

Cosan Ltd.
Form 6-K
August 15, 2014

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of August, 2014

Commission File Number: 1-33659

COSAN LIMITED
(Translation of registrant's name into English)

Av. Juscelino Kubitschek, 1726 – 6th floor
São Paulo, SP 04543-000 Brazil
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

| | |
|--------|------|
| Form X | Form |
| 20-F | 40-F |

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No X

COSAN LIMITED

Item

1. Earnings Release for 2nd Quarter of Fiscal Year 2014
 2. Cosan Limited consolidated interim financial statements at June 30, 2014 and report of independent registered public accounting firm
-

Item 1

Earnings Release
2nd Quarter of Fiscal Year 2014Pro forma EBITDA up 6.5% in 2Q14 reaching
R\$ 881 million

São Paulo, August 13, 2014 – COSAN LIMITED (NYSE: CZZ; BM&FBovespa: CZLT33) and COSAN S.A. INDÚSTRIA E COMÉRCIO (BM&FBovespa: CASAN3) announced today its results for the second quarter (2Q14) comprised of April, May and June 2014. The results are consolidated in accordance with the accounting principles adopted in Brazil and internationally (IFRS).

Earnings Conference Call

Portuguese

August 14, 2014

10h00 (EST)

Tel: + 55 11 3193 1001

+ 55 11 2820 4001

Access Code: COSAN

English

August 14, 2014

11h00 (EST)

Tel (BR): + 55 11 3193 1001

+ 55 11 2820 4001

Tel (USA): +1 786 924 6977

Access Code: COSAN

2Q14 Highlights

- o Increase of 9% in Raízen Combustíveis' volume
- o Raízen Energia's EBITDA up 16% to R\$ 478 million
- o Comgás' total client base up 10%
- o Rumo's growth of 13% in loading volume, reaching 2.2 million tons
- o Gain of 75% from Radar's property sales

| Investor Relations Email: ri@cosan.com.br Telephone: +55 11 3897 9797 Site: www.cosan.com.br/ir | 2Q14 | 2Q13 | Summary of Financial Information - Cosan Pro Forma ¹ | 6M14 | 6M13 |
|---|-----------|-----------|--|-----------|-----------|
| | (Apr-Jun) | (Apr-Jun) | Amount in R\$ MM | (Jan-Jun) | (Jan-Jun) |
| | 9,595.7 | 8,765.7 | Net Revenue | 19,189.2 | 17,227.2 |
| | 1,172.7 | 1,016.5 | Gross Profit | 2,390.1 | 2,045.3 |
| | 12.2% | 11.6% | Gross Margin (%) | 12.5% | 11.9% |
| 2Q14 - quarter ended June 30, 2014 | 445.9 | 426.5 | Operating Profit | 1,013.7 | 892.7 |
| | 881.4 | 827.7 | EBITDA | 1,907.8 | 1,739.1 |
| 2Q13 - quarter ended June 30, 2013 | 9.2% | 9.4% | EBITDA Margin (%) | 9.9% | 10.1% |
| | 1.2 | 3.5 | Equity Pick-up | (14.8) | (2.6) |

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| | | | | | |
|---|----------|----------|--|----------|----------|
| YTD 14 - semester beginning January 1, 2014 and closing June 30, 2014 | 213.2 | (140.6) | Net Income before non-controlling Interest | 524.8 | (23.1) |
| | 104.1 | (201.5) | Net Income | 360.3 | (174.4) |
| | 1.1% | -2.3% | Net Margin (%) | 1.9% | -1.0% |
| YTD 13 - semester beginning January 1, 2013 and closing June 30, 2013 | 614.3 | 581.0 | CAPEX | 1,449.9 | 1,410.8 |
| | 8,822.3 | 9,120.1 | Net Debt | 8,822.3 | 9,120.1 |
| | 13,856.9 | 13,035.2 | Shareholders' Equity and Minority Shareholders | 13,856.9 | 13,035.2 |

Note 1: Considering the consolidation of 50% of Raízen Combustíveis and Raízen Energia

Highlights and Business Units

A.1 Business Units

We present a specific section for each business unit, including their key operating data, and analyses of the results, from net revenue to EBITDA.

Our business units (reportable segments) are organized as follows:

- o Raízen Combustíveis Fuels Distribution
- o Raízen Energia Sugar, Ethanol and Cogeneration
- o Comgás Natural Gas Distribution
- o Rumo Logistics Operations
- o Cosan Lubrificantes Lubricants, Base Oils and Specialties
- o Radar Investments in Agricultural Land
- o Other Business Corporate Structure and Other Investments

A.2 Cosan Consolidated Result

For Cosan's consolidated financial information, we considered 100% of the results of Comgás, Rumo, Cosan Lubrificantes, Radar, and Other Businesses. Starting April 1, 2013, upon the adoption of IFRS 11, Raízen Energia e Combustíveis's results are reported in the "Equity Pick-up" line, considering a proportionate interest (50%) in the result. Adjustments and Eliminations represent intercompany balances and transactions.

EBITDA reported herein complies with CVM Rule 527/12, published by the Brazilian Securities and Exchange Commission on October 4, 2012, and may differ from the amounts disclosed in previous periods due to equity accounting adjustment. Consequently, EBITDA now consists of operating profit before financial expenses, plus depreciation, amortization and equity pick-up.

| 2Q14 | 2Q13 | | EBITDA (Reconciliation ICVM 527) | 6M 14 | 6M 13 | |
|-----------|-----------|--------|--|-----------|-----------|--------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| 104.1 | (201.5) | n/a | Net Income | 360.3 | (174.4) | n/a |
| (164.3) | 32.4 | n/a | (-) Equity Pick-up | (386.1) | (60.2) | n/a |
| - | - | n/a | (-) Income from Discontinued Operations | - | 3.4 | n/a |
| 105.3 | 58.4 | 80.5% | (+) Minority Shareholders | 157.2 | 143.1 | 9.8% |
| (17.8) | 77.0 | n/a | (+) Income Taxes | 41.7 | 216.2 | -80.7% |
| 227.3 | 315.3 | -27.9% | (+) Net Financial Expense (Revenue) | 333.5 | 492.8 | -32.3% |
| 170.6 | 127.1 | 34.2% | (+) Depreciation and Amortization | 331.0 | 286.4 | 15.6% |
| 425.2 | 408.6 | 4.1% | EBITDA (before ICVM 527) | 837.5 | 907.3 | -7.7% |
| 164.3 | (32.4) | n/a | (+) Equity Pick-up | 386.1 | 60.2 | n/a |
| 589.6 | 376.2 | 56.7% | EBITDA (after ICVM 527) | 1,223.6 | 967.5 | 26.5% |
| - | - | n/a | (+) Reclassification of Discontinued Operations ² | - | (3.4) | n/a |
| 589.6 | 376.2 | 56.7% | Adjusted EBITDA (after ICVM 527) | 1,223.6 | 964.1 | 26.9% |

Note 2: Due to the disposal of the retail sugar trading business represented by Cosan Alimentos, the company reclassified this unit's results to discontinued operations, as required by accounting rules IFRS5/CPC31 – Non-current Asset Held for Sale and Discontinued Operation.

Below we report the results for 2Q14 for each business unit for all segments detailed above. All information reflects 100% of their financial performance, regardless of Cosan's interest.

For purposes of consolidated EBITDA reconciliation, the Adjustments and Eliminations column refers to the elimination of net incomes from businesses controlled by Cosan for consolidation purposes. The same adjustment applies when we consider Raízen's results for EBITDA calculation.

| Results by Business Unit | Comgás | Rumo | Lubrificantes | Radar | Other Businesses | Adjusts and Eliminations | Consolidated | Raízen Combustíveis | Raízen Energia | 5 |
|-------------------------------------|-----------|---------|---------------|--------|------------------|--------------------------|--------------|---------------------|----------------|-------|
| 2Q14 | | | | | | | | | | |
| Net Revenue | 1,616.4 | 190.5 | 403.9 | 35.2 | (0.0) | - | 2,246.0 | 13,684.8 | 1,686.3 | (7,5) |
| Cost of Goods and Services | (1,091.3) | (128.6) | (315.1) | (10.1) | 0.0 | - | (1,545.1) | (13,066.9) | (1,360.8) | 7 |
| Gross Profit | 525.1 | 61.9 | 88.8 | 25.1 | (0.0) | - | 700.9 | 618.0 | 325.5 | (4) |
| Gross Margin(%) | 32.5% | 32.5% | 22.% | 71.3% | 99.7% | n/a | 31.2% | 4.5% | 19.3% | |
| Selling Expenses | (158.4) | - | (65.9) | - | - | - | (224.3) | (301.5) | (117.7) | |
| General and Administrative Expenses | (76.0) | (22.8) | (16.4) | (8.5) | (32.1) | - | (155.8) | (95.8) | (121.0) | |
| Other Operating Revenues (Expenses) | (0.8) | (8.2) | (0.2) | 67.9 | (124.9) | - | (66.2) | 76.7 | (1.5) | |
| Equity Pick-up | - | 0.0 | (2.0) | - | 299.3 | (132.9) | 164.3 | 2.1 | (5.6) | |
| Depreciation and Amortization | 129.7 | 23.0 | 16.8 | 0.2 | 0.9 | - | 170.6 | 128.8 | 398.6 | (3) |
| EBITDA | 419.5 | 54.0 | 21.1 | 84.8 | 143.1 | (132.9) | 589.6 | 428.2 | 478.3 | (4) |
| EBITDA Margin (%) | 26.% | 28.3% | 5.2% | n/a | n/a | n/a | 26.2% | 3.1% | 28.4% | |
| Financial income | (70.8) | (34.0) | (7.5) | (0.3) | (207.6) | 3.0 | (317.1) | (43.3) | (113.8) | |
| Financial expense | 23.0 | 9.9 | 1.8 | 2.4 | 39.1 | (3.0) | 73.3 | 28.9 | 79.8 | |
| Foreign exchange gain (losses), net | (3.1) | 0.2 | 35.9 | - | (9.0) | - | 24.0 | 20.1 | 51.2 | |
| Derivatives | 3.6 | - | (8.3) | - | (2.8) | - | (7.5) | 1.7 | (3.7) | |
| Income taxes expenses | (83.0) | (2.4) | (10.4) | (5.1) | 118.8 | - | 17.8 | (88.3) | 18.7 | |
| Non-controlling interests | - | 0.1 | - | - | - | (105.5) | (105.3) | (7.5) | - | |
| | - | - | - | - | - | - | - | - | - | |

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| Results by Business Unit | Comgás | Rumo | Lubrificantes | Radar | Other Businesses | Adjusts and Eliminations | Consolidated | Raízen Combustíveis | Raízen Energia | |
|-------------------------------------|-----------|---------|---------------|--------|------------------|--------------------------|--------------|---------------------|----------------|-----|
| Results of discontinued operations | | | | | | | | | | |
| Profit (loss) for the period | 159.6 | 4.8 | 15.7 | 81.6 | 80.8 | (238.4) | 104.1 | 210.9 | 111.9 | (|
| 6M 14 | | | | | | | | | | |
| Net Revenue | 3,133.8 | 398.4 | 772.2 | 98.7 | 0.1 | - | 4,403.2 | 26,695.8 | 4,291.1 | (15 |
| Cost of Goods and Services | (2,160.2) | (252.1) | (605.1) | (48.4) | 0.0 | - | (3,065.9) | (25,407.5) | (3,473.7) | 1 |
| Gross Profit | 973.5 | 146.3 | 167.1 | 50.4 | 0.1 | - | 1,337.3 | 1,288.2 | 817.4 | (1 |
| Gross Margin(%) | 31.1% | 36.7% | 21.6% | 51.0% | n/a | n/a | 30.4% | 4.8% | 19.0% | |
| Selling Expenses | (308.8) | - | (122.2) | - | - | - | (430.9) | (585.0) | (280.9) | |
| General and Administrative Expenses | (143.2) | (42.7) | (33.8) | (16.8) | (64.4) | - | (300.9) | (201.0) | (261.4) | |
| Other Operating Revenues (Expenses) | (7.9) | (1.5) | 0.2 | 44.9 | (134.6) | - | (99.0) | 178.4 | 58.7 | |
| Equity Pick-up | - | - | (3.3) | 0.0 | 669.1 | (279.6) | 386.1 | 7.3 | (15.9) | |
| Depreciation and Amortization | 247.8 | 44.7 | 36.3 | 0.5 | 1.6 | - | 331.0 | 261.3 | 894.4 | |
| EBITDA | 761.5 | 146.8 | 44.3 | 78.9 | 471.7 | (279.6) | 1,223.6 | 949.3 | 1,212.3 | (1 |
| EBITDA Margin (%) | 24.3% | 36.9% | 5.7% | 79.9% | n/a | n/a | 27.8% | 3.6% | 28.3% | |
| Financial income | (142.2) | (42.5) | 35.2 | (0.6) | (354.4) | 6.1 | (498.3) | (63.3) | (242.2) | |
| Financial expense | 38.5 | 22.1 | 1.6 | 5.9 | 59.1 | (6.1) | 121.1 | 46.6 | 145.7 | |
| Foreign exchange gain (losses), net | 32.2 | 0.3 | 25.9 | - | 43.5 | - | 101.8 | 53.0 | 129.9 | |
| Derivatives | (32.2) | - | (15.5) | - | (10.3) | - | (58.1) | (28.2) | 44.4 | |
| Income taxes expenses | (142.0) | (27.7) | (7.7) | (7.8) | 143.4 | - | (41.7) | (206.4) | (77.4) | |
| Non-controlling interests | - | 0.4 | - | - | - | (157.5) | (157.2) | (14.9) | - | |
| Results of discontinued operations | - | - | - | - | - | - | - | - | - | |
| Profit (loss) for the period | 268.0 | 54.7 | 47.4 | 75.8 | 351.4 | (437.1) | 360.3 | 475.0 | 318.4 | |

B. Results by Business Unit

B.1 Raízen Combustíveis

Below you will find the results of Raízen Combustíveis, the business unit that distributes and trades fuels through a network of franchised Shell service stations, in addition to supplying fuels to industrial clients and distributing aviation fuel.

Following the adoption of IFRS 11 – Joint Arrangements, starting in April 2013 Cosan no longer consolidates Raízen in its balance sheet, statement of income and cash flows, and the result from this business unit has been reported under “Equity Accounting Result” ever since. Given Raízen’s materiality in Cosan’s financial information, we will report this segment’s performance separately.

Net Revenue

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Sales Breakdown Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--------------------------------------|--------------------|--------------------|--------|
| 13,684.8 | 11,778.5 | 16.2% | Fuel Sales | 26,695.8 | 22,725.6 | 17.5% |
| 805.0 | 672.3 | 19.7% | Ethanol | 1,735.2 | 1,330.3 | 30.4% |
| 5,529.3 | 4,724.0 | 17.0% | Gasoline | 10,676.9 | 9,130.8 | 16.9% |
| 5,962.8 | 5,117.2 | 16.5% | Diesel | 11,398.1 | 9,581.0 | 19.0% |
| 1,226.5 | 1,126.4 | 8.9% | Aviation | 2,566.3 | 2,403.4 | 6.8% |
| 161.2 | 138.7 | 16.2% | Other Products | 319.3 | 280.0 | 14.0% |

Raízen Combustíveis’ net revenue in 2Q14 reached R\$13.7 billion, up 16.2% year-over-year from R\$ 11.8 billion. This is chiefly due to the 8.7% increase in total fuel sales volume in the period, especially Ethanol and Gasoline, which grew by 10.5% and 11.5% respectively.

Additionally, the average price of products sold increased 6.9% year-over-year, from R\$ 2,085/m³ in 2Q13 to R\$ 2,229/m³ in 2Q14, basically due to the increase in Gasoline and Diesel prices performed by Petrobrás in 2013 as well as higher average price of ethanol in the period.

The network of Shell service stations ended 2Q14 with nearly 5,245 stations and 910 convenience stores.

Fuels
Volume (million liters) and Average Unit Price (R\$/cbm)

Inventories

| Fuels Inventories | | | |
|-------------------|------------|------------|--------|
| | 06/30/2014 | 06/30/2013 | Chg. % |
| 000' cbm | 561.7 | 442.5 | 26.9% |
| R\$'MM | 1,113.9 | 852.7 | 30.6% |
| R\$/cbm | 1,983.1 | 1,926.8 | 2.9% |

Cost of Goods Sold

| 2Q14 | 2Q13 | | COGS | 6M 14 | 6M 13 | |
|------------|------------|--------|-------------------|------------|------------|--------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| (13,066.9) | (11,223.5) | 16.4% | Fuel Sales | (25,407.5) | (21,575.1) | 17.8% |

In 2Q14, Raízen Combustíveis' cost of goods sold totaled R\$13.1 billion, up 16.4% compared to 2Q13. This is mainly due to the higher volumes sold and price increases performed by Petrobras.

Gross Profit

| 2Q14 | 2Q13 | | Gross Profit | 6M 14 | 6M 13 | |
|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| 618.0 | 555.0 | 11.3% | Gross Profit | 1,288.2 | 1,150.5 | 12.0% |
| 4.5% | 4.7% | -0.2 p.p. | Gross Margin (%) | 4.8% | 5.1% | -0.2 p.p. |

Raízen Combustíveis' gross profit in 2Q14 totaled R\$ 618.0 million, up 11.3% compared to the R\$555.0 million recorded in 2Q13. Gross margin in the quarter was 4.5%, in line with the same period last year.

Selling, General, and Administrative Expenses

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | SG&A Expenses Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--|--------------------|--------------------|--------|
| (301.5) | (247.1) | 22.0% | Selling Expenses | (585.0) | (512.9) | 14.1% |
| (95.8) | (88.1) | 8.7% | G&A Expenses | (201.0) | (180.7) | 11.2% |
| 76.7 | 79.9 | -4.1% | Other Operational Revenues/Expenses | 178.4 | 147.2 | 21.2% |

Raízen Combustíveis' selling expenses totaled R\$ 301.5 million in 2Q14, up 22.0% year-on-year, mainly due to increased fuel sales volume in the period, which raises freight and logistics costs. In addition, specifically in this quarter, we recorded non-recurring marketing expenses due to World Cup initiatives.

General and administrative expenses were R\$ 95.8 million in 2Q14, up 8.7% compared to R\$ 88.1 in 2Q13, mainly due to expenses from consulting services in the quarter.

Other operating revenues include merchandising fees, convenience store royalties, revenue from leases, and revenues from the sale of assets, totaled R\$ 76.7 million in 2Q14.

EBITDA

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|-----------|-----------------------------|--------------------|--------------------|-----------|
| 428.2 | 417.4 | 2.6% | EBITDA | 949.3 | 840.2 | 13.0% |
| 3.1% | 3.5% | -0.4 p.p. | EBITDA Margin (%) | 3.6% | 3.7% | -0.1 p.p. |

Raízen Combustíveis's EBITDA was R\$428.2 million in 2Q14, up 2.6% over 2Q13. EBITDA margin dropped 0.4 p.p. due to higher expenses exclusively registered in 2Q14, among other factors.

CAPEX

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | CAPEX Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|----------------------------|--------------------|--------------------|--------|
| 128.8 | 89.3 | 44.2% | CAPEX | 406.6 | 242.8 | 67.5% |

Raízen Combustíveis's CAPEX totaled R\$128.8 million in 2Q14. Expenses in the period are related to new and renewed contracts with distributors, investments in service stations network, spending on health, safety and environmental requirements (SSMA), as well as other expenses related with logistics and distribution.

B.2 Raízen Energia

The following are the results for Raízen Energia, whose core business is the production and sale of a variety of products derived from sugarcane, including raw sugar (Very High Polarization - VHP), anhydrous and hydrous ethanol, as well as activities related to energy cogeneration from sugarcane bagasse and ethanol trading.

Following the adoption of IFRS 11 – Joint Arrangements, Cosan no longer consolidates Raízen in its balance sheet, statement of income and cash flows, and the result from this business unit has been reported under “Equity Accounting Result” ever since. Given Raízen’s materiality in Cosan’s financial information, we will report this segment’s performance separately.

In this release, we are reporting Raízen Energia’s performance for the second quarter of 2014, which represents the beginning of the 2014/15 crop season.

Production Figures

At the end of 2Q14, Raízen Energia operated 24 sugar, ethanol and energy cogeneration mills, with a crushing capacity of 65.5 million tons of sugarcane per crop year.

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Operational Figures | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|----------|--------------------------------|--------------------|--------------------|----------|
| 20,936 | 18,534 | 13.0% | Crushed Sugarcane | 20,938 | 18,534 | 13.0% |
| 11,814 | 11,022 | 7.2% | Own ('000 tonnes) | 12,368 | 11,022 | 12.2% |
| 9,123 | 7,512 | 21.4% | Suppliers ('000 tonnes) | 8,571 | 7,512 | 14.1% |
| 124.3 | 121.3 | 2.5% | Sugarcane TRS (kg/tonne) | 124.3 | 121.3 | 2.5% |
| 79.5 | 86.5 | -8.1% | Tons of cane per hectare (TCH) | 79.5 | 86.5 | -8.1% |
| 97.2% | 94.3% | 2.9 p.p. | Mechanization (%) | 97.2% | 94.3% | 2.9 p.p. |
| Production | | | | | | |
| 1,353 | 1,190 | 13.7% | Sugar | 1,353 | 1,190 | 13.7% |
| 929 | 866 | 7.2% | Raw Sugar ('000 tonnes) | 929 | 866 | 7.2% |
| 424 | 323 | 31.1% | White Sugar ('000 tonnes) | 424 | 323 | 31.1% |
| 705 | 595 | 18.6% | Ethanol | 705 | 595 | 18.6% |
| 313 | 260 | 20.6% | Anhydrous Ethanol ('000 cbm) | 313 | 260 | 20.6% |
| 392 | 335 | 17.0% | Hydrous Ethanol ('000 cbm) | 392 | 335 | 17.0% |

In 2Q14, the volume of crushed sugarcane topped 20.9 million tons, up 13.0% compared to 2Q13, due to a higher number of days available for harvest this quarter as a result of the dry weather in the South Central Region. Nearly 44% of the crushed amount is third-party sugarcane while 56% is own sugarcane, including agricultural partners.

In 2Q14, 97.2% of own sugarcane was harvested mechanically, and TSR of the sugarcane reached 124.3 kg/ton, up 2.5% year-over-year mainly due to drier weather conditions causing higher concentration of total sugars in the harvested cane.

Agricultural productivity in 2Q14 - measured in tons of sugarcane per hectare (TCH) - reached 79.5 t/ha, down 8.1%% compared to 2Q13, whose reported figure was 86.5 t/ha, due to water stress that affects Mid-Southern Brazil since the end of the 2013/14 harvest.

In 2Q14, the average age of sugarcane fields remained 3.1 years, reflecting the appropriate renewal of owned sugarcane plantation areas during the crop and interharvest season. The production mix emphasized sugar, with 54.5%% of sugarcane crushed destined to sugar production, totaling 1.4 million tons of sugar and 705 million liters of ethanol produced in 2Q14.

Net Revenue

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | Sales Breakdown Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|--------|--------------------------------------|--------------------|--------------------|--------|
| 1,686.3 | 1,478.3 | 14.1% | Net Operating Revenue | 4,291.1 | 3,828.6 | 12.1% |
| 582.8 | 759.1 | -23.2% | Sugar Sales | 1,808.3 | 1,935.8 | -6.6% |
| 220.9 | 185.3 | 19.2% | Domestic Market | 491.8 | 383.6 | 28.2% |
| 361.9 | 573.9 | -36.9% | Foreign Market | 1,316.5 | 1,552.2 | -15.2% |
| 879.3 | 580.7 | 51.4% | Ethanol Sales | 2,200.6 | 1,704.0 | 29.1% |
| 359.0 | 323.2 | 11.1% | Domestic Market | 1,022.9 | 852.1 | 20.0% |
| 289.0 | 187.6 | 54.0% | Foreign Market | 499.1 | 510.8 | -2.3% |
| 231.4 | 69.9 | n/a | Trading | 678.6 | 341.1 | 98.9% |
| 175.0 | 97.2 | 79.9% | Energy Cogeneration | 202.3 | 110.3 | 83.3% |
| 49.2 | 41.1 | 19.5% | Other Products and Services | 80.0 | 78.4 | 2.1% |

Raízen Energia's net revenue in 2Q14 reached R\$ 1.7 billion, up 14.1% year-over-year from R\$ 1.5 billion.

The main drivers of this net revenue increase during the quarter were higher ethanol and energy sales, as well as their increased average prices. In addition, revenue also increased due to ethanol trading in the foreign market.

Sugar Sales

In 2Q14, net revenue from sugar sales totaled R\$ 582.8 million, down 23.2% compared to 2Q13, of R\$ 759.1 million. The main factor driving this reduction in net revenue from sugar sales was the postponement of shipments to the end of the 2014/15 harvest.

During the quarter, the total volume of sugar sold registered a decrease of 22.7% compared to 2Q13, and there was also a decrease in the weighted average price for the quarter, from R\$ 914.3/t in 2Q13 to R\$ 907.4/t in 2Q14.

In addition, sugar production was higher due to higher volumes of crushed sugarcane in the period, thus higher levels of inventory.

Sugar
Volume Sold ('000 tons) and Average Unit Price (R\$/ton)

Sugar Inventories

| Sugar inventories | | | |
|-------------------|------------|------------|-----------|
| | 30/06/2014 | 30/06/2013 | Cgh. % |
| '000 ton | 800.0 | 436.0 | 83.5% |
| R\$'MM | 593.3 | 334.9 | 77.2% |
| R\$/ton | 741.7 | 768.0 | -3.4% |

Ethanol Sales

Net revenue from ethanol sales in 2Q14 reached R\$ 879.3 million, up 51.4% year-over-year from R\$ 580.7 million. Higher sales volumes of approximately 35%, as well as the 12% increase of weighted average price, were primarily responsible for the increased net revenue.

Ethanol exports featured an increase of 44.4% in sales volume as a function of more shipments in the quarter.

In 2Q14 net revenue from ethanol trading transactions in the foreign market reached R\$ 231.4 million, a total volume of 118.3 million liters.

Ethanol
Volume Sold (million liters) and Average Unit Price (R\$/cbm)

Ethanol Inventories

| Ethanol Inventories | | | |
|---------------------|------------|------------|-----------|
| | 30/06/2014 | 30/06/2013 | Chg. % |
| '000 m ³ | 463.0 | 300.0 | 54.3% |
| R\$'MM | 546.1 | 356.2 | 53.3% |
| R\$/m ³ | 1,179.6 | 1,187.3 | -0.6% |

Energy Cogeneration

All of Raízen Energia's 24 mills generate energy and are self-sufficient, 13 of which sell surplus energy from cogeneration.

In 2Q14, net revenue from energy sales totaled R\$ 175.0 million, up 79.9% compared to 2Q13, chiefly due to an average price increase of 50.6% in 2Q13 from R\$ 170/MWh to R\$ 256/MWh. This increase in average price was due to higher volume of transactions in the spot market in 2Q14. Total energy sold increased by 19.4% year-on-year, reaching 683.5 thousand MWh

Electric Energy

Volume Sold ('000 MWh) and Average unit Price (R\$/MWh)

Other Products and Services

In 2Q14, net revenue from other products and services topped R\$ 49.2 million, up 19.5% year-over-year. These revenues are relative to the sale of sugarcane, steam, molasses and raw materials to service providers in the agricultural industry.

Cost of Goods Sold

Raízen Energia's cost of goods sold is reported together with the average unit costs, net of the effects of depreciation and amortization (cash cost).

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | COGS per Product Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|---|-------------------|--------|--|--------------------|--------------------|--------|
| (1,360.8) | (1,252.4) | 8.6% | Cost of Goods Sold | (3,473.7) | (3,343.4) | 3.9% |
| (487.2) | (612.6) | -20.5% | Sugar | (1,445.6) | (1,438.2) | 0.5% |
| (561.8) | (472.0) | 19.0% | Ethanol | (1,283.0) | (1,202.5) | 6.7% |
| (228.5) | (65.9) | n/a | Trading | (657.0) | (339.2) | 93.7% |
| (50.7) | (49.3) | 2.8% | Energy Cogeneration | (65.6) | (60.2) | 8.9% |
| (32.6) | (52.7) | -38.1% | Others | (22.6) | (303.4) | -92.6% |
| Average Unitary Production Costs² | | | | | | |
| (504.8) | (499.5) | 1.1% | Cash Cost of Sugar (R\$/tonne) | (521.9) | (502.8) | 3.8% |
| (854.0) | (848.8) | 0.6% | Cash Cost of Ethanol (R\$/'000 liters) | (842.6) | (828.5) | 1.7% |

Note 3: Average unit costs represent the cash cost, which is net of plantation and cultivation area depreciation and amortization, agricultural depreciation (machinery and equipment), industrial depreciation, and harvest off-season maintenance.

In 2Q14, Raízen Energia's cost of goods sold reached R\$ 1.4 billion, up 8.6% the figure recorded in 2Q13 of R\$ 1.3 billion, mainly due to higher volumes of ethanol, trading transactions and electricity sold in the period.

Raízen Energia managed to keep operating costs at similar levels reported in 2Q13, in addition to achieving improvement of raw material quality with TSR level up 2.5% quarter-on-quarter, from 121.3 kg/t in 2Q13 to 124.3 kg/t in 2Q14.

The unit cost of goods produced by Raízen Energia was also impacted by the following factors:

- o 5.4% increase in the cost of the TSR kilogram released by CONSECANA, from R\$0.4426 in 2Q13 to R\$0.4666 in 2Q14;
- o 8.1% decrease in agricultural productivity of sugarcane fields, represented by higher TCH level (tons of cane per hectare) of 86.5 in 2Q14 compared to 79.5 a year before.

Gross Profit

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Gross Profit and Gross Margin Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|-----------|--|--------------------|--------------------|-----------|
| 325.5 | 225.8 | 44.2% | Gross Profit | 817.4 | 485.2 | 68.5% |
| 95.6 | 146.5 | -34.7% | Sugar | 362.7 | 497.7 | -27.1% |
| 16.4% | 19.3% | -2.8 p.p. | Sugar Gross Margin (%) | 20.1% | 25.7% | -5.6 p.p. |
| 44.4% | 45.4% | -0.9 p.p. | Sugar (Cash) Gross Margin (%) | 43.3% | 47.5% | -4.1 p.p. |
| 86.2 | 38.8 | 122.2% | Ethanol | 239.0 | 160.4 | 49.0% |
| 13.3% | 7.6% | 5.8 p.p. | Ethanol Gross Margin (%) | 15.7% | 11.8% | 3.9 p.p. |
| 40.7% | 36.6% | 4.2 p.p. | Ethanol (Cash) Gross Margin (%) | 41.5% | 37.5% | 4.0 p.p. |
| 2.8 | 4.0 | -29.4% | Trading | 21.6 | 2.0 | n/a |
| 1.2% | 5.7% | -4.5 p.p. | Ethanol Trading Margin (%) | 3.2% | 0.6% | 2.8 p.p. |
| 124.3 | 48.0 | 159.0% | Energy Cogeneration | 136.7 | 50.1 | n/a |
| 71.1% | 49.3% | 21.7 p.p. | Energy Cogeneration Margin (%) | 67.6% | 45.4% | 22.4 p.p. |
| 16.6 | (11.5) | n/a | Other Products and Services | 57.4 | (225.0) | n/a |

In 2Q14, Raízen Energia's gross profit totaled R\$ 325.5 million, an increase of 44.2% compared to 2Q13, when the gross profit reported was R\$ 225.8 million.

Gross profit from the sale of sugar reached R\$ 95.6 million in 2Q14, down 34.7% year-over-year, due to postponed shipping to foreign markets. In its turn, the result from ethanol sales rose 122.2% year-over-year to R\$ 86.2 million, chiefly due to higher volumes sold and better prices registered in 2Q14. The sale of electric energy resulted in gross profit of R\$ 124.3 million, up 159.0% year-over-year.

The result from the sale of other products and services was R\$ 16.6 million in the quarter and was mostly impacted by the gain (non-cash impact) of R\$ 11.4 million due to the positive effect of the biological asset's fair value and agricultural produce.

Selling, General, and Administrative Expenses

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | SG & A Expenses Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--------------------------------------|--------------------|--------------------|--------|
| (117.7) | (113.1) | 4.1% | Selling Expenses | (280.9) | (309.8) | -9.3% |
| (121.0) | (131.5) | -8.0% | General and Administrative Expenses | (261.4) | (266.8) | -2.1% |

Raízen Energia's selling expenses topped R\$ 117.7 million in 2Q14, up 4.1% year-over-year, mainly due to higher volume of ethanol sales in the foreign market, which raised freight and logistics costs.

General and administrative expenses reached R\$ 121.0 million, down 8.0% year-over-year, due to lower compensation and benefit costs and optimized structure. In addition, in 2Q13 the Company registered one-off expenses related to marketing campaigns.

EBITDA

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|----------|-----------------------------|--------------------|--------------------|----------|
| 478.3 | 413.2 | 15.8% | EBITDA | 1,212.3 | 823.6 | 47.2% |
| 28.4% | 27.9% | 0.4 p.p. | Margin EBITDA (%) | 28.3% | 21.5% | 6.7 p.p. |

In 2Q14, Raízen Energia's EBITDA totaled R\$ 478.3 million, an increase of 15.8% compared to 2Q13, which was R\$ 413.2 million. EBITDA margin also posted an increase in the period to 28.4%, from 27.9% registered in 2Q13.

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Ex-Biological Asset Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|---|--------------------|--------------------|--------|
| 478.3 | 413.2 | 15.8% | EBITDA | 1,212.3 | 823.6 | 47.2% |
| (11.4) | 3.3 | n/a | (+) Biological Asset Variation | (66.1) | 213.0 | n/a |
| 466.9 | 416.5 | 12.1% | EBITDA Ex-Biological Asset | 1,146.1 | 1,036.6 | 10.6% |

Raízen Energia's EBITDA adjusted by the effects of the biological asset grew 12.1%, topping R\$ 466.9 million in the quarter.

Hedge

Volume positions and fixed sugar prices agreed with traders or through derivative financial instruments on June 30, 2014, and foreign exchange derivatives contracted by Raízen Energia to hedge future cash flows, are as follows:

| Summary of Hedge Operations at June 30, 2014 | | |
|--|---------|---------|
| Sugar | 2014/15 | 2015/16 |
| NY11 | | |
| Volume ('000 tonne) | 2,375.5 | 50.0 |
| Average Price (¢US\$/lb) | 18.23 | 19.07 |
| Exchange Rate | | |
| US\$ | | |
| Volume (US\$ mm) | 993.4 | 21.9 |
| Average Price (R\$/US\$) | 2.38 | 2.63 |

Note 4: The table above shows the hedging coverage considering the crop years ending on 3/31/2015 and 3/31/2016 respectively.

Impacts of Hedge Accounting

Raízen Energia has been using cash flow hedge accounting for certain derivative financial instruments to hedge against the price risk for sugar over revenues from sugar exports.

The following table shows the expected transfer of gain/loss balances from the shareholders' equity on June 30, 2014 to the net operating income of Raízen Energia⁵ in future years, broken down by coverage period for the following hedging instruments.

| Derivative | Market | Expiration Period - (R\$MM) | Risk | | |
|----------------|------------|-----------------------------|---------|---------|-------|
| | | | 2014/15 | 2015/16 | Total |
| Futures | OTC/NYBOT | NY#11 | 25.1 | 0.3 | 25.4 |
| Futures | BMF&BOVESP | Ethanol | 0.2 | - | 0.2 |
| Fx derivatives | OTC | Exchange | 6.1 | - | 6.1 |
| ACC and PPE | Debt | Exchange | 15.1 | 1.8 | 16.9 |

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| | | | |
|-----------------------------------|--------|-------|--------|
| (=) Hedge Accounting impact | 46.5 | 2.1 | 48.6 |
| (-) Deferred Income Tax | (15.8) | (0.7) | (16.5) |
| (=) Asset Valuation Adjustment | 30.7 | 1.4 | 32.1 |

Note 5: The table above shows 100% of the hedge accounting gains/losses reclassified to shareholders' equity. As Cosan holds a 50% interest at Raízen Energia, hedge accounting will have a proportionate impact on Other Comprehensive Income in Cosan's shareholders' equity.

CAPEX

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | CAPEX Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|---------------------------------|--------------------|--------------------|--------|
| 566.6 | 476.2 | 19.0% | Total CAPEX | 1,575.7 | 1,493.4 | 5.5% |
| 453.8 | 369.4 | 22.8% | Operating CAPEX | 1,152.3 | 1,118.4 | 3.0% |
| 247.3 | 274.8 | -10.0% | Biological Assets | 413.6 | 458.8 | -9.9% |
| 109.0 | 69.7 | 56.4% | Inter-Harvest Maintenance Costs | 479.3 | 473.3 | 1.3% |
| 7.1 | 14.7 | -51.7% | SSMA and Sustaining | 70.2 | 32.9 | n/a |
| 89.9 | 7.4 | n/a | Mechanization | 179.2 | 92.0 | 94.8% |
| 0.5 | 2.8 | -82.1% | Industrial | 10.0 | 61.4 | -83.7% |
| 112.8 | 106.8 | 5.6% | Expansion CAPEX | 423.4 | 375.0 | 12.9% |
| 1.0 | 10.7 | -90.7% | Cogeneration Projects | 4.6 | 42.8 | -89.3% |
| 111.8 | 96.1 | 16.3% | Expansion and Other Projects | 418.8 | 332.2 | 26.1% |

Raízen Energia recorded CAPEX of R\$ 556.6 million in 2Q14, up 19.0% year-over-year.

The expenditures in biological assets totaled R\$ 247.3 million, down 10.0% from R\$ 274.8 registered in 2Q13. This reduction was primarily due to a decrease in the volume of sugarcane planted because unfavorable weather conditions (drought) for this process.

The 56.4% increase in interharvest maintenance expenditures was due to the mismatch of the off-season and service provision periods and the delivery of materials.

Agricultural mechanization increased by R\$ 82.5 million, due to the incorporation of cutting and loading operations in some units, until then carried out by a third party operator during the 2013/14 crop season.

Investments in cogeneration projects had a significant decrease of 90.7% when compared to 2Q13, mainly due to project conclusion.

The expansion and other projects line totaled R\$ 111.8 million, up 16.3% when compared to R\$ 96.1 million registered in 2Q13. This increase was due to higher spending on the development of crushing expansion projects at Paraguassu and Caarapó units, as well as second-generation ethanol.

B.3 Comgás

In this section, we report on the results of Comgás, our natural gas distribution business unit operating in a concession area consisting of 177 municipalities in the Metropolitan Region of São Paulo, the Administrative Region of Campinas, Baixada Santista, and Vale do Paraíba in São Paulo state.

Volumes Sold

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | Volume Sold Volume ('000 cbm) | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|--------|-----------------------------------|--------------------|--------------------|--------|
| 1,399,398 | 1,431,346 | -2.2% | Total Gas Sales | 2,712,464 | 2,798,361 | -3.1% |
| 1,147,555 | 1,196,404 | -4.1% | Gas Sales - without thermal power | 2,253,688 | 2,334,777 | -3.5% |
| 57,304 | 58,729 | -2.4% | Residential | 95,213 | 100,544 | -5.3% |
| 30,487 | 30,142 | 1.1% | Commercial | 57,809 | 55,935 | 3.4% |
| 925,819 | 958,996 | -3.5% | Industrial | 1,838,734 | 1,887,142 | -2.6% |
| 78,086 | 85,401 | -8.6% | Cogeneration | 152,977 | 168,060 | -9.0% |
| 55,860 | 63,135 | -11.5% | Vehicular | 108,955 | 123,096 | -11.5% |
| 251,843 | 234,943 | 7.2% | Thermal Power | 458,776 | 463,585 | -1.0% |

Comgás' business strategy is focused on growing the residential and commercial segments, and on developing the cogeneration and VNG segments. The industrial segment growth - the most representative in terms of volume - has its performance linked to the industrial activity in the concession area. The Company's distribution network totaled 11,711 km in June 2014, of which 439 km were added in 2Q14.

In 2Q14, the company distributed 57.3 million cbm of gas in the residential segment, a 2.4% drop in the volume distributed in 2Q13. This decrease is mainly explained by high temperatures in the second quarter of 2014 compared to the same period of 2013, which reduced the consumption for heating water for bathing/showering throughout the customer base with natural gas heaters. In addition, the program aimed at promoting water conservation implemented by Sabesp also had a significant impact in natural gas consumption at homes equipped with heaters. The segment closed the quarter with 989,190 gas meters connected, an increase of 7.9% compared to 2Q13 (916,418 gas meters). The residential segment accounted for 4% of the total volume distributed in 2Q14, representing 24% of Comgás' total gas margin.

Comgás distributed 30.5 million cbm of gas in the commercial segment during 2Q14, up 1.1% compared to 2Q13. This variation is explained by the addition of 1,287 new clients in the last 12 months - 350 added in the second quarter of 2014. This market represents 2% of the total volume of gas distributed in the quarter and 8% of Comgás' total gas margin.

The industrial segment totaled 925.8 million cbm in 2Q14, down 3.5% than 2Q13. This variation is related to the performance of the economy and the low industrial activity in the period. At quarter end, Comgás had 1,029 clients in this segment, accounting for 66% of the total volume distributed in the period, representing 62% of the total gas margin.

The cogeneration segment saw a reduction of 8.6% in the volume of gas distributed, reaching 78.1 million cbm. This variation is mainly due to the loss of two clients whose plants discontinued operations at the end of 2013 due market-related issues (Textile segment), which canceled out the effect of clients who remained in the base and consumed more than anticipated, due to the high price of electricity in the spot market. The segment represents 6% of the total volume of natural gas distributed by Comgás in the year, contributing 3% to the total gas margin.

In 2Q14, the automotive segment represented 4% of the total volume of gas distributed by the company, totaling 55.9 million cbm. However, this number is 11.5% below the volume of gas sold in 2Q13. This segment contributed 1% to Comgás' gas margin. Despite the lower volume sold, this was the second quarter that the number of installations of the VNG kit in vehicles increased compared to 2013, with 998 conversions in 2Q14, 14.4% higher than 2Q13.

In the thermal generation segment, sales reached 251.8 million cbm in 2Q14, up 7.2% compared to 2Q13. The segment accounted for 18% of the total volume of gas sold by Comgás in 2Q14, representing 2% of the gas margin. It is important to emphasize that Comgás' gas supply contracts do not include thermal power plants. If thermal power plants need to dispatch gas, Petrobras will supply the Company with the additional volume, because those are "back to back" contracts.

Natural Gas

Volume of Gas Sold (million cbm) and New Customers Connected (thousand units)

Net Revenue

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Sales Breakdown Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--------------------------------------|--------------------|--------------------|--------|
| 1,984.2 | 1,960.3 | 1.2% | Gross Operating Revenue | 3,848.8 | 3,731.8 | 3.1% |
| 1,855.5 | 1,776.5 | 4.4% | Gas Sales | 3,592.8 | 3,406.2 | 5.5% |
| 216.2 | 207.2 | 4.4% | Residential | 358.7 | 351.9 | 1.9% |
| 81.1 | 74.1 | 9.5% | Commercial | 151.3 | 135.9 | 11.3% |
| 1,316.3 | 1,268.9 | 3.7% | Industrial | 2,618.5 | 2,469.9 | 6.0% |
| 74.5 | 73.9 | 0.9% | Cogeneration | 150.0 | 154.3 | -2.8% |
| 103.8 | 90.5 | 14.7% | Thermal Power | 191.4 | 175.2 | 9.3% |
| 63.4 | 61.9 | 2.5% | Vehicular | 122.9 | 119.0 | 3.2% |
| 117.5 | 174.2 | -32.6% | Construction Revenue | 235.1 | 309.3 | -24.0% |
| 11.2 | 9.6 | 16.9% | Other | 20.9 | 16.4 | 27.2% |
| (367.8) | (354.7) | 3.7% | Tax on Sales | (715.0) | (678.4) | 5.4% |
| 1,616.4 | 1,605.7 | 0.7% | Net Operating Revenue | 3,133.8 | 3,053.4 | 2.6% |
| 1,488.8 | 1,424.0 | 4.5% | Gas Sales | 2,879.5 | 2,732.0 | 5.4% |
| 117.5 | 174.1 | -32.6% | Construction Revenue | 235.1 | 309.3 | -24.0% |
| 10.1 | 7.5 | 34.5% | Other | 19.2 | 12.1 | 58.2% |

Comgás' net revenue from sales and services reached R\$ 1.62 billion in 2Q14, up 0.7% compared to 2Q13, when the total was R\$ 1.61 billion.

Increased rates - as approved by ARSESP resolutions no. 421, 455 and 496 - were the main drivers of the changes in Revenue from the Sale of Natural Gas. To establish the new rates, the ARSESP considered the period's inflation, as well as the increased cost of natural gas, especially imported gas. This cost is impacted by the appreciation of the dollar and the average contracted oil price per barrel, key elements for Bolivian natural gas price formation.

Cost of Goods and Services

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | COGS Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|--------|----------------------------|--------------------|--------------------|--------|
| (1,091.3) | (1,179.4) | -7.5% | Cost of Goods and Services | (2,160.2) | (2,211.8) | -2.3% |
| (973.8) | (1,005.3) | -3.1% | Natural Gas | (1,925.1) | (1,902.5) | 1.2% |
| (117.5) | (174.1) | -32.6% | Construction - ICPC 01 | (235.1) | (309.3) | -24.0% |

In 2Q14, the cost of goods sold and services by Comgás totaled R\$ 1.1 billion, a decrease of 7.5% compared to 2Q13, in which the value was reported at R\$ 1.2 billion.

The falling cost of natural gas can be explained mainly by the lower volume distributed in the quarter. The variation in the construction cost line is directly linked to lower levels of investment during 2Q14.

It is worth emphasizing that the differences between the actual cost incurred and the cost of gas, included in the tariff and billed to clients, according to the tariff structure defined by ARSESP, are accumulated in the regulatory current account and passed through/billed as determined by the regulatory authority for periodic price adjustments or tariff revisions. This balance is adjusted on a monthly basis according to SELIC rate. On June 30, 2014, the regulatory current account recorded a balance of R\$ 223.3 million for Comgás, after a recovery of R\$ 73.4 million in 2Q14.

The regulatory current account represents a receivable or payable balance according to the difference between the price of the natural gas acquired by Comgás and the price considered to form the tariff. According to accounting principles adopted in Brazil and internationally (IFRS), this balance is not accounted for and, therefore, when we refer to its normalization, it means we consider this asset and/or liability as if it had been accounted for.

Gross Profit

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Gross Profit Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|----------|-----------------------------------|--------------------|--------------------|----------|
| 525.1 | 426.2 | 23.2% | Gross Profit | 973.5 | 841.6 | 15.7% |
| 32.5% | 26.5% | 5.9 p.p. | Gross Margin (%) | 31.1% | 27.6% | 3.5 p.p. |

In 2Q14, Comgás reported gross profit of R\$ 525.1 million, up 23.2% year-over-year (R\$ 426.2 million in 2Q13).

Selling, General, and Administrative Expenses

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | SG&A Expenses Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--|--------------------|--------------------|--------|
| (158.4) | (120.7) | 31.3% | Selling Expenses | (308.8) | (272.2) | 13.4% |
| (76.0) | (76.1) | -0.1% | G&A Expenses | (143.2) | (146.6) | -2.4% |
| (0.8) | (5.1) | -84.1% | Other Operating Revenues (Expenses) | (7.9) | (6.5) | 22.1% |

Comgás' selling expenses totaled R\$ 158.4 million in 2Q14, 31.3% higher than R\$ 120.7 million reported in 2Q13. By adjusting the effect of amortization of concession rights allocated in selling expenses in the amount of R\$ 30.5 million and R\$ 8.9 million in 2Q13 and 2Q14, respectively, the growth of these expenses would have been 14.4% between the quarters.

In 2Q14, general and administrative expenses were R\$ 76.0 million, in line with 2Q13, which reported R\$ 76.1 million.

EBITDA

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|----------|------------------------------|--------------------|--------------------|----------|
| 419.5 | 314.3 | 33.5% | EBITDA | 761.5 | 628.7 | 21.1% |
| 26.0% | 19.6% | 6.4 p.p. | EBITDA Margin (%) | 24.3% | 20.6% | 3.7 p.p. |
| 339.2 | 330.9 | 37.7% | Normalized EBITDA | 622.0 | 592.9 | 43.0% |
| 21.0% | 20.6% | 0.4 p.p. | Normalized EBITDA Margin (%) | 19.8% | 19.4% | 0.4 p.p. |

Comgás' EBITDA reached R\$ 419.5 million in 2Q14, an increase of 33.5% year-over-year, with EBITDA margin of 26.0%. Normalized by the regulatory current account, EBITDA topped R\$ 339.2 million for the quarter, up 2.5% year-over-year.

CAPEX

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg % | CAPEX Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg % |
|-------------------|-------------------|--------|----------------------------|--------------------|--------------------|--------|
| 164.3 | 219.9 | -25.3% | CAPEX | 320.1 | 394.4 | -18.8% |

In 2Q14, CAPEX reached R\$ 164.3 million, a decrease of 25.3% compared to the R\$ 219.9 million spent in the same period of 2013. This variation can be explained by high investments in RETAP project along 2013.

Out of the total investments made in the quarter, approximately 73% was destined for expanding the gas distribution network. A total of 439 km of network was added during the quarter, up 15.5% vis-à-vis 2Q13.

B.4 Rumo

Below we report on Rumo's results, the company responsible for providing an integrated logistics service, consisting of transportation, storage and port elevation for sugar and other agricultural commodities.

Net Revenue

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | Sales Breakdown Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|--------|--------------------------------------|--------------------|--------------------|-------|
| 190.5 | 214.3 | -11.1% | Net Operating Revenue | 398.4 | 382.7 | 4.1% |
| 137.8 | 172.2 | -20.0% | Transportation | 292.7 | 300.7 | -2.6% |
| 43.9 | 36.8 | 19.1% | Loading | 93.3 | 73.4 | 27.2% |
| 8.8 | 5.3 | 64.9% | Other | 12.4 | 8.6 | 43.9% |

Rumo's net revenue totaled R\$190.5 million in 2Q14, 11.1% lower than reported in 2Q13, due to decreased transportation revenue, partially offset by the revenue growth from port elevation and other services.

In 2Q14, the volume of sugar loaded by Rumo totaled 2.2 million tons and was 12.5% higher than reported in 2Q13. Revenue from loading operations was R\$ 43.9 million, an increase of 19.1% compared to the same period last year due to new contracts signed during 2014.

Loading Volume
(thousand tons)

Cost of Services Provided

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Costs of Services Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--|--------------------|--------------------|--------|
| (128.6) | (131.0) | -1.9% | Cost of Services | (252.1) | (226.2) | 11.5% |

Rumo's cost of services provided includes railway and highway freight, port elevation, transshipment and storage costs in upstate São Paulo and at the Port of Santos. The cost of services provided by Rumo in 2Q14 was R\$ 128.6 million, 1.9% lower than reported in 2Q13, of R\$ 131.0 million.

Gross Profit

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Gross Profit Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|-----------|-----------------------------------|--------------------|--------------------|-----------|
| 61.9 | 83.3 | -25.7% | Gross Profit | 146.3 | 156.5 | -6.5% |
| 32.5% | 38.9% | -6.4 p.p. | Gross Margin (%) | 36.7% | 40.9% | -4.2 p.p. |

Rumo had a 25.7% reduction in its gross profit, from R\$ 83.3 million in 2Q13 to R\$ 61.9 million in 2Q14. Its gross margin also dropped 6.4 p.p. down to 32.5%.

General and Administrative Expenses

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Var. % | G&A Expenses Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Var. % |
|-------------------|-------------------|--------|-----------------------------------|--------------------|--------------------|--------|
| (22.8) | (17.7) | 28.4% | G&A Expenses | (42.7) | (34.4) | 24.2% |

Rumo's general and administrative expenses totaled R\$ 22.8 million in 2Q14, 28.4% higher than the R\$ 17.7 million reported in 2Q13, reflecting the adjustment in the administrative structure for new logistics projects in ports and rail, in addition to other expenses related to the merge of Rumo and ALL operations, approved by both companies in its shareholders meetings, and which still pending approval from government departments.

EBITDA

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|-----------------------------|--------------------|--------------------|--------|
|-------------------|-------------------|--------|-----------------------------|--------------------|--------------------|--------|

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| | | | | | | |
|-------|-------|------------|-------------------|-------|-------|-----------|
| 54.0 | 84.9 | -36.4% | EBITDA | 146.8 | 154.0 | -4.6% |
| 28.3% | 39.6% | -11.3 p.p. | Margin EBITDA (%) | 36.9% | 40.2% | -3.4 p.p. |

Rumo's EBITDA totaled R\$ 54.0 million in 2Q14, representing a reduction of 36.4% compared to R\$ 84.9 million reported in 2Q13. EBITDA margin reduce by 11.3 percentage points, reaching 28.3% in 2Q14.

CAPEX

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | CAPEX Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|----------------------------|--------------------|--------------------|--------|
| 83.8 | 69.1 | 21.2% | CAPEX | 97.8 | 126.1 | -22.5% |

In 2Q14, Rumo's capital expenditure totaled R\$ 83.8 million, in the following initiatives:

- (i) Investment of R\$ 54.6 million in the rail network operated by America Latina Logística (ALL);
- (ii) R\$ 14.3 million related to several initiatives carried out during the quarter intended for improvements at the Port and terminals;
- (iii) R\$ 8.4 million for the acquisition of new railcars;
- (iv) R\$ 6.5 million in other initiatives.

B.5 Cosan Lubrificantes

Results of the lubricants segment include the manufacturing and distribution of Mobil and Comma lubricants, resale of base oil and automotive specialties in Brazil and in 40 other countries through two plants located in Rio de Janeiro, Brazil, and in Kent, U.K.

Net Revenue

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | Sales Breakdown Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|-------|--------------------------------------|--------------------|--------------------|-------|
| 403.9 | 386.1 | 4.6% | Net Operating Revenue | 772.2 | 743.8 | 3.8% |

Net revenues from the sales of lubricants, resale of base oil and other products and services of Cosan Lubrificantes topped R\$ 403.9 million in 2Q14, 4.6% higher than the R\$ 386.1 million reported in 2Q13, due to an increase of 6.9% in volumes sold, especially driven by increased base oil volumes, which offset the drop in sales of finished lubricants.

However, the total unit average revenue receded 2.1% in the quarter, from R\$ 4,978/cbm reported in 2Q13 to R\$ 4,871/cbm.

Lubrificantes, Base Oils and Other Products
Volume (million liters) and Average Unit Revenue (R\$/cbm)

Cost of Goods Sold and Services Provided

| 2Q14 | 2Q13 | | COGS | 6M 14 | 6M 13 | |
|-----------|-----------|--------|----------------------------|-----------|-----------|--------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| (315.1) | (283.3) | 11.2% | Cost of Goods and Services | (605.1) | (541.1) | 11.8% |

The cost of goods sold and services provided by Cosan Lubrificantes in 2Q14 rose 11.2% compared to 2Q13, reaching R\$ 315.1 million, caused mainly by higher volume sold and the foreign exchange rate impact, which affects the costs of importing base oil. Consequently, the average total unit cost in 2Q14 was R\$ 3,800/cbm, 4.0% higher than the R\$ 3,653/cbm reported in 2Q13.

Gross Profit

| 2Q14 | 2Q13 | | Gross Profit | 6M 14 | 6M 13 | |
|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| 88.8 | 102.7 | -13.6% | Gross Profit | 167.1 | 202.6 | -17.5% |
| 22.0% | 26.6% | -4.6 p.p. | Gross Margin (%) | 21.6% | 27.2% | -5.6 p.p. |

Gross profit totaled R\$ 88.8 million in 2Q14, and the gross margin was 22.0%, 4.6 percentage points lower than in 2Q13, which was 26.6%.

Selling, General, and Administrative Expenses

| 2Q14 | 2Q13 | | SG&A | 6M 14 | 6M 13 | |
|-----------|-----------|--------|-------------------|-----------|-----------|--------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| (82.3) | (74.4) | 10.6% | Total expenses | (155.9) | (142.0) | 9.8% |

Selling, general and administrative expenses grew 10.6% in 2Q14, reaching R\$ 82.3 million, mainly due to the increase of compensation and benefit costs, in addition to one-off expenses related to marketing campaigns in the quarter.

EBITDA

| 2Q14 | 2Q13 | | EBITDA | 6M 14 | 6M 13 | |
|-----------|-----------|--------|-------------------|-----------|-----------|--------|
| (Apr-Jun) | (Apr-Jun) | Chg. % | Amounts in R\$ MM | (Jan-Jun) | (Jan-Jun) | Chg. % |
| 21.1 | 39.8 | -47.1% | EBITDA | 44.3 | 87.3 | -49.3% |

5.2% 10.3% -5.1 p.p. EBITDA Margin (%) 5.7% 11.7% -6.0 p.p.

Cosan Lubrificantes' EBITDA was R\$ 21.1 million in 2Q14 with a margin of 5.2%.

B.6 Radar

Below we report on Radar's results, whose main activity is investment in agricultural properties, land leasing in the Brazilian rural real estate market, and portfolio management.

Assets Portfolio

| State | Culture | % | | Area (hectare) | Area (acre) | Market Value (R\$MM) |
|--------------------|-----------|-----|---|-------------------|----------------|----------------------------|
| Third-party Land | - | - | | 131,586 | 325,150 | 1,707 |
| Third-party Land | - | - | | 131,586 | 325,150 | 1,707 |
| Owned Land | - | 100 | % | 105,383 | 260,402 | 2,592 |
| São Paulo | Sugarcane | 65 | % | 68,768 | 169,926 | 2,178 |
| Maranhão | Grains | 16 | % | 16,339 | 40,374 | 153 |
| Mato Grosso | Grains | 12 | % | 12,302 | 30,399 | 164 |
| Bahia | Grains | 7 | % | 7,155 | 17,681 | 80 |
| Goiás | Sugarcane | 1 | % | 600 | 1,483 | 15 |
| Mato Grosso do Sul | Sugarcane | 0 | % | 218 | 538 | 2 |
| Total | | | | 236,969 | 585,553 | 4,299 |

Radar closed 2Q14 with a land portfolio of R\$ 2.6 billion, and total area of 105.4 thousand hectares (260.4 thousand acres), distributed throughout six Brazilian states. Considering third-party assets managed by Radar, total area under management is 237.0 thousand hectares (585.6 thousand acres), equivalent to R\$ 4.3 billion.

Net Revenue, Cost of Products and Gross Profit

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|----------|------------------------|--------------------|--------------------|------------|
| 35.2 | 19.9 | 77.0% | Net Revenue | 98.7 | 35.3 | n/a |
| 17.7 | 5.7 | n/a | Property Sale | 63.3 | 5.7 | n/a |
| 15.7 | 14.2 | 10.5% | Land Lease | 31.8 | 29.6 | 7.6% |
| 1.8 | - | n/a | Cost of Property Sales | 3.7 | - | n/a |
| (10.1) | (6.1) | 66.5% | Property Sale | (48.4) | (6.1) | n/a |
| 25.1 | 13.8 | 81.6% | Gross Profit | 50.4 | 29.2 | 72.4% |
| 71.3% | 69.5% | 1.8 p.p. | Gross Margin (%) | 51.0% | 82.8% | -31.8 p.p. |

Radar's net revenue was R\$ 35.2 million in 2Q14, mainly impacted by (i) sales of land in amount of R\$ 17.7 million and (ii) the increase in leasing prices totaling R\$ 15.7 million. Lease contracts are pegged to agricultural commodities

prices of their respective leased areas.

Radar's cost of goods sold in 2Q14 was R\$ 10.1 million and refers to the sale of assets during the period.

Gross profit in the quarter was R\$ 25.1 million, compared to R\$ 13.8 million during the same period last year, mainly due to a 75.2% gain from land sold above its marked-to-market value.

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General and Administrative Expenses

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | G&A Expenses Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|-----------------------------------|--------------------|--------------------|--------|
| (8.5) | (5.0) | 70.0% | G&A Expenses | (16.8) | (9.8) | 71.6% |
| 67.9 | 9.0 | n/a | Other | 44.9 | 63.4 | -29.2% |

In 2Q14, Radar's general and administrative expenses totaled R\$ 8.5 million, up 70.0% compared to 2Q13, mainly due to increased compensation and benefit expenses. Other operating revenues reflect this quarter the exclusive gain from the valuation of Radar's own portfolio.

EBITDA

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|-----------------------------|--------------------|--------------------|--------|
| 84.8 | 18.1 | n/a | EBITDA | 78.9 | 83.3 | -5.3% |

Radar's EBITDA was R\$ 84.8 million in 2Q14, mainly impacted by valuation of its land portfolio in the period, adding another R\$ 67.9 million into EBITDA.

When compared with 1Q14, its owned land portfolio posted a 2.7% valuation, following the change in market indexes.

B.7 Other Businesses

Below we report on the results of the Other Businesses segment, which comprises Cosan's corporate structure, effects of contingencies from businesses contributed to Raízen prior to its formation, and other investments.

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|---------------------------|--------------------|--------------------|--------|
| (32.1) | (31.0) | 3.7% | G&A Expenses | (64.4) | (56.1) | 14.7% |
| (124.9) | (18.1) | n/a | Other Revenues (Expenses) | (134.6) | 9.2 | n/a |

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | EBITDA Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|-----------------------------|--------------------|--------------------|--------|
| 143.1 | 30.0 | n/a | EBITDA | 471.7 | 228.5 | n/a |
| (299.3) | (78.4) | n/a | (-) Equity Pick-up | (669.1) | (274.3) | n/a |
| (156.1) | (48.4) | n/a | Adjusted EBITDA | (197.3) | (45.8) | n/a |

Cosan's general and administrative expenses mostly consist of personnel expenses, which include payroll, charges, and consulting services. In 2Q14, general and administrative expenses totaled R\$ 32.1 million, 3.7% higher than reported in 2Q13, due to higher spending on its own and contracted labor force during the period.

Other revenues and expenses in Other Businesses was R\$ 124.9 million in 2Q14, and are basically comprised of net effects of provisions, reversals and payment of attorneys' fees and contingencies. This quarter's increase was due to the impact of several expenses related to indemnity and fees from the merge of Rumo and ALL operations, approved by both companies in its shareholders meetings, and which still pending approval from government departments.

In 2Q14, this segment's EBITDA totaled R\$ 143.1 million, exclusively due to the equity pick up result in the period. Adjusted for this effect, this segment's EBITDA was negative by R\$ 156.1 million.

C. Other Items in the Consolidated Result

Financial Result

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg. % | Financial Results Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg. % |
|-------------------|-------------------|--------|--|--------------------|--------------------|--------|
| (195.7) | (160.5) | 21.9% | Gross Debt Charges | (376.5) | (315.9) | 19.2% |
| 34.2 | 38.9 | -12.0% | Income from Financial Investments | 64.4 | 61.7 | 4.4% |
| (161.6) | (121.6) | 32.9% | (=) Subtotal: Net Debt Interests | (312.1) | (254.2) | 22.8% |
| (6.7) | (19.7) | -66.1% | Other Charges and Monetary Variation | 23.0 | (16.1) | n/a |
| 24.0 | (309.8) | n/a | Exchange Rate Variation | 101.8 | (309.8) | n/a |
| (7.5) | 149.9 | n/a | Gains (losses) with Derivatives | (58.1) | 144.6 | n/a |
| (75.6) | (14.1) | n/a | Amortization, Debt Cost and Other | (88.1) | (57.3) | 53.9% |
| (227.3) | (315.3) | -27.9% | (=) Financial, Net | (333.5) | (492.8) | -32.3% |

The financial result in 2Q14 reported a net financial expense of R\$ 227.3 million, compared to a net expense of R\$ 315.3 million recorded in 2Q13.

In 2Q14, debt charges were up by 21.9% compared to 2Q13, due to the variation in the interest rate between the periods.

Revenue from financial investments closed 2Q14 with a positive amount of R\$ 34.2 million, compared to R\$ 38.9 million in 2Q13.

Other charges and monetary variations, consisting of interest on contingencies, interest on tax, monetary variation and other interests, totaled a net revenue of R\$ 6.7 million in 2Q14, compared to net expenses of R\$ 19.7 million in 2Q13.

The positive result of R\$ 24.0 million from foreign exchange rate variation in the quarter reflects the devaluation of the US Dollar against the Brazilian Real by 2.7% (R\$ 2.2025/US\$ on June 30, 2014 versus R\$ 2.2630/US\$ on March 31, 2014), and its impact on debt denominated in dollars, causing a non-cash effect on the consolidated financial result. However, it is worth noting that all debts denominated in foreign currency are mainly hedged by foreign exchange swaps, except for the principal of the Perpetual Bond in the amount of US\$500 million. In 2Q13, the US Dollar appreciated versus the Brazilian Real by 9.11% (R\$ 2.2156/US\$ on June 30, 2013 versus R\$ 2.0138/US\$ on March 31, 2013), or a total expense from foreign exchange rate variation of R\$ 309.8 million.

In 2Q14, we recorded a negative result with derivatives totaling R\$ 7.5 million vis-à-vis a positive result of R\$ 149.9 million in 2Q13, offsetting the costs on the debt hedges mentioned above.

Amortization, debt cost and others closed 2Q14 with expenses of R\$ 75.6 million, compared to expenses of R\$ 14.1 million in 2Q13, an addition of R\$ 61.5 million mainly due to writing off the remaining balance of the transaction cost

from issuing Debentures, settled during the quarter, plus commission costs paid to obtain authorizations for the purpose of corporate changes (consents) performed in the quarter.

Income Tax and Social Contribution

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Chg.% | Income Tax and Social Contribution Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) | Chg.% |
|-------------------|-------------------|-------|--|--------------------|--------------------|--------|
| 191.7 | (66.1) | n/a | Income (Loss) before Income Tax | 559.2 | 188.4 | n/a |
| 17.8 | (77.0) | n/a | Total of Tax and Social Contribution | (41.7) | (216.2) | -80.7% |

In 2Q14, the expense with Income Tax and Social Contribution totaled R\$ 17.8 million, a variation of R\$ 94.8 million mainly from the constitution of tax credit on accumulated losses from 4Q13 at Cosan (Other Businesses).

The table below shows the Income Tax and Social Contribution expenses broken down by business unit:

| Income Tax and Social Contribution 2Q14 | Comgás | Rumo | Lubrificantes | Radar5 | Other Business | Adjusts and Eliminations | Consolidated |
|--|--------|--------|---------------|--------|----------------|--------------------------|--------------|
| Net Income before Taxes | 242.6 | 7.1 | 26.2 | 86.7 | (38.0) | (132.9) | 191.7 |
| Nominal Rate of Income Tax and Social Contribution (%) | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% |
| Income Tax and Social Contribution Theoretical Expense | (82.5) | (2.4) | (8.9) | (29.5) | 12.9 | 45.2 | (65.2) |
| Non-taxable Permanent Differences / Equity Pick-up | (1.3) | (0.0) | (1.0) | - | 101.7 | (45.2) | 54.1 |
| Other | 0.8 | - | (0.5) | - | 4.2 | - | 4.6 |
| Income Tax Effective Expenses | (83.0) | (2.4) | (10.4) | (5.1) | 118.8 | - | 17.8 |
| Income Tax and Social Contribution Effective Rate (%) | -34.2% | -34.5% | -39.9% | -5.9% | n/a | - % | 9.3% |
| Expenses (Revenues) com IR/CS | (83.0) | (2.4) | (10.4) | (5.1) | 118.8 | - | 17.8 |
| Current | (40.2) | 4.5 | (0.1) | (3.3) | 3.4 | - | (35.7) |
| Effective Rate - Current Rate (%) | -16.6% | 63.2% | -0.2% | -3.8% | -9.0% | - % | -18.6% |
| Deferred | (42.8) | (6.9) | (10.4) | (1.8) | 115.4 | - | 53.5 |

| Income Tax and Social Contribution 6M 14 | Comgás | Rumo | Lubrificantes | Radar5 | Other Business | Adjusts and Eliminations | Consolidated |
|--|---------|--------|---------------|--------|----------------|--------------------------|--------------|
| Net Income before Taxes | 409.9 | 82.0 | 55.1 | 83.7 | 208.0 | (279.6) | 559.2 |
| Nominal Rate of Income Tax and Social Contribution (%) | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% | -34.0% |
| Income Tax and Social Contribution Theoretical Expense | (139.4) | (27.9) | (18.8) | (28.4) | (70.7) | 95.1 | (190.1) |
| Income Tax Effective Expenses | (142.0) | (27.7) | (7.7) | (7.8) | 143.4 | - | (41.7) |
| Income Tax and Social Contribution Effective Rate (%) | -34.6% | -33.7% | -13.9% | -9.4% | 69.0% | - % | -7.5% |
| Expenses (Revenues) com IR/CS | (142.0) | (27.7) | (7.7) | (7.8) | 143.4 | - | (41.7) |
| Current | (62.7) | (13.0) | 14.0 | (7.9) | 3.4 | - | (66.2) |
| Effective Rate - Current Rate (%) | -15.3% | -15.8% | 25.4% | -9.5% | 1.6% | - % | -11.8% |
| Deferred | (79.3) | (14.7) | (21.6) | 0.1 | 140.0 | - | 24.5 |

Note 5: Radar adopts tax regime for entities taxed on presumed profits

Current income tax and social security expenses represent the calculated tax amount payable/(recoverable). The amount effectively paid may still be deducted from existing tax credits, if applicable.

Net income

| 2Q14 (Apr-Jun) | 2Q13 (Apr-Jun) | Net Income Amounts in R\$ MM | 6M 14 (Jan-Jun) | 6M 13 (Jan-Jun) |
|-------------------|-------------------|---------------------------------|--------------------|--------------------|
| 104.1 | (201.5) | Net Income | 360.3 | (174.4) |

Cosan's net income was R\$ 104.1 million in the quarter, higher than the loss of R\$ 201.5 million reported in 2Q13.

The main drivers of this change in net income during the period were:

| 2T (Apr-Jun) | Net Income Amounts in R\$ MM | 6M (Jan-Jun) |
|-------------------------------------|------------------------------------|-----------------|
| (201.5) | Net Income - 2Q13 | (174.4) |
| EBIT variation | | |
| 65.6 | Comgás | 97.4 |
| (34.8) | Rumo | (14.2) |
| 66.7 | Radar | (4.4) |
| (16.5) | Lubrificantes | (41.2) |
| (107.9) | Other | (152.0) |
| (26.9) | EBIT Businesses Total | (114.4) |
| Variation in other lines | | |
| 88.0 | Financial result | 159.3 |
| 196.7 | Equity pick-up | 325.9 |
| 94.8 | Income taxes | 174.5 |
| (47.0) | Non-controlling Interest | (14.0) |
| - | Discontinued operation | 3.4 |
| 104.1 | Net Income - 2Q14 | 360.3 |

(i) Increase in the equity accounting result line of R\$ 196.7 million due to Raízen's results, discussed in the sections above;

(ii) Improvement of R\$ 88.0 million in financial results mainly due to the foreign exchange rate variation and writing

off the remaining balance of the transaction cost from issuing Debentures, as described in section Financial Result.

- (iii) EBIT variation and profit of non-controlling shareholders of R\$ 73.9 million.

D. Loans and Financing

At the close of 2Q14, Cosan's pro forma consolidated gross debt (excluding PESA debt) reached R\$ 11.3 billion, compared to R\$ 12.4 billion in 1Q14. Below we report the debts of Cosan and its subsidiaries and of Raízen, presented pro forma at 50%.

Cosan and Subsidiaries

Gross debt totaled R\$ 6.9 billion in 2Q14, a decrease of 19.3% from 1Q14.
The key events in the period were:

- (i) Amortization of principal and interest of R\$ 2.5 billion, mainly related to debentures and working capital, which were settled with funds from preferred shares written off in subsidiaries as per the Material Fact issued on 6/27/2014;
- (ii) Raising of R\$ 635.1 million through funding lines from BNDES and working capital;
- (iii) Positive effect from foreign exchange variation of R\$ 30.3 million;
- (iv) Accrual of interest and derivatives fair value result of R\$ 207.8 million in the period.

Raízen

The combined gross debt of Raízen totaled R\$ 8.7 billion in 2Q14, up 14.1% year-over-year.

In the quarter, changes in debt principal and interest were as follows:

- (v) Raising of R\$ 2.1 billion, mainly through working capital, Finem, credit notes, ACC, and other funding transactions;
- (vi) Amortization of principal and interest of R\$ 1.1 billion related to Senior Notes and credit notes, among others;
- (vii) Positive effect from foreign exchange variation of R\$ 110.9 million;
- (viii) Provision for interest and monetary variation in the amount of R\$ 138.4 million.

Cosan – Pro forma Consolidated

Cash available totaled R\$ 2.4 billion in 2Q14 vis-à-vis R\$ 2.8 billion in 1Q14. Net pro forma indebtedness totaled R\$ 10.8 billion for the quarter, as compared to R\$ 9.6 billion in 1Q14, equivalent to a leverage of 2.6x pro forma LTM EBITDA of R\$ 4.1 billion.

Earnings Release
2nd Quarter of Fiscal Year 2014

When we exclude preferred shareholders payable in subsidiaries, we register a pro forma net debt of R\$ 8.8 billion in 2Q14, equivalent to a leverage of 2.1x.

| Debt per Business Units (Amount in R\$ MM) | 2Q14 | 1Q14 | | |
|--|-----------|-----------|--------|---------|
| Comgás | (Apr-Jun) | (Jan-Jun) | % ST | Chg. % |
| Leasing | 0.5 | 0.7 | 100.0% | -27.0% |
| Promissory Notes | - | - | n/a | n/a |
| EIB | 607.9 | 632.4 | 10.1% | -3.9% |
| 4131 Resolution | 388.7 | 397.8 | 0.8% | -2.3% |
| BNDES | 1,374.9 | 1,342.0 | 13.9% | 2.5% |
| Debentures | 620.4 | 602.1 | 9.2% | 3.0% |
| Debt Notes Allocation | (10.6) | (10.8) | 21.6% | -1.3% |
| Financial Instruments - MTM | (157.9) | (192.5) | -28.0% | -18.0% |
| Total Comgás | 2,823.9 | 2,771.7 | - | 1.9% |
| Rumo | | | | |
| Finame | 658.1 | 682.8 | 16.9% | -3.6% |
| Finem | 7.7 | 7.6 | 1.2% | 0.5% |
| Expenses with Placement of Debt | (1.4) | (1.5) | 13.0% | -3.2% |
| Total Rumo | 664.3 | 688.9 | - | -3.6% |
| Cosan Lubrificantes | | | | |
| Finame | 0.2 | 0.2 | 13.0% | -0.0% |
| Foreign Loan | 203.6 | 206.3 | 0.1% | -1.3% |
| Total Lubrificantes | 203.9 | 206.5 | - | -1.3% |
| Outros Negócios | | | | |
| Perpetual Bonds | 1,115.1 | 1,145.8 | 1.2% | -2.7% |
| Credit Notes | (0.0) | 304.1 | n/a | -100.0% |
| Debentures | (0.0) | 1,426.0 | 100.0% | -100.0% |
| FINEP | 89.9 | 89.9 | 8.4% | -0.0% |
| Senior Notes 2018 | 874.0 | 853.8 | - % | 2.4% |
| Senior Notes 2023 | 1,104.6 | 1,087.2 | - % | 1.6% |
| Expenses with Placement of Debt | (25.4) | (48.2) | 19.0% | -47.2% |
| Bonus over Perpetual Bonds | 3.5 | 4.3 | 60.0% | -18.6% |
| Financial Instruments - MTM | 56.1 | 30.1 | - % | 86.5% |
| Total Other Business | 3,217.8 | 4,892.9 | - | -34.2% |
| Consolidated | | | | |
| Total Debt | 6,909.9 | 8,560.0 | - | -19.3% |
| Cash and Cash Equivalents and Securities | (1,515.8) | (1,593.4) | - | -4.9% |
| Net Debt | 5,394.0 | 6,966.7 | - | -22.6% |

| Raízen | | | | |
|---|-----------|-----------|--------|---------|
| Senior Notes 2014 | - | 801.5 | - % | -100.0% |
| Senior Notes 2017 | 906.5 | 915.6 | 2.8% | -1.0% |
| BNDES | 1,270.5 | 1,319.9 | 15.3% | -3.7% |
| Term Loan | 2,408.3 | 1,140.4 | 4.0% | 111.2% |
| Prepaid Exports | 1,049.5 | 1,076.9 | 17.4% | -2.5% |
| Advances on Exchange Contracts | 440.9 | - | 100.0% | n/a |
| Credit Notes | 745.8 | 643.6 | 66.5% | 15.9% |
| Finame | 98.1 | 108.8 | 32.9% | -9.8% |
| Finem | 982.0 | 812.6 | 9.9% | 20.8% |
| Debentures | 791.3 | 791.7 | 5.2% | n/a |
| Rural Credit | 50.9 | 50.2 | 100.0% | 1.3% |
| Debt Notes Allocation | (31.8) | (23.4) | 32.1% | 35.8% |
| Other | 0.0 | - | 100.0% | n/a |
| Total Raízen ⁸ | 8,712.0 | 7,637.9 | - | 14.1% |
| Cash and Cash Equivalents and Securities Raízen | 4,356.0 | 3,818.9 | - | 14.1% |
| Net Debt Raízen | (927.7) | (1,168.8) | - | -20.6% |
| Consolidated Proforma | 3,428.3 | 2,650.1 | - | 29.4% |
| Consolidated Proforma | | | | |
| Total Debt | 11,265.9 | 12,379.0 | - | -9.0% |
| Cash and Cash Equivalents and Securities (including Raízen) | (2,443.6) | (2,762.2) | - | -11.5% |
| Proforma Net Debt | 8,822.3 | 9,616.8 | - | -8.3% |
| Other | | | | |
| Preferred shareholders payable in subsidiaries | 2,001.7 | - | - | n/a |
| Consolidated Proforma | | | | |
| Proforma Net Debt (w/ preferred shareholders payable in subsidiaries) | 10,824.1 | 9,616.8 | - | 12.6% |

E. Stock Performance

The common shares issued by Cosan S.A. have been listed on BM&FBovespa since 2005, the year of its IPO on the “Novo Mercado” segment under the ticker symbol CSAN3, and are included in the portfolios of the Ibovespa, IBrX, IBrX-50, IBrA, MLCX, ICO2, INDX, ICON, IVBX-2, IGC, IGCT and ITAG indexes.

The shares issued by Cosan Limited, Cosan S.A.'s parent company, have been listed on NYSE since its IPO in 2007, under the ticker symbol CZZ. The company has also issued share deposit certificates (Brazilian Depositary Receipts - BDR) on the BM&FBovespa under the symbol CZLT33.

The tables and graphs below represent the performance of shares issued by the companies:

| 2Q14 Summary | CSAN3 | | CZLT33 | | CZZ |
|---|------------------|-------|------------------------------|-------|------------------|
| Stock Type | Common Share | | BDR | | Class A |
| Listed in | BM&FBovespa | | BM&FBovespa | | NYSE |
| Closing Price in december 06/30/2014 | R\$ | 40.10 | R\$ | 30.00 | USD 13.56 |
| Higher Price | R\$ | 41.30 | R\$ | 31.70 | USD 14.27 |
| Average Price | R\$ | 38.23 | R\$ | 28.18 | USD 12.73 |
| Lower Price | R\$ | 34.76 | R\$ | 25.18 | USD 11.53 |
| Average Daily Traded Volume | R\$ 44.2 million | | R\$ 10.3 million | | USD 17.3 million |
| CSAN3 vs. CZLT33 vs. Ibovespa (Base 100) | | | CZZ vs. S&P500 (Base 100) | | |

F. Guidance

This section presents the guidance broken down by variation range for some key parameters in Cosan's consolidated results for the 2014. In addition, other parts of this Earnings Release may contain forecasts. Such projections and guidance are but estimates and indications, and as such, these do not represent any guarantee of prospective results.

This guidance considers the operations of the Cosan group today, which include Comgás, Rumo, Cosan Lubrificantes e Especialidades, Radar, and Other Businesses, as well as the operations of Raízen Combustíveis and Raízen Energia.

Cosan's consolidated EBITDA is pro forma, including 50% of the results of Raízen Combustíveis and Raízen Energia. As mentioned before, following the adoption of IFRS 11 – Joint Arrangements, Raízen is no longer proportionately consolidated in Cosan, and is only reported under "Equity Accounting Result," considering our 50% interest in Net Income. Moreover, Comgás's EBITDA continues to be reported under Brazilian accounting principles (IFRS), which does not consider the effects of the Regulatory Current Account

| | | 2013 (jan/2013 - dec/2013) | 2014 (jan/2014 - dec/2014) | 2014 - REVIEW (jan/2014 - dec/2014) |
|------------------------|--|-------------------------------|-------------------------------|---|
| Cosan Consolidated | Net Revenue (R\$MM) | 36,165 | 37,500 ≤ Δ ≤ 40,500 | 37,500 ≤ Δ ≤ 40,500 |
| | EBITDA (R\$MM) | 3,964 | 4,150 ≤ Δ ≤ 4,650 | 4,150 ≤ Δ ≤ 4,650 |
| | Capex (R\$MM) | 2,895 | 2,500 ≤ Δ ≤ 2,800 | 2,500 ≤ Δ ≤ 2,800 |
| Raízen Combustíveis | Volume of Fuels Sold (million liters) | 23,214 | 22.500 ≤ Δ ≤ 24.000 | 22.500 ≤ Δ ≤ 24.000 |
| | EBITDA (R\$MM) | 1,928 | 2,000 ≤ Δ ≤ 2,200 | 2,000 ≤ Δ ≤ 2,200 |
| | CAPEX (R\$MM) | 835 | 750 ≤ Δ ≤ 850 | 750 ≤ Δ ≤ 850 |
| Raízen Energia | Volume of Sugar Cane Crushed (thousand tonnes) | 61,441 | 61,000 ≤ Δ ≤ 63,000 | 61,000 ≤ Δ ≤ 60,000 |
| | Volume of Sugar Sold (thousand tonnes) | 4,470 | 4,400 ≤ Δ ≤ 4,700 | 4,200 ≤ Δ ≤ 4,500 |
| | Volume of Ethanol Sold (million liters) | 2,475 | 2,300 ≤ Δ ≤ 2,600 | 2,000 ≤ Δ ≤ 2,200 |
| | Volume of Energy Sold (thousand of MWh) | 2,165 | 2,000 ≤ Δ ≤ 2,200 | 1,950 ≤ Δ ≤ 2,150 |
| | EBITDA (R\$MM) | 2,112 | 2,300 ≤ Δ ≤ 2,700 | 2,300 ≤ Δ ≤ 2,700 |
| | CAPEX (R\$MM) | 2,531 | 2,000 ≤ Δ ≤ 2,200 | 2,000 ≤ Δ ≤ 2,200 |
| Rumo | Volume of Loading (thousand tonnes) | 9,177 | 10,500 ≤ Δ ≤ 12,500 | 10,500 ≤ Δ ≤ 12,500 |
| | EBITDA (R\$MM) | 358 | 400 ≤ Δ ≤ 450 | UNDER REVIEW |
| | CAPEX (R\$MM) | 255 | 250 ≤ Δ ≤ 300 | 250 ≤ Δ ≤ 300 |
| Radar | EBITDA (R\$MM) | 228 | 170 ≤ Δ ≤ 200 | 170 ≤ Δ ≤ 200 |

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| | | | | |
|------------------------|---|-----------------------|--------------------------------|--------------------------------|
| Cosan Lubrificantes | Total Volume Sold (million Liters) | 316 | $270 \leq \Delta \leq 310$ | $270 \leq \Delta \leq 310$ |
| | EBITDA (R\$MM) | 140 | $140 \leq \Delta \leq 170$ | $140 \leq \Delta \leq 170$ |
| | | 2013 | 2014 | 2014 |
| | | (jan/2013 - dec/2013) | (jan/2014 - dec/2014) | (jan/2014 - dec/2014) |
| Comgás | Number of Clients (thousand) | 1,334 | $1,420 \leq \Delta \leq 1,450$ | $1,420 \leq \Delta \leq 1,450$ |
| | Total Volume of Gas Sold (thousand cbm) | 5,457 | $5,200 \leq \Delta \leq 5,700$ | $5,200 \leq \Delta \leq 5,700$ |
| | EBITDA IFRS (R\$MM) | 1,338 | $1,300 \leq \Delta \leq 1,550$ | $1,300 \leq \Delta \leq 1,550$ |
| | CAPEX (R\$MM) | 852 | $680 \leq \Delta \leq 780$ | $680 \leq \Delta \leq 780$ |

Disclaimer

This document contains forward-looking statements and estimates. These forward-looking statements and estimates are solely forecasts and do not represent any guarantee of prospective results. All stakeholders should know that these statements and estimates are and will be, depending on the case, subject to risks, uncertainties and factors related to the operations and business environment of Cosan and its subsidiaries, and therefore the actual results of these companies may significantly differ from the estimated or implied prospective results contained in such forward-looking statements and estimates.

E. Financial Statements

E.1 Cosan S/A Consolidated

| Cosan Consolidated | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 2,246,009 | 2,225,938 |
| Gross Profit | 700,934 | 626,076 |
| Sales, general and administrative expenses | (380,131) | (324,947) |
| Other operating income (expenses), net | (66,197) | (19,631) |
| Financial revenue | 73,320 | 57,716 |
| Financial expenses | (317,125) | (213,153) |
| Foreign exchange variation | 23,981 | (309,760) |
| Derivative | (7,459) | 149,934 |
| Equity pick up | 164,331 | (32,360) |
| Income and Social Contribution Taxes | 17,817 | (77,023) |
| Equity attributable to non-controlling interests | (105,325) | (58,366) |
| Net Income from discontinued operations | - | 0 |
| Net Income (loss) | 104,147 | (201,514) |

| Cosan Consolidated | 2Q14 | 1Q14 |
|-------------------------------|-------------|-------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 1,321,395 | 1,472,480 |
| Securities | 194,432 | 120,875 |
| Accounts Receivable | 879,997 | 869,707 |
| Inventories | 303,675 | 269,594 |
| Other Current Assets | 931,618 | 866,883 |
| Investments | 8,754,360 | 8,566,180 |
| Investment Property | 2,244,310 | 2,263,356 |
| Biological Assets | (0) | (0) |
| Property, Plant and Equipment | 1,320,690 | 1,296,841 |
| Intangible | 10,151,170 | 10,081,690 |
| Other Non-Current Assets | 2,661,070 | 2,679,263 |
| Total Assets | 28,762,718 | 28,486,869 |
| Loans and Financing | (7,011,660) | (8,722,463) |
| Suppliers | (926,995) | (825,409) |

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| | | |
|-------------------------------|--------------|--------------|
| Salaries Payable | (89,908) | (68,099) |
| Other current liabilities | (518,845) | (642,667) |
| Other non-current liabilities | (6,419,391) | (4,514,591) |
| Net Equity | (13,795,920) | (13,713,640) |
| Total Liabilities | (28,762,718) | (28,486,869) |

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E.2 Raízen Combustíveis

| Raízen Combustíveis | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 13,684,833 | 11,778,509 |
| Gross Profit | 617,953 | 555,000 |
| Sales, general and administrative expenses | (397,366) | (335,266) |
| Other operating income (expenses), net | 76,669 | 79,927 |
| Financial revenue | 28,923 | 28,523 |
| Financial expenses | (43,261) | (19,964) |
| Foreign exchange variation | 20,132 | (110,444) |
| Derivative | 1,680 | 59,709 |
| Equity pick up | 2,078 | - |
| Income and Social Contribution Taxes | (88,342) | (87,568) |
| Equity attributable to non-controlling interests | (7,547) | (5,131) |
| Net Income from discontinued operations | - | (0) |
| Net Income | 210,919 | 164,786 |

| Raízen Combustíveis | 2Q14 | 1Q14 |
|-------------------------------|-------------|------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 327,591 | 566,606 |
| Securities | - | - |
| Accounts Receivable | 1,347,195 | 1,190,832 |
| Inventories | 1,113,864 | 941,982 |
| Other Current Assets | 570,884 | 557,552 |
| Investments | 257,789 | 255,711 |
| Investment Property | - | - |
| Biological Assets | - | - |
| Property, Plant and Equipment | 2,466,750 | 2,503,252 |
| Intangible | 4,207,272 | 4,092,153 |
| Other Non-Current Assets | 2,079,571 | 1,349,945 |
| Total Assets | 12,370,916 | 11,458,033 |
| Loans and Financing | (781,553) | (815,209) |
| Suppliers | (424,170) | (777,950) |
| Salaries Payable | (98,013) | (86,164) |
| Other current liabilities | (1,388,866) | (718,443) |

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| | | |
|-------------------------------|--------------|--------------|
| Other non-current liabilities | (2,850,368) | (2,456,469) |
| Net Equity | (6,827,946) | (6,603,799) |
| Total Liabilities | (12,370,916) | (11,458,033) |

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E.3 Raízen Energia

| Raízen Energia | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 1,686,294 | 1,478,260 |
| Gross Profit | 325,518 | 225,812 |
| Sales, general and administrative expenses | (238,718) | (244,618) |
| Other operating income (expenses), net | (1,510) | 9,153 |
| Financial revenue | 79,801 | 66,520 |
| Financial expenses | (113,764) | (108,852) |
| Foreign exchange variation | 51,162 | (218,418) |
| Derivative | (3,697) | (85,583) |
| Equity pick up | (5,568) | (682) |
| Income and Social Contribution Taxes | 18,713 | 119,555 |
| Equity attributable to non-controlling interests | - | - |
| Net Income from discontinued operations | - | - |
| Net Income (loss) | 111,937 | (237,113) |

| Raízen Energia | 2Q14 | 1Q14 |
|-------------------------------|-------------|-------------|
| Balance Sheet | 06/30/2014 | 01/31/2014 |
| Cash and Cash Equivalents | 1,527,901 | 1,771,015 |
| Securities | - | - |
| Accounts Receivable | 494,499 | 356,004 |
| Inventories | 1,343,539 | 453,810 |
| Other Current Assets | 2,230,962 | 1,409,016 |
| Investments | 177,067 | 162,266 |
| Investment Property | - | - |
| Biological Assets | 1,976,809 | 2,036,693 |
| Property, Plant and Equipment | 10,215,505 | 10,322,749 |
| Intangible | 3,337,939 | 3,329,949 |
| Other Non-Current Assets | 1,762,808 | 1,418,139 |
| Total Assets | 23,067,029 | 21,259,641 |
| Loans and Financing | (8,695,806) | (7,580,843) |
| Suppliers | (623,542) | (637,863) |
| Salaries Payable | (378,878) | (292,468) |
| Other current liabilities | (444,445) | (618,828) |

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| | | |
|-------------------------------|--------------|--------------|
| Other non-current liabilities | (2,269,696) | (1,630,735) |
| Net Equity | (10,654,661) | (10,498,904) |
| Total Liabilities | (23,067,029) | (21,259,641) |

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E.4 Comgás

| Comgás | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 1,616,391 | 1,605,651 |
| Gross Profit | 525,116 | 426,227 |
| Sales, general and administrative expenses | (234,455) | (196,829) |
| Other operating income (expenses), net | (815) | (5,133) |
| Financial revenue | 23,026 | 10,090 |
| Financial expenses | (70,770) | (54,917) |
| Foreign exchange variation | (3,106) | (106,488) |
| Derivative | 3,647 | 94,503 |
| Equity pick up | - | - |
| Income and Social Contribution Taxes | (83,012) | (57,016) |
| Equity attributable to non-controlling interests | - | - |
| Net Income from discontinued operations | - | - |
| Net Income (loss) | 159,631 | 110,437 |

| Comgás | 2Q14 | 1Q14 |
|-------------------------------|-------------|-------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 857,414 | 783,560 |
| Securities | - | - |
| Accounts Receivable | 631,623 | 592,520 |
| Inventories | 112,862 | 116,527 |
| Other Current Assets | 216,455 | 237,879 |
| Investments | - | - |
| Investment Property | - | - |
| Biological Assets | - | - |
| Property, Plant and Equipment | - | - |
| Intangible | 8,518,022 | 8,486,121 |
| Other Non-Current Assets | 285,864 | 325,473 |
| Total Assets | 10,622,239 | 10,542,080 |
| Loans and Financing | (2,981,806) | (2,964,239) |
| Suppliers | (740,343) | (727,212) |
| Salaries Payable | (42,978) | (35,873) |
| Other current liabilities | (142,061) | (300,472) |

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| | | |
|-------------------------------|--------------|--------------|
| Other non-current liabilities | (947,652) | (905,865) |
| Net Equity | (5,767,400) | (5,608,419) |
| Total Liabilities | (10,622,239) | (10,542,080) |

E.5 Rumo

| Rumo | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 190,481 | 214,337 |
| Gross Profit | 61,912 | 83,289 |
| Sales, general and administrative expenses | (22,764) | (17,728) |
| Other operating income (expenses), net | (8,182) | 183 |
| Financial revenue | 9,907 | 14,113 |
| Financial expenses | (33,978) | (7,404) |
| Foreign exchange variation | 169 | 140 |
| Equity pick up | 0 | 0 |
| Income and Social Contribution Taxes | (2,434) | (25,721) |
| Equity attributable to non-controlling interests | 149 | (59) |
| Net Income (loss) | 4,779 | 46,814 |

| Rumo | 2Q14 | 1Q14 |
|-------------------------------|-------------|-------------|
| Balance Sheet | 06/30/2014 | 06/30/2013 |
| Cash and Cash Equivalents | 222,370 | 462,982 |
| Securities | - | 0 |
| Accounts Receivable | 29,179 | 26,551 |
| Inventories | 5,311 | 5,250 |
| Other Current Assets | 32,580 | 28,782 |
| Investments | (0) | (0) |
| Property, Plant and Equipment | 1,036,862 | 1,021,712 |
| Intangible | 784,922 | 739,302 |
| Other Non-Current Assets | 334,024 | 270,994 |
| Total Assets | 2,445,247 | 2,555,573 |
| Loans and Financing | (664,308) | (688,916) |
| Suppliers | (83,385) | (57,227) |
| Salaries Payable | (11,516) | (7,965) |
| Other current liabilities | (173,797) | (338,549) |
| Other non-current liabilities | (213,578) | (207,141) |
| Net Equity | (1,298,664) | (1,255,775) |
| Total Liabilities | (2,445,247) | (2,555,573) |

E.6 Cosan Lubrificantes

| Cosan Lubrificantes | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 403,946 | 386,057 |
| Gross Profit | 88,800 | 102,725 |
| Sales, general and administrative expenses | (82,286) | (74,408) |
| Other operating income (expenses), net | (240) | (5,576) |
| Financial revenue | 1,784 | 19,271 |
| Financial expenses | (7,473) | (15,338) |
| Foreign exchange variation | 35,906 | (9,140) |
| Derivative | (8,293) | 520 |
| Equity pick up | (2,041) | - |
| Income and Social Contribution Taxes | (10,440) | (6,847) |
| Equity attributable to non-controlling interests | - | - |
| Net Income from discontinued operations | - | - |
| Net Income (loss) | 15,717 | 11,207 |

| Cosan Lubrificantes | 2Q14 | 1Q14 |
|-------------------------------|------------|------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 30,991 | 72,124 |
| Securities | 0 | - |
| Accounts Receivable | 205,173 | 197,946 |
| Inventories | 185,502 | 147,816 |
| Other Current Assets | 46,955 | 44,715 |
| Investments | 15,783 | 13,592 |
| Investment Property | - | - |
| Biological Assets | - | - |
| Property, Plant and Equipment | 209,186 | 198,289 |
| Intangible | 841,385 | 852,997 |
| Other Non-Current Assets | 633,427 | (110,068) |
| Total Assets | 2,168,400 | 1,417,410 |
| Loans and Financing | (203,863) | (206,503) |
| Suppliers | (99,228) | (38,889) |
| Salaries Payable | (13,501) | (9,674) |
| Other current liabilities | (72,294) | (102,057) |

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| | | |
|-------------------------------|-------------|-------------|
| Other non-current liabilities | (1,507,210) | (242,477) |
| Net Equity | (272,305) | (817,810) |
| Total Liabilities | (2,168,400) | (1,417,410) |

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E.7 Radar

| Radar | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 35,192 | 19,880 |
| Gross Profit | 25,108 | 13,823 |
| Sales, general and administrative expenses | (8,496) | (4,998) |
| Other operating income (expenses), net | 67,909 | 8,981 |
| Financial revenue | 2,442 | 939 |
| Financial expenses | (296) | (232) |
| Foreign exchange variation | - | (0) |
| Derivative | - | - |
| Equity pick up | - | 29 |
| Income and Social Contribution Taxes | (5,113) | (1,135) |
| Equity attributable to non-controlling interests | - | - |
| Net Income from discontinued operations | - | - |
| Net Income | 81,554 | 17,407 |

| Radar | 2Q14 | 1Q14 |
|-------------------------------|------------|------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 498 | 7,968 |
| Securities | 129,432 | 120,875 |
| Accounts Receivable | 14,020 | 51,402 |
| Inventories | - | - |
| Other Current Assets | 363,888 | 285,266 |
| Investments | 0 | 0 |
| Investment Property | 2,244,310 | 2,263,356 |
| Biological Assets | - | - |
| Property, Plant and Equipment | 10,960 | 10,999 |
| Intangible | 94 | 83 |
| Other Non-Current Assets | 5,335 | 4,499 |
| Total Assets | 2,768,538 | 2,744,449 |
| Loans and Financing | - | - |
| Suppliers | (846) | (766) |
| Salaries Payable | (9,293) | (6,366) |
| Other current liabilities | (17,960) | (30,414) |

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| | | |
|-------------------------------|-------------|-------------|
| Other non-current liabilities | (86,566) | (84,207) |
| Net Equity | (2,653,873) | (2,622,696) |
| Total Liabilities | (2,768,538) | (2,744,449) |

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E.8 Other Businesses

| Cosan other business | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | (2) | 12 |
| Gross Profit | (2) | 12 |
| Sales, general and administrative expenses | (32,129) | (30,985) |
| Other operating income (expenses), net | (124,869) | (18,086) |
| Financial revenue | 39,148 | 16,122 |
| Financial expenses | (207,595) | (138,081) |
| Foreign exchange variation | (8,988) | (194,272) |
| Derivative | (2,813) | 54,911 |
| Equity pick up | 299,263 | 78,396 |
| Income and Social Contribution Taxes | 118,816 | 13,695 |
| Equity attributable to non-controlling interests | - | - |
| Net Income from discontinued operations | - | - |
| Net Income (loss) | 80,831 | (218,288) |

| Cosan other business | 2Q14 | 1Q14 |
|-------------------------------|-------------|-------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 210,123 | 145,846 |
| Securities | 65,000 | - |
| Accounts Receivable | 1 | 1,047 |
| Inventories | 1 | 1 |
| Other Current Assets | 383,303 | 623,729 |
| Investments | 14,870,851 | 14,545,861 |
| Investment Property | - | - |
| Biological Assets | (0) | (0) |
| Property, Plant and Equipment | 63,683 | 58,730 |
| Intangible | 6,748 | 3,187 |
| Other Non-Current Assets | 1,794,826 | 1,847,305 |
| Total Assets | 17,394,536 | 17,225,705 |
| Loans and Financing | (3,161,683) | (4,862,806) |
| Suppliers | (3,193) | (1,315) |
| Salaries Payable | (12,620) | (8,221) |
| Other current liabilities | (231,266) | (226,855) |

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| | | |
|-------------------------------|--------------|--------------|
| Other non-current liabilities | (4,049,820) | (2,186,128) |
| Net Equity | (9,935,952) | (9,940,380) |
| Total Liabilities | (17,394,536) | (17,225,705) |

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F. Financial Statements including Raízen

F.1 Cosan S/A Consolidated including Raízen

| Cosan Profoma Consolidated | 2Q14 | 2Q13 |
|--|------------|------------|
| Income Statement for the period | 06/30/2014 | 06/30/2013 |
| Net Operating Revenue | 9,595,743 | 8,765,700 |
| Gross Profit | 1,172,670 | 1,016,482 |
| Sales, general and administrative expenses | (698,173) | (614,889) |
| Other operating income (expenses), net | (28,618) | 24,909 |
| Financial revenue | 127,682 | 105,237 |
| Financial expenses | (395,637) | (277,561) |
| Foreign exchange variation | 59,628 | (474,191) |
| Derivative | (8,467) | 136,997 |
| Equity pick up | 1,158 | 3,463 |
| Income and Social Contribution Taxes | (16,998) | (61,030) |
| Equity attributable to non-controlling interests | (109,098) | (60,931) |
| Net Income from discontinued operations | (0) | (0) |
| Net Income (loss) | 104,147 | (201,514) |

| Cosan Profoma Consolidated | 2Q14 | 1Q14 |
|-------------------------------|--------------|--------------|
| Balance Sheet | 06/30/2014 | 03/31/2014 |
| Cash and Cash Equivalents | 2,249,141 | 2,641,291 |
| Securities | 194,432 | 120,875 |
| Accounts Receivable | 1,800,844 | 1,643,125 |
| Inventories | 1,519,386 | 954,499 |
| Other Current Assets | 1,854,216 | 1,718,233 |
| Investments | 308,559 | 296,326 |
| Investment Property | 2,244,310 | 2,263,356 |
| Biological Assets | 988,404 | 1,018,346 |
| Property, Plant and Equipment | 7,653,322 | 7,701,344 |
| Intangible | 13,923,776 | 13,792,742 |
| Other Non-Current Assets | 3,806,860 | 3,669,957 |
| Total Assets | 36,543,251 | 35,820,094 |
| Loans and Financing | (11,750,340) | (12,920,488) |
| Suppliers | (1,450,851) | (1,533,315) |

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| | | |
|-------------------------------|--------------|--------------|
| Salaries Payable | (328,353) | (257,415) |
| Other current liabilities | (957,121) | (1,179,314) |
| Other non-current liabilities | (8,199,660) | (6,160,483) |
| Net Equity | (13,856,926) | (13,769,078) |
| Total Liabilities | (36,543,251) | (35,820,094) |

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Item 2

Cosan Limited

Consolidated interim financial statements at June 30, 2014 and report
of independent registered public accounting firm

Cosan Limited

Consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

Contents

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2

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders
Cosan Limited

Introduction

We have reviewed the consolidated interim accounting information of Cosan Limited, included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2014, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month periods then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the consolidated interim accounting information in accordance with the International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Campinas, Brazil
August 13, 2014.

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 “F”

Marcos Roberto Sponchiado
Contador CRC 1SP175536/O-5

3

Cosan Limited

Consolidated statement of financial position
 June 30, 2014 and December 31, 2013
 (In thousands of Brazilian Reais - R\$)

| | Note | June 30, 2014 | December 31, 2013 |
|----------------------------------|------|------------------|-------------------------|
| Assets | | | |
| Cash and cash equivalents | 4 | 1,340,435 | 1,509,565 |
| Investment securities | | 194,432 | 87,978 |
| Trade receivables | 5 | 879,997 | 844,483 |
| Inventories | | 303,675 | 311,980 |
| Derivative financial instruments | 24 | 9,168 | - |
| Receivables from related parties | 7 | 52,581 | 46,788 |
| Income tax receivable | | 33,522 | 56,340 |
| Other current tax receivable | | 76,607 | 85,433 |
| Other financial assets | 6 | 66,088 | 63,054 |
| Dividends receivable | | 128,702 | 26,350 |
| Other assets | | 200,479 | 217,927 |
| | | 3,285,686 | 3,249,898 |
| Assets held for sale | 10 | 347,894 | 314,104 |
| Current assets | | 3,633,580 | 3,564,002 |
| Trade receivables | 5 | 320,223 | 238,460 |
| Deferred tax assets | 16 | 251,391 | 232,188 |
| Receivables from related parties | 7 | 398,587 | 504,481 |
| Income tax receivable | | 28,197 | 49,268 |
| Other non-current tax receivable | | 16,913 | 18,366 |
| Judicial deposits | 17 | 389,028 | 361,554 |
| Other financial assets | 6 | 422,888 | 407,107 |
| Derivative financial instruments | 24 | 342,601 | 513,934 |
| Other non-current asset | | 491,242 | 493,340 |
| Equity method investments | 8 | 107,401 | 103,316 |
| Investment in joint ventures | 9 | 8,646,959 | 8,498,259 |
| Investment property | 10 | 2,244,310 | 2,281,509 |
| Property, plant and equipment | 11 | 1,320,690 | 1,271,910 |
| Intangible assets | 12 | 10,151,170 | 10,078,040 |
| Non-current assets | | 25,131,600 | 25,051,732 |
| Total assets | | 28,765,180 | 28,615,734 |

The accompanying notes are an integral part of these consolidated interim financial statements.

Cosan Limited

Consolidated statement of financial position
 June 30, 2014 and December 31, 2013
 (In thousands of Brazilian Reais - R\$)

| | Note | June 30, 2014 | December 31, 2013 |
|--|------|-------------------|-------------------------|
| Liabilities | | | |
| Loans and borrowings | 13 | 617,979 | 1,050,862 |
| Derivative financial instruments | 24 | 65,215 | 50,879 |
| Trade payables | 14 | 926,995 | 862,429 |
| Employee benefits payable | | 89,908 | 103,296 |
| Income tax payable | | 8,543 | 28,143 |
| Other current tax payable | 15 | 178,915 | 199,056 |
| Dividends payable | | 27,149 | 92,759 |
| Payables to related parties | 7 | 92,823 | 105,463 |
| Other current liabilities | | 146,082 | 157,806 |
| Current liabilities | | 2,153,609 | 2,650,693 |
| Loans and borrowings | 13 | 6,654,253 | 8,042,094 |
| Derivative financial instruments | 24 | 201,193 | 280,462 |
| Other non-current tax payable | 15 | 1,010,948 | 1,010,767 |
| Provision for legal proceedings | 17 | 652,977 | 722,458 |
| Pension and post-employment benefits | 26 | 351,697 | 339,135 |
| Deferred tax liabilities | 16 | 1,674,647 | 1,698,622 |
| Preferred shareholders payable in subsidiaries | 18 | 2,001,702 | - |
| Other non-current liabilities | | 526,225 | 551,739 |
| Non-current liabilities | | 13,073,642 | 12,645,277 |
| Total liabilities | | 15,227,251 | 15,295,970 |
| Equity | | | |
| Share capital | 19 | 5,328 | 5,328 |
| Additional paid in capital | | 3,812,232 | 3,828,858 |
| Other comprehensive income | | (94,223) | (84,887) |
| Retained earnings | | 2,224,457 | 2,136,975 |
| Equity attributable to: | | | |
| Owners of the Company | | 5,947,794 | 5,886,274 |
| Non-controlling interests | 8 | 7,590,135 | 7,433,490 |
| Total equity | | 13,537,929 | 13,319,764 |
| Total equity and liabilities | | 28,765,180 | 28,615,734 |

The accompanying notes are an integral part of these consolidated interim financial statements.

Cosan Limited

Consolidated statement of profit or loss and other comprehensive income

For the six months ended June 30, 2014 and 2013

(In thousands of Brazilian Reais – R\$, except earnings per share)

| | Note | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|---|------|---|---|---|--|
| Net sales | 21 | 2,246,009 | 4,403,195 | 2,225,938 | 4,215,148 |
| Cost of sales | | (1,545,075) | (3,065,869) | (1,599,862) | (2,985,298) |
| Gross profit | | 700,934 | 1,337,326 | 626,076 | 1,229,850 |
| Selling expenses | | (224,284) | (430,904) | (179,803) | (378,282) |
| General and administrative expenses | | (170,408) | (317,985) | (145,900) | (284,967) |
| Other income (expense), net | 23 | (66,197) | (98,989) | (19,630) | 52,232 |
| Operating (expense) income | | (460,889) | (847,878) | (345,333) | (611,017) |
| Income before financial results, equity in income of associates and income taxes | | 240,045 | 489,448 | 280,743 | 618,833 |
| Equity in income of investees | | | | | |
| Equity in income of associates | 8 | 1,858 | 667 | 3,800 | 2,331 |
| Equity in income of jointly controlled entity | 9 | 162,473 | 385,465 | (36,160) | 57,918 |
| | | 164,331 | 386,132 | (32,360) | 60,249 |
| Financial results | 22 | | | | |
| Finance expense | | (321,994) | (507,459) | (215,617) | (449,617) |
| Finance income | | 74,420 | 122,771 | 57,730 | 117,271 |
| Foreign exchange gain (losses), net | | 20,822 | 96,559 | (309,837) | (309,907) |
| Derivatives | | (12,106) | (73,187) | 149,934 | 144,612 |
| | | (238,858) | (361,316) | (317,790) | (497,641) |
| Profit (loss) before taxes | | 165,518 | 514,264 | (69,407) | 181,441 |
| Income taxes expenses | 16 | | | | |
| Current | | (35,688) | (66,227) | (25,603) | (53,339) |
| Deferred | | 53,504 | 24,482 | (51,421) | (42,350) |
| | | 17,816 | (41,745) | (77,024) | (95,689) |
| Profit (loss) from continuing operations | | 183,334 | 472,519 | (146,431) | 85,752 |
| Loss from discontinued operations, net of tax | | - | - | - | (3,369) |
| Profit (loss) for the period | | 183,334 | 472,519 | (146,431) | 82,383 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to profit or loss: | | | | | |
| Actuarial loss on defined benefit plan | | (1,058) | (1,417) | (1,688) | (53,941) |
| Taxes on items that will not be reclassified to profit or loss | | 360 | 482 | 574 | 18,340 |
| | | (698) | (935) | (1,114) | (35,601) |
| Items that may be reclassified to profit or loss: | | | | | |

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| | | | | |
|---|-----------|-----------|------------|-----------|
| Foreign currency translation effect | 6,687 | 3,164 | (9,023) | (3,456) |
| Gain (losses) on cash flow hedge in jointly controlled entity | 33,027 | (41,380) | 10,947 | (1,388) |
| Changes in fair value of available for sale securities | 1,635 | 2,547 | 3,843 | 14,271 |
| Taxes on items that may be reclassified subsequently to profit or loss | (11,785) | 13,203 | (5,029) | (4,380) |
| | 29,564 | (22,466) | 738 | 5,047 |
| Other comprehensive income (loss) for the period, net of tax | 28,866 | (23,401) | (376) | (30,554) |
| Total comprehensive income for the period | 212,200 | 449,118 | (146,807) | 51,829 |

Cosan Limited

Consolidated statement of profit or loss and other comprehensive income

For the six months ended June 30, 2014 and 2013

(In thousands of Brazilian Reais – R\$, except earnings per share)

| | Note | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|---|------|-----------------------------------|-------------------------------------|-----------------------------------|--|
| Profit (loss) attributable to: | | | | | |
| Owners of the Company (including discontinued operations) | | 38,748 | 179,553 | (128,831) | (40,467) |
| Non-controlling interests | | 144,586 | 292,966 | (17,600) | 122,850 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the Company | | 59,392 | 170,217 | (133,891) | (66,337) |
| Non-controlling interests | | 152,808 | 278,901 | (12,916) | 118,166 |
| Basic earnings per share | 20 | | | | |
| Continuing operations | | R\$ 0.15 | R\$ 0.68 | (R\$ 0.54) | (R\$ 0.21) |
| Discontinued operations | | - | - | - | (R\$ 0.01) |
| | | R\$ 0.15 | R\$ 0.68 | (R\$ 0.54) | (R\$ 0.22) |
| Diluted earnings per share | 20 | | | | |
| Continuing operations | | R\$ 0.06 | R\$ 0.51 | (R\$ 0.41) | (R\$ 0.21) |
| Discontinued operations | | - | - | - | (R\$ 0.01) |
| | | R\$ 0.06 | R\$ 0.51 | (R\$ 0.41) | (R\$ 0.22) |

The accompanying notes are an integral part of these consolidated interim financial statements.

Cosan Limited

Statement of changes in shareholders' equity
 For the six months ended June 30, 2014 and 2013
 (In thousands of Brazilian Reais - R\$)

| | Share capital | Capital reserve Additional paid in capital | Other comprehensive income (loss) | Retained earnings | Equity attributable to owners of the Company | Non-controlling interests | Total equity |
|---|---------------|---|-----------------------------------|-------------------|--|---------------------------|--------------|
| At January 1, 2014 | 5,328 | 3,828,858 | (84,887) | 2,136,975 | 5,886,274 | 7,433,490 | 13,319,764 |
| Profit for the period | - | - | - | 179,553 | 179,553 | 292,966 | 472,519 |
| Other comprehensive income | | | | | | | |
| Foreign currency translation effects | - | - | 7,697 | - | 7,697 | (4,533) | 3,164 |
| Loss on cash flow hedge in jointly controlled entity | - | - | (17,015) | - | (17,015) | (10,296) | (27,311) |
| Actuarial gain on defined benefit plan | - | - | (372) | - | (372) | (563) | (935) |
| Changes in fair value of available for sale securities | - | - | 354 | - | 354 | 1,327 | 1,681 |
| Total comprehensive income for the period | - | - | (9,336) | 179,553 | 170,217 | 278,901 | 449,118 |
| Contributions by and distributions to owners of the Company | | | | | | | |
| Share options exercised | - | 3,055 | - | - | 3,055 | 1,849 | 4,904 |
| Dividends - non-controlling interests | - | 458 | - | - | 458 | - | 458 |
| Share based compensation | - | 3,194 | - | - | 3,194 | 1,932 | 5,126 |
| Dividends | - | - | - | (92,071) | (92,071) | (115,433) | (207,504) |
| Total contributions by and distributions to owners of the Company | - | 6,707 | - | (92,071) | (85,364) | (111,652) | (197,016) |

| | | | | | | | |
|--|-------|-----------|-----------|-----------|-----------|-----------|------------|
| Transactions with owners of the Company | | | | | | | |
| Acquisition of non-controlling interest | - | (820) | - | - | (820) | 3,018 | 2,198 |
| Acquisition cost of the preferred shares of subsidiaries | - | (22,513) | - | - | (22,513) | (13,622) | (36,135) |
| Total transactions with owners of the Company | - | (23,333) | - | - | (23,333) | (10,604) | (33,937) |
| At June 30, 2014 | 5,328 | 3,812,232 | (94,223) | 2,224,457 | 5,947,794 | 7,590,135 | 13,537,929 |

Cosan Limited

Statement of changes in shareholders' equity
 For the six months ended June 30, 2014 and 2013
 (In thousands of Brazilian Reais - R\$)

| | Share capital | Capital reserve Additional paid in capital | Other comprehensive income (loss) | Retained earnings | Equity attributable to owners of the Company | Non-controlling interests | Total equity |
|---|---------------|---|-----------------------------------|-------------------|--|---------------------------|--------------|
| At January 1, 2013 | 5,328 | 3,778,022 | (38,096) | 2,105,688 | 5,850,942 | 7,330,986 | 13,181,928 |
| Profit (loss) for the period | - | - | - | (40,468) | (40,468) | 122,849 | 82,381 |
| Other comprehensive income | | | | | | | |
| Foreign currency translation effects | - | - | (4,960) | - | (4,960) | 1,504 | (3,456) |
| Loss on cash flow hedge in jointly controlled entity | - | - | (571) | - | (571) | (345) | (916) |
| Actuarial gain on defined benefit plan | - | - | (22,025) | - | (22,025) | (13,576) | (35,601) |
| Changes in fair value of available for sale securities | - | - | 1,686 | - | 1,686 | 7,733 | 9,419 |
| Total comprehensive income for the period | - | - | (25,870) | (40,468) | (66,338) | 118,165 | 51,827 |
| Contributions by and distributions to owners of the Company | | | | | | | |
| Share options exercised | - | 5,040 | - | - | 5,040 | 3,049 | 8,089 |
| Dividends - non-controlling interests | - | 647 | - | - | 647 | - | 647 |
| Share based compensation | - | 3,412 | - | - | 3,412 | 2,065 | 5,477 |
| Dividends | - | - | - | - | - | (122,468) | (122,468) |
| Total contributions by and distributions to owners of the Company | - | 9,099 | - | - | 9,099 | (117,354) | (108,255) |

| Transactions with owners of the Company | | | | | | | |
|---|-------|-----------|-----------|-----------|-----------|------------|------------|
| Corporate reorganization - | | | | | | | |
| Raízen Group | - | (3,927) | - | - | (3,927) | (2,379) | (6,306) |
| Acquisition of treasury shares | | | | | | | |
| | - | (16,011) | - | - | (16,011) | (9,688) | (25,699) |
| Business combination - | | | | | | | |
| COMGÁS | - | 78,811 | - | - | 78,811 | 19,192 | 98,003 |
| Business combination - | | | | | | | |
| Radar | - | 569 | - | - | 569 | (205,705) | (205,136) |
| Total transactions with owners of the Company | | | | | | | |
| | - | 59,442 | - | - | 59,442 | (198,580) | (139,138) |
| At June 30, 2013 | 5,328 | 3,846,563 | (63,966) | 2,065,220 | 5,853,145 | 7,133,217 | 12,986,362 |

The accompanying notes are an integral part of these consolidated interim financial statements.

Cosan Limited

Consolidated statement of cash flows
 For the six months ended June 30, 2014 and 2013
 (In thousands of Brazilian Reais - R\$)

| | Note | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|---|---------|---|---|---|---|
| Cash flows from operating activities | | | | | |
| Profit (loss) before taxes | | 165,518 | 514,264 | (69,407) | 181,441 |
| Adjustments for: | | | | | |
| Depreciation and amortization | 11 / 12 | 170,621 | 330,999 | 127,108 | 286,460 |
| Equity in income of investees | 8 | (1,855) | (667) | (3,800) | (2,332) |
| Equity in income of jointly controlled entity | 9 | (162,475) | (385,465) | 36,160 | (57,917) |
| Gain on disposal of assets | | 2,754 | 4,806 | 5,146 | 12,157 |
| Share-based compensation expense | | 2,563 | 5,126 | 2,153 | 5,475 |
| Change in fair value of investment property | 10 | (63,136) | (44,983) | (7,665) | (60,526) |
| Change in fair value of assets held for sale | 10 | (4,767) | - | - | - |
| Provision for judicial demands | | 7,739 | 26,230 | 25,085 | 41,268 |
| Indexation charges, interest and exchange gains/losses, net | | 238,979 | 388,300 | 359,933 | 514,920 |
| Other | | 27,855 | 45,823 | 5,442 | 13,254 |
| | | 383,796 | 884,433 | 480,155 | 934,200 |
| Changes in: | | | | | |
| Trade receivables | | (71,333) | (129,754) | (159,774) | (208,462) |
| Investment securities | | (71,227) | (100,277) | - | - |
| Restricted cash | | - | - | 18,220 | 3,944 |
| Inventories | | (34,077) | 7,546 | 4,509 | 16,185 |
| Recoverable taxes | | 35,789 | 36,455 | (40,786) | (34,524) |
| Related parties | | 2,056 | (50,595) | (12,483) | (16,218) |
| Trade payables | | 142,207 | 58,271 | 192,097 | 264,840 |
| Employee benefits | | 2,025 | (42,658) | 10,839 | (32,749) |
| Provision for judicial demands | | (1,403) | (7,998) | (94,342) | (95,428) |
| Income and other taxes | | (74,248) | (132,006) | (36,425) | (228,662) |
| Other | | (53,143) | (18,513) | (6,059) | (164,668) |
| | | (123,354) | (379,529) | (124,204) | (495,742) |
| Net cash generated by operating activities | | 260,442 | 504,904 | 355,951 | 438,458 |
| Cash flows from investing activities | | | | | |
| Capital contribution in associates | | (5,723) | (12,667) | (59,588) | (66,546) |
| Dividends received from investees | | 1,938 | 1,938 | - | - |
| Dividends received from jointly controlled entity | | - | 197,000 | - | 345,290 |
| Acquisition of property, plant and equipment and intangible assets | 11 / 12 | (266,641) | (458,810) | (298,166) | (549,526) |
| Proceeds from sale of property, plant and equipment, intangible and investments | | 696 | 796 | 65,350 | 118,656 |
| Net cash used in investing activities | | (269,730) | (271,743) | (292,404) | (152,126) |

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| | | | | |
|---|-------------|-------------|------------|-------------|
| Cash flows from financing activities | | | | |
| Loans and borrowings raised | 635,457 | 826,607 | 148,942 | 2,698,187 |
| Payment of principal and interest on loans and borrowings | (2,513,677) | (2,930,545) | (265,462) | (2,820,767) |
| Raising through of the preferred shares | 2,000,000 | 2,000,000 | - | - |
| Derivative financial instruments | (5,278) | (36,275) | 24,408 | 24,408 |
| Dividends paid | (272,058) | (272,058) | - | (149,430) |
| Treasury shares | - | - | (25,700) | (25,703) |
| Proceeds from exercise of share options | 311 | 4,903 | 5,998 | 8,088 |
| Net cash used in financing activities | (155,245) | (407,368) | (111,814) | (265,217) |
| (Decrease) increase in cash and cash equivalents | (164,533) | (174,207) | (48,267) | 21,115 |
| Cash and cash equivalents at the beginning of the period | 1,505,327 | 1,509,565 | 1,544,072 | 1,469,974 |
| Effect of exchange rate fluctuations on cash held | (359) | 5,077 | (359) | 4,357 |
| Cash and cash equivalents at the ended of the period | 1,340,435 | 1,340,435 | 1,495,446 | 1,495,446 |
| Supplemental cash flow information | | | | |
| Interest paid | 175,145 | 491,106 | 77,930 | 120,046 |
| Income taxes paid | 54,415 | 82,289 | 50,747 | 214,146 |

The accompanying notes are an integral part of these consolidated interim financial statements.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

1 Operations

Cosan Limited (“Cosan”) was incorporated in Bermuda on April 30, 2007. Cosan’s class A common shares are traded on the New York Stock Exchange (NYSE – CZZ). The BDRs (Brazilian Depositary Receipts) representing Cosan’s class A common shares are listed on the Brazilian Stock Exchange (BM&FBovespa – CZLT33). Mr. Rubens Ometto Silveira Mello is the ultimate controlling shareholder of Cosan. Cosan controls Cosan S.A. Indústria e Comércio (“Cosan S.A.”) and its subsidiaries with a 62.30 % interest. Cosan, Cosan S.A. and its subsidiaries are collectively referred to as the “Company”.

The Company’s primary activities are in the following business segments: (i) Piped natural gas distribution to part of the State of São Paulo through its subsidiary Companhia de Gás de São Paulo – COMGÁS (“COMGÁS”); (ii) Logistics services including transportation, port loading and storage of sugar, through its subsidiary Rumo Logística Operadora Multimodal S.A. (“Rumo”); (iii) Purchase, sale and leasing of agricultural land through its subsidiary, Radar Propriedades Agrícolas S.A. (“Radar”); (iv) Production and distribution of lubricants under the Mobil licensed trademark in Brazil, Bolivia, Uruguay and Paraguay, in addition to the European and Asian market using the Comma brand and corporate activities; and (v) other investments, in addition to the corporate structures of the Company (“Cosan’s other business”).

The Company also holds interests in two jointly controlled entities (“Joint Ventures” or “JVs”): (i) Raízen Combustíveis S.A. (“Raízen Combustíveis”), fuel distribution business, and (ii) Raízen Energia S.A. (“Raízen Energia”), production and marketing of sugar, ethanol and energy cogeneration, produced from sugar cane bagasse. Cosan and Royal Dutch Shell (“Shell”) share control of the two entities, where each owns 50% of the economic control. As from the adoption of IFRS 11 in fiscal year ended December 31, 2013, these investments are accounted for under the equity method.

The Annual General Shareholders' Meeting held on July 31, 2013, approved a fiscal year end change from March 31st to December 31st. This change was driven by changes in the Company’s investment portfolio, in which other businesses that do not use the harvest year (March 31st) have become more significant. With this change, the Company’s fiscal year begins on January 1st and ends on December 31st. These consolidated financial statements are for the six months ended June 30, 2014.

2

Basis of preparation

2.1 Statement of compliance

The interim consolidated financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2013.

These interim consolidated financial statements were authorized for issue by the Board of Directors on August 8, 2014.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

2.2 Basis of consolidation

The consolidated financial statements include the accounts of Cosan and its subsidiaries. Cosan's subsidiaries are listed below:

| | Ownership percentage | |
|--|----------------------|----------------------|
| | June 30, 2014 | December 31, 2013 |
| Directly owned subsidiary | | |
| Cosan S.A. | 62.30 | 62.30 |
| Interest of Cosan S.A. in its subsidiaries | | |
| Administração de Participações Aguassanta Ltda.(1) | - | 65.00 |
| Águas da Ponte Alta S.A. | 65.00 | 65.00 |
| Bioinvestments Negócios e Participações S.A. | 65.00 | 65.00 |
| Comma Oil Chemicals | 100.00 | 100.00 |
| Companhia de Gás de São Paulo - COMGÁS | 60.69 | 60.05 |
| Cosan Biomassa S.A. | 100.00 | 100.00 |
| Cosan Cayman II Limited | 100.00 | 100.00 |
| Cosan Global Limited | 100.00 | 100.00 |
| Cosan Infraestrutura S.A. | 100.00 | 100.00 |
| Cosan Investimentos e Participações S.A. | 100.00 | 100.00 |
| Cosan Lubes Investments Limited | 100.00 | 100.00 |
| Cosan Lubrificantes e Especialidades S.A. | 100.00 | 100.00 |
| Cosan Luxembourg S.A. | 100.00 | 100.00 |
| Cosan Overseas Limited | 100.00 | 100.00 |
| Cosan US, Inc. | 100.00 | 100.00 |
| Logisport Armazéns Gerais S.A.(2) | 38.25 | 38.25 |
| Nova Agrícola Ponte Alta S.A. | 29.50 | 29.50 |
| Nova Amaralina S.A. Propriedades Agrícolas | 29.50 | 29.50 |
| Nova Santa Barbara Agrícola S.A. | 29.50 | 29.50 |
| Novo Rumo Logística S.A. | 100.00 | 100.00 |
| Pasadena Empreendimentos e Participações S.A. | 100.00 | 100.00 |
| Proud Participações S.A. | 65.00 | 65.00 |
| Radar II Propriedades Agrícolas S.A. | 65.00 | 65.00 |
| Radar Propriedades Agrícolas S.A. | 29.50 | 29.50 |
| Rumo Logística Operadora Multimodal S.A. | 75.00 | 75.00 |
| Cosan Paraguay S.A. | 100.00 | 100.00 |
| Terras da Ponte Alta S.A. | 29.50 | 29.50 |
| Vale da Ponte Alta S.A. | 65.00 | 65.00 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

- (1) Incorporated in March 2014;
- (2) Cosan has control over this subsidiary through an interest of 51% held by Rumo.

2.3 New standards and interpretations not yet adopted

New standards and amendments to standards and interpretations are effective for annual periods beginning after January 1, 2014, and have not been applied in preparing these interim consolidated financial statements. None of these is expected to have a significant effect on the interim consolidated financial statements of the Company, except the following set out below:

I. IFRS 9, „Financial instruments”, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9’s full impact. The

Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

II. On 28 May 2014, was issued the IFRS 15 – Revenue from Contracts with Customers which outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, which is found currently across several standards and Interpretations within IFRSs. The core principle is that an entity recognizes revenue to reflect the transfer of goods or services, measured as the amount to which the entity expects to be entitled in exchange for those goods or services. However, the new Standard does not apply to transactions that are instead within the scope of leasing standard.

The new standard is effective for reporting periods beginning on or after 1 January 2017, with earlier application permitted. Entities can choose to apply the Standard retrospectively or use a modified approach in the year of application. The Company is evaluating the impact of this new standard on the financial statements.

3

Operating segments

Segment information

The following segment information is based on the information used by Cosan's senior management to assess the performance of the operating segments and to make decisions with regards to the allocation of resources. This

information is prepared on a consistent basis with the accounting policies used in the

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

preparation of the consolidated financial statements. Cosan evaluates operating performance based on the measure of EBITDA. A reconciliation of EBITDA to profit (loss) of the period is presented below.

Operating segments

- I. Raízen Energia: production and marketing of a variety of products derived from sugar cane, including raw sugar (VHP), anhydrous and hydrated ethanol, and activities related to energy cogeneration from sugarcane bagasse. In addition, this segment holds interests in companies engaged in research and development on new technology;
- II. Raízen Combustíveis: distribution and marketing of fuels, mainly through a network of service stations under the brand "Shell" throughout Brazil;
- III. COMGÁS: distribution of piped natural gas to part of the State of São Paulo (approximately 180 municipalities, including the region called Greater São Paulo) to customers in the industrial, residential, commercial, automotive, thermogeneration and cogeneration sectors;
- IV. Rumo: logistics services for transport, storage and port loading of commodities, mainly for sugar products;
- V. Radar: management, buying, selling and leasing of agricultural;
- VI. Lubricants: production and distribution of lubricants under the Mobil brand in Brazil, Bolivia, Uruguay and Paraguay, as well as European and Asian market with a Comma trademark; Following the adoption of IFRS 11, whereby the Company no longer proportionally consolidates the results of Raízen Energia and Raízen Combustíveis, the Lubricants segment met the quantitative thresholds to be separately reportable, and the comparative segment information has been restated;
- VII. Cosan's others business: other investments, in addition to the corporate activities of the Company.

The segments Raízen Energia and Raízen Combustíveis are equity accounted for under the equity method and not consolidated in these interim consolidated financial statements. However, the Company's senior management continues to review segment information of 100% of the results of these segments and a reconciliation of these segments to the entity's financial information is presented in the column "Joint Venture deconsolidation".

The following assets and statement of profit or loss selected information by segment was prepared on the same basis as the accounting practices used in the preparation of consolidated information:

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | April 1, 2014 to June 30, 2014 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | Segment elimination |
|---|--------------------------------|------------------------|------------|-----------|----------|------------|------------------------------|--------------------------------------|------------------------|
| | Raízen Energia | Raízen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | |
| Statement of income: | | | | | | | | | |
| Net sales | 1,686,295 | 13,684,833 | 1,616,390 | 190,481 | 35,194 | 403,946 | (2) | (15,371,128) | - |
| Domestic market | 804,045 | 13,684,833 | 1,616,390 | 156,758 | 35,194 | 333,431 | (2) | (14,488,878) | - |
| External market | 882,250 | - | - | 33,723 | - | 70,515 | - | (882,250) | - |
| Gross profit | 325,518 | 617,953 | 525,116 | 61,912 | 25,108 | 88,800 | (2) | (943,471) | - |
| Selling, general and administrative expenses | (238,718) | (397,366) | (234,455) | (22,764) | (8,496) | (82,286) | (46,691) | 636,084 | - |
| Other income (expenses), net | (1,510) | 76,669 | (815) | (8,182) | 67,909 | (240) | (124,869) | (75,159) | - |
| Financial income | 79,801 | 28,923 | 23,026 | 9,907 | 2,442 | 1,784 | 40,248 | (108,724) | (2,987) |
| Financial expense | (113,764) | (43,261) | (70,770) | (33,978) | (296) | (7,473) | (212,464) | 157,025 | 2,987 |
| Foreign exchange gain (losses), net | 51,162 | 20,132 | (3,106) | 169 | - | 35,906 | (12,147) | (71,294) | - |
| Derivatives | (3,697) | 1,680 | 3,647 | - | - | (8,293) | (7,460) | 2,017 | - |
| Equity in income of associates | (5,568) | 2,078 | - | - | - | (2,041) | 136,790 | 3,490 | (132,891) |
| Equity in income of jointly controlled entity | - | - | - | - | - | - | 162,473 | - | - |
| Income taxes expenses | 18,713 | (88,342) | (83,012) | (2,434) | (5,113) | (10,440) | 118,815 | 69,629 | - |
| Profit (loss) for the period | 111,937 | 218,466 | 159,631 | 4,630 | 81,554 | 15,717 | 54,693 | (330,403) | (132,891) |
| Other selected data: | | | | | | | | | |
| Depreciation and | 398,562 | 128,842 | 129,663 | 23,013 | 242 | 16,830 | 873 | (527,404) | - |

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| | | | | | | | | | |
|--|-----------|----------|---------|--------|----------|-----------|-----------|------------|-----------|
| amortization | | | | | | | | | |
| EBITDA | 478,284 | 428,176 | 419,509 | 53,979 | 84,763 | 21,063 | 128,574 | (906,460) | (132,891) |
| Acquisition of property, plant and equipment and intangible assets | 566,641 | 128,790 | 164,256 | 83,782 | 215 | 9,002 | 9,386 | (695,431) | - |
| Reconciliation of EBITDA | | | | | | | | | |
| Profit (loss) for the period | 111,937 | 218,466 | 159,631 | 4,630 | 81,554 | 15,717 | 54,693 | (330,403) | (132,891) |
| Income taxes expenses | (18,713) | 88,342 | 83,012 | 2,434 | 5,113 | 10,440 | (118,815) | (69,629) | - |
| Financial results, net | (13,502) | (7,474) | 47,203 | 23,902 | (2,146) | (21,924) | 191,823 | 20,976 | - |
| Depreciation and amortization | 398,562 | 128,842 | 129,663 | 23,013 | 242 | 16,830 | 873 | (527,404) | - |
| EBITDA | 478,284 | 428,176 | 419,509 | 53,979 | 84,763 | 21,063 | 128,574 | (906,460) | (132,891) |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | January 1, 2014 to June 30, 2014 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | Segment elimination |
|---|----------------------------------|------------------------|-----------|----------|----------|------------|------------------------------|--------------------------------------|------------------------|
| | Raízen Energia | Raízen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | |
| Statement of income: | | | | | | | | | |
| Net sales | 4,291,128 | 26,695,789 | 3,133,770 | 398,415 | 98,744 | 772,215 | 51 | (30,986,917) | - |
| Domestic market | 1,796,967 | 26,695,789 | 3,133,770 | 335,688 | 98,744 | 631,009 | 51 | (28,492,756) | - |
| External market | 2,494,161 | - | - | 62,727 | - | 141,206 | - | (2,494,161) | - |
| Gross profit | 817,391 | 1,288,248 | 973,527 | 146,315 | 50,352 | 167,072 | 60 | (2,105,639) | - |
| Selling, general and administrative expenses | (542,276) | (785,969) | (451,917) | (42,738) | (16,846) | (155,943) | (81,445) | 1,328,245 | - |
| Other income (expenses), net | 58,659 | 178,429 | (7,927) | (1,481) | 44,864 | 170 | (134,615) | (237,088) | - |
| Financial income | 145,712 | 46,590 | 38,485 | 22,134 | 5,855 | 1,577 | 60,822 | (192,302) | (6,102) |
| Financial expense | (242,162) | (63,305) | (142,160) | (42,464) | (564) | 35,210 | (363,583) | 305,467 | 6,102 |
| Foreign exchange gain (losses), net | 129,946 | 53,014 | 32,160 | 282 | - | 25,917 | 38,200 | (182,960) | - |
| Derivatives | 44,432 | (28,164) | (32,238) | - | - | (15,514) | (25,435) | (16,268) | - |
| Equity in income of associates | (15,931) | 7,332 | - | - | - | (3,339) | 283,611 | 8,599 | (279,605) |
| Equity in income of jointly controlled entity | - | - | - | - | - | - | 385,465 | - | - |
| Income taxes expenses | (77,376) | (206,361) | (141,975) | (27,677) | (7,839) | (7,665) | 143,411 | 283,737 | - |
| Profit (loss) for the period | 318,395 | 489,814 | 267,955 | 54,371 | 75,822 | 47,485 | 306,491 | (808,209) | (279,605) |
| Other selected data: | | | | | | | | | |
| Depreciation and amortization | 894,416 | 261,308 | 247,832 | 44,728 | 485 | 36,347 | 1,607 | (1,155,724) | - |

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| | | | | | | | | | |
|--|-----------|----------|---------|---------|----------|-----------|-----------|--------------|----------|
| EBITDA | 1,212,259 | 949,348 | 761,515 | 146,824 | 78,855 | 44,307 | 454,683 | (2,161,607) | (279,605 |
| Acquisition of property, plant and equipment and intangible assets | 1,575,698 | 406,590 | 320,066 | 97,729 | 254 | 14,918 | 25,843 | (1,982,288) | - |
| Reconciliation of EBITDA | | | | | | | | | |
| Profit (loss) for the period | 318,395 | 489,814 | 267,955 | 54,371 | 75,822 | 47,485 | 306,491 | (808,209) | (279,605 |
| Income taxes expenses | 77,376 | 206,361 | 141,975 | 27,677 | 7,839 | 7,665 | (143,411) | (283,737) | - |
| Financial results, net | (77,928) | (8,135) | 103,753 | 20,048 | (5,291) | (47,190) | 289,996 | 86,063 | - |
| Depreciation and amortization | 894,416 | 261,308 | 247,832 | 44,728 | 485 | 36,347 | 1,607 | (1,155,724) | - |
| EBITDA | 1,212,259 | 949,348 | 761,515 | 146,824 | 78,855 | 44,307 | 454,683 | (2,161,607) | (279,605 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | April 1, 2013 to June 30, 2013 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | Segment eliminations | |
|---|--------------------------------|------------------------|-----------|----------|---------|------------|------------------------------|--------------------------------------|-------------------------|-----|
| | Raízen Energia | Raízen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | | |
| Statement of income: | | | | | | | | | | |
| Net sales | 1,478,260 | 11,778,509 | 1,605,651 | 214,337 | 19,880 | 386,057 | 13 | (13,256,769) | - | 2 |
| Domestic market | 646,845 | 11,778,509 | 1,605,651 | 194,472 | 19,880 | 318,561 | 13 | (12,425,354) | - | 2 |
| External market | 831,415 | - | - | 19,865 | - | 67,496 | - | (831,415) | - | 8 |
| Gross profit | 225,812 | 555,000 | 426,227 | 83,289 | 13,823 | 102,725 | 12 | (780,812) | - | 6 |
| Selling, general and administrative expenses | (244,618) | (335,266) | (196,829) | (17,728) | (4,998) | (74,408) | (31,740) | 579,884 | - | (3) |
| Other income (expenses), net | 9,153 | 79,927 | (5,133) | 185 | 8,981 | (5,576) | (18,087) | (89,080) | - | (1) |
| Financial income | 66,520 | 28,523 | 10,090 | 14,113 | 939 | 19,271 | 16,136 | (95,043) | (2,819) | 5 |
| Financial expense | (108,852) | (19,964) | (54,917) | (7,404) | (232) | (12,469) | (143,414) | 128,816 | 2,819 | (2) |
| Foreign exchange gain (losses), net | (218,418) | (110,444) | (106,488) | 140 | - | (12,009) | (191,480) | 328,862 | - | (3) |
| Derivatives | (85,583) | 59,709 | 94,503 | - | - | 520 | 54,911 | 25,874 | - | 1 |
| Equity in income of associates | (682) | - | - | - | 29 | - | (5,282) | 682 | 9,053 | 3 |
| Equity in income of jointly controlled entity | - | - | - | - | - | - | (36,160) | - | - | (3) |
| Income tax expenses | 119,555 | (87,568) | (57,016) | (25,721) | (1,135) | (6,847) | 13,695 | (31,987) | - | (7) |
| Profit (loss) for the period | (237,113) | 169,917 | 110,437 | 46,874 | 17,407 | 11,207 | (341,409) | 67,196 | 9,053 | (1) |
| Other selected data: | | | | | | | | | | |
| Depreciation and amortization | 423,492 | 117,692 | 90,035 | 19,167 | 230 | 17,043 | 633 | (541,184) | - | 1 |

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| | | | | | | | | | | |
|--|------------|---------|---------|----------|--------|--------|-----------|------------|-------|----|
| EBITDA | 413,157 | 417,353 | 314,300 | 84,913 | 18,065 | 39,784 | (90,624) | (830,510) | 9,053 | 3 |
| Acquisition of property, plant and equipment and intangible assets | 476,195 | 89,258 | 219,856 | 69,089 | 32 | 8,543 | 646 | (565,453) | - | 2 |
| Reconciliation of EBITDA | | | | | | | | | | |
| Profit (loss) for the period | (237,113) | 169,917 | 110,437 | 46,874 | 17,407 | 11,207 | (341,409) | 67,196 | 9,053 | (1 |
| Income tax expenses | (119,555) | 87,568 | 57,016 | 25,721 | 1,135 | 6,847 | (13,695) | 31,987 | - | 7 |
| Financial result, net | 346,333 | 42,176 | 56,812 | (6,849) | (707) | 4,687 | 263,847 | (388,509) | - | 3 |
| Depreciation and amortization | 423,492 | 117,692 | 90,035 | 19,167 | 230 | 17,043 | 633 | (541,184) | - | 1 |
| EBITDA | 413,157 | 417,353 | 314,300 | 84,913 | 18,065 | 39,784 | (90,624) | (830,510) | 9,053 | 3 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | January 1, 2013 to June 30, 2013 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | Segment elimination |
|---|----------------------------------|------------------------|-----------|----------|---------|------------|------------------------------|--------------------------------------|------------------------|
| | Raízen Energia | Raízen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | |
| Statement of income: | | | | | | | | | |
| Net sales | 3,828,625 | 22,725,610 | 3,053,395 | 382,724 | 35,262 | 743,755 | 12 | (26,554,235) | - |
| Domestic market | 1,424,478 | 22,725,610 | 3,053,395 | 345,569 | 35,262 | 618,068 | 12 | (24,150,088) | - |
| External market | 2,404,147 | - | - | 37,155 | - | 125,687 | - | (2,404,147) | - |
| Gross profit | 485,218 | 1,150,495 | 841,595 | 156,521 | 29,206 | 202,619 | 13 | (1,635,713) | (104) |
| Selling, general and administrative expenses | (576,638) | (693,664) | (418,823) | (34,423) | (9,818) | (141,961) | (58,224) | 1,270,302 | - |
| Other income (expenses), net | 35,748 | 147,230 | (6,491) | (5,809) | 63,398 | (8,063) | 9,197 | (182,978) | - |
| Financial income | 112,532 | 61,730 | 19,718 | 22,986 | 1,525 | 28,417 | 47,444 | (174,262) | (2,819) |
| Financial expense | (198,404) | (42,679) | (110,515) | (17,524) | (494) | (30,648) | (293,255) | 241,083 | 2,819 |
| Foreign exchange gain (losses), net | (187,207) | (95,541) | (119,321) | 165 | (3) | (11,181) | (179,567) | 282,748 | - |
| Derivatives | (64,741) | 40,553 | 103,282 | - | - | 6,106 | 35,224 | 24,188 | - |
| Equity in income of associates | (9,954) | - | - | - | 29 | - | 107,785 | 9,954 | (105,483) |
| Equity in income of jointly controlled entity | - | - | - | - | - | - | 57,919 | - | (1) |
| Income tax expenses | 144,000 | (178,428) | (105,557) | (42,260) | (4,558) | (20,767) | 77,430 | 34,428 | 23 |
| Profit (loss) for the period | (259,446) | 389,696 | 203,888 | 79,656 | 79,285 | 24,522 | (196,034) | (130,250) | (105,565) |
| Other selected data: | | | | | | | | | |
| Depreciation and amortization | 889,244 | 236,156 | 212,373 | 37,680 | 452 | 34,858 | 1,097 | (1,125,400) | - |

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| | | | | | | | | | |
|--|------------|---------|---------|----------|----------|--------|-----------|--------------|-----------|
| EBITDA | 823,618 | 840,217 | 628,654 | 153,969 | 83,267 | 87,453 | 117,787 | (1,663,835) | (105,588) |
| Acquisition of property, plant and equipment and intangible assets | 1,493,335 | 242,802 | 394,389 | 126,104 | 2,392 | 24,588 | 2,053 | (1,736,137) | - |
| Reconciliation of EBITDA | | | | | | | | | |
| Profit (loss) for the period | (259,446) | 389,696 | 203,888 | 79,656 | 79,285 | 24,522 | (196,034) | (130,250) | (105,565) |
| Income tax expenses | (144,000) | 178,428 | 105,557 | 42,260 | 4,558 | 20,767 | (77,430) | (34,428) | (23) |
| Financial result, net | 337,820 | 35,937 | 106,836 | (5,627) | (1,028) | 7,306 | 390,154 | (373,757) | - |
| Depreciation and amortization | 889,244 | 236,156 | 212,373 | 37,680 | 452 | 34,858 | 1,097 | (1,125,400) | - |
| EBITDA | 823,618 | 840,217 | 628,654 | 153,969 | 83,267 | 87,453 | 117,787 | (1,663,835) | (105,588) |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| Statement of financial position: | June 30, 2014 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | S | el |
|----------------------------------|----------------|---------------------|--------------|------------|-----------|------------|------------------------|--------------------------------|---|----|
| | Raizen Energia | Raizen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | | |
| Cash and cash equivalents | 1,527,901 | 327,591 | 857,414 | 222,370 | 498 | 30,991 | 229,162 | (1,855,492) | - | - |
| Investment securities | - | - | - | - | 129,432 | - | 65,000 | - | - | - |
| Trade receivables | 494,499 | 1,347,195 | 631,623 | 29,179 | 14,020 | 205,173 | 2 | (1,841,694) | - | - |
| Inventories | 1,343,539 | 1,113,864 | 112,862 | 5,311 | - | 185,502 | - | (2,457,403) | - | - |
| Other current assets | 2,230,962 | 570,884 | 216,455 | 32,580 | 363,889 | 46,954 | 400,073 | (2,801,846) | (|) |
| Equity method investments | 177,067 | 257,789 | - | - | - | 15,783 | 12,429,804 | (434,856) | (|) |
| Investment in jointly ventures | - | - | - | - | - | - | 8,646,959 | - | - | - |
| Biological assets | 1,976,809 | - | - | - | - | - | - | (1,976,809) | - | - |
| Investment property | - | - | - | - | 2,244,310 | - | - | - | - | - |
| Property, plant and equipment | 10,215,505 | 2,466,750 | - | 1,036,862 | 10,960 | 209,186 | 63,682 | (12,682,255) | - | - |
| Intangible assets | 3,337,939 | 4,207,272 | 8,518,022 | 784,922 | 94 | 841,385 | 6,747 | (7,545,211) | - | - |
| Other non-current assets | 1,762,808 | 2,079,571 | 285,864 | 334,024 | 5,335 | 633,426 | 1,794,829 | (3,842,379) | (|) |
| Loans and borrowings | (8,695,806) | (781,553) | (2,981,807) | (664,308) | - | (203,862) | (3,422,255) | 9,477,359 | - | - |
| Trade payables | (623,542) | (424,170) | (740,343) | (83,385) | (846) | (99,228) | (3,193) | 1,047,712 | - | - |
| Employee benefits payable | (378,878) | (98,013) | (42,978) | (11,516) | (9,293) | (13,501) | (12,620) | 476,891 | - | - |
| | (444,445) | (1,388,866) | (142,061) | (173,797) | (17,960) | (72,294) | (264,500) | 1,833,311 | 1 | 1 |

Other
current
liabilities

Preferred shareholders

payable in
subsidiaries

- - - - - (2,001,702) -

Other

non-current
liabilities

(2,269,695) (2,850,367) (947,651) (213,578) (86,566) (1,507,210) (2,048,115) 5,120,062 3

Total assets
(net of
liabilities)

allocated by
segment

10,654,663 6,827,947 5,767,400 1,298,664 2,653,873 272,305 15,883,873 (17,482,610) (

Total assets

23,067,029 12,370,916 10,622,240 2,445,247 2,768,538 2,168,400 23,636,263 (35,437,945) (

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| Statement of financial position: | December 31, 2013 | | | | | | Cosan's other business | Deconsolidated effects IFRS 11 | Se | eli |
|----------------------------------|-------------------|---------------------|--------------|------------|-----------|------------|------------------------|--------------------------------|----|-----|
| | Raizen Energia | Raizen Combustíveis | COMGÁS | Rumo | Radar | Lubricants | | | | |
| Cash and cash equivalents | 1,058,483 | 328,992 | 535,957 | 497,753 | 13,408 | 57,892 | 404,555 | (1,387,475) | - | - |
| Investment securities | - | - | - | - | 87,978 | - | - | - | - | - |
| Trade receivables | 416,746 | 1,435,095 | 582,889 | 32,506 | 28,051 | 200,796 | 241 | (1,851,841) | - | - |
| Inventories | 2,026,925 | 1,057,049 | 121,253 | 5,237 | - | 185,490 | - | (3,083,974) | - | - |
| Other current assets | 1,279,553 | 484,475 | 248,803 | 22,389 | 323,476 | 45,227 | 386,743 | (1,764,028) | (2 | - |
| Equity method investments | 408,591 | 254,826 | - | - | - | 15,364 | 12,183,235 | (663,417) | (1 | - |
| Investment in jointly ventures | - | - | - | - | - | - | 8,498,259 | - | - | - |
| Biological assets | 1,867,765 | - | - | - | - | - | - | (1,867,765) | - | - |
| Investment property | - | - | - | - | 2,281,509 | - | - | - | - | - |
| Property, plant and equipment | 9,504,874 | 2,494,486 | - | 1,013,149 | 11,195 | 197,137 | 50,429 | (11,999,360) | - | - |
| Intangible assets | 3,100,227 | 4,038,314 | 8,450,541 | 755,635 | 89 | 867,826 | 3,949 | (7,138,541) | - | - |
| Other non-current assets | 1,534,557 | 1,403,117 | 332,918 | 234,965 | 4,884 | (93,658) | 2,755,380 | (2,937,674) | (4 | - |
| Loans and borrowings | (7,732,778) | (862,521) | (2,841,387) | (705,974) | - | (209,579) | (5,336,016) | 8,595,299 | - | - |
| Trade payables | (633,505) | (551,176) | (706,397) | (82,872) | (1,216) | (70,102) | (1,560) | 1,184,681 | (2 | - |
| Employee benefits payable | (249,919) | (60,091) | (59,417) | (12,522) | (4,247) | (13,039) | (14,070) | 310,010 | - | - |
| | (495,240) | (525,188) | (301,089) | (127,287) | (31,020) | (107,826) | 280,883 | 1,020,428 | 2 | - |

Other
current
liabilities

Other
non-current
liabilities

Total assets
(net of
liabilities)
allocated by
segment

Total assets

| | | | | | | | | |
|--------------|--------------|------------|------------|-----------|------------|--------------|--------------|----|
| (1,693,036) | (2,715,727) | (863,768) | (198,620) | (85,951) | (327,564) | (3,543,346) | 4,408,763 | 4 |
| 10,393,243 | 6,781,651 | 5,500,303 | 1,434,359 | 2,628,156 | 747,964 | 15,104,274 | (17,174,894) | (1 |
| 21,197,721 | 11,496,354 | 10,272,361 | 2,561,634 | 2,750,590 | 1,476,074 | 24,280,149 | (32,694,075) | (1 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

Detailed net sales by segment:

| | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|----------------------------|---|---|---|---|
| Raízen Energia | | | | |
| Sugar | 582,806 | 1,808,275 | 759,145 | 1,935,812 |
| Ethanol | 879,319 | 2,200,596 | 580,723 | 1,704,046 |
| Cogeneration | 174,986 | 202,252 | 97,246 | 110,385 |
| Other | 49,184 | 80,005 | 41,146 | 78,382 |
| | 1,686,295 | 4,291,128 | 1,478,260 | 3,828,625 |
| Raízen Combustíveis | | | | |
| Fuels | 13,684,833 | 26,695,789 | 11,778,509 | 22,725,610 |
| | 13,684,833 | 26,695,789 | 11,778,509 | 22,725,610 |
| COMGÁS | | | | |
| Industrial | 1,036,150 | 2,061,577 | 1,001,294 | 1,947,034 |
| Residential | 170,090 | 282,266 | 163,459 | 277,445 |
| Thermogeneration | 103,833 | 191,428 | 90,524 | 175,207 |
| Cogeneration | 64,174 | 128,008 | 62,657 | 130,982 |
| Automotive | 49,957 | 96,754 | 48,822 | 93,776 |
| Commercial | 64,014 | 119,471 | 58,677 | 107,530 |
| Construction revenue | 117,463 | 235,104 | 174,150 | 309,311 |
| Other | 10,709 | 19,162 | 6,068 | 12,110 |
| | 1,616,390 | 3,133,770 | 1,605,651 | 3,053,395 |
| Rumo | | | | |
| Port lifting | 43,879 | 93,308 | 36,839 | 73,473 |
| Logistics | 137,793 | 292,739 | 172,158 | 300,656 |
| Other | 8,809 | 12,368 | 5,340 | 8,595 |
| | 190,481 | 398,415 | 214,337 | 382,724 |
| Radar | | | | |
| Property sale | 17,671 | 63,260 | 5,694 | 5,694 |
| Land lease | 15,682 | 31,808 | 14,185 | 29,568 |
| Other | 1,841 | 3,676 | 1 | - |
| | 35,194 | 98,744 | 19,880 | 35,262 |
| Lubricants | | | | |
| Lubricants | 335,299 | 654,487 | 348,627 | 672,715 |
| Basic Oil | 64,168 | 110,191 | 35,275 | 66,398 |
| Other | 4,479 | 7,537 | 2,155 | 4,642 |
| | 403,946 | 772,215 | 386,057 | 743,755 |
| Cosan's other business | (2 |) 51 | 13 | 12 |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| IFRS 11 - Deconsolidated of Joint Ventures and eliminations | (15,371,128) | (30,986,917) | (13,256,769) | (26,554,235) |
| Total | 2,246,009 | 4,403,195 | 2,225,938 | 4,215,148 |

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Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

4 Cash and cash equivalents

| | June 30, 2014 | December 31, 2013 |
|------------------------|------------------|-------------------------|
| Brazilian Reais | | |
| Short-term investments | 1,206,711 | 1,387,295 |
| U.S. Dollars | | |
| Cash and bank deposits | 133,724 | 122,270 |
| | 1,340,435 | 1,509,565 |

Short-term investments are mainly comprised of exclusive funds as presented below:

| | June 30, 2014 | December 31, 2013 |
|------------------------------------|------------------|-------------------------|
| Exclusive funds | | |
| Commitment transactions | 315,753 | 662,262 |
| Bank certificate of deposits - CDB | 40,576 | 175,895 |
| | 356,329 | 838,157 |
| Bank investments | | |
| Bank certificate of deposits - CDB | 273,742 | 147,782 |
| Commitment transactions | 521,670 | 342,894 |
| Other financial investments | 54,970 | 58,462 |
| | 850,382 | 549,138 |
| | 1,206,711 | 1,387,295 |

5 Trade receivables

The balance of trade receivables is comprised of the following:

| | June 30, 2014 | December 31, 2013 |
|------------------------------------|------------------|-------------------------|
| Domestic | 1,208,652 | 1,087,118 |
| Foreign | 31,547 | 24,453 |
| Allowance for doubtful accounts | (39,979) | (28,628) |

| | | |
|-------------|-----------|-----------|
| | 1,200,220 | 1,082,943 |
| Current | 879,997 | 844,483 |
| Non-current | 320,223 | 238,460 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

On October 10, 2013, ALL – América Latina Logística S.A. (“ALL”), issued a press release announcing that it had initiated legal actions in relation to the contracts entered with Rumo. Rumo then filed a request for arbitration against ALL, among other administrative and judicial measures to enforce its contractual rights and to require ALL comply with the terms of the agreement signed in 2009, as amended, including the 4th and 5th amendment signed on May 31, 2013. There are no judicial decisions suspending the validity of the contracts signed between ALL and Rumo.

On May 12, 2014, Rumo and ALL together requested the suspension of all court proceedings related to the performance of the agreements in accordance with art. 265, item II of CPC - Civil Procedure Code, as well as any resources or incident thereto, for a period of six months, without prejudice to the parties when the eventual resumption of its course.

As of June 30, 2014, Rumo has recorded accounts receivable from ALL amounting to R\$300,996 (R\$225,401 on December 31, 2013), net of allowance for losses amounting to R\$22,477, for services provided under the agreements in accordance with IAS 18 - Revenue. Additionally, revenue totaling R\$128,265, including penalties and interest, was not recorded because not all the criteria for revenue recognition have been met.

6 Other financial assets

| | June 30, 2014 | December 31, 2013 |
|--|------------------|-------------------------|
| Exxon Mobil financial assets | 320,385 | 309,378 |
| Receivable from sale of discontinued operations(a) | 168,591 | 160,783 |
| | 488,976 | 470,161 |
| Current | 66,088 | 63,054 |
| Non-current | 422,888 | 407,107 |

a) Remaining balance the alienation of Cosan Alimentos will be received in three installments, adjusted by the CDI or SELIC indices.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

7 Related parties

a) Receivables from and payables to related parties are as follows:

| | June 30, 2014 | December 31, 2013 |
|--|------------------|-------------------------|
| Current assets | | |
| Commercial operations | | |
| Raízen Energia S.A. | 28,967 | 27,681 |
| Transport services | 39 | 10,538 |
| Lubricants | 2,250 | 3,086 |
| Other | 26,678 | 14,057 |
| Raízen Combustíveis S.A. | - | 4,048 |
| Aguassanta Participações S.A. | 6,521 | 6,368 |
| Mansilla Participações Ltda. | 4,024 | - |
| Other | 5,628 | - |
| | 45,140 | 38,097 |
| Corporate operation / Agreements | | |
| Raízen Energia S.A. | 1,555 | 1,468 |
| | 1,555 | 1,468 |
| Financial operations | | |
| Rezende Barbosa Group | 4,557 | 7,223 |
| Raízen Combustíveis S.A. | 1,329 | - |
| | 5,886 | 7,223 |
| | 52,581 | 46,788 |
| Non-current assets | | |
| Receivables under the framework agreement | | |
| Raízen Energia S.A. | 260,738 | 305,183 |
| Raízen Combustíveis S.A. | 30,252 | 90,756 |
| | 290,990 | 395,939 |
| Financial operations | | |
| Rezende Barbosa Group | 106,057 | 107,002 |
| | 106,057 | 107,002 |
| Corporate restructuring | 1,540 | 1,540 |
| | 398,587 | 504,481 |
| Total assets | 451,168 | 551,269 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | June 30, 2014 | December 31, 2013 |
|-----------------------------------|------------------|-------------------------|
| Current liabilities | | |
| Commercial operations | | |
| Shell Brazil Holding B.V. | - | 5,986 |
| Raízen Energia S.A. | 27,987 | 18,491 |
| Advances from port services | 16 | 7,998 |
| Shared expenses | 27,971 | 10,204 |
| Other | - | 289 |
| Raízen Combustíveis S.A. | 1,197 | 1,709 |
| Other | 144 | 34 |
| | 29,328 | 26,220 |
| Corporate operations / Agreements | | |
| Raízen Combustíveis S.A. | 9,948 | 8,800 |
| Raízen Energia S.A. | 51,069 | 70,443 |
| | 61,017 | 79,243 |
| Financial operations | | |
| Shell Brazil Holding B.V. | 2,478 | - |
| | 2,478 | - |
| Total liabilities | 92,823 | 105,463 |

At March 15, 2014, the Company acquired, through independent bank, debenture issued by Santa Barbara Agrícola S.A. in the amount of R\$ 65,000 disclosed on investment securities.

| | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|-----------------------------|---|---|---|---|
| Sales of goods and services | | | | |
| Raízen Energia S.A. | 51,240 | 133,861 | 94,388 | 165,284 |
| Other | 1,058 | 1,072 | - | - |
| | 52,298 | 134,933 | 94,388 | 165,284 |
| Purchase of goods / Inputs | | | | |
| Raízen Energia S.A. | (4) | (4) | (1) | (1) |
| Raízen Combustíveis S.A. | (354) | (719) | (336) | (544) |
| | (358) | (723) | (337) | (545) |
| Land lease | | | | |
| Raízen Energia S.A. | 14,701 | 25,651 | 12,219 | 33,865 |
| | 14,701 | 25,651 | 12,219 | 33,865 |

| | | | | |
|-------------------------------|----------|----------|----------|----------|
| Shared income (expense) | | | | |
| Aguassanta Participações S.A. | 118 | 224 | 91 | 182 |
| Raízen Energia S.A. | (3,373) | (6,892) | (2,083) | (6,486) |
| | (3,255) | (6,668) | (1,992) | (6,304) |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

Financial result

| | | | | |
|-------------------------------------|---------------|----------------|----------------|----------------|
| Rezende Barbosa Group | 126 | 293 | 293 | 623 |
| Usina Santa Luzia | (30) | (75) | (43) | (331) |
| Raízen Energia S.A. | 607 | 1,223 | (24) | 492 |
| Aldwich Temple Venture Capital Ltd. | (64) | (130) | - | (67) |
| Other | 104 | 201 | 69 | (9) |
| | 743 | 1,512 | 295 | 708 |
| Total | 64,129 | 154,705 | 104,573 | 193,008 |

Commercial operations of Cosan among its subsidiaries and jointly controlled entities are carried out at market prices and market conditions. During quarter ended June 30, 2014 and 2013 no loss for doubtful accounts was recorded with regards to receivables from related parties.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

Equity method
8 investments

a) Consolidated

| | Issued shares of the investee | Number of by Cosan | Percentage of interest (%) | December 31, 2013 | Equity income of investee | Equity method adjustment | Capital increases | Dividends | Other | June 30, 2014 | June 30, 2013 |
|---|--|-----------------------|-------------------------------------|----------------------|------------------------------------|--------------------------------|----------------------|----------------|-----------|------------------|---------------------|
| Tellus Brasil Participações Ltda. | 65,957,282 | 33,638,214 | 51.00 | 78,821 | 4,028 | 56 | 4,154 | (1,938) | - | 85,121 | 4,097 |
| Novvi Limited | 200,002 | 100,001 | 50.00 | 15,364 | (3,339) | (881) | 4,640 | - | - | 15,784 | (170) |
| Vertical UK LLP | - | - | 50.00 | 8,126 | 1,057 | (2,687) | - | - | - | 6,496 | - |
| Other investments | - | - | - | 1,005 | (1,079) | - | - | - | 74 | - | (1,596) |
| Total | | | | 103,316 | 667 | (3,512) | 8,794 | (1,938) | 74 | 107,401 | 2,331 |

b) Non-controlling:

| | Issued shares of the investee | Number of shares held by non- controlling | Percentage of interest by non- (%) | December 31, 2013 | Equity in income of investee of non- controlling | Equity method adjustment | Dividends | Acquisition of non- interest | June 30, 2014 |
|--|-------------------------------------|--|---|----------------------|--|--------------------------------|-----------|---------------------------------------|------------------|
| Logisport Armazéns Gerais S.A. | 2,040,816 | 1,000,000 | 61.75 | 37,219 | (370) | - | (141) | - | 36,708 |
| Rumo Logística Operadora Multimodal S.A. | 956,917 | 239,229 | 25.00 | 349,285 | 13,685 | - | (47,481) | - | 315,489 |
| Radar Propriedades Agrícolas S.A. | 21,148,989 | 17,147,822 | 81.08 | 1,607,793 | 25,744 | 1,127 | (32,432) | (96) | 1,602,136 |

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| | | | | | | | | | |
|--|-------------|-------------|-------|------------|----------|--------|----------|-------|------------|
| Radar II Propriedades Agrícolas S.A. | 830,690,258 | 290,710,861 | 35.00 | 328,192 | 17,232 | 79 | (6,300) | - | 339,203 |
| Elimination of participation Radar II in Radar | - | - | - | (505,215) | (5,163) | (226) | 6,504 | - | (504,100) |
| Companhia de Gás de São Paulo - "COMGÁS" | 119,822,797 | 47,864,807 | 39.31 | 1,961,238 | 106,024 | (339) | - | 3,610 | 2,070,533 |
| Total | | | | 3,778,512 | 157,152 | 641 | (79,850) | 3,514 | 3,859,969 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

9 Investment in jointly controlled entities

Cosan has joint control over Raízen Energia and Raízen Combustíveis by virtue of its 50% share in the equity shares of both companies and the requirement for unanimous consent by all parties over decisions related to the relevant activities of the arrangements. The investments have been classified as joint ventures under IFRS 11 and therefore the equity method of accounting is used in the consolidated financial statements.

Investments in jointly controlled entities had the following change in the period:

| | Issued shares of the investee | Number of shares held by Cosan | Percentage of interest (%) | December 31, 2013 | Equity in income of jointly controlled entity | Dividends | Equity method adjustments | Other equity effects | June 30, 2014 | |
|--------------------------------|----------------------------------|--------------------------------------|-------------------------------------|----------------------|---|-----------|---------------------------------|----------------------------|------------------|---|
| Raízen Combustíveis S.A. | 3,303,168,484 | 1,651,584,242 | 50.00 | 3,326,482 | 218,491 | (200,500) | - | - | 3,344,473 | 3 |
| Raízen Energia S.A. | 5,902,595,634 | 2,951,297,817 | 50.00 | 5,171,777 | 166,974 | (518) | (39,960) | 4,213 | 5,302,486 | 0 |
| Total | | | | 8,498,259 | 385,465 | (201,018) | (39,960) | 4,213 | 8,646,959 | 3 |

The statement of financial position and statement of profit or loss of jointly controlled entities are disclosed in Note 3, Segments.

The cash flows and comprehensive income of the jointly controlled entities Raízen Energia and Raízen Combustíveis for the period ended June 30, 2014 and 2013 are presented below:

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | Raízen Energia | | Raízen Combustíveis | |
|--|------------------|------------------|---------------------|------------------|
| | June 30, 2014 | June 30, 2013 | June 30, 2014 | June 30, 2013 |
| Cash flow | | | | |
| Operating activities | 1,358,778 | 1,775,251 | 439,974 | 625,489 |
| Investing activities | (1,564,406) | (1,569,024) | 69,933 | (132,287) |
| Financing activities | 675,046 | (179,205) | (511,308) | (416,353) |
| Increase (use) in cash and cash equivalents | 469,418 | 27,022 | (1,401) | 76,849 |
| Other comprehensive (loss) income | 237,915 | (254,096) | 489,465 | 389,690 |

According to the terms of the Framework Agreement of Joint Venture Raízen, Cosan is responsible for legal proceedings that existed prior to the formation of Raízen, which are net of judicial deposits as of April 1, 2011, as well as tax installments on the REFIS (tax refinancing) program, recorded in "Other taxes payable". Additionally, Cosan is party to a credit line (stand-by) facility granted to Raízen in the amount of US Dollars 500,000 thousand, which was unused at June 30, 2014.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

10 Investment property

The balance of investment property is as follows:

| | Investment property | Assets held for sale | Total |
|----------------------|------------------------|----------------------------|-----------|
| At December 31, 2013 | 2,281,509 | 314,104 | 2,595,613 |
| Change in fair value | 42,518 | 2,465 | 44,983 |
| Transfers | (79,717) | 79,717 | - |
| Disposals | - | (48,392) | (48,392) |
| At June 30, 2014 | 2,244,310 | 347,894 | 2,592,204 |

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Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| Property Plant and equipment | Land, buildings and improvements | Machinery, equipment and facilities | Rails cars and locomotives | Construction in progress | Other | Total |
|------------------------------|---|--|----------------------------------|-----------------------------|-----------|------------|
| Cost | | | | | | |
| At December 31, 2013 | 447,240 | 359,262 | 436,064 | 284,262 | 35,100 | 1,561,928 |
| Additions | 127 | 3,562 | - | 132,141 | - | 135,830 |
| Disposals | - | (1,070) | - | 2 | (845) | (1,913) |
| Transfers(1) | 30,754 | 101,534 | - | (187,726) | 3,673 | (51,765) |
| At June 30, 2014 | 478,121 | 463,288 | 436,064 | 228,679 | 37,928 | 1,644,081 |
| Depreciation | | | | | | |
| At December 31, 2013 | (80,419) | (153,996) | (41,584) | - | (14,019) | (290,018) |
| Additions | (7,741) | (17,350) | (6,832) | - | (2,229) | (34,151) |
| Disposals | - | - | - | - | 778 | 778 |
| At June 30, 2014 | (88,160) | (171,346) | (48,416) | - | (15,469) | (323,391) |
| At December 31, 2013 | 366,821 | 205,266 | 394,480 | 284,262 | 21,081 | 1,271,910 |
| At June 30, 2014 | 389,962 | 291,943 | 387,648 | 228,679 | 22,459 | 1,320,690 |

(i) Refer to intangible transfers due to the capitalization of these assets.

Capitalization of borrowing costs

Capitalized borrowing costs for the six month ended June 30, 2014, amounted to R\$ 3,500 (June 30, 2013 R\$ 3,300). The weighted average interest rate used to capitalize interest on the balance of construction in progress, was 6.08% p.a. for the six month ended June 30, 2014 (5,51% p.a. for the six month ended June 30, 2013).

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | | Concession intangible assets- COMGÁS | Improvements in public concessions and operation licenses | Trademark | Related customer relationships | Other | Total |
|----------------------|----------|---|--|------------|--------------------------------------|-----------|--------------|
| Intangible assets | Goodwill | | | | | | |
| Cost | | | | | | | |
| At December 31, 2013 | 703,956 | 8,307,282 | 751,555 | 252,474 | 719,186 | 200,825 | 10,935,278 |
| Additions | - | 245,784 | - | - | 67,640 | 9,556 | 322,980 |
| Disposals | - | (9,229) | - | - | (4,471) | 11 | (13,689) |
| Transfers(1) | - | (3) | 49,838 | - | 3 | 1,927 | 51,765 |
| At June 30, 2014 | 703,956 | 8,543,834 | 801,393 | 252,474 | 782,359 | 212,318 | 11,296,334 |
| Amortization | | | | | | | |
| At December 31, 2013 | - | (306,437) | (102,119) | (114,132) | (273,120) | (61,430) | (857,238) |
| Additions | - | (164,427) | (17,912) | (11,414) | (77,838) | (25,571) | (297,161) |
| Disposals | - | 6,956 | - | - | 2,386 | (108) | 9,234 |
| At June 30, 2014 | - | (463,908) | (120,031) | (125,546) | (348,571) | (87,109) | (1,145,164) |
| At December 31, 2013 | 703,956 | 8,000,845 | 649,436 | 138,342 | 446,066 | 139,395 | 10,078,040 |
| At June 30, 2014 | 703,956 | 8,079,927 | 681,362 | 126,929 | 433,788 | 125,209 | 10,151,170 |

(i) Refer to intangible transfers due to the capitalization of these assets.

Capitalization of borrowing costs

Capitalized borrowing costs for the six month ended June 30, 2014, amounted to R\$ 10,441 (June 30, 2013 R \$ 9,950). The weighted average interest rate used to capitalize borrowing costs on the balance of construction in progress, was 10.19% p.a. for the six month ended June 30, 2014 (7.44% p.a. for the six month ended June 30, 2013).

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| Intangible assets (excluding goodwill) | Annual rate of amortization - % | June 30, 2014 | December 31, 2013 |
|---|---------------------------------|---------------|-------------------|
| Concession intangible asset - | | | |
| COMGÁS (a) | Over the concession term | 8,079,927 | 8,000,845 |
| Improvements in public grants (b) | Over the concession term | 425,042 | 387,245 |
| Operating license for port terminal (c) | 4.00 | 256,320 | 262,190 |
| | | 681,362 | 649,436 |
| Trademarks | | | |
| Mobil | 10.00 | 102,724 | 114,138 |
| Comma | - | 24,204 | 24,204 |
| | | 126,929 | 138,342 |
| Relationship with customers | | | |
| COMGÁS | 3.00 | 372,190 | 375,184 |
| Lubricants | 6.00 | 61,598 | 70,883 |
| | | 433,788 | 446,066 |
| Other | | | |
| Software licenses | 20.00 | 83,329 | 91,695 |
| Other | Up to 20 | 41,880 | 47,700 |
| | | 125,209 | 139,395 |
| | | 9,447,215 | 9,374,083 |

- a) Refers to the concession intangible asset for the public gas distribution service, which represents the right to charge users for the supply of gas and is comprised of: (i) the concession rights recognized in the business combination and (ii) concession assets as disclosed;
- b) Refers to improvements made to the federal railways in relation to the transportation agreement entered by Rumo;
- c) License port operations and customer relationships of Rumo, recognized as a result of business combinations.

Impairment testing of cash-generating units containing goodwill.

Analyses of impairment test are performed annually. During the period ended June 30, 2014, no impairment indicator was identified that would require the performance of an impairment test.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

13 Loans and borrowings

| Description(a) | Interest Index(b) | Interest rate(c) (%) | Interest | | Maturity date |
|----------------------------|-----------------------|----------------------|---------------|-------------------|---------------|
| | | | June 30, 2014 | December 31, 2013 | |
| Senior Notes Due 2018 | Pre-fixed | 9.50 | 873,630 | 873,589 | mar-18 |
| Senior Notes Due 2023 | Dollar (US\$) | 5.00 | 1,083,613 | 1,086,716 | mar-23 |
| BNDES | TJLP | 7.95 | 403,823 | 526,716 | jun-17 |
| BNDES | SELIC | 12.90 | 231,789 | 159,894 | oct-20 |
| BNDES | TJ462 | 7.80 | 735,536 | 525,636 | oct-20 |
| Perpetual notes | Dollar (US\$) | 8.25 | 1,115,295 | 1,186,221 | - |
| Working capital | Dollar (US\$) + LIBOR | 4.24 | 170,392 | 262,796 | sep-16 |
| Working capital | 113% CDI | 12.20 | 90,180 | - | sep-16 |
| Credit notes | 110% CDI | - | - | 393,646 | - |
| FINAME | Pre-fixed | 4.22 | 253,542 | 277,298 | nov-22 |
| FINAME | URTJLP | 7.05 | 403,343 | 428,916 | may-22 |
| Finem | Pre-fixed | 3.50 | 2,120 | - | jan-24 |
| Finem | URTJLP | 6.74 | 5,541 | - | jan-22 |
| Leasing | CDI | 10.80 | 548 | 1,068 | oct-14 |
| Foreign loans | LIBOR UK semiannual | 4.34 | 203,623 | 209,340 | jun-17 |
| EIB | Dollar (US\$) + LIBOR | 2.11 | 601,927 | 633,223 | sep-21 |
| Resolution 4131 | Dollar (US\$) + LIBOR | 2.72 | 394,651 | 413,477 | feb-18 |
| Debentures | CDI | - | - | 1,443,941 | - |
| Non-convertible debentures | CDI | 11.94 | 167,411 | 164,144 | sep-19 |
| Debentures | Fixed rate+IPCA | 10.94 | 446,121 | 417,231 | sep-20 |
| FINEP | Pre-fixed | 5.00 | 89,147 | 89,104 | jan-21 |
| | | | 7,272,232 | 9,092,956 | |
| Current | | | 617,979 | 1,050,862 | |
| Non-current | | | 6,654,253 | 8,042,094 | |

- a) Loans and borrowings are guaranteed by promissory notes and endorsements of the Company and its jointly-controlled entities and controlling shareholders, besides other guarantees, such as: (i) credit rights originated from the expansion contracts of the logistic segment and gas distribution (BNDES), (ii) underlying assets (property, plant and equipment and Intangible assets) being financed (FINAME);
- b) TJLP and URTJLP are long-term interest rates set on loans by the BNDES, the Brazilian National Development Bank. SELIC is the benchmark interest rate set by the Central Bank of Brazil. CDI is a benchmark interbank lending rate in Brazil. IPCA is the benchmark consumer price index used by the Central Bank of Brazil to set monetary policy;

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated) c) As at June 30, 2014, except where otherwise indicated.

The fair value of loans and borrowings are as follows:

| | Carrying amount | | Fair value | |
|--------------------------|------------------|----------------------|------------------|----------------------|
| | June 30, 2014 | December 31, 2013 | June 30, 2014 | December 31, 2013 |
| Senior / perpetual notes | 3,072,538 | 3,174,894 | 2,984,552 | 2,977,658 |
| Financing | 4,199,694 | 5,918,062 | 4,199,694 | 5,918,062 |
| Total | 7,272,232 | 9,092,956 | 7,184,246 | 8,895,720 |

14 Trade payables

| | June 30, 2014 | December 31, 2013 |
|----------------------------------|------------------|-------------------------|
| Natural gas suppliers | 620,975 | 590,168 |
| Materials and services suppliers | 306,020 | 272,261 |
| | 926,995 | 862,429 |

15 Other taxes payable

| | June 30, 2014 | December 31, 2013 |
|--------------------------|------------------|-------------------------|
| ICMS – State VAT | 80,051 | 77,466 |
| IPI - Excise tax | - | - |
| INSS - Social security | 3,095 | 2,842 |
| PIS - Revenue tax | 2,558 | 5,170 |
| COFINS- Revenue tax | 18,411 | 30,470 |
| Recovery program – REFIS | 1,079,904 | 1,075,019 |
| Other | 5,844 | 18,856 |
| | 1,189,863 | 1,209,823 |
| Current | 178,915 | 199,056 |
| Non-current | 1,010,948 | 1,010,767 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

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Income tax and social contribution

a) Reconciliation of income and social contribution tax expenses

| | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|--|---|---|---|---|
| Profit (loss) before taxes | 165,518 | 514,264 | (69,407) | 181,441 |
| Income tax and social contribution at nominal rate (34%) | (56,276) | (174,850) | 23,598 | (61,690) |
| Adjustments to reconcile to effective tax rate | | | | |
| Equity method investments (non taxable income) | 55,873 | 131,285 | (11,002) | 20,485 |
| Permanent differences (donations, gifts, etc.) | (1,818) | (3,535) | (1,554) | (2,414) |
| Stock options | (871) | (1,743) | (732) | (1,862) |
| Interest on capital | - | (6,970) | - | (6,800) |
| Tax losses | (732) | (1,406) | (74,196) | (139,202) |
| Judicial demands | - | 13,839 | - | - |
| Gains or losses from offshore companies | 5,955 | (699) | (16,329) | (16,329) |
| Tax basis differences related to entities taxed on the Brazilian presumed profits method | 24,354 | 20,606 | 2,542 | 18,857 |
| Foreign exchange effects of foreign subsidiaries | (8,716) | (16,095) | (252) | (16,705) |
| Tax effect of unrealized gain on investment in Joint Venture(i) | - | - | - | 120,554 |
| Other | 47 | (2,177) | 901 | (10,583) |
| Income tax and social contribution expense (current and deferred) | 17,816 | (41,745) | (77,024) | (95,689) |
| Effective rate - % | -10.80 | 8.10 | -111.00 | 52.70 |

(i) Tax benefit created related to a downstream reverse merger in Raízen that resulted in a gain to Cosan's statement of profit or loss. The gain is not taxable income and so appears in the tax reconciliation.

b) Deferred income tax assets and liabilities

| June 30, 2014 | December 31, 2013 |
|---------------------|-------------------|
| Income | Total income |
| Social contribution | Total income |

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| | Basis | taxes (25%) | (9 %) | taxes (34%) | taxes (34%) |
|--|-----------|----------------|----------|----------------|----------------|
| Tax loss carryforwards | | | | | |
| Income tax loss carryforwards | 1,645,621 | 411,405 | - | 411,405 | 282,656 |
| Social contribution tax loss carryforwards | 1,652,882 | - | 148,759 | 148,759 | 102,410 |
| Temporary differences | | | | | |
| Foreign currency receivables and payables | 290,321 | 72,580 | 26,129 | 98,709 | 11,603 |
| Tax deductible goodwill | 1,191,645 | 297,911 | 107,248 | 405,159 | 514,893 |
| Provision for judicial demands | 529,206 | 132,301 | 47,629 | 179,930 | 194,985 |
| Allowance for doubtful accounts | 173,797 | 43,449 | 15,642 | 59,091 | 54,258 |
| Profit sharing | 18,575 | 4,644 | 1,672 | 6,316 | 67,057 |
| Derivatives instruments unrealized gains | (54,967) | (13,742) | (4,947) | (18,689) | 107,489 |
| Unrealized gain on sale of investments | (90,864) | (22,716) | (8,178) | (30,894) | (30,894) |
| Other temporary differences | (38,935) | (9,732) | (3,505) | (13,237) | (38,897) |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | | | | | |
|--|-------------|-------------|------------|-------------|-------------|
| Property, plant and equipment | (97,621) | (24,405) | (8,786) | (33,191) | (28,018) |
| Gain on formation of Joint Ventures | (3,338,342) | (834,586) | (300,451) | (1,135,037) | (1,135,041) |
| Unrealized gains on investment property | (2,244,310) | (44,886) | (24,239) | (69,125) | (70,309) |
| Assets held for sale | (347,895) | (6,958) | (3,757) | (10,715) | (9,636) |
| Concession contract | 30,572 | 7,643 | 2,752 | 10,395 | 11,579 |
| Regulatory asset | 223,330 | 55,832 | 20,100 | 75,932 | 118,228 |
| Gains or losses on actuarial liabilities | 303,699 | 75,925 | 27,333 | 103,258 | 41,593 |
| Business combination - Property, plant and equipment | (109,788) | (27,447) | (9,881) | (37,328) | (38,097) |
| Business combination - Intangible assets | (4,166,023) | (1,041,506) | (374,942) | (1,416,448) | (1,441,910) |
| Business combination - Other fair value adjustments | (49,344) | (12,336) | (4,441) | (16,777) | (17,706) |
| Other | (414,030) | (103,507) | (37,262) | (140,769) | (162,677) |
| Total | | (1,040,131) | (383,125) | (1,423,256) | (1,466,434) |
| Deferred income tax - Assets | | | | 251,391 | 232,188 |
| Deferred income tax - Liabilities | | | | (1,674,647) | (1,698,622) |
| Total net deferred taxes | | | | (1,423,256) | (1,466,434) |

c) Changes in deferred income taxes, net:

| | |
|--|-------------|
| At December 31, 2013– Net deferred tax liability | (1,466,434) |
| Income | 24,482 |
| Other comprehensive income | 442 |
| Acquisition cost of the preferred shares | 18,615 |
| Other | (361) |
| At June 30, 2014 - Net deferred tax liability | (1,423,256) |

On May 14 was published Law No. 12.973, converted into law the Provisional Measure No. 627 of November 11, 2013. Cited law brings profound changes in tax legislation, in particular regarding the appropriateness of tax rules to the new rules accounting introduced by Law No. 11.638 of December 28, 2007 and 11.941/2008, whose main objective was to integrate the old Brazilian accounting rules in international accounting standards (IFRS).

The Company is assessing the Law No. 12.973 and so far no impact was identified in the financial statements.

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

17 Provision for legal proceedings

| | June 30, 2014 | December 31, 2013 |
|-------------------------|------------------|-------------------------|
| Tax | 344,359 | 410,890 |
| Civil and environmental | 134,362 | 146,011 |
| Labor | 174,256 | 165,557 |
| | 652,977 | 722,458 |

Judicial deposits as at June 30, 2014, and December 31, 2013, are as follow:

| | June 30, 2014 | December 31, 2013 |
|-------------------------|------------------|-------------------------|
| Tax | 301,105 | 294,991 |
| Civil and environmental | 47,546 | 33,659 |
| Labor | 40,377 | 32,904 |
| | 389,028 | 361,554 |

Changes in provision for judicial demands:

| | Tax | Civil | Labor | Total |
|--------------------------|-----------|-----------|-----------|------------|
| At December 31, 2013 | 410,890 | 146,011 | 165,557 | 722,458 |
| Increases | 4,848 | 13,125 | 53,547 | 71,520 |
| Settlement or Write-Offs | (83,519) | (39,295) | (72,355) | (195,169) |
| Reclassified | 1,848 | (2,061) | 212 | (1) |
| Monetary variation | 10,292 | 16,582 | 27,295 | 54,169 |
| At June 30, 2014 | 344,359 | 134,362 | 174,256 | 652,977 |

Judicial claims deemed to be probable losses, accrued

a) Tax claims

Legal proceedings in relation to tax payments, as at June 30, 2014 and December 31, 2013, are as follow:

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | June 30, 2014 | December 31, 2013 |
|-----------------------------|------------------|-------------------------|
| Compensation with FINSOCIAL | 235,990 | 230,775 |
| IPC - 89(i) | - | 74,879 |
| INSS | 47,718 | 46,291 |
| ICMS credits | 23,407 | 20,114 |
| PIS and COFINS | 5,684 | 6,541 |
| IPI | 995 | 993 |
| IRPJ and CSLL | 329 | 329 |
| Others | 30,236 | 30,968 |
| | 344,359 | 410,890 |

(i) In 1993, Cosan Lubrificantes e Especialidades ("Cosan CLE") filed a lawsuit to challenge the balance sheet inflation accounting index ("IPC") established by the Federal Government in 1989, considering that this index did not reflect the actual rate of inflation. The use of this index led the Company to overpay income and social contribution taxes. Cosan CLE obtained a favorable preliminary court ruling that allowed it to recalculate its financial position, using indices that better reflected the actual inflation over the period. In doing so the Company adjusted the amounts of income and social contribution taxes payable and offset the overpayments in subsequent years until 1997. Despite the favorable court rulings, the tax authorities issued a notice of infringement to the Company challenging all of the taxes that were offset. The judicial demands has been reclassified to remote loss and therefore the provision of the R\$ 75,144 was reversed and R\$ 13,839 recorded under income tax expense for previous years and interest of the R\$ 61,305 for judicial demands.

b) Civil and environmental

The Company and its subsidiaries are parties to a number of civil legal claims related to (i) indemnification for material and moral damages, (ii) public civil claims related to burning of sugarcane stubble, and (iii) environmental matters.

The Company and its subsidiaries are also parties to a number of labor claims filed by former employees and service providers challenging, among other things, unpaid overtime, night shift premiums and risk premiums, employment guarantees, and the reimbursement of withholdings from payroll such as social contributions and trade union charges, among others.

Judicial claims deemed as possible losses, and therefore not accrued

a) Tax claims

Tax claims for which an unfavorable outcome is deemed possible and, therefore, not provisioned are as follow:

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(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

| | June 30, 2014 | December 31, 2013 |
|----------------------------------|------------------|-------------------------|
| ICMS - State VAT(i) | 1,473,268 | 1,291,685 |
| IRRF | 630,784 | 637,130 |
| IRPJ/CSLL | 655,802 | 726,815 |
| Other | 608,061 | 637,619 |
| INSS - social security and other | 508,449 | 508,053 |
| IPI credit - NT | 408,520 | 430,981 |
| PIS and COFINS | 513,042 | 506,813 |
| Compensation with IPI - IN 67/98 | 116,850 | 115,004 |
| | 4,914,776 | 4,854,100 |

(i) ICMS (State VAT): Refers mainly to (i) Tax assessments filed against the Company for alleged unpaid ICMS and non-compliance with regulations, in connection with the partnership and manufacturing upon demand, with Central Paulista Açúcar e Álcool Ltda., between May to December 2006 and May to December 2007, (ii) ICMS levied on the remittances for the export of crystallized sugar, which the Company understands are tax exempted. However, the tax authorities, classify crystallized sugar as a semi-finished product therefore, subject to ICMS taxation and (iii), ICMS withholdings rate differences on the sale of ethanol to companies located in other states, which subsequently had their tax registrations revoked, (iv) disallowance of ICMS tax credits in the sale of diesel fuel to customers engaged in the agroindustrial business. The State Tax Administration understands that because the diesel fuel sold is for agricultural use, which is not the Company's core business, ICMS cannot be offset, (e) ICMS payments on inventory differences arising from erroneous calculations by the State Tax Administration and (f) requirement resulting from disallowance of ICMS credits arising from purchases of goods from companies that, after operations had their tax registrations revoked. It happens that the State Treasury.

b) Civil and labor

The main civil and labor claims for which unfavorable outcomes are deemed possible are as follow:

| | June 30, 2014 | December 31, 2013 |
|-------|------------------|-------------------------|
| Civil | 821,110 | 832,311 |
| Labor | 403,102 | 502,697 |
| | 1,224,212 | 1,335,008 |

At June 27, 2014, Cosan transferred all its common shares issued by Raízen Energia S.A. and Raízen Combustíveis S.A. and debts, net of cash, totaling nearly R\$1,979,519, represented by debentures and a working capital facility, to its subsidiary Cosan Investimentos e Participações S.A. (“CIP”).

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For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

Additionally at June 27, 2014, Cosan executed an Investment and Other Terms Agreement with Fundo de Investimentos em Participações Multisetorial Plus II (“FIP Multisetorial Plus II”), and with Razac Fundo de Investimentos em Participações (“FIP Razac”). Therewith, FIP Multisetorial and FIP Razac subscribed non-voting preferred shares issued by CIP for the amount of R\$2,000,000, and signed the Shareholders' Agreement with the CIP the Company, establishing the rules of governance and also certain rights of exit and termination of participation in the CIP among shareholders. The obligations arising from the rights of exit and termination of interest assumed by the Company in the Shareholders Agreement were classified as liabilities in these financial statements.

The financial liability shall be measured taking into account the residual value of the investment calculated by updating the initial investment (which the parties agreed to calculate by applying the average rate of interbank certificates of deposit) less any proceeds derived from the investment in CIP (also updated the same rate). The Company may be required to make payment of the residual value to investors if not paid by April 30, 2021.

19 Stockholder' Equity

a) Share capital

As of June 30, 2014 Cosan Limited's share capital is comprised of the following:

| Shareholders | Class A and / or | | Class B1 | |
|--|---------------------|--------|------------|--------|
| | BDRs | % | shares | % |
| Queluz Holding Limited | 5,241,111 | 3.01 | 66,321,766 | 68.85 |
| Usina Costa Pinto S.A. Açúcar e Álcool | - | - | 30,010,278 | 31.15 |
| MSOR Participações | 1,811,250 | 1.04 | - | - |
| Usina Bom Jesus | 255,000 | 0.15 | - | - |
| Gávea funds | 22,384,370 | 12.84 | - | - |
| Blackrock Inc. | 9,522,224 | 5.46 | - | - |
| Other | 135,141,386 | 77.50 | - | - |
| Total | 174,355,341 | 100.00 | 96,332,044 | 100.00 |

Class B1 shares entitle the holder to 10 votes per share and Class A share are entitled to one vote per share.

b) Treasury shares

On September 16, 2011, the Board of Directors approved the repurchase of the Company's own shares to be held in treasury, canceled or sold. The deadline for completion of the transaction was 365 days and the maximum repurchase price was US\$ 100 million. The Company holds 5,996,502 treasury shares as of June 30, 2014 (5,996,502 shares on December 31, 2013) with a market value of R\$ 29.87 as at June 30, 2014 (R\$ 32.14 on December 31, 2013).

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Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

c) Other comprehensive income

| | December 31, 2013 | Comprehensive income | June 30, 2014 |
|---|-------------------------|-------------------------|------------------|
| Foreign currency translation differences | (223,038) | 3,164 | (219,874) |
| Gain (loss) on cash flow hedge in jointly controlled entity | 43,384 | (27,311) | 16,073 |
| Revaluation of investment property reclassified from property, plant and equipment | 190,735 | - | 190,735 |
| Defined benefit actuarial plan losses | 16,092 | (935) | 15,157 |
| Changes in value of available for sale financial assets | (7,480) | 1,681 | (5,799) |
| Total | 19,693 | (23,401) | (3,708) |
| Attributable to: | | | |
| Owners of the Company | (84,887) | (9,336) | (94,223) |
| Non-controlling interests | 104,580 | (14,065) | 90,515 |

20 Earnings per share

Earnings per share is calculated by dividing net income by the weighted average number of capital shares in outstanding during the year. Diluted earnings per share is calculated by adjusting average shares outstanding for the conversion of all potentially dilutive options.

The following table sets forth the calculation of earnings per share for the quarter ended on June 30, 2014, and 2013 (in thousands of Brazilian Reais, except per share amounts):

| | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|--|---|---|---|---|
| Numerator | | | | |
| Net income from continuing operations | | | | |
| Basic | 38,748 | 179,553 | (128,831) | (40,468) |
| Dilutive effect of subsidiary's stock option plan | (8,446) | (29,217) | 46,955 | 28,895 |
| Dilutive effect of put option | (15,601) | (15,601) | (15,601) | (31,202) |
| Diluted | 14,701 | 134,735 | (97,477) | (42,775) |

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Loss from discontinued operations | - | - | - | (3,369) |
| Denominator | | | | |
| Weighted average number of capital shares basic | 264,690,883 | 264,690,883 | 264,690,883 | 264,690,883 |
| Weighted average number of capital shares diluted | 264,690,883 | 264,690,883 | 271,193,599 | 271,193,599 |

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Basic earnings (loss) per share

| | | | | |
|-----------------------------------|----------|----------|-------------|-------------|
| Continuing operations | R\$ 0.15 | R\$ 0.68 | (R\$ 0.49) | (R\$ 0.15) |
| Discontinued operations | - | - | - | (R\$ 0.01) |
| | R\$ 0.15 | R\$ 0.68 | (R\$ 0.49) | (R\$ 0.17) |
| Diluted earnings (loss) per share | | | | |
| Continuing operations | R\$ 0.06 | R\$ 0.51 | (R\$ 0.36) | (R\$ 0.16) |
| Discontinued operations | - | - | - | (R\$ 0.01) |
| | R\$ 0.06 | R\$ 0.51 | (R\$ 0.36) | (R\$ 0.17) |

21 Gross Sales

| | April 1, 2014 to June 30, 2014 | January 1, to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, to June 30, 2013 |
|---|---|-----------------------------------|---|-----------------------------------|
| Taxable gross revenue from sales of products and services | 2,659,267 | 5,206,709 | 2,582,622 | 4,911,437 |
| Construction revenue | 117,463 | 235,104 | 174,150 | 309,311 |
| Indirect taxes and deductions | (530,721) | (1,038,618) | (530,834) | (1,005,600) |
| Net sales | 2,246,009 | 4,403,195 | 2,225,938 | 4,215,148 |

22 Financial results

| | April 1, 2014 to June 30, 2014 | January 1, to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, to June 30, 2013 |
|------------------------------------|---|-----------------------------------|---|-----------------------------------|
| Financial expense | | | | |
| Interest expense | (232,534) | (388,245) | (196,006) | (379,560) |
| Indexation charges | (13,445) | (30,629) | (5,541) | (12,178) |
| Bank fees | (76,015) | (88,585) | (14,070) | (57,879) |
| | (321,994) | (507,459) | (215,617) | (449,617) |
| Financial income | | | | |
| Interest income | 35,186 | 51,394 | 17,076 | 52,075 |
| Indexation credits | 4,056 | 5,985 | 1,804 | 3,491 |
| Income from short term investments | 34,176 | 64,391 | 38,850 | 61,704 |
| Other | 1,002 | 1,001 | - | 1 |
| | 74,420 | 122,771 | 57,730 | 117,271 |
| Foreign exchange effects, net(1) | | | | |

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| | | | | |
|---|------------|------------|------------|------------|
| Foreign exchange effects, net | 20,822 | 96,559 | (309,837) | (309,907) |
| | 20,822 | 96,559 | (309,837) | (309,907) |
| Derivative income (losses) | | | | |
| Exchange rate and interest rate derivatives | (12,106) | (73,187) | 149,934 | 144,612 |
| | (12,106) | (73,187) | 149,934 | 144,612 |
| | (238,858) | (361,316) | (317,790) | (497,641) |

(1) Includes gains (and losses) on foreign exchange rates relating to assets and liabilities denominated in foreign currency.

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23 Other, net

| | April 1, 2014 to June 30, 2014 | January 1, 2014 to June 30, 2014 | April 1, 2013 to June 30, 2013 | January 1, 2013 to June 30, 2013 |
|---|---|---|---|---|
| Profit (loss) on port operations | 2,460 | 7,803 | 145 | (4,700) |
| Provisions for legal proceedings | (7,790) | (26,230) | (30,415) | (48,742) |
| (Loss) gain on disposal of non-current assets | (2,754) | (4,806) | (5,789) | 9,759 |
| Costs to operation transactions(a) | (124,212) | (124,212) | - | - |
| Rental income | 181 | 348 | 171 | 354 |
| Changes in the fair value of investment property | 67,904 | 44,983 | 7,665 | 60,418 |
| Allowance for doubtful accounts | (644) | 703 | (190) | (262) |
| Gain (loss) on corporate restructuring | 179 | 4,479 | (2) | - |
| Other | (1,521) | (2,057) | 8,785 | 35,405 |
| | (66,197) | (98,989) | (19,630) | 52,232 |

(a) Costs with corporate restructuring in progress.

24 Financial instruments

Financial risk management

Overview

The Company is exposed to the following risks related to the use of financial instruments:

Foreign exchange risk;
Interest rate risk;
Credit risk;
Liquidity risk.

This note presents information about the exposure of the Company and its subsidiaries to the above risks, as well as the objectives of the Company's risk management policies, these policy and processes for the assessment and management of risks.

Risk management structure

The risks inherent to each type of business market are managed and monitored by the Company and, where applicable, risk committees are convened to discuss and determine the hedging strategy of the Company in accordance with its policies and guidelines.

As at June 30, 2014 and December 31, 2013, the fair values relating to transactions involving derivative financial instruments to mitigate the Company's risk exposure were measured at fair market value using observable inputs such as quoted prices in active markets, or discounted cash flows based on market curves, and are presented below:

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| | Notional June 30, 2014 | December 31, 2013 | Fair value June 30, 2014 | December 31, 2013 | P&L(I) |
|--|------------------------------|----------------------|--------------------------------|----------------------|------------------|
| COMGÁS derivatives | | | | | |
| Exchange rate risk | | | | | |
| Exchange rate derivatives | | | | | |
| Swap agreements | 828,442 | 828,442 | 157,919 | 209,532 | (51,613) |
| | 828,442 | 828,442 | 157,919 | 209,532 | (51,613) |
| Other subsidiaries derivatives | | | | | |
| Exchange rate risk | | | | | |
| Exchange rate derivatives | | | | | |
| Term agreements | 161,163 | 232,220 | 5,367 | 25,713 | 23,473 |
| | 161,163 | 232,220 | 5,367 | 25,713 | 23,473 |
| Interest rate and exchange rate risk | | | | | |
| Swap agreements (interest rate) | 181,617 | 181,617 | (16,866) | (13,573) | 1,453 |
| Swap agreements (interest and exchange rate) | 1,662,806 | 1,662,806 | (61,059) | (39,078) | (3,951) |
| | 1,844,423 | 1,844,423 | (77,925) | (52,652) | (2,498) |
| Total financial instruments contracted by Company | | | 85,361 | 182,593 | (30,638) |
| Assets | | | 351,769 | 513,934 | |
| Liabilities | | | (266,408) | (331,341) | |

Foreign exchange risk

The table below shows the consolidated position at June 30, 2014 of derivatives used to hedge exchange rates:

| Derivatives | Purchased / Sold | Market | Agreement | Maturity date | Notional (US\$) | Notional \$(R) | Fair Value \$(R) |
|---|---------------------|-----------|----------------|------------------|--------------------|--------------------|----------------------|
| Composition of balance of derivative financial instruments non designated in hedge accounting | | | | | | | |
| Financial instruments contracted by | | | | | | | |
| COMGÁS: | | | | | | | |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Jun-20 | 10,000 | 18,361 | 4,880 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Jul-20 | 10,000 | 18,361 | 4,376 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Aug-20 | 10,000 | 18,361 | 5,070 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Sep-20 | 14,381 | 26,406 | 7,284 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Oct-20 | 40,000 | 73,444 | 20,088 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Sep-20 | 39,922 | 69,580 | 19,874 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | May-21 | 51,400 | 83,145 | 28,895 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | May-21 | 20,000 | 32,352 | 11,432 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Sep-21 | 30,000 | 49,761 | 16,540 |

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| | | | | | | | |
|----------------------|-----|-----------|----------------|--------|---------|---------|----------|
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Sep-21 | 42,435 | 70,387 | 23,747 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Jul-17 | 75,000 | 153,900 | 10,492 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Feb-18 | 50,000 | 99,385 | 10,834 |
| Swap/flx cx | N/A | OTC/Cetip | Cross-Cur Swap | Aug-18 | 50,000 | 115,000 | (5,592) |
| At June 30, 2014 | | | | | 443,138 | 828,442 | 157,919 |
| At December 31, 2013 | | | | | 443,138 | 828,442 | 209,532 |

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Financial instruments contracted by other subsidiaries:

| | | | | | | | |
|-------------------------------------|-----------|-----|------|--------|------------|------------|------------|
| Term | Purchased | OTC | NDF | Aug-14 | 6,188 | 14,002 | (167) |
| Term | Purchased | OTC | NDF | Aug-14 | 4,197 | 8,507 | 868 |
| Term | Purchased | OTC | NDF | Nov-14 | 6,188 | 14,261 | (75) |
| Term | Purchased | OTC | NDF | Nov-14 | 4,197 | 8,666 | 919 |
| Term | Purchased | OTC | NDF | Feb-15 | 6,188 | 14,497 | 24 |
| Term | Purchased | OTC | NDF | Feb-15 | 4,197 | 8,813 | 974 |
| Term | Purchased | OTC | NDF | May-15 | 6,188 | 14,726 | 113 |
| Term | Purchased | OTC | NDF | May-15 | 4,197 | 8,942 | 1,035 |
| Term | Purchased | OTC | NDF | Aug-15 | 6,188 | 15,003 | 168 |
| Term | Purchased | OTC | NDF | Aug-15 | 4,197 | 9,089 | 1,084 |
| Term | Purchased | OTC | NDF | Nov-15 | 6,188 | 15,254 | 247 |
| Term | Purchased | OTC | NDF | Nov-15 | 4,197 | 9,231 | 1,137 |
| Term | Purchased | OTC | NDF | Feb-14 | 1,749 | 4,129 | (356) |
| Term | Purchased | OTC | NDF | Feb-14 | 1,612 | 3,885 | (293) |
| Term | Purchased | OTC | NDF | Feb-14 | 1,618 | 3,929 | (110) |
| Term | Purchased | OTC | NDF | Feb-14 | 1,817 | 4,338 | (55) |
| Term | Purchased | OTC | NDF | Feb-14 | 1,586 | 3,890 | (145) |
| | | | | | - | - | - |
| Sub-total Term at June 30, 2014 | | | | | 70,689 | 161,163 | 5,367 |
| Sub-total Term at December 31, 2013 | | | | | 102,971 | 232,220 | 25,713 |
| Swap | N/A | OTC | Swap | Dec-14 | 81,972 | 181,617 | (185) |
| Swap | N/A | OTC | Swap | Mar-18 | 359,272 | 712,796 | 110,815 |
| Swap | N/A | OTC | Swap | Sep-16 | 75,000 | 179,063 | (16,423) |
| Swap | N/A | OTC | Swap | Mar-18 | (359,272) | (712,796) | (110,819) |
| Sub-total Swap at June 30, 2014 | | | | | 156,972 | 360,680 | (16,611) |
| Sub-total Swap at December 31, 2013 | | | | | 156,972 | 360,680 | 141,941 |

Composition of balance of derivative financial instruments designated in hedge accounting

| | | | | | | | |
|------|-----|-----|------|--------|---------|---------|-----------|
| Swap | N/A | OTC | Swap | Mar-23 | 175,000 | 347,690 | 3,929 |
| Swap | N/A | OTC | Swap | Mar-23 | 50,000 | 106,595 | 2,665 |
| Swap | N/A | OTC | Swap | Mar-23 | 50,000 | 106,595 | 1,919 |
| Swap | N/A | OTC | Swap | Mar-23 | 368,500 | 732,136 | (12,968) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (8,267) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | 4,408 |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (10,059) |

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| | | | | | | | |
|-------------------------------------|--------------------------|-----|------|--------|------------|------------|-----------|
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | 5,582 |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | 5,432 |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (10,120) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | 4,981 |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (9,560) |
| Swap | N/A | OTC | Swap | Mar-23 | 50,000 | 110,780 | (5,615) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (2,902) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (2,808) |
| Swap | N/A | OTC | Swap | Mar-23 | 75,000 | 167,775 | (1,131) |
| Swap | N/A | OTC | Swap | Mar-23 | 50,000 | 106,595 | (1,993) |
| Swap | N/A | OTC | Swap | Mar-23 | 50,000 | 110,780 | (6,891) |
| Swap | N/A | OTC | Swap | Mar-23 | 25,000 | 55,390 | (3,446) |
| Swap | N/A | OTC | Swap | Mar-23 | 10,000 | 21,319 | (753) |
| Swap | N/A | OTC | Swap | Mar-23 | 65,000 | 144,014 | (7,297) |
| Swap | N/A | OTC | Swap | Mar-23 | (368,500) | (732,136) | 148 |
| Swap | N/A | OTC | Swap | Mar-23 | (175,000) | (347,690) | (7,791) |
| | Amortization Gain / Loss | | | | | | |
| Swap | D1 | | | | - | - | 1,222 |
| Sub-total Swap at June 30, 2014 | | | | | 675,000 | 1,483,743 | (61,314) |
| Sub-total Swap at December 31, 2013 | | | | | 675,000 | 1,483,743 | (45,632) |

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| | | | |
|--------------------------------------|---------|-----------|-----------|
| Total Swap at June 30, 2014 | 831,972 | 1,844,423 | (77,925) |
| Total Swap at December 31, 2013 | 831,972 | 1,844,423 | (52,652) |
| At June 30, 2014 (Except COMGÁS) | 902,661 | 2,005,586 | (72,558) |
| At December 31, 2013 (Except COMGÁS) | 934,943 | 2,076,643 | (26,939) |

At June 30, 2014 and December 31, 2013, the Company and its subsidiaries had the following net exposure to the exchange rate variations on assets and liabilities denominated in US Dollars and British pounds:

| | June 30, 2014 | December 31, 2013 |
|--------------------------------|------------------|-------------------------|
| Cash and cash equivalents | 1,206,711 | 1,387,295 |
| Trade receivables | 31,547 | 24,453 |
| Loans and borrowings | (1,115,295) | (3,814,871) |
| Foreign exchange exposure, net | 122,963 | (2,403,123) |

Interest rate risk

The Company and its subsidiaries monitor the fluctuations in variable interest rates in connection with its borrowings, especially those that accrue interest using LIBOR, and uses derivative instruments in order to mitigate variable interest rate fluctuation risks.

Credit risk

The credit risk on cash and cash equivalents, bank deposits in national and foreign financial institutions are determined using the rating instruments accepted by the market as follows:

| | Investment securities |
|------------------|--------------------------|
| AAA | 991,293 |
| AA | 215,418 |
| At June 30, 2014 | 1,206,711 |

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Liquidity risk

The table below demonstrates the Company's non-derivative financial liabilities classified by due date at June 30, 2014. The amounts disclosed in the table are the contracted undiscounted cash flows.

| | June 30, 2014 | | | | December 31, 2013 | |
|----------------------|---------------|------------|--------------|-------------------|-------------------|---------------|
| | Until 1 year | 1 -2 years | 3 – 5 years | More than 5 years | Total | Total |
| Loans and borrowings | (611,574) | (791,258) | (5,022,635) | (6,941,731) | (13,367,198) | (10,996,388) |
| Trade payables | (926,995) | - | - | - | (926,995) | (862,429) |
| REFIS payable | (73,302) | (73,274) | (216,711) | (716,617) | (1,079,904) | (1,075,019) |
| Total | (1,611,871) | (864,532) | (5,239,346) | (7,658,348) | (15,374,097) | (12,933,836) |

Hedge accounting

To mitigate the Company's risks from volatility of foreign exchange rates and interest rates, the Company entered into certain derivative contracts that were designated for hedge accounting (fair value hedge) as of July 1, 2013, with the purpose of protecting the "2023 Senior Notes". The hedge relationship consists of swapping the cash flows (cross currency interest rate swaps) with a foreign currency risk (USD) for local currency (BRL) and a fixed interest rate for a fixed percentage of the CDI (local market). The table below shows the fair value and gain recognized in the statement of profit or loss:

| | June 30, 2014 |
|---|---------------|
| Fair value of the Senior Notes 2023 | 1,104,587 |
| Loss recognized in the financial result | (17,364) |

Fair value

The fair value of financial assets and liabilities is determined by reference to the price at which they could be exchanged in a current transaction between parties willing to negotiate, and not in a forced sale or liquidation (Note 25).

Sensitivity analysis

A sensitivity analysis of the effects of changes in the relevant risk factors to which the Company is exposed to as of June 30, 2014 is presented below:

- a) Sensitivity analysis on changes in foreign exchange rates

The probable scenario was defined based on the US Dollar market rates as at June 30, 2014, which determines the fair values of the derivatives at that date. Stressed scenarios were defined based on impacts of a 25% and 50% change in the US Dollar exchange rates used in the probable scenario.

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| | Risk factor | Probable scenario | Impacts on P&L(i) | | | |
|----------------------------------|--|-------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | | | Variation scenario (25 %) Increase | Variation scenario (50 %) Increase | Variation scenario (25 %) Decrease | Variation scenario (50 %) Decrease |
| COMGÁS Derivatives | | | | | | |
| Exchange rate and interest risks | | | | | | |
| Exchange rate derivatives | | | | | | |
| Swap contracts | Decrease in exchange rate R\$/US\$ and increase in CDI curve | 157,919 | 39,480 | 78,960 | (39,480) | (78,960) |
| Exchange rate risks | | | | | | |
| Exchange rate derivatives | | | | | | |
| Term agreements | | | | | | |
| Purchasing agreements | Decrease in exchange rate R\$/US\$ | 5,367 | 43,967 | 82,567 | (33,232) | (71,832) |
| Interest rate risk | | | | | | |
| Swap contracts | Decrease in LIBOR curve | - | - | - | - | - |
| Swap contracts | No risk - asset and liabilities same position | (16,682) | - | - | - | - |
| Exchange rate and interest risks | | | | | | |
| Swap contracts | Decrease in exchange rate R\$/US\$ and increase in CDI curve | (62,277) | 107,631 | 295,610 | (264,076) | (468,106) |
| Total impact | | 84,327 | 191,078 | 457,137 | (336,788) | (618,898) |

(i) Exposure to fluctuations of COMGÁS absorbed by the asset (liability), which are passed on to customers through periodic tariff revisions.

Based on the financial instruments denominated in US Dollars at June 30, 2014 the Company performed a sensitivity analysis by increasing and decreasing the exchange rate for R\$/US\$ by 25% and 50%. The probable scenario considers the estimated exchange rates at the due date of the transactions, as follows:

Exchange rate sensitivity analysis (R\$/US\$)

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| | June 30, 2014 | Scenario Probable | 25 % | 50 % | -25 % | -50 % |
|------------------|------------------|----------------------|---------|---------|----------|----------|
| At June 30, 2014 | 2.2025 | 2.2025 | 2.7531 | 3.3038 | 1.6519 | 1.1013 |

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Consider the above scenarios profit or loss would be impacted as follows:

| Exchange rate exposure | June 30, 2014 | | | | | | | | |
|----------------------------|---------------|-----------|---|-----------|---|----------|---|----------|---|
| | Balance | 25 | % | 50 | % | -25 | % | -50 | % |
| Bonds and Debentures - USD | (1,115,295) | (278,824) | | (557,647) | | 278,824 | | 557,647 | |
| Cash and cash equivalents | 77,867 | 19,467 | | 38,933 | | (19,467) | | (38,933) | |
| Trade receivables | 31,547 | 7,887 | | 15,774 | | (7,887) | | (15,774) | |
| Effect on profit or loss | | (251,470) | | (502,940) | | 251,470 | | 502,940 | |

b) Sensitivity analysis on changes in interest rates

The Company performed a sensitivity analysis on the interest rates on loans and borrowings and returns on CDI investments with increases and decreases of 25% and 50%, the results of which are presented below:

| Exposure interest rate | June 30, 2014 | | | | | | | | |
|------------------------|---------------|----------|---|-----------|---|----------|---|----------|---|
| | Balance | 25 | % | 50 | % | -25 | % | -50 | % |
| Operation | | | | | | | | | |
| Short term investments | 1,206,711 | 32,581 | | 65,162 | | (32,581) | | (65,162) | |
| Investment securities | 194,432 | 5,250 | | 10,499 | | (5,250) | | (10,499) | |
| Loans and borrowings | (4,656,753) | (81,049) | | (176,976) | | 110,807 | | 206,734 | |
| Profit of the period | | (43,218) | | (101,315) | | 72,976 | | 131,073 | |

The categories of financial instruments are presented below:

| | Financial assets at fair value through profit or loss | Loans and receivables | Total |
|----------------------------------|---|--------------------------|-----------|
| Assets | | | |
| Cash and cash equivalents | - | 1,340,435 | 1,340,435 |
| Trade receivables | - | 1,200,220 | 1,200,220 |
| Derivative financial instruments | 351,769 | - | 351,769 |
| Securities | - | 194,432 | 194,432 |
| Dividends receivable | - | 128,702 | 128,702 |
| Judicial deposits | - | 389,028 | 389,028 |
| Other financial assets | - | 488,976 | 488,976 |
| | 351,769 | 3,741,793 | 4,093,562 |

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| | Financial liabilities at fair value through profit or loss | Other financial liabilities | Total |
|----------------------------------|---|-----------------------------------|-------------|
| Liabilities | | | |
| Loans and borrowings | - | (7,272,232) | (7,272,232) |
| Derivative financial instruments | (266,408) | - | (266,408) |
| Trade payables | - | (926,995) | (926,995) |
| Dividends payable | - | (27,149) | (27,149) |
| | (266,408) | (8,226,376) | (8,492,784) |

Capital management

The Company's policy is to maintain a solid capital base to promote the confidence of investors, creditors and the market, and to ensure the future development of the business. Management monitors that the return on capital is adequate for each of its businesses, which the Company defines as the result of operating activities divided by total net equity.

25 Fair value hierarchy

Below is the fair value classification of the Company's financial instruments:

| Financial instruments measured at fair value | Level 1 | Level 2 | Total |
|---|---------|------------|------------|
| At June 30, 2014 | | | |
| Derivative financial assets | - | 351,769 | 351,769 |
| Derivative financial liabilities | - | (266,408) | (266,408) |
| Pension plan assets | 281,142 | - | 281,142 |
| Securities | - | - | - |
| Total | 281,142 | 85,361 | 366,503 |
| At December 31, 2013 | | | |
| Derivative financial assets | - | 513,934 | 513,934 |
| Derivative financial liabilities | - | (735,793) | (735,793) |
| Pension plan assets | 281,142 | - | 281,142 |
| Securities | - | - | - |
| Total | 281,142 | (221,859) | 59,283 |

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

26 Pension and post-employment benefit plans

The following is the balance of pension and post-employment benefit plan:

| | June 30, 2014 | December 31, 2013 |
|-----------|------------------|-------------------------|
| Futura | 72,918 | 71,065 |
| Futura II | 1,554 | 828 |
| COMGÁS | 277,225 | 267,242 |
| Total | 351,697 | 339,135 |

Pension plans

Defined benefit

The Company's subsidiary Cosan Lubrificantes e Especialidades S.A. has a non-contributory defined benefit pension plan (Futura, formerly Previd Exxon) for certain employees upon retirement. This plan was amended to close it to new entrants and it was approved by the relevant authorities on May 5, 2011. During the six month ended on June 30, 2014, the amount of contributions totaled R\$ 4,645.

The obligations for post-employment benefits plans, which include medical and early retirement incentives, disability and sickness allowance.

COMGÁS maintains with Bradesco Vida e Previdência S.A., a variable-contribution complementary open pension plan denominated Free Benefit Generating Plan (PGBL), approved by the Superintendence of Private Insurances (SUSEP). This is a fixed-income plan, the objective of which is to provide pension benefits in the form of lifetime monthly pensions.

Defined contribution

COMGÁS offers a supplementary retirement plan, through a defined contribution Free Benefit Generating Plan (“PGBL”). During the six month ended on June 30, 2014, employers’ contributions to the plan totaled R\$ 16,373. For the six month ended on June 30, 2014, an actuarial loss of R\$ 1,302 was recognized in other comprehensive income.

Since June 1, 2011, the Company and its subsidiaries have sponsored a defined contribution plan for all employees (Futura II). The Company does not have a legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all of the benefits owed. During the six months period ended June 30, 2014, the amounts of contributions of the sponsors for the plan totaled R\$ 3,350 (R\$ 3,770 six months ended June 30, 2013).

Cosan Limited

Notes to the consolidated interim financial statements

For the six months ended June 30, 2014 and 2013

(Amounts in thousands of Brazilian Reais – R\$, unless otherwise stated)

27 Share-based payment

At the annual and extraordinary general shareholders meeting held on July 29, 2011, the guidelines for the outlining and structuring of the stock option compensation plan for Cosan S.A.’s executives and employees was approved, authorizing the issue of up to 5% of shares comprising Cosan S.A.’s total capital. This stock option plan was created to attract and retain executives and key employees, offering them the opportunity to become Cosan S.A.’s shareholders.

The change in the plan during the period was:

| | Number of options | Weighted- average exercise price |
|---------------------------------------|----------------------|---|
| At December 31, 2013 | 9,345,000 | 23.74 |
| Share options exercised – 1st quarter | (190,000) | (24.17) |
| Share options exercised – 2nd quarter | (12,500) | (24.86) |
| At June 30, 2014 | 9,142,500 | 23.73 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COSAN LIMITED

Date: August 14, 2014

By: /s/ Marcelo Eduardo Martins

Name: Marcelo Eduardo Martins
Title: Chief Financial Officer and
Investor Relations Officer