



RAÍZEN ENERGIA S.A.

Category B Public Company

Corporate Taxpayer ID (CNPJ) 08.070.508/0001-78

NOTICE TO THE MARKET

RAÍZEN ENERGIA S.A. (“Raízen” or “Company”) hereby announces to the market, further to the Notice to the Market released on June 13, 2017, that the proposal submitted by the Company for the acquisition of the Santa Cândida and Paraíso mills, in connection with the Court-supervised Reorganizations of Tonon Bioenergia S.A. – Under Court-supervised Reorganization, Tonon Holding S.A. – Under Court-supervised Reorganization and Tonon Luxembourg S.A. – Under Court-supervised Reorganization, under the form of an Isolated Production Unit - UPI (“UPI Tonon”) was awarded the winning proposal by the creditors of said companies during a Meeting of Creditors held today. Raízen's winning proposal of eight hundred twenty-three million reais (R\$823,000,000.00) contemplates only two UPI Tonon production units, with no succession of debts and obligations of the Tonon Group, in accordance with the court-supervised reorganization plan.

Conclusion of the operation is subject to certain conditions precedent, as approved in the Meeting of Creditors held today, and to approval of Brazil's Antitrust Authority (CADE).

The two mills included in UPI Tonon are located in the cities of Bocaina and Brotas, in the state of São Paulo, a region where the Company already operates, and have combined annual crushing capacity of approximately 5.5 million tons of sugarcane.

If the operation is concluded, the Company expects to operate total annual crushing capacity of approximately 73 million tons of sugarcane.

São Paulo, June 16, 2017.

Guilherme José de Vasconcelos Cerqueira
Chief Financial and
Investor Relations Officer