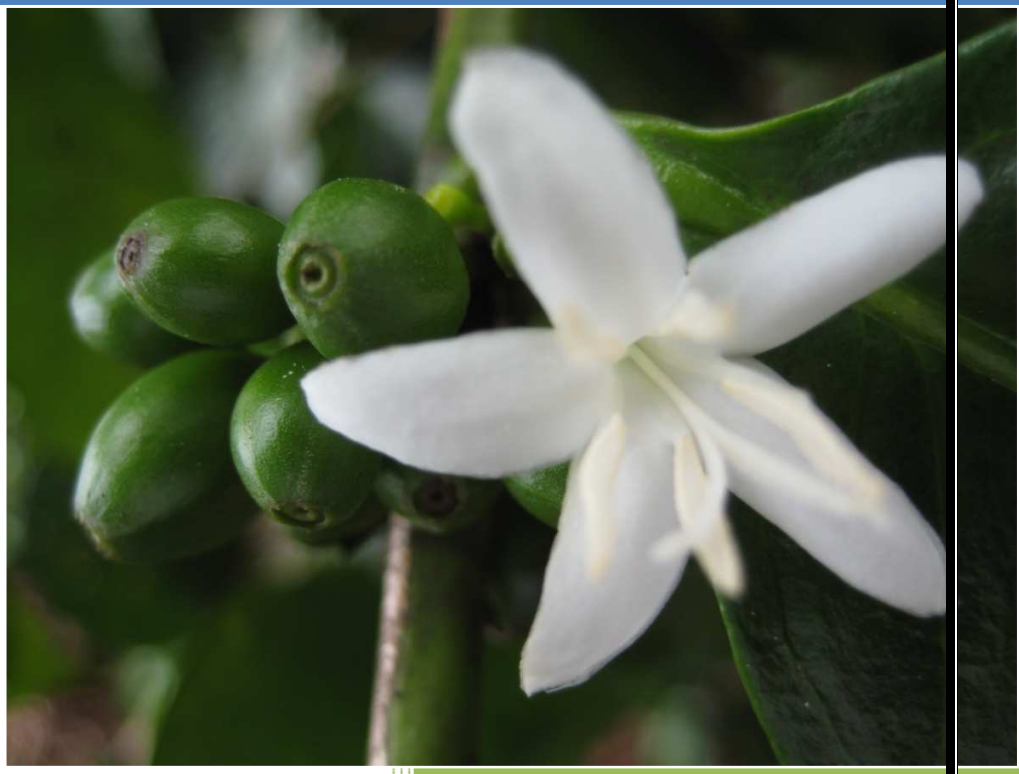
Coffee report – 2008/09 Harvest

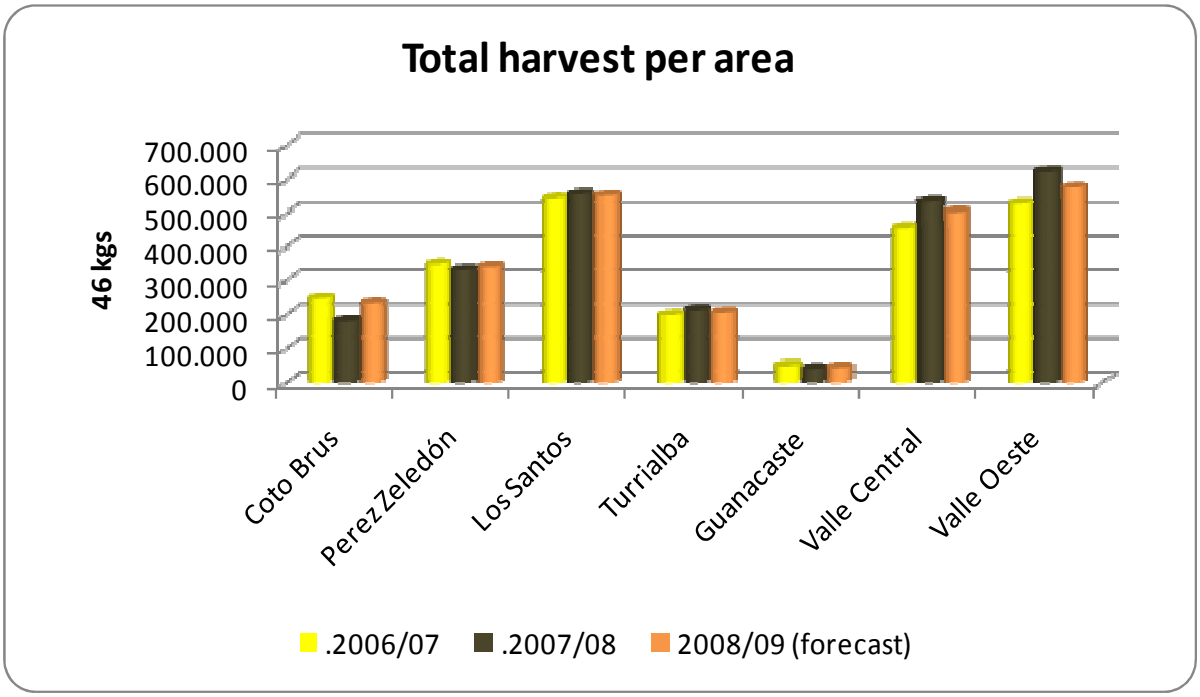


1st Quarter of October 2008

1. **Harvest comments:**

We are just ending 5 straight days of rains! I never saw so much rain falling all along the day and night.

Concerns about "Ojo de gallo'' attack increased in the high areas and will have an impact next year.

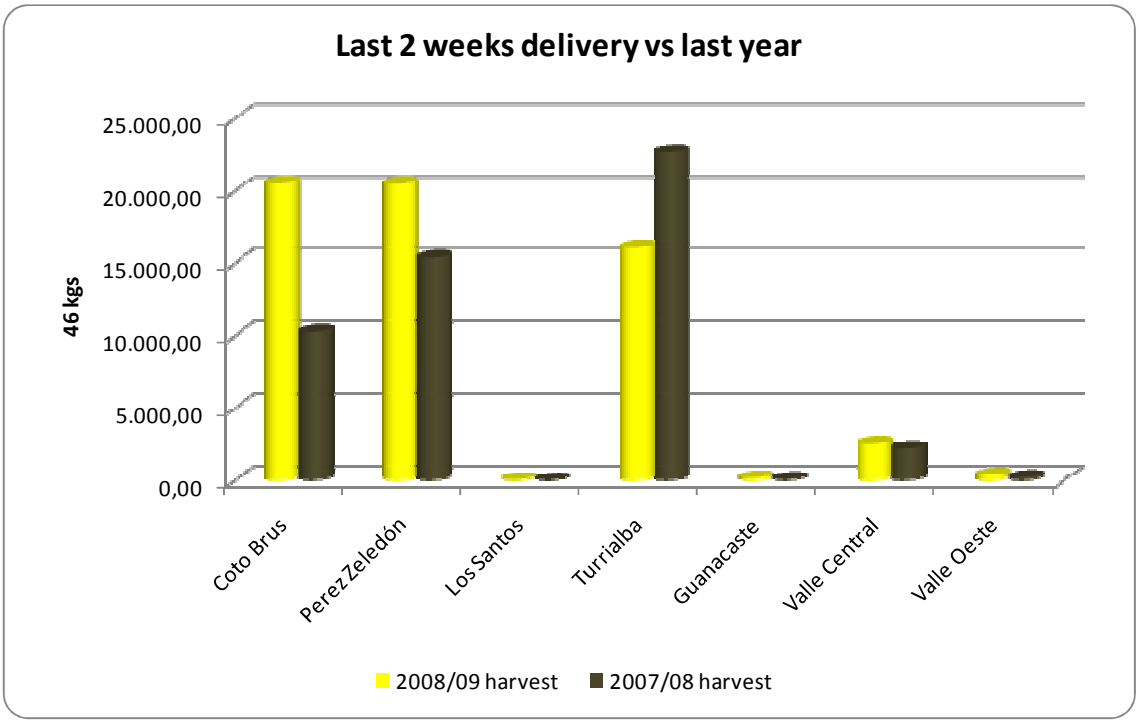


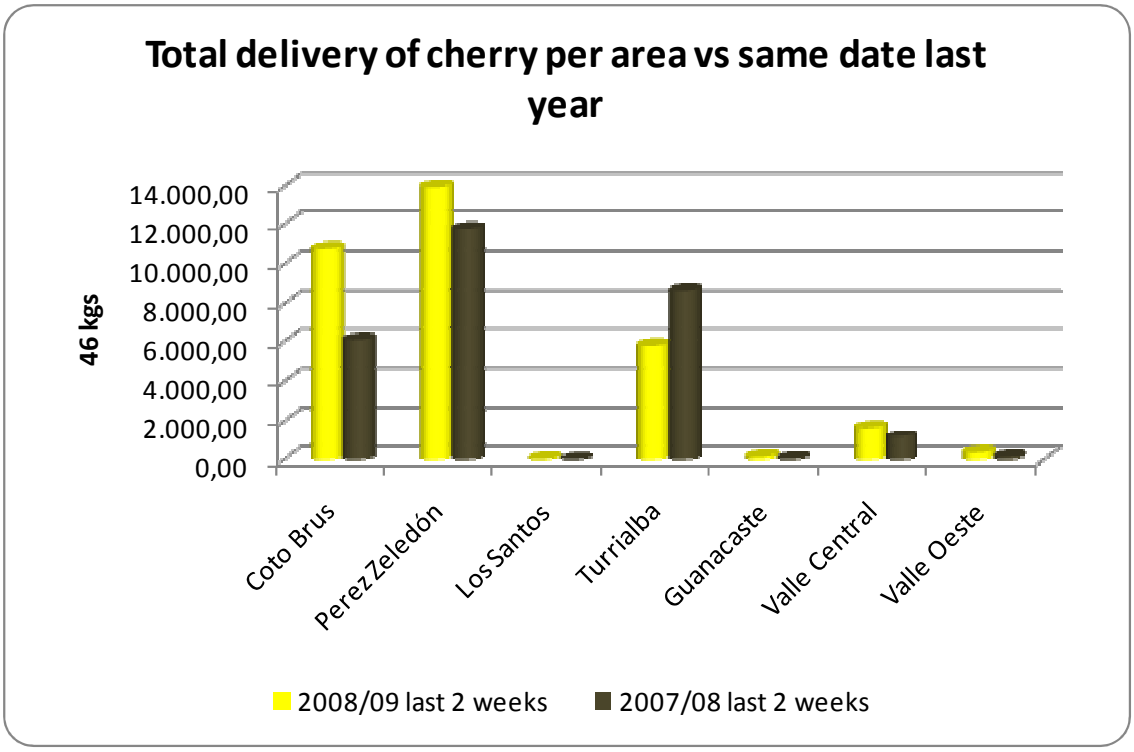
Harvest is earlier than last year in most of the coffee regions. Tarrazu and the West valley, by definition the latest to begin with the harvest are already reporting the first picking and delivery.

We are still planning to have an off cycle in the West valley and Turrialba.

We are planning to have an on cycle in Coto Brus and Perez Zeledón.

We are still uncertain with the Central valley and Los Santos and will need a few more weeks before betting on an on or off cycle.


Last 2 weeks delivery vs last year
46 kgs
25.000,00
20.000,00
15.000,00
10.000,00
5.000,00
0,00
Coto Brus
Perez Zeledón
Los Santos
Turrialba
Guanacaste
Valle Central
Valle Oeste
2008/09 harvest
2007/08 harvest


Total delivery of cherry per area vs same date last year
46 kgs
14.000,00
12.000,00
10.000,00
8.000,00
6.000,00
4.000,00
2.000,00
0,00
Coto Brus
Perez Zeledón
Los Santos
Turrialba
Guanacaste
Valle Central
Valle Oeste
2008/09 last 2 weeks
2007/08 last 2 weeks

2. Commercial activity:

Credit lines are the big concern (out of the price!) as delay was reported. As the harvest is earlier and already flooding, the situation has to be urgently solved.

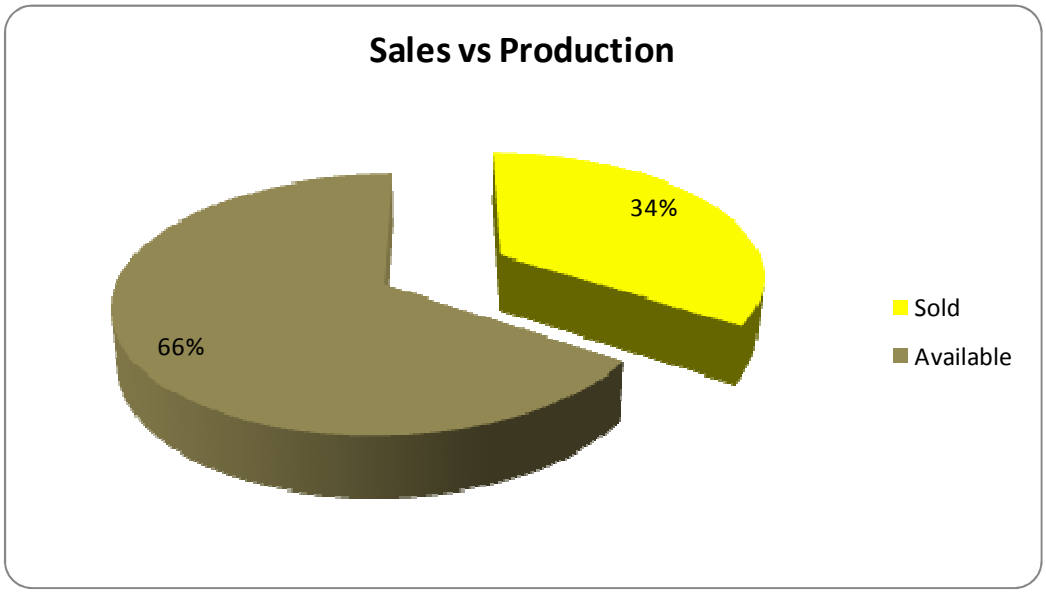
Our suppliers are on a total stand by for different reasons:

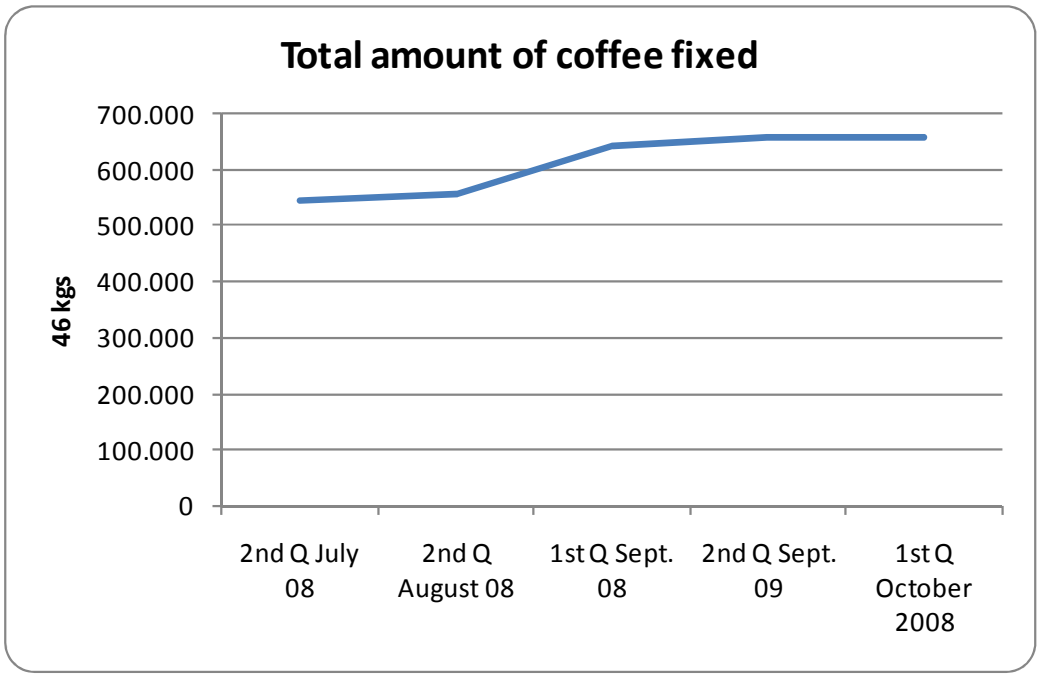
- High mainstream coffee sales for the first part of the year because of the Colombian situation;
- Early and higher sales vs last year: some are reported a 100% more sales vs the same date last year;
- Because of bad weather conditions, the ''ojo de gallo'' attack could cause a reduction of the harvest;
- Even if the harvest is earlier than last year, it will last one more month to have a better idea about the harvest potential and move to a second selling wave;

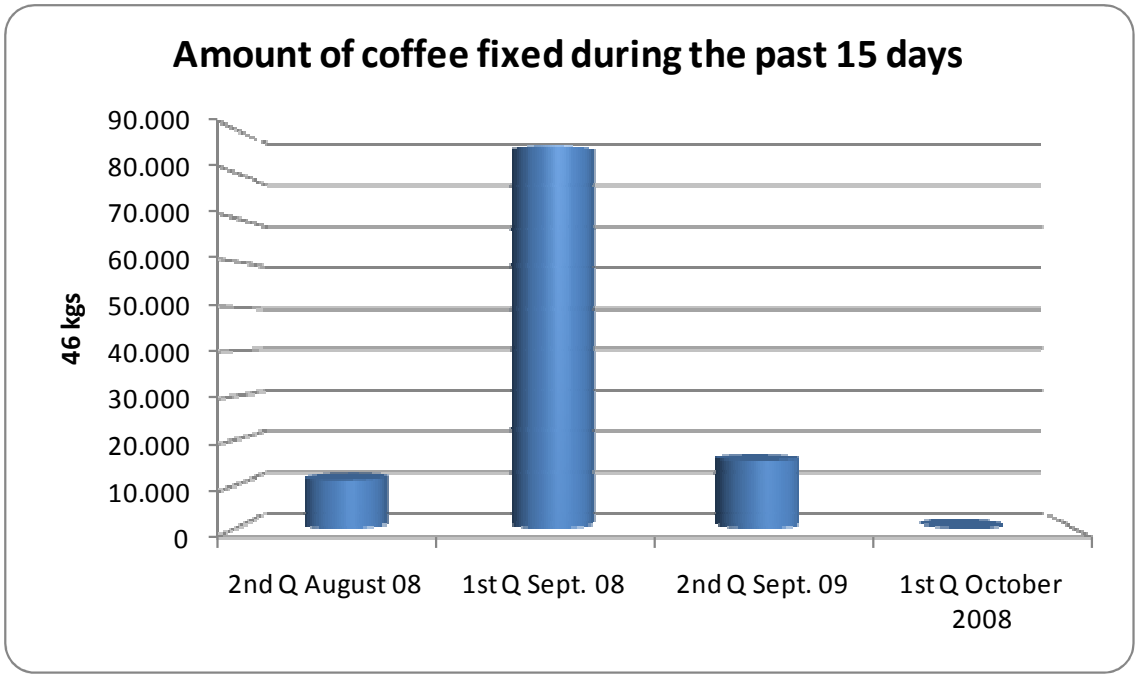
Because of that our suppliers do not feel the necessity to increase their commitment till mid -November.

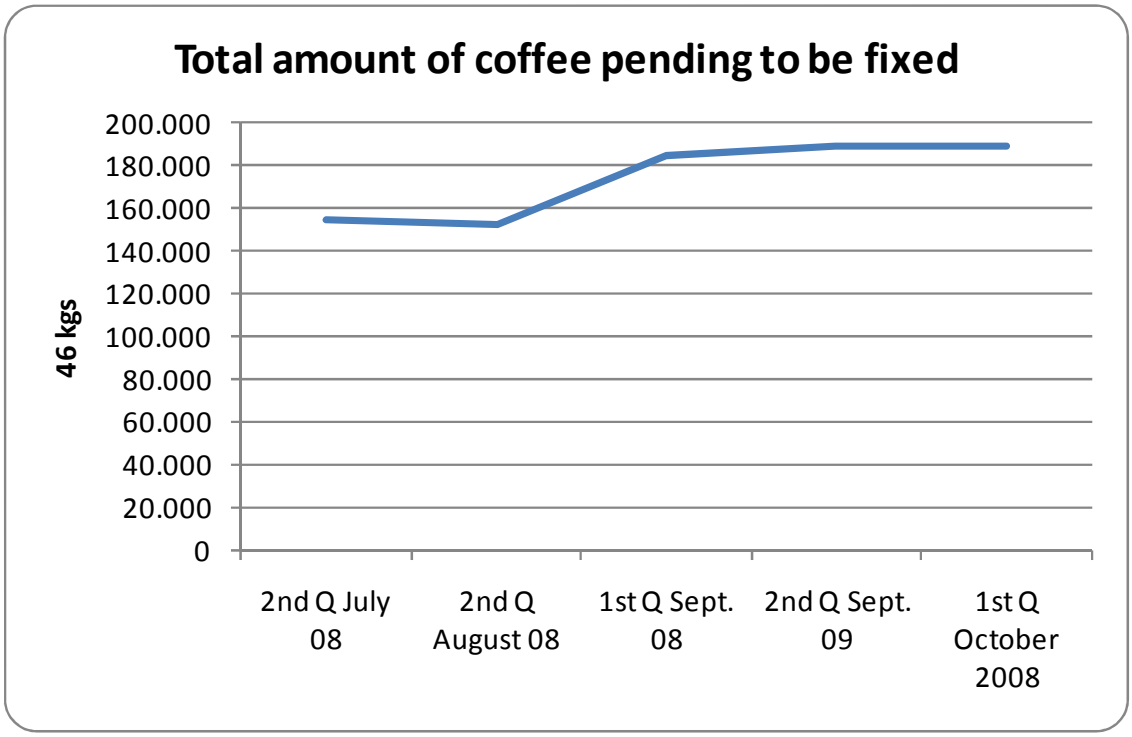
So we are almost out of the market for the moment.

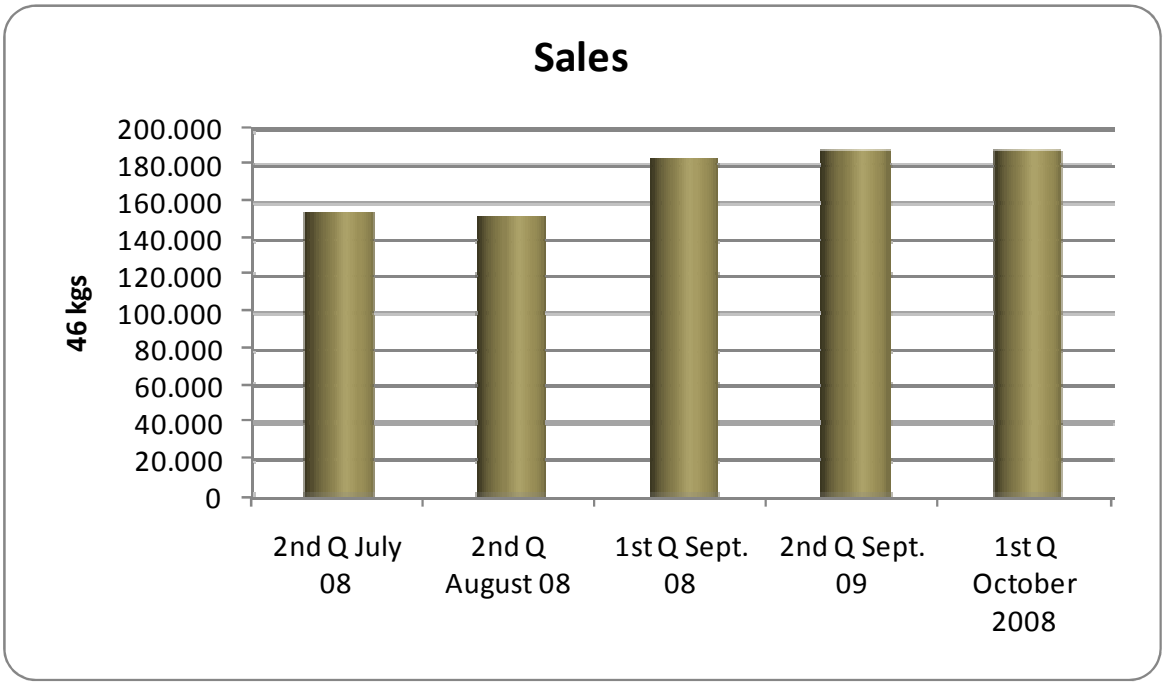
Commercial activity has been almost dead because of the (chocking) ICE prices. Icafé did not report any fixation during the last 15 days either more pending to be fixed coffee. We only did some adjustment to our figures but no change vs the last report.

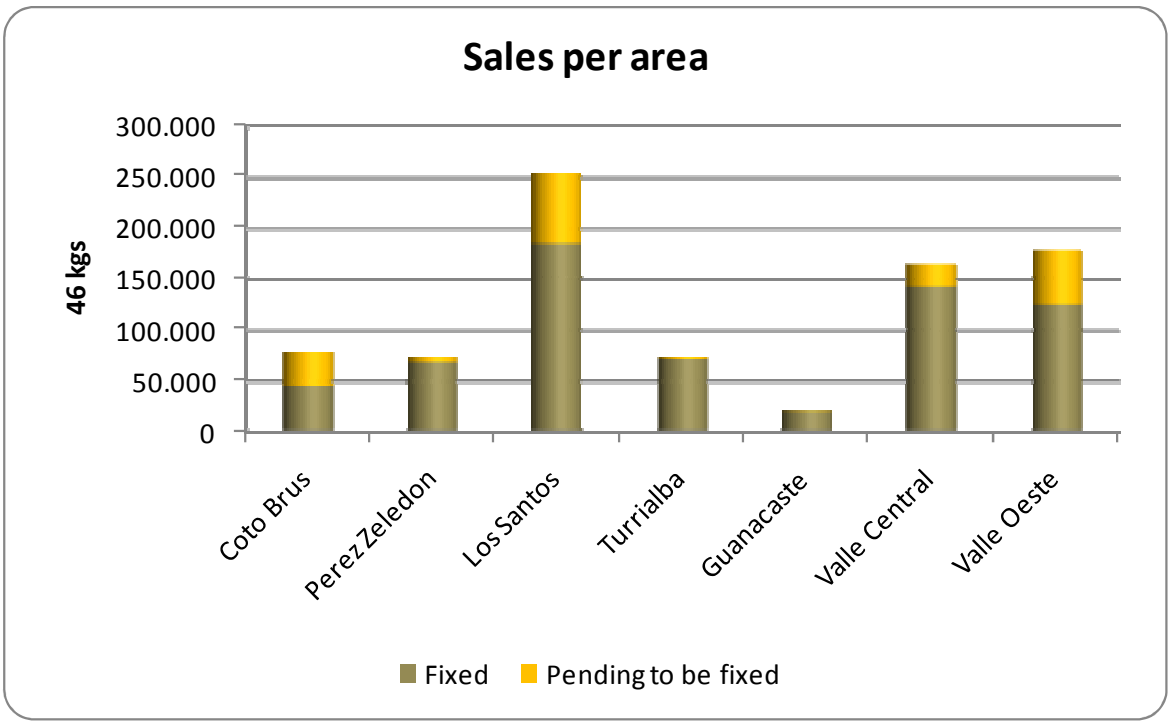




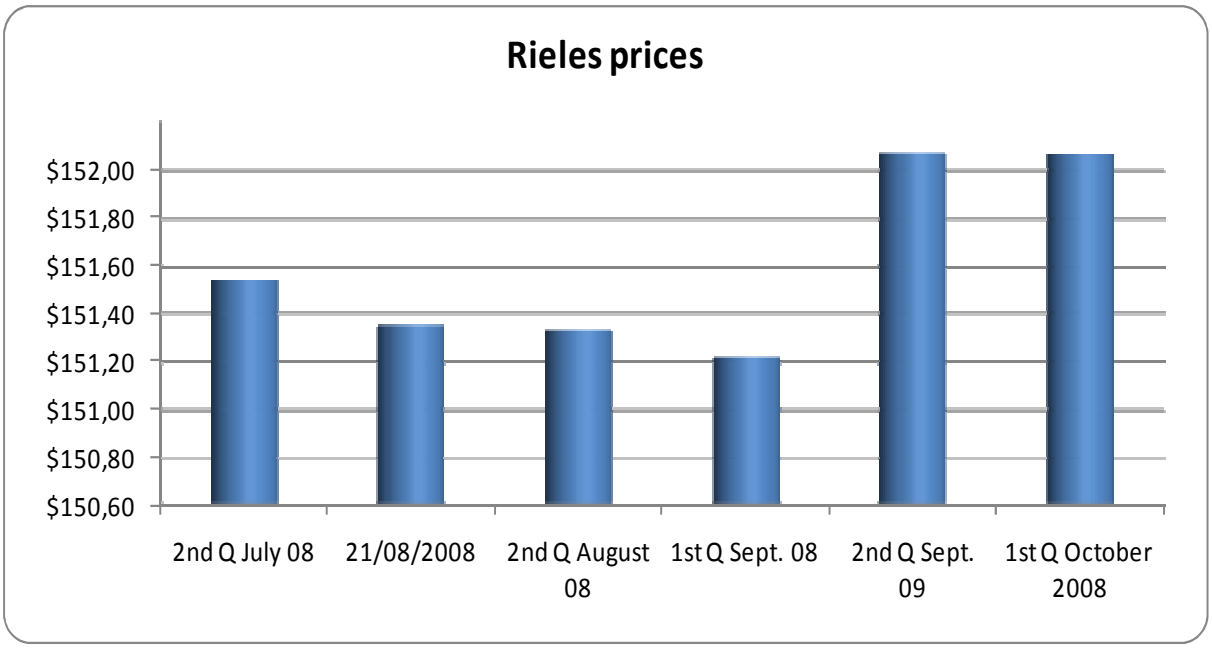

Amount of coffee fixed during the past 15 days
46 kgs
90.000
80.000
70.000
60.000
50.000
40.000
30.000
20.000
10.000
0
2nd Q August 08
1st Q Sept. 08
2nd Q Sept. 09
1st Q October 2008


Total amount of coffee pending to be fixed
46 kgs
200.000
180.000
160.000
140.000
120.000
100.000
80.000
60.000
40.000
20.000
0
2nd Q July 08
2nd Q August 08
1st Q Sept. 08
2nd Q Sept. 09
1st Q October 2008


Sales
46 kgs
200.000
180.000
160.000
140.000
120.000
100.000
80.000
60.000
40.000
20.000
0
2nd Q July 08
2nd Q August 08
1st Q Sept. 08
2nd Q Sept. 09
1st Q October 2008


Sales per area
46 kgs
300.000
250.000
200.000
150.000
100.000
50.000
0
Coto Brus
Perez Zeledon
Los Santos
Turrialba
Guanacaste
Valle Central
Valle Oeste
Fixed
Pending to be fixed

3. **Prices:**


Rieles prices
$152,00
$151,80
$151,60
$151,40
$151,20
$151,00
$150,80
$150,60
2nd Q July 08
21/08/2008
2nd Q August 08
1st Q Sept. 08
2nd Q Sept. 09
1st Q October 2008