

April 27, 2006

## **COSAN acquires Usina Bom Retiro**

**São Paulo, April 27, 2006** – COSAN S.A. Indústria e Comércio (Bovespa: *CSAN3*) today announces the acquisition of 100% of Usina Bom Retiro S.A. shares for R\$120.0 million. The sum will be paid largely with the IPO proceeds held last November 2005.

Usina Bom Retiro's main asset is its ethanol and sugar mill, with an annual crushing capacity of approximately 1.2 million tonnes of sugar cane. Usina Bom Retiro does not possess landholding assets. The company's financial debts totaled R\$3.0 million on March 31, 2006, while cash and cash equivalents amounted to R\$17.3 million.

Bom Retiro mill is located in the city of Capivari, near the Piracicaba region, where Cosan already has four other plants. Together with its 16 other mills, COSAN now has an annual sugar-cane crushing capacity of approximately 40 million tonnes.

COSAN believes that this acquisition will help the group consolidate its outstanding position in order to seize sugar and ethanol market opportunities both in Brazil and abroad.

### **About COSAN**

COSAN is one of the largest producers of sugar and ethanol in Brazil. With a crushing capacity of approximately 40 million tons of sugar cane, the Company holds approximately 10% of local market share. In fiscal year 2005, total net sales were R\$1.9 billion and gross profit were R\$561.8 million.

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*This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of COSAN. These are merely projections and, as such, are based exclusively on the expectations of COSAN's management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in COSAN's filed disclosure documents and are, therefore, subject to change without prior notice.*