYBEAN PRICE EVOLUTION

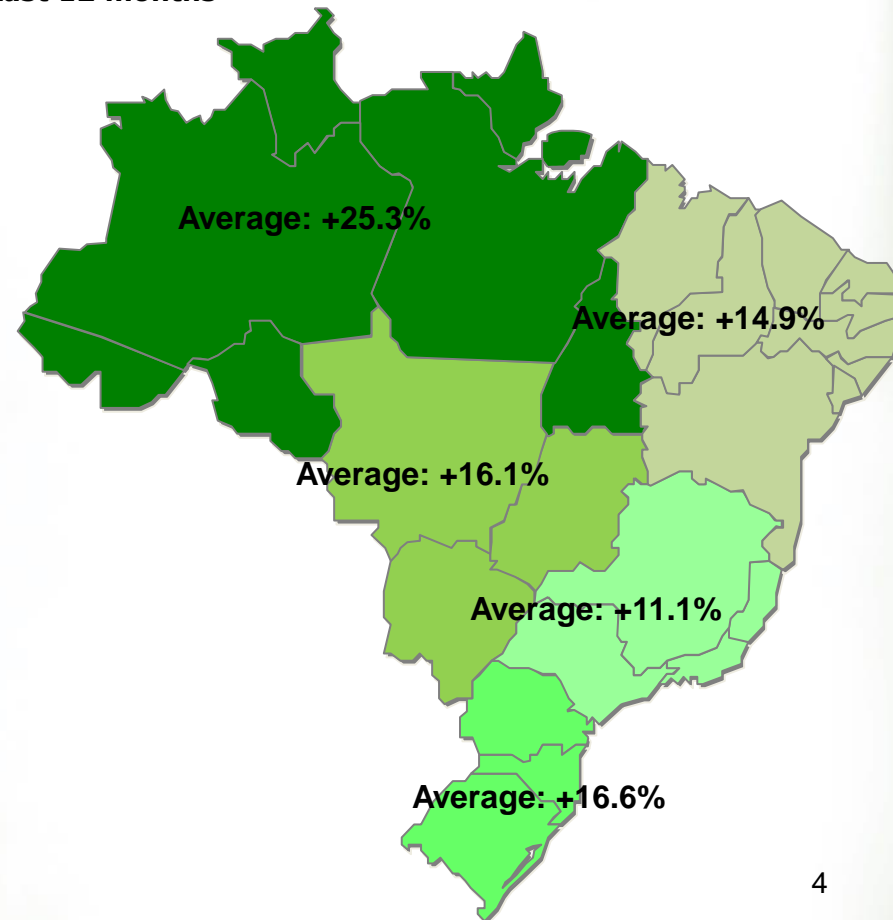




**HISTORICAL FARMLAND PRICES**  
In R\$ / ha



**LAND APPRECIATION PER REGION**  
Last 12 months

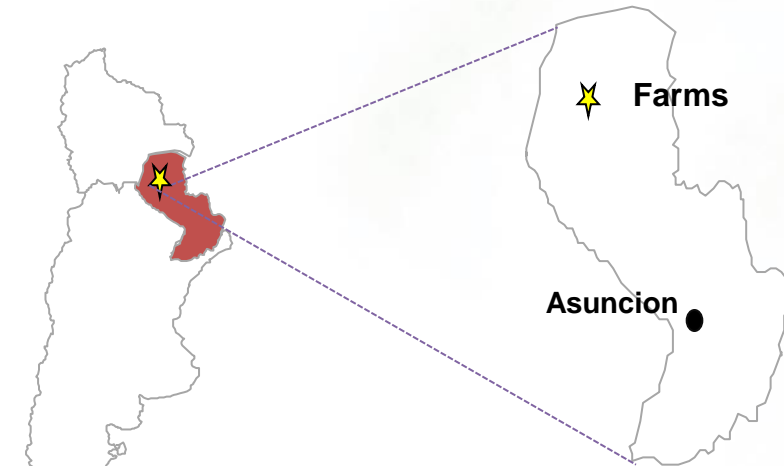






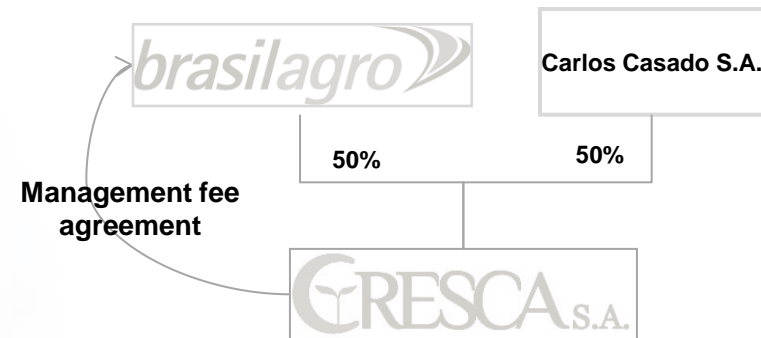
# Paraguay Acquisition December 2013

## FARMS LOCATION



- > **Total area: 141,000 ha.**
- > **Arable area: 71,931 ha.**

## DEAL STRUCTURE



<b>Acquisition of 50% stake</b>	<b>18.5</b>
<b>Capital increase in Cresca to exercise option <sup>(1)</sup></b>	<b>16.8</b>
<b>Total investment</b>	<b>35.4</b>

(1) 50% x 96,354 x 350, to be finalized during 2014

## Farm Sale

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### CRESCA – PARAGUAY – April 2014

- Total area: 24,624 ha
- Arable area: 12,312 ha
- Acquisition price (dec/13): US\$ 8.6 mm
- Sale price (apr/14): US\$ 14.8 mm

Appreciation = 72%

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### ARAUCÁRIA FARM – June 2014

- Total area: 1,164 ha
- Arable area: 913 ha
- Acquisition price (apr/07): R\$ 10.7 mm
- Sale price (jun/14): R\$ 41.3 mm

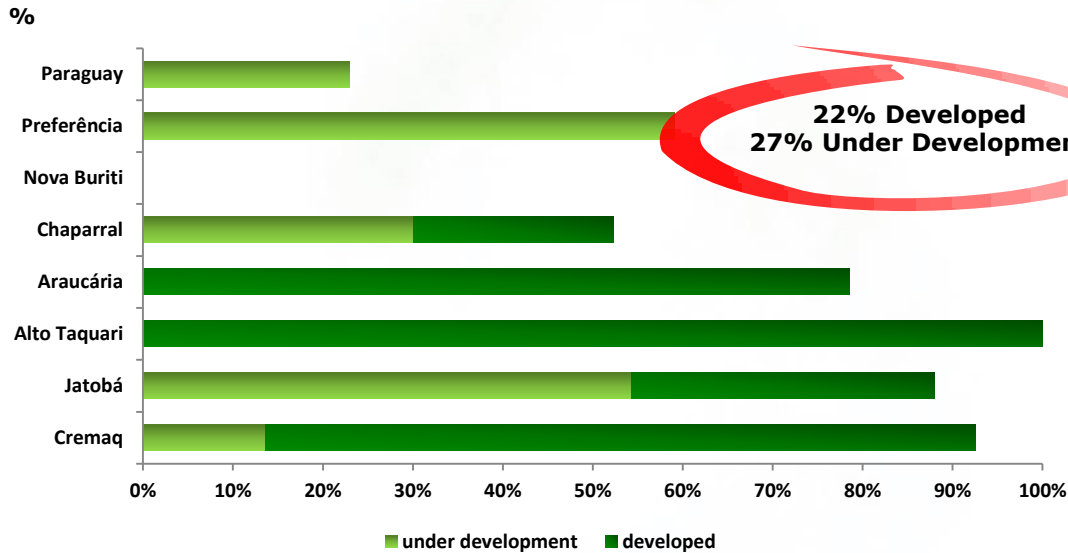
Appreciation = 286%

IRR = 19.2%<sup>(2)</sup>

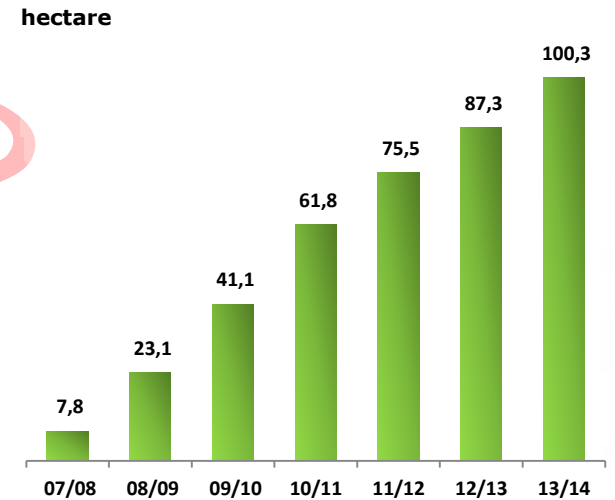


# Portfolio Evolution

## PROPERTIES DEVELOPMENT LEVEL



## LAND TRANSFORMATION EVOLUTION



Continuing with the transformation process, we obtained environmental licenses to transform a further 16,000 hectares.

## Portfolio Appraisal

### INDEPENDENT APPRAISAL (Deloitte Touche Tohmatsu)

In R\$ thousand

Farm	Total area ha	Deloitte
		06/30/2014
Cremaq	27,807	251,354
Jatobá	31,606	314,436
Chaparral	37,182	275,382
Preferência	17,799	50,585
Alto Taquari	5,186	101,764
Araucária <sup>1</sup>	9,288	192,223
Nova Buriti	24,247	22,271
Cresca (50%) <sup>2</sup>	117,307	84,555
<b>Fair Value</b>	<b>270,423</b>	<b>1,292,570</b>

1- Excludes the sale of 1,164 ha of the Araucária Farm.

2- Refers to the 50% of Cresca held by BrasilAgro.



## Portfolio Appraisal

### INTERNAL APPRAISAL (BrasilAgro)

In R\$ thousand

Farm	Period Sales	BrasilAgro	
		06/30/2013	06/30/2014
Cremaq	37,388	231,585	239,342
Jatobá	-	227,688	247,127
Chaparral	-	196,536	221,751
Preferência	-	39,648	47,044
Alto Taquari	-	107,296	109,827
Araucária <sup>1</sup>	10,300	168,304	172,274
Nova Buriti	-	28,657	29,101
Horizontalina	75,000	-	-
Cresca (50%) <sup>2</sup>	-	-	78,856
<b>Fair Value</b>	<b>122,688</b>	<b>999,712</b>	<b>1,145,321</b>
<b>Total Invested (acquisition + CAPEX)<sup>3</sup></b>		<b>339,107</b>	<b>391,267</b>

1- Excludes the sale of 1,164 ha of the Araucária Farm.

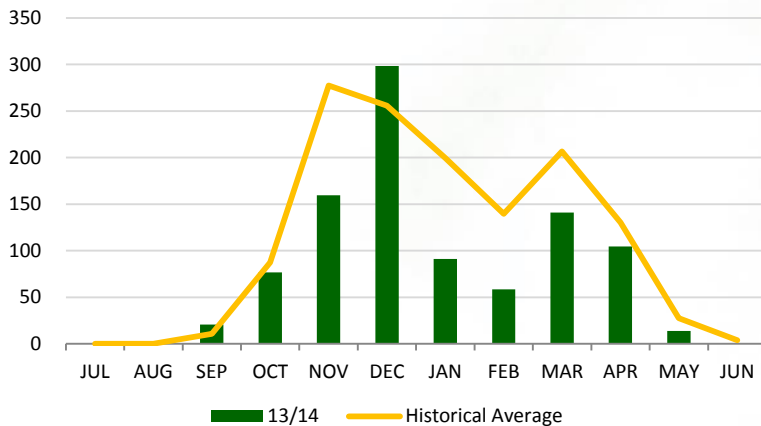
2- Refers to the 50% of Cresca held by BrasilAgro.

3- Value of the acquisition, plus investments in buildings, improvements and the clearing of areas, less accrued depreciation. The value on June 30, 2014 includes the acquisition value and investments in Cresca.

For comparison, we kept the same metrics as Deloitte's and therefore considered the sale of Cresca and not considered the sale of Araucaria Farm. As a reference, our internal appraisal of Araucaria after the sale would be \$ 138.5 million.

# Agricultural Operations Performance

## RAINFALL LEVEL – BAHIA’S FARM



Source: BrasilAgro

## BRAZIL PRODUCTIVITY

### Soybean

**Kg/ha**

New – 1<sup>st</sup> and 2<sup>nd</sup> year of cultivation

1,143

Under Development- 3<sup>rd</sup> and 4<sup>th</sup> year of cultivation

1,746

Developed - > 4 year of cultivation

2,622

### Corn

**Kg/ha**

1<sup>st</sup> crop

5,415

2<sup>nd</sup> crop

3,703

The operations in Paraguay closed the harvest with margins and productivity above budget.

## PARAGUAY PRODUCTIVITY

### Soybean

**Kg/ha**

Soybean

2,347

# Agricultural Operations Performance

## ➤ Sugarcane

Sugarcane harvest year results	year calendar		
	2012	2013	2014*
Tons harvested	838,528	662,674	135,160
Hectares harvested	9,132	8,062	1,264
TCH - Harvested Tons per Hectares	91.82	82.20	106.94

Sugarcane fiscal year results	July 1 to June 30:		
	2012	2013	2014
Tons harvested	17,749	1,047,792	570,820
Hectares colhidos	7,024	10,951	7,583

\* Partial results, sugarcane harvested as of 06/30/14.

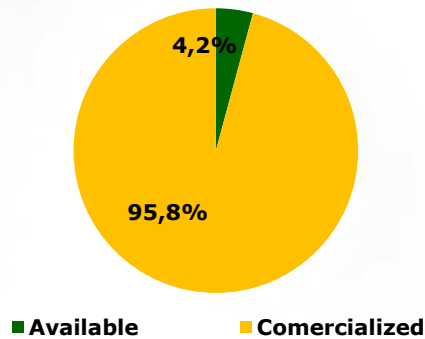
## ➤ Pasture

- 6,425 ha of pasture.
  - 4,438 ha leased to third parties in Preferência Farm.
  - 1,987 ha in Paraguay.

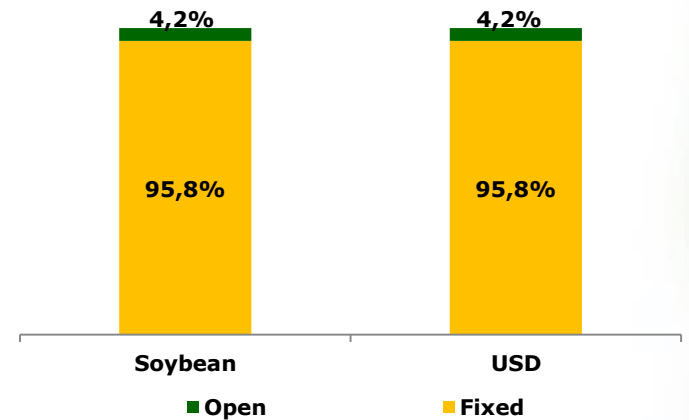
## 2013/2014 Harvest Year Hedge Position as of August 28<sup>th</sup>

### Commercialization

#### Soybean commercialization status



#### Soybean Price



### Price

Soybean		FX	
% hedge <sup>1</sup>	Price (USD/bu.)	% hedge <sup>2</sup>	BRL/USD
95.80%	13.02	76.52%	2.31

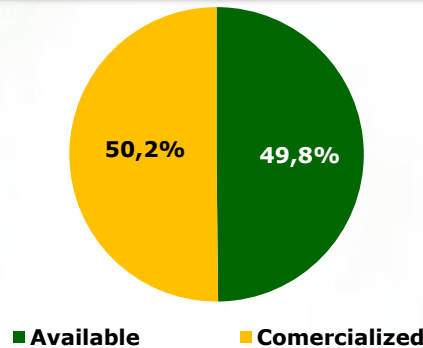
1- Percentage of volume in tons of soybeans locked in  
2- Percentage of expected revenue in USD.



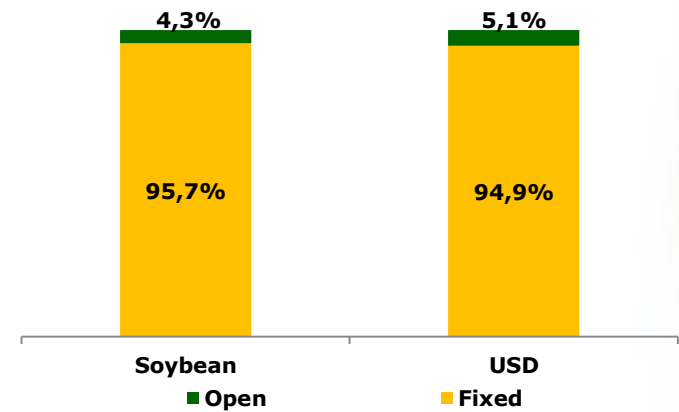
## 2014/2015 Harvest Year Hedge Position as of August 28<sup>th</sup>

### Commercialization

#### Soybean commercialization status



#### Soybean Price



### Price

Soybean		FX	
% hedge <sup>1</sup>	Price (USD/bu.)	% hedge <sup>2</sup>	BRL/USD
4.30%	12.82	5.09%	2.46

1- Percentage of volume in tons of soybeans locked in  
2- Percentage of expected revenue in USD.

## EBITDA and Adjusted EBITDA

EBITDA (R\$ thousand)	4Q14	4Q13	Change	2014	2013	Change
<b>Gross profit</b>	<b>6,319</b>	<b>39,886</b>	<b>-84.2%</b>	<b>13,673</b>	<b>73,767</b>	<b>-81.5%</b>
Selling expenses	(5,404)	(8,466)	-36.2%	(10,239)	(14,028)	-27.0%
General and administrative	(9,715)	(9,250)	5.0%	(30,378)	(29,233)	3.9%
Other operating revenues/expenses	(867)	(2,251)	-61.5%	285	(3,539)	n.a.
Depreciations	12,789	13,136	-2.6%	21,431	27,997	-23.5%
<b>EBITDA</b>	<b>3,122</b>	<b>33,055</b>	<b>-90.6%</b>	<b>(5,228)</b>	<b>54,964</b>	<b>n.a.</b>

Adjusted EBITDA (R\$ thousand)	4Q14	4Q13	Change	2014	2013	Change
<b>Gross profit</b>	<b>6,319</b>	<b>39,886</b>	<b>-84.2%</b>	<b>13,673</b>	<b>73,767</b>	<b>-81.5%</b>
Elimination of gains on biological assets (grains and sugarcane planted)	2,408	(8,606)	n.a.	5,823	(15,342)	n.a.
Selling expenses	(5,404)	(8,466)	-36.2%	(10,239)	(14,028)	-27.0%
General and administrative	(9,715)	(9,250)	5.0%	(30,378)	(29,233)	3.9%
Other operating revenues/expenses	(867)	(2,251)	-61.5%	285	(3,539)	n.a.
Hedge results	5,485	(17,978)	n.a.	4,816	(17,998)	n.a.
Adjusted Depreciations <sup>(1)</sup>	14,415	14,711	-2.0%	20,404	26,343	-22.5%
<b>Adjusted EBITDA</b>	<b>12,642</b>	<b>8,046</b>	<b>57.1%</b>	<b>4,384</b>	<b>19,970</b>	<b>-78.0%</b>

1- Adjusted Depreciation includes depreciation of harvested grains and sugarcane and the Nova Burity and Preferência farms, as well as administrative depreciation.



# Income Statement

	4Q14	4Q13	Change	2014	2013	Change
Revenues from grains	54,004	81,288	-33.6%	95,896	128,941	-25.6%
Revenues from sugarcane	8,542	15,912	-46.3%	39,406	62,583	-37.0%
Revenues from leasing	303	738	-58.9%	1,143	1,261	-9.4%
Revenues from farm sale	33,737	47,713	-29.3%	33,737	122,713	-72.5%
Other revenues	647	155	317.4%	1,730	1,253	38.1%
Deductions from gross revenue	(3,176)	(203)	1464.5%	(6,861)	(8,391)	-18.2%
<b>Net Sales Revenue</b>	<b>94,057</b>	<b>145,603</b>	<b>-35.4%</b>	<b>165,051</b>	<b>308,360</b>	<b>-46.5%</b>
Change in fair value of biological assets	(8,529)	(9,358)	-8.9%	1,092	2,289	-52.3%
Reversal (loss) of impairment of net realizable value of agriculture products after harvest	(1,041)	(420)	147.9%	(2,043)	1,659	n.a.
<b>Net Revenue</b>	<b>84,487</b>	<b>135,825</b>	<b>-37.8%</b>	<b>164,100</b>	<b>312,308</b>	<b>-47.5%</b>
Cost of product sale	(66,276)	(76,185)	-13.0%	(138,535)	(170,643)	-18.8%
Cost of farm sale	(11,892)	(19,754)	-39.8%	(11,892)	(67,898)	-82.5%
<b>Gross Profit (loss)</b>	<b>6,319</b>	<b>39,886</b>	<b>-84.2%</b>	<b>13,673</b>	<b>73,767</b>	<b>-81.5%</b>
<b>Selling expenses</b>	<b>(5,404)</b>	<b>(8,466)</b>	<b>-36.2%</b>	<b>(10,239)</b>	<b>(14,028)</b>	<b>-27.0%</b>
<b>General and administrative</b>	<b>(9,715)</b>	<b>(9,250)</b>	<b>5.0%</b>	<b>(30,378)</b>	<b>(29,233)</b>	<b>3.9%</b>
<b>Other operating revenues/expenses</b>	<b>(867)</b>	<b>(2,251)</b>	<b>-61.5%</b>	<b>285</b>	<b>(3,539)</b>	<b>n.a.</b>
<b>Financial result</b>	<b>(4,048)</b>	<b>(3,869)</b>	<b>4.6%</b>	<b>(1,560)</b>	<b>(591)</b>	<b>164.0%</b>
<b>Financial income</b>	<b>8,538</b>	<b>(1,654)</b>	<b>n.a.</b>	<b>40,051</b>	<b>38,000</b>	<b>5.4%</b>
<b>Financial expenses</b>	<b>(12,586)</b>	<b>(2,215)</b>	<b>468.2%</b>	<b>(41,611)</b>	<b>(38,591)</b>	<b>7.8%</b>
<b>Equity pickup</b>	<b>(2,554)</b>	<b>-</b>	<b>n.a.</b>	<b>(704)</b>	<b>-</b>	<b>n.a.</b>
<b>Profit (loss) before income and social contribution taxes</b>	<b>(16,269)</b>	<b>16,050</b>	<b>n.a.</b>	<b>(28,923)</b>	<b>26,376</b>	<b>n.a.</b>
<b>Income tax and social contribution</b>	<b>9,716</b>	<b>3,185</b>	<b>205.1%</b>	<b>15,561</b>	<b>2,351</b>	<b>561.9%</b>
<b>Net income (loss) for the year</b>	<b>(6,553)</b>	<b>19,235</b>	<b>n.a.</b>	<b>(13,362)</b>	<b>28,727</b>	<b>n.a.</b>



## Balance Sheet

Assets	06/30/2014	06/30/2013	Change
<b>Current assets</b>			
Cash and Cash equivalents	86,745	75,694	14.6%
Markable securities	21,532	9,244	133%
Trade accounts receivable	65,010	131,102	-50.4%
Inventories	40,210	28,805	39.6%
Biological assets	1,421	1,201	18.3%
Fiscal and tax credits	3,749	7,655	-51.0%
Transactions with derivatives	18,255	17,081	7%
Transactions with related parties	723	347	108%
Other assets	442	430	3%
	<b>238,087</b>	<b>271,559</b>	<b>-12%</b>
<b>No current assets</b>			
Biological assets	31,202	36,656	-14.9%
Markable securities	13,782	17,988	-23%
Fiscal and tax credits	29,849	25,736	16%
Diferred taxes	43,554	25,216	73%
Associated and subsidiary	63	1,714	-96%
Transactions with related parties	26,068	-	n.a.
Trade accounts receivable	37,453	33,729	11.0%
Properties for investment	334,803	339,108	-1.3%
Other assets	4,644	1,633	184%
	<b>521,418</b>	<b>481,780</b>	<b>8%</b>
Investments	50,369	70	71856%
Property, plant and equipment	13,542	14,851	-8.8%
Intangible assets	4,966	2,570	93%
	<b>590,295</b>	<b>499,271</b>	<b>18%</b>
<b>Total assets</b>	<b>828,382</b>	<b>770,830</b>	<b>7%</b>

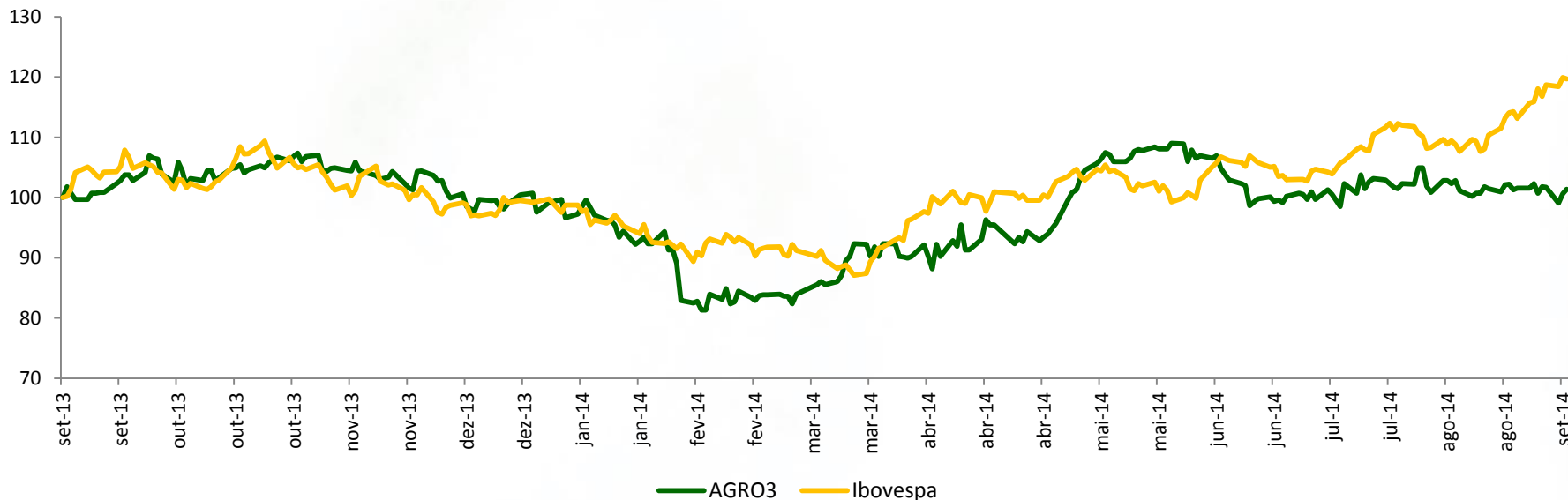
Liabilities and Stockholders' Equity	06/30/2014	06/30/2013	Change
<b>Current liability</b>			
Suppliers	8,158	7,777	4.9%
Loans and financing	62,253	44,929	38.6%
Labor obligations	8,730	8,752	-0.3%
Taxes payable	6,501	2,306	181.9%
Dividends proposed	25	1,963	-98.7%
Transactions	204	2,860	-92.9%
Acquisitions payable	44,820	43,650	2.7%
Transactions with related parties	33,237	183	18062.3%
Advance from customers	579	-	n.a.
Onerous contract	15,038	2,124	608.0%
	<b>179,545</b>	<b>114,544</b>	<b>56.7%</b>
<b>No current liabilities</b>			
Loans and financing	57,909	56,924	1.7%
Taxes payable	2,482	5,812	-57.3%
Transactions with derivatives	-	1,140	-100.0%
Provisions for legal claims	3,573	4,802	-25.6%
Other Obligations	967	623	55.2%
	<b>64,931</b>	<b>69,301</b>	<b>-6.3%</b>
<b>Stockholders' equity capital and reserves attributed to the parent company stockholders</b>			
Capital	584,224	584,224	0.0%
Capital reserves	4,201	3,385	24.1%
Treasury shares	(1,934)	-	n.a.
Profit reserves	-	2,374	-100.0%
Proposal dividends	-	3,922	-100.0%
Others reserves	8,403	(6,920)	n.a.
Accumulated losses	(10,988)	-	n.a.
	<b>583,906</b>	<b>586,985</b>	<b>-0.5%</b>
<b>Total stockholders' equity</b>	<b>583,906</b>	<b>586,985</b>	<b>-0.5%</b>
<b>Total liabilities and stockholders' equity</b>	<b>828,382</b>	<b>770,830</b>	<b>7.5%</b>





# Capital Markets

**AGRO3 x Ibovespa**  
(base 100 = 09/03/2013)



— AGRO3 — Ibovespa

**Price - September 5, 2014:**  
**AGRO3: R\$9.70 / LND: US\$ 4.34**



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