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A Weekly Review of Business Opportunities

ETH LAUNCHES PLANT AND LOOKS FOR OPPORTUNITIES

ETH Bioenergia, controlled by Odebrecht, is launching one of its three Greenfield projects (construction from scratch). The facility in Rio Claro, Caçu (Goiás), will be officially launched today, with a crushing capacity estimated at 800,000-1 million tons of sugarcane for the 2009/10 crop. The other two projects, Conquista do Pontal (São Paulo state) and Santa Luzia, in Nova Alvorada (Mato Grosso do Sul state), will start operations in September. The investment in these facilities will reach 2.7 billion, enough to double processing capacity, said the president of ETH. Created two years ago, ETH intends to process nearly 45 million tons of sugarcane by the 2015/16 crop and to produce 3 billion liters of ethanol. ETH does not rule out, however, further acquisitions. ETH has also set its sights on the assets of São Paulo-based Moema e Equipav, which are for sale, and is considering the assets of Brenco, which is looking for a partner. *Source: Valor Econômico.*

TWO CHALLENGES FACING FIBRIA, COMPANY RESULTING FROM ARACRUZ TAKEOVER BY VCP

Fibria is the name chosen by Votorantim for the world's largest pulp producer. Resulting from the takeover of Aracruz Celulose by Votorantim Celulose e Papel (VCP), the company will have the challenge of combining production expansion projects while seeking to reduce debt. Votorantim will retain a stake of nearly 36% after the issue of shares for the Aracruz takeover. The equity arm of state development bank BNDES (BNDESPar) will also hold a stake through 2014. By the end of the year, the company will enter Novo Mercado (at the São Paulo Stock Exchange, Bovespa). Although it is still not known when the new expansion projects will actually be implemented, the company will analyze the best time to approve this future investments. *Source: Valor Econômico.*

RADAR MAKES PROGRESS IN BRAZILIAN FARMLAND

Land company Radar, whose partners are Cosan and US pension funds, will complete the purchase of 15,000-20,000 hectares of farmland used for grain production in Brazil's Center-West within the next few weeks. With this acquisition, the company, created a year ago, will reach a total of 80,000 hectares and an investment of nearly 700 million reais. The firm aims to expand its business in the coming months in areas with a tradition in grain planting. "Radar does not intend to become an agricultural operator. These lands are purchased for leasing to big producers", said to Brazilian newspaper Valor Econômico Marcelo Martins, Cosan's Vice Finance and Market Relations Director. The company's focus is to purchase lands in the Center-West region, particularly in Mato Grosso state and western Bahia state. *Source: Valor Econômico.*

INTEGRATION IS TYSON FOODS'S KEY TO GROWTH IN BRAZIL

US Tyson Foods, the world's largest meat processor, is preparing to become one of Brazil's biggest poultry companies, starting by the expansion of its network of *integrados* (contract farmers) to 340 batteries in the next few months. In addition, it is getting ready to enter the retail market of the South-East region in 2010 and is about to complete the export authorization procedures for Frangobras, in Campo Mourão, Paraná state, and Avícola Itaiópolis (Avita), in the municipality of Itaiópolis, Santa Catarina state. Both companies, together with Macedo Agroindustrial, located in the municipality of São José, Santa Catarina, were acquired by Tyson Foods in September last year. In early 2010, the Macedo plant will start to operate in two shifts, slaughtering 118,000 birds a day. By the end of this year, Tyson will obtain certification to expand international trade. *Source: DCI.*

DOW PLANS CORN SEED FACILITY IN BAHIA

Dow AgroSciences will soon officially announce an investment of 80 million reais to build a corn seed processing facility in Luís Eduardo Magalhães. Neither the disbursement schedule nor the estimated date for completion of the investment in Bahia state have been presented. With the plant, the company forecasts an annual turnover of 66 million reais and production of 660,000 bags of corn seeds a year, a volume that, according to investment protocol information, represents 5.5% of Brazil's corn seed production. The seed area, however, has been considered key in the group's global strategy and has recently received significant investment. In July 2007, Dow concluded the acquisition of Brazilian Agromen's corn seed business. The series of transactions also included the overseas acquisitions of Dutch Duo Maize and Austrian Maize Technologies International a few months earlier. *Source: Valor Econômico.*