

## Advisory – Brazil Ethanol Acquisition Corp.

**Brazil Ethanol**

*has acquired*

**S.A. Leão e Irmãos Açúcare Álcool**

January 2008

*The undersigned acted as financial advisor to Brazil Ethanol*

 **M.M. Dillon & Co.**

### Highlights

- Brazil Ethanol Acquisition Corporation (“Brazil Ethanol” or the “Company”) acquired S.A. Leão e Irmãos Açúcare Álcool (“Leão”), a family owned sugar/ethanol mill in the State of Alagoas in the Northeast Region of Brazil
- The mill is strategically located near the northeastern coast of Brazil, 35 kilometers from the Port of Maceió, which is a hub for ethanol and sugar exportation
- M.M. Dillon & Co. (“Dillon”) was engaged to act as exclusive financial advisor to Brazil Ethanol Acquisition Corp
- The transaction valued Leão at \$257.6 million
  - \$75.0 million initial cash payment to sellers
  - \$62.6 million in PV of installment payments over 14 years
  - \$120.0 million in assumed liabilities

### The Company

Brazil Ethanol was formed as a “blank check” company in March 2007 for the purpose of acquiring and operating one or more ethanol and sugar production facilities in Brazil. The Company’s strategy is to consolidate Northeastern Brazil’s highly fragmented sugarcane production sector to create a significant global participant in the rapidly growing worldwide bio-fuels industry.

Leão engages in the production of sugar and ethanol and is based in Maceio, in the state of Alagoas in the Northeast Region of Brazil. Leão owned 32,250 hectares of arable land for sugar cane production and had existing cane crushing capacity of 1.2 million tons per annum.

### About M.M. Dillon & Co. (Formerly CRT Investment Banking LLC)

M.M. Dillon & Co. (formerly CRT Investment Banking LLC) is an employee-owned partnership where industry and product specialists collaborate closely to provide creative, idea-driven advice and solutions to its institutional and corporate clients. M.M. Dillon offers public and private financing, M&A advisory and restructuring advisory services. M.M. Dillon’s team of experienced professionals provides execution capabilities for companies across a range of industry sectors. The firm’s senior banking professionals have a minimum of 20 years experience with major Wall Street firms.

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