



Tereos Internacional S.A.

Public-Held Company with Authorized Capital– CVM No. 22136
CNPJ/MF No. 11.566.501/0001-56 - NIRE 35.300.380.592
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NOTICE TO THE MARKET

**Guarani, Petrobras Distribuidora and Petrobras Biocombustível
signed a contract of 2.2 billion liters of ethanol**

TEREOS INTERNACIONAL S.A. (BOVESPA: “TERI3”) (“Company”) informs to the shareholders and to the market in general that its whole-owned subsidiary, Açúcar Guarani S.A. (“Guarani”), signed with Petrobras Distribuidora (“BR”) and Petrobras Biocombustível a contract to supply up to 2.2 billion liters of ethanol over four years.

The contract was concluded on market conditions and has a total estimated value of R\$ 2.1 billion. Under the agreement, Guarani will supply the product for commercialization to BR.

The signature of the contract follows the strategic partnership concluded last April, between Tereos Internacional and Petrobras Biocombustível, through Guarani. The contract ensures a supply commitment to BR, guarantees access to the BR’s distribution system for part of Guarani’s anhydrous and hydrous ethanol production, and greater synergy between production, commercialization and ethanol logistics within the Petrobras System.

São Paulo, October 25, 2010.

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