(Convenience Translation into English from the Original Previously Issued in Portuguese)

EZ TEC Empreendimentos e Participações S.A. and Subsidiaries

Interim Financial Statements for the Quarter Ended June 30, 2010 and Independent Accountants' Review Report

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Shareholders and Management of
EZ TEC Empreendimentos e Participações S.A.
São Paulo - SP

1. We have reviewed the accounting information included in the accompanying interim financial statements of EZ TEC Empreendimentos e Participações S.A. (the "Company") and subsidiaries for the quarter ended June 30, 2010, consisting of the individual (Company) and consolidated balance sheets, statements of income, changes in shareholders' equity and cash flows, the related notes and performance report, prepared under the responsibility of their Management.

2. Our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON), together with the Brazilian Federal Accounting Council (CFC), and consisted, principally, of: (a) inquiries of and discussions with certain officials of the Company and its subsidiaries who have responsibility for accounting, financial and operating matters about the main criteria adopted in the preparation of the interim financial statements; and (b) review of the information and subsequent events that had or might have had material effects on the financial position and results of operations of the Company and its subsidiaries.

3. Based on our review, we are not aware of any material modifications that should be made to the accounting information included in the interim financial statements referred to in paragraph 1 for them to be in conformity with Brazilian accounting practices and standards established by the Brazilian Securities and Exchange Commission (CVM) applicable to the interim financial statements.

4. As mentioned in note 32, during 2009, CVM approved several technical pronouncements, interpretations and instructions issued by the Accounting Pronouncements Committee (CPC), for mandatory adoption in 2010, which changed the accounting practices adopted in Brazil. As permitted by CVM Resolution 603/09, the Company's Management elected to prepare its interim financial statements in accordance with Brazilian accounting practices effective through December 31, 2009, rather than early adopting these new standards effective in 2010. As required by CVM Resolution 603/09, the Company disclosed the basis of presentation of its interim financial statements in note 32, including a summary of the main changes that might impact its financial statements at yearend, as well as clarifications on the reasons for not presenting an estimate of their possible effects on shareholders' equity and net income, as required by said Resolution.

5. The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, July 30, 2010

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Walter Dalsasso
Engagement Partner

The sheets related to the interim financial statements reviewed by us are marked for identification purpose only.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

BALANCE SHEETS AS OF JUNE 30, 2010 AND MARCH 31, 2010
(In thousands of Brazilian reais - R$)

		Company		Consolidated				Company		Consolidated	
ASSETS	Note	06.30.10	03.31.10	06.30.10	03.31.10	LIABILITIES AND SHAREHOLDERS' EQUITY	Note	06.30.10	03.31.10	06.30.10	03.31.10
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	5	56,197	103,215	114,622	154,342	Trade accounts payable		1,307	771	13,926	14,160
Trade accounts receivable	6	-	-	305,227	285,470	Payroll and related taxes	16	2,738	1,858	8,029	6,710
Real estate held for sale	7	-	-	221,783	211,328	Taxes payable	17	9	11	3,876	3,753
Recoverable taxes	8	-	-	542	445	Loans and financing	15	-	-	29,996	8,764
Prepaid taxes	20	-	-	479	471	Allowance for investment losses	11	1,559	1,533	-	-
Other receivables		695	248	2,214	1,622	Accounts payable		34	33	4,997	2,569
Additional Potential for Construction Certificate (CEPAC)	9	11,821	12,991	11,821	12,991	Advances from customers	18	-	-	14,400	10,890
Prepaid expenses	10	-	-	35	63	Land payable	19	-	-	24,599	9,539
Total current assets		68,713	116,454	656,723	666,732	Dividends payable		-	38,696	-	38,696
						Due to related parties	21	19,287	15,972	2,532	2,563
NONCURRENT ASSETS						Deferred taxes	20	-	-	20,954	18,453
Long-term assets:						Total current liabilities		24,934	58,874	123,309	116,097
Trade accounts receivable	6	-	-	354,456	318,801						
Real estate held for sale	7	-	-	148,029	142,579	NONCURRENT LIABILITIES					
Prepaid taxes	20	-	-	210	293	Loans and financing	15	-	-	43,665	61,240
Recoverable taxes	8	11,793	11,049	11,805	11,049	Land payable	19	-	-	7,153	2,623
Additional Potential for Construction Certificate (CEPAC)	9	42,146	20,663	42,146	20,663	Reserve for contingencies	22	445	445	4,333	4,333
Due from related parties	21	9,913	8,112	2,286	2,336	Deferred taxes	20	-	-	24,083	22,258
Other receivables		18	18	8,808	6,558	Capital contributions for future development		-	-	18	18
Investments	11	898,354	853,707	3	3	Other debts to third parties		-	502	31	519
Property and equipment	12	3,226	1,813	3,498	2,113	Total noncurrent liabilities		445	947	79,283	90,991
Intangible assets:											
Goodwill on acquisition of investments	13	4,636	5,348	4,636	5,348	MINORITY INTERESTS	3	-	-	16,789	12,247
Other intangible assets	13	2,025	1,677	2,226	1,880						
Total noncurrent assets		972,111	902,387	578,103	511,623	SHAREHOLDERS' EQUITY					
						Capital	23	724,070	724,070	724,070	724,070
						Treasury shares	23	(10,681)	(10,681)	(10,681)	(10,681)
						Profit reserves	23	199,284	199,284	199,284	199,284
						Retained earnings		102,772	46,347	102,772	46,347
						Total shareholders' equity		1,015,445	959,020	1,015,445	959,020
TOTAL ASSETS		1,040,824	1,018,841	1,234,826	1,178,355	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,040,824	1,018,841	1,234,826	1,178,355

The accompanying notes are an integral part of these interim financial statements.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENTS OF INCOME
FOR THE QUARTERS ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$)

	Note	Company		Consolidated	
		06.30.10	06.30.09	06.30.10	06.30.09
GROSS OPERATING REVENUE					
Revenue from sale of real estate		-	-	332,660	262,648
Revenue from rentals		-	-	1,584	1,014
Total gross operating revenue		-	-	334,244	263,662
DEDUCTIONS FROM GROSS REVENUE					
Cancelled sales	25	-	-	(21,551)	(19,502)
Taxes on sales, including deferred taxes		-	-	(11,781)	(7,636)
Total deductions from gross revenue		-	-	(33,332)	(27,138)
NET REVENUE		-	-	300,912	236,524
Cost of real estate sold		-	-	(170,215)	(139,368)
Cost of services and rentals		-	-	(27)	(36)
GROSS PROFIT		-	-	130,670	97,120
OPERATING (EXPENSES) INCOME					
Selling expenses		-	-	(12,186)	(6,411)
Administrative expenses		(11,640)	(7,928)	(16,727)	(11,541)
Management fees	26	(1,909)	(990)	(2,216)	(1,236)
Tax expenses		(112)	(92)	(1,215)	(529)
Equity in subsidiaries	11	112,195	77,982	-	-
Provision for investment losses		(40)	(38)	-	-
Other operating expenses, net		714	2	623	(2,927)
INCOME FROM OPERATIONS BEFORE FINANCIAL INCOME		99,208	68,936	98,949	74,476
FINANCIAL INCOME (EXPENSES)					
Financial income	27	3,605	8,879	16,390	11,542
Financial expenses	27	(41)	(67)	(1,350)	(926)
NONOPERATING INCOME		-	-	-	-
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION AND MINORITY INTERESTS		102,772	77,748	113,989	85,092
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	20	-	-	(7,344)	(4,417)
Deferred	20	-	-	(3,150)	(3,009)
INCOME BEFORE MINORITY INTERESTS		102,772	77,748	103,495	77,666
MINORITY INTERESTS	3	-	-	(723)	82
NET INCOME		102,772	77,748	102,772	77,748

The accompanying notes are an integral part of these interim financial statements.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (COMPANY)
FOR THE QUARTERS ENDED JUNE 30, 2010 AND MARCH 31, 2010
(In thousands of Brazilian reais - R$)

			Profit reserves			
	Capital	Treasury shares	Legal reserve	Expansion reserve	Retained earnings	Total
BALANCES AS OF MARCH 31, 2010	724,070	(10,681)	14,272	185,012	46,347	959,020
Net income	-	-	-	-	56,425	56,425
BALANCES AS OF JUNE 30, 2010	724,070	(10,681)	14,272	185,012	102,772	1,015,445

The accompanying notes are an integral part of these interim financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$)

	Company		Consolidated	
	06.30.10	06.30.09	06.30.10	06.30.09
CASH FLOW FROM OPERATING ACTIVITIES				
Net income	102,772	77,748	102,772	77,748
Adjustments to reconcile net income to net cash (used in) provided by operating activities:				
Amortization of goodwill	1,535	-	1,535	-
Depreciation	283	111	343	175
Monetary variation	24	42	(6,677)	(1,410)
Equity in subsidiaries	(112,195)	(77,982)	-	-
Provision for investment losses	40	39	-	-
Minority interests	-	-	723	(82)
Adjustment to present value	-	-	6,366	-
(Increase) decrease in assets:				
Trade accounts receivable	-	-	(90,447)	(127,297)
Acquisition of CEPAC	(21,482)	-	(21,482)	-
Real estate held for sale	-	-	17,093	23,297
Prepaid expenses	-	-	56	627
Other receivables	(3,340)	(1,357)	1,944	(4,749)
Increase (decrease) in liabilities:				
Advances from customers	-	-	3,405	(2,964)
Trade accounts payable	70	105	(20)	4,462
Other payables	(4,643)	1,207	5,003	12,547
Net cash provided by (used in) operating activities	(36,936)	(87)	20,614	(17,646)
CASH FLOW FROM INVESTING ACTIVITIES				
Goodwill on acquisition of investments	-	(1,108)	-	(1,108)
Acquisition of investments	(35,123)	(34,840)	-	-
Dividends received from subsidiaries	78,875	36,930	-	-
Acquisition of property and equipment	(2,203)	(98)	(2,202)	(98)
Net cash provided by (used in) investing activities	41,549	884	(2,202)	(1,206)
CASH FLOW FROM FINANCING ACTIVITIES				
Bank loans	-	-	2,654	26,072
Increase in minority interests	-	-	3,839	738
Share buyback	-	(1,842)	-	(1,842)
Intercompany loans	5,663	(73)	(34)	(319)
Dividends paid	(38,696)	(18,187)	(38,696)	(18,187)
Net cash provided by (used in) financing activities	(33,033)	(20,102)	(32,237)	6,462
DECREASE IN CASH AND CASH EQUIVALENTS	(28,420)	(19,305)	(13,825)	(12,390)
Balance at beginning of period	84,617	168,682	128,447	189,700
Balance at end of period	56,197	149,377	114,622	177,310
DECREASE IN CASH AND CASH EQUIVALENTS	(28,420)	(19,305)	(13,825)	(12,390)

The accompanying notes are an integral part of these interim financial statements.

1. OPERATIONS

EZ TEC Empreendimentos e Participações S.A. (the "Company") was established on July 31, 2006 and is the holding company of the EZ TEC Group Companies mentioned in note 11.

The Company, through its subsidiaries, is primarily engaged in the following activities: (a) development and sale of real estate projects of any nature, including by means of financing; (b) management and lease of Company-owned properties; (c) land subdivision; (d) construction of condominiums; (e) services related to construction, supervision, studies and projects, and civil construction works and services in all technical and economic modalities; and (f) holding interests in other entities, either of a business nature or not, as partner or shareholder.

2. PRESENTATION OF FINANCIAL STATEMENTS

The individual and consolidated interim financial statements of the Company and its subsidiaries as of June 30, 2010 have been prepared in accordance with Brazilian accounting practices, Brazilian Securities and Exchange Commission (CVM) additional regulations, Accounting Pronouncements Committee (CPC) technical pronouncements and provisions of the Brazilian Corporate Law, as amended by Laws 11638/07 and 11941/09.

3. CONSOLIDATION CRITERIA

The interim financial statements have been prepared and are presented in conformity with Brazilian accounting practices, the main of which are described in note 4. The consolidated interim financial statements, which have been prepared according to accounting criteria provided for in CVM Instruction 247, of March 27, 1996, comprise the interim financial statements of the Company and subsidiaries (created for the specific purpose managing real estate projects) mentioned in note 11. In consolidation, intercompany transactions and investments have been eliminated and minority interests are disclosed separately.

4. SIGNIFICANT ACCOUNTING PRACTICES

Significant accounting practices are as follows:

a) Cash and cash equivalents

Mainly represented by an exclusive investment fund, repurchase commitments and bank certificates of deposit denominated in Brazilian reais, with a high market liquidity rate.

These investments are stated at cost plus income earned through the balance sheet dates, net of an allowance for losses, when applicable.

b) Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable (current and noncurrent) are derived from sales of residential property units, and the debit balance of contracts is inflation adjusted according to respective clauses and discounted to present value. An allowance for doubtful accounts is recorded, when necessary, in an amount considered sufficient by Management, taking into account the risks involved, to cover probable losses on the collection of receivables. For receivables from sale contracts for uncompleted units (under construction), the same procedures described in note 4.i) are applicable. Amounts related to inflation adjustment of trade accounts receivable are recorded in the statement of income under the caption "Revenue from sale of real estate" until the delivery of keys, and under "Financial income" (interest income) after the delivery of keys.

c) Real estate held for sale

Stated at land acquisition cost plus construction and other costs incurred in the development of projects under construction or completed, whose units have not yet been sold.

Under CPC 01 - Impairment of Assets, the Company's and its subsidiaries' Management analyzes if there are evidences that the carrying amount of an asset will not be recovered for impairment testing purposes. When these evidences are not identified, the Company estimates the recoverable value of the asset. The recoverable value of an asset is the higher of: (a) its fair value less costs to sell; and (b) its value in use.

d) Prepaid expenses

Represented by costs related to advertising not yet published.

e) Investments

Investments in subsidiaries are accounted for under the equity method.

f) Property and equipment

Stated at acquisition cost, less depreciation calculated under the straight-line method, based on the estimated useful lives of assets.

g) Intangible assets

Represented by goodwill on acquisition of investments, which is being recorded in the statement of income proportionally to the realization of business profits, estimated for three years, in addition to expenses related to software licenses and use.

h) Income tax and social contribution

As required by the tax legislation, revenue from sales of real estate units are taxed on a cash basis and not based on the criterion described in note 4.i) for recognition of such revenue. Every fiscal year, if legal requirements are met, the Company and each one of its subsidiaries may choose to calculate taxable income based on the taxable income or deemed income criterion, and/or on real estate equity trusts. Under tax calculation methodology based on taxable income, taxes are calculated as a percentage of net income, determined by applying the tax rates of 25% for federal income tax and 9% for social contribution, totaling 34%. According to taxation based on deemed income, the income is calculated as 8% and 12% of operating income for income tax and social contribution, respectively, plus 100% of other revenues. Income tax and social contribution are calculated by applying tax rates of 25% and 9%, respectively. For real estate equity trusts ("patrimônio de afetação"), income tax and social contribution are calculated on revenue from real estate development at tax rates of 1.89% and 0.98%, respectively.

i) Revenue from real estate development and sale

Revenue from sale of properties, which includes sales revenues, costs of land and construction, and other property development costs, is recorded in the statement of income using the percentage-of-completion method. This percentage is measured based on the ratio of cost incurred to total estimated cost, in accordance with the criteria established by CFC Resolution 963/03, applicable to real estate companies. Trade accounts receivable from sales of units under construction are recorded under the percentage-of-completion method, and payments received in excess of these receivables are recorded in current liabilities under the caption "Advances from customers". The balances of real estate development and sale of units under construction that, according to the criteria established by said Resolution, are no longer included in balance sheet accounts are detailed in note 14. As regards completed units, sales revenues and costs are fully recognized.

j) Use of estimates

The preparation of financial statements in conformity with Brazilian accounting practices requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. In the preparation of these financial statements, some estimates were made by Management, including estimate of useful life of permanent assets, determination of the allowance for doubtful accounts, contingent liabilities, allowance for losses on tax credits, other provisions and fair value of financial instruments. Actual results could differ from those estimates.

k) Adjustment to present value of accounts receivable and liabilities

In accordance with CPC 12 - Adjustment to Present Value, the Company adjusted the balances of long-term receivables from incomplete units and liabilities to present value, considering the discount rate applicable to said transactions. For short-term receivables, the effect thereof on the financial statements as a whole is assessed.

l) Earnings per share

Calculated based on the number of shares outstanding at the balance sheet dates, less treasury shares.

5. SHORT-TERM INVESTMENTS

Represented by:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Cash and banks	1,197	702	30,215	26,516
Short-term investments:				
Investment fund	52,377	99,962	72,999	115,125
Subject to repurchase commitments (100.5% to 105.0% of the Interbank Deposit Certificate (CDI))	-	-	8,785	10,150
Bank Deposit Certificate (CDB) (99.8% to 103.5% of CDI)	2,623	2,551	2,623	2,551
	56,197	103,215	114,622	154,342

The Company has amounts invested in exclusive investment fund, as shown below, and the portfolio may be diversified with the investment in shares of investment funds available in the market, federal government securities, highly liquid fixed-income securities issued by a financial institution and repurchase commitments, managed by a private institution.

Short-term investments are highly liquid, can be immediately converted into a known cash amount and are subject to an immaterial risk of change in value. Their market values do not differ from carrying amounts.

6. TRADE ACCOUNTS RECEIVABLE

	Consolidated	
	06.30.10	03.31.10
Receivables for property development - completed construction	158,609	175,977
Receivables for property development - construction in progress (*)	503,519	430,940
Trade notes receivable - services	89	51
	662,217	606,968
Securitized receivables	(303)	(466)
Allowance for doubtful accounts	(2,231)	(2,231)
	659,683	604,271
Current	305,227	285,470
Noncurrent	354,456	318,801

(*) Adjustments to present value as of June 30, 2010, in the amount of R$29,244 (R$24,814 as of March 31, 2010).

As of June 30, 2010 and March 31, 2010, the aging list of receivables is as follows:

	Consolidated	
Year	06.30.10	03.31.10
2011	67,408	82,904
2012	74,438	64,792
2013	69,015	43,328
2014	36,294	32,889
2015	30,701	27,872
2016	26,066	23,629
2017	21,084	18,843
2018 and thereafter	29,450	24,544
	354,456	318,801

The table below shows the maturities of trade accounts receivable for real estate developments as of June 30, 2010 and March 31, 2010:

	Consolidated	
	06.30.10	03.31.10
Past due:		
Up to 30 days	9,029	31,666
From 31 to 60 days	2,377	2,495
From 61 to 90 days	1,534	1,109
From 91 to 120 days	9,748	10,381
Over 120 days	8,250	6,329
	30,938	51,980
Current	631,279	554,998
	662,217	606,968

Out of the amounts past due as of June 30, 2010, approximately 60% refers to customers whose requests for bank financing to settle their debt balance are being analyzed.

Receivables securitized with co-obligation were generated upon the sale of part of receivables of the following subsidiaries at carrying amounts at the transaction dates:

	Consolidated	
	06.30.10	03.31.10
Camila Empreendimentos Imobiliários Ltda.	-	39
Silvana Empreendimentos Imobiliários Ltda.	303	427
	303	466

These transactions are collateralized by properties financed upon the origin of real estate receivables.

7. REAL ESTATE HELD FOR SALE

Mainly represented by the construction cost of properties to be sold, properties completed or properties under construction, and land for future development, distributed as follows:

	Consolidated	
	06.30.10	03.31.10
Completed units	9,113	8,682
Units under construction	96,178	77,279
Land for future development	258,112	261,397
Advances to suppliers	6,409	6,549
	369,812	353,907
Current	221,783	211,328
Noncurrent	148,029	142,579

Land for new works will be used for development starting 2010, according to launchings being carried out. Land with launchings scheduled for June, 2011 onward was classified in noncurrent assets.

As of June 30, 2010, the Company, through its subsidiary Avignon Incorporadora Ltda., has land in the approximate amount of R$6,952, equivalent to its percentage of interest in the subsidiary, for which environmental permits were not obtained from regulatory agencies according to a notice received on December 12, 2007. The Company's Management considers that such permits will be obtained without additional material costs.

There is also a plot of land located in the surroundings of Bertioga, São Paulo, in the amount of R$5,998, recorded in the subsidiaries Itagi Incorporadora Ltda. and Vanguarda Incorporadora Ltda.

8. RECOVERABLE TAXES

Represented by:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Withholding income tax (IRRF)	11,787	11,043	12,004	11,153
Social security contribution (INSS)	6	6	31	30
Taxes on revenue (PIS and COFINS)	-	-	175	241
Income tax	-	-	66	20
Social contribution	-	-	20	50
Other	-	-	51	-
	11,793	11,049	12,347	11,494
Current	-	-	542	445
Noncurrent	11,793	11,049	11,805	11,049

9. CEPAC (ADDITIONAL BUILDING AREA BOND)

On February 22, 2008, the Company participated in a public offering auction in the electronic trading system Mega Bolsa for the CEPACs issued by the São Paulo Municipal Government related to the Urban Consortium Operation "Água Espraiada", and acquired 90,000 bonds, in the total amount of R$99,900.

As of June 30, 2010, the balance was R$53,967 (R$33,654 as of March 31, 2010), recorded at the quotation of the last auction carried out on July 15, 2010. In the quarter, the amount of R$3,327 was transferred for use in developments (R$14,753 as of March 31, 2010).

This amount is classified in current assets according to its expected utilization in developments to be launched.

10. PREPAID EXPENSES

Represented by:

	Consolidated	
	06.30.10	03.31.10
Current-		
Advertising expenses	35	63

11. INVESTMENTS

Subsidiary	Ownership interest - %		Capital	Shareholders' equity	Net income (loss)	Equity in subsidiaries	Investments	
	Direct	Indirect					06.30.10	03.31.10
AK 14 Empreendimentos e Participações Ltda.	60,00	-	1	9,294	(10)	(6)	5,576	-
Alfenas Incorporadora Ltda.	99.99	-	9,877	9,566	(586)	(586)	9,566	9,754
Alexandria Incorporadora Ltda.	99.99	-	7,226	6,969	(121)	(121)	6,969	6,971
Analisys Consultoria, Planejamento e Participações S/S	99.99	-	5	(1,546)	(27)	-	-	-
Condomínio Ville de France - SCP	50.00	-	9,942	20,616	2,878	1,439	10,308	8,958
Arambaré Incorporadora Ltda.	99.99	-	23,409	18,353	(25)	(25)	18,353	18,106
Arapanés Incorporadora Ltda.	99.99	-	1	151	-	-	151	1
Ares da Praça Empreendimento Imobiliário Ltda.	70.00	-	7,525	8,800	(92)	(64)	6,161	6,116
Aurillac Incorporadora Ltda.	99.99	-	16,538	31,291	3,871	3,871	31,291	28,631
Bergamo Incorporadora Ltda.	99.99	-	1,001	998	(6)	(6)	998	948
Camila Empreendimentos Imobiliários Ltda.	99.99	-	14,860	13,973	(54)	(54)	13,973	13,945
Catarina Incorporadora Ltda.	99.99	-	1	1	-	-	1	1
Caywoaa Incorporadora Ltda.	99.99	-	4,826	4,764	-	-	4,764	4,764
Center Jabaquara Empreendimentos Imobiliários Ltda.	99.99	-	837	680	(81)	(81)	680	676
Crow Incorporadora Ltda.	99.99	-	6,026	16,430	2,617	2,617	16,430	15,185
Curupá Empreendimentos Imobiliários Ltda.	99.99	-	5,212	7,503	1,233	1,233	7,503	8,248
Elba Incorporadora Ltda.	99.99	-	5,247	6,365	(117)	(117)	6,365	4,630
Esmirna Incorporadora Ltda.	99.99	-	8,265	15,148	2,658	2,658	15,148	13,678
E.Z.L.I. Empreendimento Imobiliário Ltda.	70.00	-	18,548	18,606	(225)	(157)	13,025	12,999
EZ TEC Técnica Engenharia e Construção Ltda.	99.99	-	7,331	(12)	(2,166)	(2,155)	-	142
Florença Incorporadora Ltda.	99.99	-	4,002	3,734	(429)	(429)	3,734	2,908
Garicema Empreendimentos Imobiliários Ltda.	99.99	-	54,687	69,742	10,013	10,013	69,742	64,182

Subsidiary	Ownership interest - % Direct	Ownership interest - % Indirect	Capital	Shareholders' equity	Net income (loss)	Equity in subsidiaries	Investments 06.30.10	Investments 03.31.10
Genova Incorporadora S.A.	50.00	-	5,090	8,389	2,423	1,211	4,195	3,172
Giopris Empreendimentos Imobiliários Ltda.	99.99	-	35,838	66,383	11,328	11,328	66,383	65,477
Giovanna Incorporadora Ltda.	99.99	-	1	687	-	-	687	1
Gol Incorporadora Ltda.	99.99	-	23,469	23,565	(7)	(7)	23,565	22,950
Graúna Incorporadora Ltda.	99.99	-	3,651	3,639	(26)	(26)	3,639	3,635
Itagi Incorporadora Ltda.	80.00	-	1	470	(23)	(18)	376	380
J.J. Rodrigues Empreendimentos Imobiliários SPE Ltda.	50.00	-	18,533	34,429	7,545	3,772	17,216	16,200
Jauaperi Incorporadora Ltda.	99.99	-	24,837	86,199	21,617	21,617	86,199	95,161
Juriti Empreendimentos Imobiliários Ltda.	99.99	-	7,025	6,354	196	196	6,354	6,244
Lafaiete Incorporadora Ltda.	99.99	-	1	2	(1)	(1)	2	3
Lausane Incorporadora Ltda.	99.99	-	8,401	11,497	4,189	4,189	11,497	10,097
Limoges Incorporadora Ltda.	99.99	-	27,516	35,222	8,232	8,232	35,222	33,744
Livorno Incorporadora Ltda.	99.99	-	8,586	8,651	(42)	(42)	8,651	8,616
Marcella Empreendimentos Imobiliários Ltda.	99.99	-	37,430	52,856	10,450	10,450	52,856	48,595
Marina Empreendimentos Imobiliários Ltda.	99.99	-	29,173	42,382	4,948	4,948	42,382	45,407
Mix Residencial Ltda.	99.99	-	1	2	-	-	2	1
Mônaco Incorporação S.A.	40.00	-	34,767	33,038	(308)	(123)	13,215	13,148
Monza Incorporadora Ltda.	99.99	-	13,262	24,288	5,716	5,716	24,288	20,600
Otawa Incorporadora Ltda.	99.99	-	1	3,488	(21)	(21)	3,488	3,488
Paraíso Empreendimentos Imobiliários Ltda.	99.99	-	5,798	6,028	158	158	6,028	6,129
Park Empreendimentos Imobiliários Ltda.	99.99	-	15,808	32,663	3,259	3,259	32,663	33,349
Priscilla Empreendimentos Imobiliários Ltda.	99.99	-	15,312	11,659	(4,867)	(4,867)	11,659	12,644
Santarém Incorporadora Ltda.	99.99	-	15,765	27,177	4,664	4,664	27,177	24,032
Savona Incorporadora Ltda.	90.00	-	7,946	17,877	3,016	2,715	16,089	14,802
San Diego Incorporadora Ltda.	99.99	-	11,052	10,788	(127)	(127)	10,788	10,651
Santa Lidia Empreendimentos e Participações SPE Ltda.	50.00	-	17,392	23,370	166	83	11,685	11,263
Serra Azul Incorporadora Ltda.	99.99	-	1	9	(2)	(2)	9	1
Silvana Empreendimentos Imobiliários Ltda.	99.99	-	11,764	11,233	209	209	11,233	10,715
Tatuapé Empreendimentos Imobiliários Ltda.	99.99	-	20,499	21,238	1,586	1,586	21,238	20,132
Tec Vendas Consultoria de Imóveis Ltda.	99.90	-	106	659	678	677	659	419
Torino Incorporadora Ltda.	99.99	-	4,521	9,617	1,802	1,802	9,617	3,648
Toscana Incorporadora Ltda.	99.99	-	4,722	4,651	(42)	(42)	4,651	4,136
Trento Incorporadora Ltda.	99.99	-	3,511	3,271	370	370	3,271	2,630
Treviso Incorporadora Ltda.	90.00	-	24,659	29,634	5,242	4,718	26,671	20,800
Valentina Empreendimentos Imobiliários Ltda.	99.99	-	191	2,487	(1)	(1)	2,487	2,488
Vanguarda Incorporadora Ltda.	99.99	-	5,716	4,950	(8)	(8)	4,950	4,948
Verona Incorporadora Ltda.	99.99	-	11,901	14,796	1,103	1,103	14,796	15,295
Vermonth Incorporadora Ltda.	80.00	-	3,511	4,103	172	172	4,103	4,013
Village of Kings Incorporadora Ltda.	99.99	-	15,840	30,897	5,852	5,852	30,897	27,546
Wanessa Incorporadora Ltda.	50.00	-	1	13,454	849	424	6,727	6,302
Win Consultoria Imobiliária Ltda.	99.99	-	1	1	(1)	(1)	1	2
Windsor Incorporadora Ltda.	99.99	-	1	-	-	-	-	-
						112,195	898,354	853,707
Allowance for investment losses-								
Analisys Consultoria, Planejamento e Participações S/S	-	-	-	-	-	-	(1,546)	(1,533)
EZ TEC Técnica Engenharia e Construção Ltda.	-	-	-	-	-	-	(13)	-
							(1,559)	(1,533)
Aurillac Incorporador Ltda.	-	0,01	-	-	-	-	1	1

The investment balances as of June 30, 2010 and March 31, 2010 include all advances for future capital increase. The advances made, by subsidiary, are as follows:

Subsidiary	06.30.10	03.31.10
Alexandria Incorporadora Ltda.	40	195
Alfenas Incorporadora Ltda.	315	9,850
Arambaré Incorporadora Ltda.	175	1,070
Arapanés Incorporadora Ltda.	150	-
Ares da Praça Empreend. Imob. Ltda.	2,691	2,629
Aurillac Incorporadora Ltda.	3,770	5,860
Bergamo Incorporadora Ltda.	20	845
Center Jabaquara Empreend. Imob. Ltda.	40	185
Crown Incorporadora Ltda.	5,430	5,430
Curupá Empreend. Imob. Ltda.	-	280
E.Z.L.I. Empreend. Imob. Ltda.	259	160
Elba Incorporadora Ltda.	1,275	4,755
Esmirna Incorporadora Ltda.	-	4,140
EZ TEC Técnica Engenharia e Constr. Ltda.	4,375	3,385
Florença Incorporadora Ltda.	300	1,125
Giopris Empreend. Imob. Ltda.	700	4,840
Giovanna Incorporadora Ltda.	687	1
Gol Incorporadora Ltda.	315	1,530
Graúna Incorporadora Ltda.	70	75
Itagi Incorporadora Ltda.	4,336	4,322
J.J. Rodrigues Empreend. Imob. SPE Ltda.	2,931	2,690
Jauaperi Incorporadora Ltda.	-	6,810
Lafaiete Incorporadora Ltda.	30	30
Lausanne Incorporadora Ltda.	-	2,030
Limoges Incorporadora Ltda.	-	7,993
Livorno Incorporadora Ltda.	145	105
Marcella Empreend. Imob. Ltda.	-	3,630
Marina Empreend. Imob. Ltda.	100	2,130
Mix Residencial Ltda.	17	16
Mônaco Incorporação S.A.	383	340
Monza Incorporadora Ltda.	265	1,225
Otawa Incorporadora Ltda.	3,481	3,481
Park Empreendimentos Imobiliários Ltda.	335	3,805
Paraíso Empreendimentos Imobiliários Ltda.	10	10
Priscilla Empreend. Imob. Ltda.	-	5,100
San Diego Incorporadora Ltda.	70	10,030
Santa Lidia Empreendimentos e Participações SPE Ltda.	2,378	2,378
Santarém Incorporadora Ltda.	-	1,900
Savona Incorporadora Ltda.	1,903	1,861
Serra Azul Incorporadora Ltda.	10	-
Silvana Empreend. Imob. Ltda.	32	22
Tatuapé Empreend. Imob. Ltda.	470	470
Torino Incorporadora Ltda.	3,327	405
Toscana Incorporadora Ltda.	-	4,191
Trento Incorporadora Ltda.	210	225
Vanguarda Incorporadora Ltda.	14	11
Vermonth Incorporadora Ltda.	78	78
Verona Incorporadora Ltda.	-	4,170
Wanessa Incorporadora Ltda.	6,480	6,474
Win Consultoria Imobiliária Ltda.	2	2
	47,979	122,289

Investees have the specific purpose of carrying out property developments for the construction and sale of residential properties.

As of June 30, 2010, the amount of R$1,559 (R$1,533 as of March 31, 2010), related to the allowance for investment losses, represents the portion of investments in which shareholders' equity is negative (deficit), and it is presented in current liabilities.

The amount recorded as expense in the statement of income for the period ended June 30, 2010 totaled R$40 (R$38 as expense as of June 30, 2009).

12. PROPERTY AND EQUIPMENT

Composed of:

		Company			
	Annual depreciation rate - %	06.30.10			03.31.10
		Cost	Accumulated depreciation	Net	Net
Furniture and fixtures	10	89	(19)	70	71
Machinery and accessories	10	136	(40)	96	46
Facilities	10	62	(12)	50	47
Computers and peripherals	20	1,138	(323)	815	847
Improvements	20	1,701	(81)	1,620	274
Other	-	695	(120)	575	528
		3,821	(595)	3,226	1,813

		Consolidated			
	Annual depreciation rate - %	06.30.10			03.31.10
		Cost	Accumulated depreciation	Net	Net
Furniture and fixtures	10	186	(76)	110	135
Machinery and accessories	10	149	(50)	99	50
Vehicles	20	199	(137)	62	3
Tools	10	21	(9)	12	6
Facilities	10	159	(63)	96	101
Computers and peripherals	20	1,733	(744)	989	979
Improvements	20	1,702	(81)	1,621	275
Other	-	679	(170)	509	564
		4,828	(1,330)	3,498	2,113

13. INTANGIBLE ASSETS

Include the following:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Goodwill on investments (*)	4,636	5,348	4,636	5,348
Trademarks and patents	3	-	7	-
Software license	2,022	1,677	2,219	1,880
	6,661	7,025	6,862	7,228

(*) Goodwill is based on expected future earnings from development projects and is composed of:

Company	Goodwill recognized	06.30.10	03.31.10	Amortization in the quarter
Condomínio Ville de France - SCP	3,029	769	1,150	382
Garicema Empreendimentos Imobiliários Ltda.	869	715	777	62
Genova Incorporadora S.A.	2,809	2,173	2,442	268
Santa Lidia Empreendimentos e Participações SPE Ltda.	979	979	979	-
		4,636	5,348	712

14. REAL ESTATE DEVELOPMENT AND SALE

As described in note 4.i), we present below the total amounts of real estate development and sale of units already sold, which include amounts already realized and recorded in balance sheet accounts and unrealized amounts, in accordance with the revenue recognition criterion established by CFC Resolution 963/03, applicable to real estate activities:

a) Trade accounts receivable

	Consolidated	
	06.30.10	03.31.10
Current assets:		
Trade accounts receivable - % realized	305,227	285,470
Trade accounts receivable - % unrealized	146,295	137,069
	451,522	422,539
Noncurrent assets:		
Trade accounts receivable - % realized	354,456	318,801
Trade accounts receivable - % unrealized	494,996	391,110
	849,452	709,911

b) Obligation to build

Represents estimates of contracted costs to be incurred in units already sold under construction, less costs already incurred through June 30, 2010 and March 31, 2010, in the amounts of R$365,204 and R$313,260, respectively.

c) Unearned income from property sale

Unearned income from property sale totaled R$276,087 as of June 30, 2010 (R$214,919 as of March 31, 2010).

15. LOANS AND FINANCING

		Consolidated				
Financial institution	Purpose	Currency	Charges	Final maturity	06.30.10	03.31.10
Banco ABN AMRO Real S.A.	Mortgage loans	R$	TR + 12.00% p.y.	October/2011	1,542	1,877
Banco Santander Banespa S.A.	Mortgage loans	R$	TR + 10.50% p.y.	September/2010	-	6,368
Banco Santander S.A.	Mortgage loans	R$	TR + 10.50% p.y.	October/2010	-	2,397
Banco Santander S.A.	Mortgage loans	R$	TR + 10.50% p.y.	April/2011	2,142	6,752
Banco Santander Banespa S.A.	Mortgage loans	R$	TR + 10.50% p.y.	January/2011	13,865	12,269
Unibanco - União Bancos Brasileiros S.A. (*)	Mortgage loans	R$	TR + 10.40% p.y.	July/2011	12,447	12,482
Banco Itaú S.A.	Mortgage loans	R$	TR + 11.00% p.y.	October/2011	6,573	3,560
Unibanco - União Bancos Brasileiros S.A.	Mortgage loans	R$	TR + 10.40% p.y.	December/2011	7,613	4,634
Banco Itaú S.A.	Mortgage loans	R$	TR + 11.00% p.y.	February/2012	5,288	4,780
Banco Itaú S.A.	Mortgage loans	R$	TR + 10.20% p.y.	March/2012	3,471	2,262
Banco Itaú S.A.	Mortgage loans	R$	TR + 11.00% p.y.	April/2012	7,716	4,612
Banco Itaú S.A.	Mortgage loans	R$	TR + 10.50% p.y.	June/2012	10,839	6,180
Caixa Econômica Federal	Mortgage loans	R$	TR + 8,30% p.y.	March/2013	2,165	1,831
					73,661	70,004
	Current				29,996	8,764
	Noncurrent				43,665	61,240

(*) Transaction settled on July 23, 2010.

The loan related to the property development is collateralized by the financed property.

16. PAYROLL AND RELATED TAXES

Represented by:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Accrued vacation and related taxes	936	684	3,668	3,146
Payroll taxes	517	453	1,900	1,743
Payroll	827	357	1,876	1,252
Management fees	458	364	585	569
	2,738	1,858	8,029	6,710

17. TAXES PAYABLE

Represented by:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Income tax	-	-	1,459	1,286
Social contribution	-	-	790	663
Tax on revenue (PIS)	-	-	273	299
Tax on revenue (COFINS)	-	-	1,198	1,316
Other	9	11	156	189
	9	11	3,876	3,753

18. ADVANCES FROM CUSTOMERS

As of June 30, 2010, the amount of R$14,400 (R$10,890 as of March 31, 2010) in the consolidated balance sheet refers to amounts received from customers in excess of the project percentage of completion, as determined by CFC Resolution 963/03.

19. LAND PAYABLE

		Consolidated	
Subsidiary	Location	06.30.10	03.31.10
Arambaré Incorporadora Ltda.	Praia Grande	3,468	3,548
Arapanés Incorporadora Ltda.	Tatuapé	3,080	-
Bergamo Incorporadora Ltda.	Moóca	4,870	4,900
Elba Incorporadora Ltda.	Santana	2,500	700
Florença Incorporadora Ltda.	Horto II	400	-
Giopris Empreend. Imob. Ltda.	Jacumã/Santana	3,251	-
Giovanna Incorporadora Ltda.	Tucuruvi	2,570	-
Gol Incorporadora Ltda.	Pirituba	-	472
San Diego Incorporadora Ltda.	Indianópolis	886	872
Santa Lidia Empreendimentos e Participações SPE Ltda.	Vergueiro	-	340
Toscana Incorporadora Ltda.	Pinheiros	630	380
Windsor Incorporadora Ltda.	Tremembé	9,305	-
Verona Incorporadora Ltda.	Vila Mascote	792	950
		31,752	12,162
Current		24,599	9,539
Noncurrent		7,153	2,623

Amounts related to land payable refer to land purchased from third parties by the aforementioned subsidiaries, for future developments that will occur starting 2010.

The amounts mentioned are not subject to financial charges, to the exception of the land acquired by the subsidiary Arambaré Incorporadora Ltda. is adjusted for inflation based on the General Market Price Index (IGP-M) published by Fundação Getúlio Vargas, and subsidiaries San Diego Incorporadora Ltda. and Windsor Incorporadora Ltda., based on savings account interest.

Maturities of the noncurrent portion are as follows:

	Consolidated	
	06.30.10	03.31.10
2011	5,621	926
2012	968	926
2013	484	694
2014	80	77
	7,153	2,623

20. DEFERRED TAXES

Deferred corporate income tax (IRPJ), social contribution (CSLL), PIS and COFINS are calculated based on revenue recorded in the statement of income and not yet received. These taxes will be paid according to the respective receipts, as established by tax legislation. The tax basis for the year is as follows:

a) Breakdown of the balances recorded in current and noncurrent assets and liabilities

	Consolidated	
	06.30.10	03.31.10
Assets:		
Prepaid income tax	205	227
Prepaid social contribution	110	122
Prepaid PIS and COFINS	374	415
	689	764
Current	479	471
Noncurrent	210	293
Liabilities:		
Revenues recognized under the percentage-of-completion method and not received	691,158	631,316
Deferred income tax	14,001	12,687
Deferred social contribution	7,302	6,592
Deferred PIS and COFINS	23,734	21,432
	45,037	40,711
Current	20,954	18,453
Noncurrent	24,083	22,258

Amounts classified as noncurrent will be realized beginning July 2011.

b) Breakdown of current and deferred income tax and social contribution expenses

	Consolidated	
	06.30.10	06.30.09
Current:		
Income tax	(4,952)	(2,898)
Social contribution	(2,392)	(1,519)
	(7,344)	(4,417)
Deferred charges:		
Income tax	(1,969)	(1,961)
Social contribution	(1,181)	(1,048)
	(3,150)	(3,009)

c) Reconciliation of current income tax and social contribution expenses

Income tax and social contribution expenses are reconciled at statutory rates, as follows:

	Consolidated	
	06.30.10	06.30.09
Subsidiaries' revenues taxed based on deemed income - cash basis	235,666	119,378
Effect of current income tax and social contribution in the periods (see note 4.h) at statutory rates	(7,344)	(4,417)

d) Reconciliation of effects of deferred income tax and social contribution expenses

Deferred income tax and social contribution amounts are reconciled at statutory rates, as follows:

	Consolidated	
	06.30.10	06.30.09
Increase in difference between taxable income and book income (*)	110,508	136,355
Effect of deferred income tax and social contribution in the periods (see note 4.h) at statutory rates	(3,150)	(3,009)

(*) Under Federal Revenue Service Regulatory Instruction 84/79, property developers must pay taxes based on receipts from real estate projects. CFC Resolution 963/03 determines that revenue should be recognized under the percentage-of-completion method. Thus, deferred taxes are recognized based on the difference between taxable income and book income.

e) Reconciliation of income tax and social contribution - current

	Company	
	06.30.10	06.30.09
Income before income tax and social contribution and minority interest	102,772	77,748
Tax rate - 34%	(34,942)	(26,434)
Effect on deductions (basically equity in subsidiaries)	38,146	26,514
Effect of other deductions	1,747	3,554
Effect on additions	(640)	(85)
Unrecognized tax credit (utilized) on tax loss carryforwards	4,311	3,549

The Company records tax credits upon the generation of taxable income.

21. RELATED-PARTY TRANSACTIONS

Related-party balances refer to intercompany loans bearing no interest, as follows:

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Noncurrent assets-				
Due from related parties for capital contribution:				
Avignon Incorporadora Ltda.	3,668	3,668	-	-
Bonneville Incorporadora Ltda.	8	-	-	-
Crown Incorporadora Ltda.	3	-	-	-
Itagi Incorporadora Ltda.	1,206	1,198	-	-
Savona Incorporadora Ltda.	3	43	-	-
Santarém Incorporadora Ltda.	3	-	-	-
Florença Incorporadora Ltda.	18	-	-	-
Analisys Consultoria, Planejamento e Participações S/S	1,727	1,719	-	-
Treviso Incorporadora Ltda.	2,243	1,043	-	-
Trento Incorporadora Ltda.	8	-	-	-
J.J Rodrigues Empreendimentos Imobiliários SPE Ltda.	-	241	-	-
Arapanés Incorporadora Ltda.	150	150	-	-
Mônaco Incorporação S.A.	-	8	-	-
Genova Incorporadora Ltda.	350	-	-	-
Genea Administração, Incorporações e Participações Ltda.	-	-	202	200
Wanessa Incorporadora Ltda.	468	-	-	-
WZ Incorporação Imobiliária Privelige Ltda.	-	-	1,136	1,165
Proberd Empreendimentos Imobiliários Ltda.	-	-	948	971
Others	58	42	-	-
	9,913	8,112	2,286	2,336
Current liabilities-				
Due to related parties:				
Camila Empreendimentos Imobiliários Ltda.	1,034	884	-	-
Juriti Empreendimentos Imobiliários Ltda.	2,220	1,370	-	-
Paraíso Empreendimentos Imobiliários Ltda.	2,882	2,882	-	-
Silvana Empreendimentos Imobiliários Ltda.	3,580	3,200	-	-
Park Empreendimentos Imobiliários Ltda. - loan	2,686	2,686	-	-
Vanguarda Incorporadora Ltda.	800	800	-	-

	Company		Consolidated	
	06.30.10	03.31.10	06.30.10	03.31.10
Tatuapé Empreendimentos Imobiliários Ltda.	4,485	3,350	-	-
Tec Vendas Consultoria de Imóveis Ltda.	600	600	-	-
Genova Incorporadora S.A.	-	200	-	-
WZ Incorporação Imobiliária Privelige Ltda.	-	-	1,264	1,293
Proberd Empreendimentos Imobiliários Ltda.	-	-	1,136	1,159
Constrac Construtora e Empreendimentos Imobiliários Ltda.	-	-	5	5
Trisul S.A.	-	-	120	99
Torino Incorporadora Ltda.	1,000	-	-	-
Alefico Administração e Participações Ltda.	-	-	7	7
	19,287	15,972	2,532	2,563

22. RESERVE FOR CONTINGENCIES

a) The Companies are parties to certain labor lawsuits for which the likelihood of unfavorable outcome is considered remote by the legal counsel.

b) Based on an individual analysis of tax contingencies, Management recorded a reserve for contingencies in an amount considered sufficient to cover probable losses.

c) The Companies are not parties to any administrative or legal proceedings for which the likelihood of unfavorable outcome is considered possible and that require disclosure.

There was no change in the reserve for contingencies for the period ended June 30, 2010.

23. SHAREHOLDERS' EQUITY

a) Capital

As of June 30, 2010 and March 31, 2010, the Company's capital is R$724,070, represented by 146,724,120 common shares without par value.

b) Dividends

In accordance with bylaws, shareholders are entitled to a mandatory minimum dividend of 25% of net income for the year, calculated pursuant to Brazilian Corporate Law.

c) Treasury shares

At meetings held on April 15 and September 12, 2008, the Board of Directors approved a common stock buyback program for holding the shares in treasury and subsequently selling and/or cancelling them, without any capital reduction. The Company acquired 6,004,000 common shares for R$20,216, at market price, of which 2,562,412 were cancelled in the Extraordinary Shareholders' Meeting held on September 23, 2008. The average buyback price was used to recognize the amount of R$9,535 in profit retention reserve. As of June 30, 2010, 3,441,588 shares, amounting to R$10,681.

24. STOCK OPTION PLAN

The Company's bylaws provide for a stock option plan, as approved by the Extraordinary Shareholders' Meeting held on March 3, 2007, for officers, employees and service providers, and by June 30, 2010 no call option had been exercised. The stock option plan shall be limited to 2% of the Company's shares.

25. CANCELLATION OF SALES

As of June 30, 2010, the amount of R$21,551 (R$19,502 as of June 30, 2009) represents cancellations in the period, related to contracts previously entered into, which include the effects of the results recorded under the percentage-of-completion method of the related works. Properties returned under cancellation are resold, and therefore no provision for returns is recorded in the financial statements.

26. MANAGEMENT FEES

At the Annual Shareholders' Meeting of April 29, 2010, the overall management compensation was set at R$7,000 (R$5,000 in 2009, as approved by the Annual Shareholders' Meeting of April 17).

During the period ended June 30, 2010, the amount of R$2,216 (R$1,236 as of June 30, 2009) was paid as management compensation, as shown in the consolidated statement of income.

27. FINANCIAL INCOME (EXPENSES)

Represented by:

	Company		Consolidated	
	06.30.10	06.30.09	06.30.10	06.30.09
Income:				
Financial income	3,593	8,879	4,685	9,443
Interest income on trade accounts receivable	-	-	10,804	1,452
Other	12	-	901	647
	3,605	8,879	16,390	11,542
Expenses:				
Interest and inflation adjustment	-	(42)	-	(117)
Discounts granted on trade accounts receivable	-	-	(515)	(504)
Other	(41)	(25)	(835)	(305)
	(41)	(67)	(1,350)	(926)

28. LEASE AGREEMENT

As of June 30, 2010, the Company had lease agreements referred to IT equipment, totaling R$1,462 (R$1,462 as of March 31, 2010), whose monthly installments are subject to adjustment based on fixed rates varying from 1.20% to 1.22% per month. The agreements have final maturity dates between September 2010 and January 2011.

Lease agreement installments are recorded as expenses in the statement of income. As of June 30, 2010, an amount of R$123 (R$243 as of June 30, 2009) was recorded.

29. FINANCIAL INSTRUMENTS

a) Exposure to exchange risks

The Companies are not exposed to exchange risks since they do not conduct foreign--currency transactions.

b) Exposure to interest rate risks

The Companies have loans with third parties, which are subject to the fluctuations of indices established in the respective agreements, managed prime rate (TR) and interest. They are exposed to fluctuations in interest rates on trade accounts receivable and short-term investment balances, in this case, to the interbank deposit certificate (CDI) rate variation.

As of June 30, 2010, the Company and its subsidiaries' Management conducted a sensitivity analysis considering an increase of 25% and 50% in expected interest rates on short-term investment balances, net of loans and financing:

Indices	Scenario I - probable	Scenario II (+ 25%)	Scenario III (+ 50%)
CDI	4.250%	5.313%	6.375%
TR	0.189%	0.237%	0.284%
Interest to be incurred (*)	436	545	655

(*) Refers to interest scenarios for the next six months.

c) Concentration of risk

The Companies maintain bank accounts and short-term investments in financial institutions approved by Management according to objective criteria for risk diversification. The trade accounts receivable balance is represented by several customers and none accounts for 10% or more of the total net operating revenue or the trade accounts receivable balance.

d) Carrying amounts and fair value of financial instruments

Except for the "Related-party debits and credits" caption, which is not subject to financial charges, fair values as of June 30, 2010 and March 31, 2010 are not significantly different from book values and do not reflect subsequent changes in the economy, such as interest rates, tax rates and other variables that might affect that determination. The following methods and assumptions were used for calculation of the fair value:

- Cash and banks and short-term investments - the carrying amounts stated in the balance sheets approximate the fair values due to the short maturity of these instruments.

As of June 30, 2010 and March 31, 2010, the Company and its subsidiaries had no derivative transactions.

30. INSURANCE (NOT REVIEWED)

As of June 30, 2010, the Company and its subsidiaries had the following insurance contracts, at amounts considered by Management compatible with the risks involved:

a) Engineering risks - construction in progress - "all risks" policy, which covers all risks involved in the construction of a project, such as fire, theft, execution damage and others. This type of policy allows additional coverage according to the risks inherent to the work, among which civil and cross liability, extraordinary expenses, riots, employer's civil liability, and pain and suffering.

b) Business insurance - coverage for sales booths and model apartments against damages caused by fire, lightning, explosion and others.

c) Miscellaneous risks insurance - electronic equipment - coverage against thefts or electrical damages.

31. COMMITMENTS

The Company has lease agreements for two properties where its facilities are located, at a monthly cost of R$26, adjusted based on the IGP-M. The lease term is five years, and early termination is subject to a fine equivalent to three months' rental.

The Company has lease contracts with related parties (controlling shareholder) for the property where part of its facilities is located, at the monthly cost of R$110, annually adjusted to inflation based on the positive variation of IGP DI-FGV. The lease contract is effective for five (5) years and a fine equivalent to three months' lease shall be imposed in case of termination.

As of June 30, 2010, the Company, through its subsidiaries, had long-term agreements in the amount of R$22,483 (R$24,688 as of March 31, 2010), related to the supply of raw material used for real estate project development.

32. CONVERGENCE TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - IFRS

With the enactment of Law 11638/07, which was designed to update the Brazilian Corporate Law, so as to enable the convergence of Brazilian accounting practices with international accounting standards (IFRS), new accounting standards and technical pronouncements have been issued by the Accounting Pronouncements Committee (CPC), in conformity with such international accounting standards.

The CPCs applicable to the Company and its subsidiaries, considering their operations, are the following:

CPC	Title
16	Inventories
17	Construction Contracts
18	Investments in Subsidiaries and Associates
20	Borrowing Costs
22	Segment Reporting
23	Accounting Policies, Changes in Estimates and Correction of Errors
24	Events after the Balance Sheet Date
25	Provisions, Contingent Assets and Contingent Liabilities
26	Presentation of Financial Statements
30	Revenues
31	Noncurrent Asset Held for Sale and Discontinued Transaction
32	Income Taxes
33	Employee Benefits
36	Consolidated Financial Statements
37	First-time Adoption of International Financial Reporting Standards
38	Financial Instruments: Recognition and Measurement
39	Financial Instruments: Presentation
40	Financial Instruments: Disclosure
ICPC 02	Construction Agreement for the Real Estate Industry
ICPC 05	CPC Technical Pronouncement 10 - Share-based Payment - Group and Treasury Share Transactions
ICPC 08	Accounting for Proposed Dividend Payments
ICPC 09	Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements and Application of the Equity Method of Accounting

As permitted by CVM Resolution 603/09, the Company's Management opted not to early adopt the accounting pronouncements, which will come into effect as of January 1, 2010, and prepared its interim financial statements in accordance with Brazilian accounting practices in effect through December 31, 2009. In view of their complexity and the need to change the operations and IT systems that are currently operational/being implemented, to comply with these standards it is not possible for the Company to evaluate and estimate their impacts without any risk.

33. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved by the Company's Board of Directors and authorized for issuance on July 30, 2010.

34. SUBSEQUENT EVENTS

On July 12, 2010, subsidiary Elba Incorporadora Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$720.

On July 15, 2010, the Company, through an auction, acquired Additional Potential for Construction Certificate (CEPAC) for R$3,675.

On July 20, 2010, the subsidiary Juriti Empreendimentos Imobiliários Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$6,151.

On July 21, 2010, the subsidiary Elba Incorporadora Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$490.

On July 21, 2010, the subsidiary Elba Incorporadora Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$1,000.

On July 22, 2010, the subsidiary Paraíso Empreendimentos Imobiliários Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$1,600.

On July 26, 2010, the subsidiary Arapanés Incorporadora Ltda., under a purchase and sale agreement and other covenants, acquired a property for R$1,500.

On July 27, 2010, the subsidiary Paraíso Empreendimentos Imobiliários Ltda., under a purchase and sale agreement and other covenants, acquired two properties for the amount of R$1,650.