01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**
4 – NIRE		
43300047521		

01.02 - HEAD OFFICE ADDRESS

1 - FULL ADDRESS (STREET, NUMBER AND COMPLEMENT)			2 - DISTRICT	
RUA BERNARDO PIRES, 128, 4º ANDAR			SANTANA	
3 - ZIP CODE	4 - CITY			5 - STATE
90620-010	PORTO ALEGRE			RS
6 - DDD (Long distance)	7 - TELEPHONE	8 - TELEPHONE	9 - TELEPHONE	10 - TELEX
51	3230-7799	9999-9999	9999-9999	9999-9999
11- DDD (Long distance)	12 - FAX	13 - FAX	14 - FAX	
51	3230-7750	3230-7774	9999-9999	
15 - E-MAIL				
ri@slcagricola.com.br				

01.03 - INVESTOR RELATIONS DIRECTOR (Address for correspondence with the company)

1 – NAME				
IVO MARCON BRUM				
2 - FULL ADDRESS (Place, Number and Complement)			3 - DISTRICT	
RUA BERNARDO PIRES, 128, 4º ANDAR			SANTANA	
4 - ZIP CODE	5 - CITY			6 - STATE
90620-010	PORTO ALEGRE			RS
7 - DDD (long distance)	8 - TELEPHONE	9 - TELEPHONE	10 - TELEPHONE	11 – TELEX
51	3230-7799	9999-9999	9999-9999	9999-9999
12 - DDD (long distance)	13 - FAX	14 - FAX	15 – FAX	
51	3230-7750	3230-7774	9999-9999	
16 - E-MAIL				
ri@slcagricola.com.br				

01.04 - REFERENCE / AUDITOR

CURRENT FISCAL YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 – BEGIN	2 – END	3 - QUARTER	4 - BEGIN	5 - END	6 - QUARTER	7 - BEGIN	8 – END
01/01/2010	12/31/2010	2	04/01/2010	06/30/2010	1	01/01/2010	03/31/2010

9 - AUDITING COMPANY	10 - CVM CODE
ERNST & YOUNG AUDITORES INDEPENDENTES S.S.	00471-5
11 - TECHNICAL IN CHARGE	12 - TECHNICAL IN CHARGE TAXPAYERS' REGISTER
LUÍS CARLOS DE SOUZA	612.539.289-91

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

01.05 - CURRENT COMPOSITION OF CAPITAL

Number of Shares (units)	1 – CURRENT QUARTER 06/30/2010	2 – PREVIOUS QUARTER 03/31/2010	3 – SAME QUARTER PREVIOUS YEAR 06/30/2009
Paid-Up Capital			
1 – COMMON	98,897,500	98,897,500	98,897,500
2 - PREFERRED	0	0	0
3 – TOTAL	98,897,500	98,897,500	98,897,500
In Treasury			
4 - COMMON	1,276,000	1,276,000	1,304,000
5 – PREFERRED	0	0	0
6 – TOTAL	1,276,000	1,276,000	1,304,000

01.06 – COMPANY PROFILE

1 - TYPE OF COMPANY Commercial, Industrial and Other
2 – SITUATION Operational
3 - NATURE OF SHARE CONTROL National Private
4 - CODE OF ACTIVITY 1210 – Agriculture (Sugar, Alcohol and Sugarcane)
5 - MAIN ACTIVITY Production and sale of cotton, soybean, corn and coffee.
6 – CONSOLIDATED TYPE Total
7 – TYPE OF AUDITOR'S REPORT Unqualified

01.07- COMPANIES NOT INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM	2 - GENERAL TAXPAYERS' REGISTER	3 – NAME

01.08 – DECLARED AND/OR PAID DIVIDENDS DURING AND AFTER THE QUARTER

1 - ITEM	2 – EVENT	3 - APPROVAL DATE	4 - DIVIDENDS	5- BEGINNING OF PAYMENT	6- TYPE OF SHARE	7- AMOUNT PER SHARE
01	AGO	04/07/2010	Dividends	04/15/2010	ON	0.0726000000

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER

01.09 – PAID-UP CAPITAL AND CHANGES IN THE CURRENT PERIOD

1 – ITEM	2 – DATE OF CHANGE	3 – CAPITAL STOCK (thousand reais)	4 – AMOUNT (thousand reais)	5 – SOURCE OF CHANGE	7 – QUANTITY OF ISSUED SHARES (thousand)	8 – PRICE OF SHARE IN THE ISSUANCE (reais)

01.10 – INVESTOR RELATIONS DIRECTOR

1 – DATE	2 – SIGNATURE
08/11/2010	

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

02.01- BALANCE SHEET - ASSETS (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 06/30/2010	4-03/31/2010
1	Total Assets	1,274,173	1,325,925
1.01	Current Assets	500,924	558,148
1.01.01	Cash, Banks and Investments	96,591	145,025
1.01.01.01	Cash and Cash Equivalents	134	354
1.01.01.02	Short term Investments	96,457	144,671
1.01.02	Credits	65,364	83,006
1.01.02.01	Trade Accounts Receivable	7,051	23,755
1.01.02.02	Other credits	58,313	59,251
1.01.02.02.01	Advance from Suppliers	13,366	15,647
1.01.02.02.02	Recoverable taxes	29,317	27,448
1.01.02.02.03	Deferred income and social contribution	15,630	16,156
1.01.03	Inventories	283,289	281,916
1.01.03.01	Inventories	67,794	86,394
1.01.03.02	Growing crops	215,495	195,522
1.01.04	Other	55,680	48,201
1.01.04.01	Notes receivable	2,880	2,631
1.01.04.02	Derivative financial instruments	20,407	15,564
1.01.04.03	Other accounts receivable	2,373	562
1.01.04.04	Credits with Related Parties	804	834
1.01.04.05	Dividends Receivable	26,295	26,295
1.01.04.06	Prepaid expenses	2,921	2,315
1.02	Non-current Assets	773,249	767,777
1.02.01	Long term Assets	78,800	78,561
1.02.01.01	Credits	61,943	61,298
1.02.01.01.01	Recoverable taxes	4,120	4,650
1.02.01.01.02	Deferred income and social contribution	47,046	43,247
1.02.01.01.03	Prepaid expenses	6,179	5,804
1.02.01.01.04	Derivative financial instruments	3,961	5,661
1.02.01.01.05	Other credits	637	1,936
1.02.01.02	Credits with Related Parties	14	2,699
1.02.01.02.01	With Associates	0	0
1.02.01.02.02	With Subsidiaries	14	2,699
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	16,843	14,564
1.02.01.03.01	Advance for future capital increase	15,175	12,836
1.02.01.03.02	Notes receivable	1,668	1,728
1.02.01.03.03	Other	0	0
1.02.02	Permanent Assets	694,449	689,216
1.02.02.01	Investments	402,723	399,760
1.02.02.01.01	Equity in Associates	0	0
1.02.02.01.02	Equity in Associates – Goodwill	0	0
1.02.02.01.03	Equity in Subsidiaries	402,624	399,661
1.02.02.01.04	Equity in Subsidiaries – Goodwill	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

02.01- BALANCE SHEET - ASSETS (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3- 06/30/2010	4-03/31/2010
1.02.02.01.05	Other Investments	99	99
1.02.02.02	Fixed Assets	281,336	279,101
1.02.02.03	Intangible	10,390	10,355
1.02.02.04	Deferred	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

02.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 06/30/2010	4-03/31/2010
2	Total Liabilities	1,274,173	1,325,925
2.01	Current Liabilities	241,364	278,006
2.01.01	Loans and financing	169,754	195,052
2.01.02	Debentures	0	0
2.01.03	Supplier	10,077	15,677
2.01.04	Taxes, Charges and Contributions	16,180	16,366
2.01.04.01	Taxes, fees and sundry contributions	1,213	2,253
2.01.04.02	Deferred income and social contribution taxes	14,967	14,113
2.01.05	Dividends Payable	0	7,081
2.01.06	Provisions	0	0
2.01.07	Debts with Related Parties	13,208	8,276
2.01.08	Other Obligations	32,145	35,554
2.01.08.01	Advances from customers	20,374	23,448
2.01.08.02	Vacation accrual and charges payable	4,891	3,906
2.01.08.03	Notes Payable	0	0
2.01.08.05	Advance for future capital increase	0	0
2.01.08.06	Derivative financial instruments	3,719	1,842
2.01.08.07	Stock options plan	0	0
2.01.08.08	Other liabilities	3,161	6,358
2.02	Non-current Liabilities	194,133	209,292
2.02.01	Long term Liabilities	194,133	209,292
2.02.01.01	Loans and financing	154,191	170,132
2.02.01.02	Debentures	0	0
2.02.01.03	Provisions	0	0
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	39,942	39,160
2.02.01.06.01	Derivative financial instruments	1,897	2,058
2.02.01.06.02	Deferred income and social contribution taxes	37,497	36,554
2.02.01.06.03	Notes Payable	0	0
2.02.01.06.04	Other liabilities	548	548
2.02.01.06.05	Other accounts payable	0	0
2.03	Deferred Income	0	0
2.05	Shareholders' Equity	838,676	838,627
2.05.01	Capital	557,434	557,434
2.05.02	Capital Reserves	168,063	167,118
2.05.02.01	Share issue premium	200,071	200,071
2.05.02.02	Treasury shares	(15,215)	(15,215)
2.05.02.03	Stock option plan	7,811	6,866
2.05.02.04	Transaction cost -share issue	(24,604)	(24,604)

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

02.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3- 06/30/2010	4-03/31/2010
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Owned Assets	0	0
2.05.03.02	Subsidiaries/ Affiliates	0	0
2.05.04	Profit Reserves	77,729	77,729
2.05.04.01	Legal	2,851	2,851
2.05.04.02	Statutory	69,250	69,250
2.05.04.03	For Contingencies	0	0
2.05.04.04	Profits Realizable	0	0
2.05.04.05	Retained Earnings	5,628	5,628
2.05.04.06	Special for Non-distributed Dividends	0	0
2.05.04.07	Other profit Reserves	0	0
2.05.05	Equity valuation adjustments	13,928	11,012
2.05.05.01	Marketable securities adjustments	0	0
2.05.05.02	Cumulative translation adjustments	0	0
2.05.05.03	Business combination adjustments	0	0
2.05.06	Accumulated earnings/ losses	21,522	25,334
2.05.07	Advance for future capital increase	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

03.01 – STATEMENT OF OPERATIONS (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
3.01	Gross Sales	82,697	205,167	101,196	196,650
3.02	Sales Deductions	(6,272)	(13,223)	(7,898)	(12,169)
3.03	Net Sales	76,425	191,944	93,298	184,481
3.04	Cost of Sales	(68,231)	(166,703)	(109,206)	(161,774)
3.05	Gross Profit	8,194	25,241	(15,908)	22,707
3.06	Operating Income/Expenses	(14,918)	(5,821)	20,463	24,418
3.06.01	Selling Expenses	(5,300)	(12,987)	(4,801)	(11,117)
3.06.02	General and Administrative Expenses	(7,755)	(13,365)	(5,503)	(12,066)
3.06.02.01	General and Administrative Expenses	(6,716)	(12,061)	(4,566)	(9,698)
3.06.02.02	Management Fees	(1,039)	(1,304)	(937)	(2,368)
3.06.02.03	Non-recurring expenses	0	0	0	0
3.06.03	Financial	(5,619)	(7,838)	18,514	17,645
3.06.03.01	Financial Income	9,494	23,297	37,978	57,960
3.06.03.02	Financial Expenses	(15,113)	(31,135)	(19,464)	(40,315)
3.06.04	Other Operating Income	923	1,720	495	940
3.06.05	Other Operating Expenses	0	0	0	(7,895)
3.06.06	Equity Pick-up	2,833	26,649	11,758	36,911
3.07	Operating Income	(6,724)	19,420	4,555	47,125
3.08	Non-operating Result	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income Before Tax, Profit Sharing and Minority Interest	(6,724)	19,420	4,555	47,125
3.10	Provision for Income tax and social contribution	0	0	(279)	(412)

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

03.01 – STATEMENT OF OPERATIONS (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
3.11	Deferred Income Tax and Social Contribution	2,912	2,102	2,345	(6,510)
3.12	Statutory Participations / Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.15	Earnings / Losses in the Period	(3,812)	21,522	6,621	40,203
	NUMBER OF SHARES, EX-TREASURY (Units)	97,621,500	97,621,500	97,593,500	97,593,500
	EARNINGS PER SHARE (reais)		0.22046	0.06784	0.41194
	LOSS PER SHARE (reais)	(0.03905)			

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

04.01 – STATEMENT OF CASH FLOWS – INDIRECT METHOD (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
4.01	Net cash from operating activities	20,675	41,018	(4,079)	25,041
4.01.01	Cash from operations	15,605	38,783	20,940	60,918
4.01.01.01	Net income (loss) before IRPJ/CSLL	(6,724)	19,420	4,555	47,125
4.01.01.02	Depreciation and amortization	12,200	24,214	9,807	19,071
4.01.01.03	Result from permanent assets disposed of	172	1,017	169	227
4.01.01.04	Capital gain on investments	0	0	0	7,999
4.01.01.05	Equity pickup	(2,833)	(26,649)	(11,758)	(36,911)
4.01.01.06	Interest on exchange movement and monetary adjustment on loans.	7,092	15,954	(9,737)	(4,996)
4.01.01.07	Equity valuation adjustment	2,786	2,725	25,838	35,325
4.01.01.08	Provision for current IRPJ and CSLL	0	0	(279)	(412)
4.01.01.09	Deferred taxes	2,912	2,102	2,345	(6,510)
4.01.02	Changes in assets and liabilities	5,070	2,235	(25,019)	(35,877)
4.01.02.01	(Increase) decrease in accounts receivable	16,704	11,946	(8,461)	(17,396)
4.01.02.02	(Increase) decrease in inventories / crops under development	(1,373)	16,470	22,703	21,104
4.01.02.03	(Increase) in taxes recoverable	(4,612)	(9,057)	7,864	20,235
4.01.02.04	(Increase) decrease in operations with subsidiaries	376	(4,617)	7,224	21,728
4.01.02.05	(Increase) decrease in derivative transactions	(3,143)	(7,922)	(1,326)	(2,130)
4.01.02.06	(Increase) decrease in other accounts receivable	599	3,018	(29,047)	(27,582)
4.01.02.08	Increase (decrease) in suppliers	(5,600)	(30,284)	12,066	9,931
4.01.02.09	Increase (decrease) in tax/social charges	757	5,896	2,128	2,588
4.01.02.10	Increase (decrease) in payables to subsidiaries	4,932	7,054	6,512	11,030
4.01.02.11	Increase (decrease) in derivatives transactions	1,716	1,087	(41,851)	(57,645)
4.01.02.12	Increase (decrease) in payables	0	0	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

04.01 – STATEMENT OF CASH FLOWS – INDIRECT METHOD (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
4.01.02.13	Increase (decrease) in other payables	(5,286)	8,644	(2,831)	(17,740)
4.01.03	Other	0	0	0	0
4.02	Net cash from investing activities	(14,642)	(41,212)	(19,940)	(55,434)
4.02.01	In investments	0	0	0	(20,576)
4.02.02	In fixed assets	(14,520)	(40,951)	(18,774)	(33,222)
4.02.03	In intangibles	(122)	(261)	(1,166)	(1,636)
4.03	Net cash from financing activities	(54,467)	934	18,526	52,683
4.03.01	Repurchase of shares	0	392	85	(1,642)
4.03.02	Share option plan	945	889	1,103	2,110
4.03.03	Loans and financing	14,572	83,607	38,631	87,699
4.03.04	Repayments of loans and financing	(62,903)	(76,873)	(10,698)	(24,889)
4.03.05	Payables dividens	(7,081)	(7,081)	(10,595)	(10,595)
4.04	Exchange movement on cash and cash	0	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	(48,434)	740	(5,493)	22,290
4.05.01	Opening balance of cash and cash equivalents	145,025	95,851	244,091	216,308
4.05.02	Closing balance of cash and cash equivalents	96,591	96,591	238,598	238,598

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

05.01 – STATEMENT OF CHANGES IN SHARE HOLDER'S EQUITY 04/01/2010 to 06/30/2010

1 – CODE	2 – DESCRIPTION	3-CAPITAL	4- CAPITAL RESERVES	5- REVALUATION RESERVES	6- PROFIT RESERVES	7-RETAINED EARNINGS	8-EQUITY VALUATION ADJUSTMENTS	9-TOTAL
5.01	Initial balance	557,434	167,118	0	77,729	25,334	11,012	838,627
5.04	Net income for the period					(3,812)		(3,812)
5.07	Equity valuation adjustments						2,916	2,916
5.07.04	Unrealized loss on hedging instruments, net of taxes						2,786	2,786
5.07.05	Unrealized loss on hedging instruments, net of taxes in subsidiaries						130	130
5.09	Set up/realization of capital reserves							
5.09.01	Premium on issue of shares							
5.10	Treasury shares							
5.12	Other		945					945
5.12.01	Stock option plan		945					945
5.13	Final balance	557,434	168,063	0	77,729	21,522	13,928	838,676

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

05.02 – STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY 01/01/2010 to 06/30/2010

1 – CODE	2 – DESCRIPTION	3-CAPITAL	4- CAPITAL RESERVES	5- REVALUATION RESERVES	6- PROFIT RESERVES	7-RETAINED EARNINGS	8-EQUITY VALUATION ADJUSTMENTS	9-TOTAL
5.01	Initial balance	557,434	166,782	0	77,729	0	11,924	813,869
5.04	Net income for the period					21,522		21,522
5.07	Equity valuation adjustments						2,004	2,004
5.07.04	Unrealized loss on hedging instruments, net of taxes						2,725	2,725
5.07.05	Unrealized loss on hedging instruments, net of taxes in subsidiaries						(721)	(721)
5.09	Set up/realization of capital reserves		58					58
5.09.01	Premium on issue of shares		58					58
5.10	Treasury shares		334					334
5.12	Other		889					889
5.12.01	Stock option plan		889					889
5.13	Final balance	557,434	168,063	0	77,729	21,522	13,928	838,676

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

08.01- BALANCE SHEET – ASSETS CONSOLIDATED (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-06/30/2010	4-03/31/2010
1	Total Assets	1,599,817	1,672,067
1.01	Current Assets	695,992	770,123
1.01.01	Cash, Banks and Investments	155,114	183,541
1.01.01.01	Cash and Cash Equivalents	309	711
1.01.01.02	Short term Investments	154,805	182,830
1.01.02	Credits	102,550	128,756
1.01.02.01	Trade Accounts Receivable	16,191	48,117
1.01.02.02	Other credits	86,359	80,639
1.01.02.02.01	Advance from Suppliers	17,895	16,729
1.01.02.02.02	Recoverable taxes	49,002	45,221
1.01.02.02.03	Deferred income and social contribution taxes	19,462	18,689
1.01.03	Inventories	406,501	433,392
1.01.03.01	Inventories	118,023	153,722
1.01.03.02	Growing crops	288,478	279,670
1.01.04	Other	31,827	24,434
1.01.04.01	Notes receivable	2,880	2,631
1.01.04.02	Derivative financial instruments	22,727	18,152
1.01.04.03	Other accounts receivable	3,081	1,199
1.01.04.04	Credits with Related Parties	0	0
1.01.04.05	Dividends Receivable	0	0
1.01.04.06	Prepaid expenses	3,139	2,452
1.02	Non-current Assets	903,825	901,944
1.02.01	Long term Assets	75,936	75,118
1.02.01.01	Credits	74,268	73,390
1.02.01.01.01	Recoverable taxes	5,656	6,375
1.02.01.01.02	Deferred income and social contribution	56,707	53,353
1.02.01.01.03	Prepaid expenses	6,179	5,804
1.02.01.01.04	Derivative financial instruments	4,825	5,661
1.02.01.01.05	Other credits	901	2,197
1.02.01.02	Credits with Related Parties	0	0
1.02.01.02.01	With Associates	0	0
1.02.01.02.02	With Subsidiaries	0	0
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	1,668	1,728
1.02.01.03.01	Advance for future capital increase	0	0
1.02.01.03.02	Notes receivable	1,668	1,728
1.02.01.03.03	Other	0	0
1.02.02	Permanent Assets	827,889	826,826
1.02.02.01	Investments	292	292
1.02.02.01.01	Equity in Associates	0	0
1.02.02.01.02	Equity in Subsidiaries	0	0
1.02.02.01.03	Other Investments	292	292

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

08.01- BALANCE SHEET – ASSETS CONSOLIDATED (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3-06/30/2010	4-03/31/2010
1.02.02.02	Fixed Assets	817,202	816,173
1.02.02.03	Intangible	10,395	10,361
1.02.02.04	Deferred	0	0

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1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

08.01- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY CONSOLIDATED (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-06/30/2010	4-03/31/2010
2	Total Liabilities	1,599,817	1,672,067
2.01	Current Liabilities	402,797	469,574
2.01.01	Loans and financing	282,661	314,936
2.01.02	Debentures	0	0
2.01.03	Supplier	12,774	18,723
2.01.04	Taxes, Charges and Contributions	27,307	29,039
2.01.04.01	Taxes, fees and sundry contributions	6,927	9,216
2.01.04.02	Deferred income and social contribution taxes	20,380	19,823
2.01.05	Dividends Payable	0	7,081
2.01.06	Provisions	0	0
2.01.07	Debts with Related Parties	5	144
2.01.08	Other Obligations	80,050	99,651
2.01.08.01	Advances from customers	24,665	46,823
2.01.08.02	Vacation accrual and charges payable	6,954	5,549
2.01.08.03	Notes Payable	41,216	36,493
2.01.08.04	Derivative financial instruments	3,719	3,045
2.01.08.05	Other liabilities	3,496	7,741
2.02	Non-current Liabilities	358,344	363,866
2.02.01	Long term Liabilities	358,344	363,866
2.02.01.01	Loans and financing	229,360	229,120
2.02.01.02	Debentures	0	0
2.02.01.03	Provisions	0	0
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	128,984	134,746
2.02.01.06.01	Derivative financial instruments	1,897	2,058
2.02.01.06.02	Deferred income and social contribution taxes	67,017	65,509
2.02.01.06.03	Notes Payable	36,935	44,044
2.02.01.06.04	Other liabilities	548	548
2.02.01.06.05	Other accounts payable	0	0
2.02.01.06.06	Negative goodwill on subsidiary	22,587	22,587
2.03	Deferred Income	0	0
2.04	Minority Interests	0	0
2.05	Shareholders' Equity	838,676	838,627
2.05.01	Capital	557,434	557,434
2.05.02	Capital Reserves	168,063	167,118
2.05.02.01	Share issue premium	200,071	200,071

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
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08.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY CONSOLIDATED
(in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3-06/30/2010	4-03/31/2010
2.05.02.02	Treasury shares	(15,215)	(15,215)
2.05.02.03	Stock option plan	7,811	6,866
2.05.02.04	Share issue cost	(24,604)	(24,604)
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Owned Assets	0	0
2.05.03.02	Subsidiaries/ Affiliates	0	0
2.05.04	Profit Reserves	77,636	77,636
2.05.04.01	Legal	2,851	2,851
2.05.04.02	Statutory	69,157	69,157
2.05.04.03	For Contingencies	0	0
2.05.04.04	Profits Realizable	0	0
2.05.04.05	Retained Earnings	5,628	5,628
2.05.04.06	Special for Non-distributed Dividends	0	0
2.05.04.07	Other profit Reserves	0	0
2.05.05	Equity valuation adjustments	14,852	11,500
2.05.05.01	Marketable securities adjustments	0	0
2.05.05.02	Cumulative translation adjustments	0	0
2.05.05.03	Business combination adjustments	0	0
2.05.06	Retained earnings/ accumulated losses	20,691	24,939
2.05.07	Advance for future capital increase	0	0

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
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09.01 – STATEMENT OF OPERATIONS CONSOLIDATED (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
3.01	Gross Sales	156,846	346,813	157,546	330,032
3.02	Sales Deductions	(10,159)	(20,275)	(10,863)	(18,643)
3.03	Net Sales	146,687	326,538	146,683	311,389
3.04	Cost of Sales	(123,245)	(262,932)	(145,035)	(234,665)
3.05	Gross Profit	23,442	63,606	1,648	76,724
3.06	Operating Income/Expenses	(31,868)	(36,145)	(12,744)	(46,589)
3.06.01	Selling Expenses	(9,118)	(20,826)	(6,949)	(16,063)
3.06.02	General and Administrative Expenses	(9,612)	(16,354)	(6,978)	(14,920)
3.06.02.01	General and Administrative Expenses	(8,573)	(15,050)	(6,041)	(12,552)
3.06.02.02	Management Fees	(1,039)	(1,304)	(937)	(2,368)
3.06.03	Financial	(14,335)	(1,380)	542	(16,901)
3.06.03.01	Financial Income	11,753	46,126	65,634	95,772
3.06.03.02	Financial Expenses	(26,088)	(47,506)	(65,092)	(112,673)
3.06.04	Other Operating Income	1,197	2,415	641	1,295
3.06.05	Other Operating Expenses	0	0	0	0
3.06.06	Equity Pick-up	0	0	0	0
3.07	Operating Income (expenses)	(8,426)	27,461	(11,096)	30,135
3.08	Non-operating Result	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income Before Tax and Profit Minority Interest	(8,426)	27,461	(11,096)	30,135
3.10	Provision for Income tax and social contribution	322	(5,710)	(1,788)	(6,270)
3.11	Deferred Income Tax and Social Contribution	3,856	(1,060)	6,963	(1,560)
3.12	Statutory Participations / Contributions	0	0	0	0

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

09.01 – STATEMENT OF OPERATIONS CONSOLIDATED (in thousands of reais) – (Continued)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.14	Minority Interests	0	0	0	0
3.15	Earnings / Losses in the Period	(4,248)	20,691	(5,921)	22,305
	NUMBER OF SHARES, EX-TREASURY (Units)	97,621,500	97,621,500	97,593,500	97,593,500
	EARNINGS PER SHARE (reais)		0.21195		0.22855
	LOSS PER SHARE (reais)	(0.04352)		(0.06067)	

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

10.01 – STATEMENT OF CASH FLOWS - CONSOLIDATED INDIRECT METHOD (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
4.01	Net cash from operating activities	40,507	61,468	(511)	44,874
4.01.01	Cash from operations	28,804	85,237	48,118	118,905
4.01.01.01	Net income (loss) before IRPJ/CSLL	(8,426)	27,461	(11,096)	30,135
4.01.01.02	Depreciation and amortization	18,615	36,977	15,199	29,702
4.01.01.03	Result from permanent assets disposed of	89	1,945	312	427
4.01.01.04	Capital gain on investments	0	0	0	0
4.01.01.05	Equity pickup	0	0	0	0
4.01.01.06	Interest on exchange movement and monetary adjustment on loans.	10,996	22,789	(7,379)	(559)
4.01.01.07	Equity valuation adjustment	3,352	2,835	45,907	67,030
4.01.01.08	Provision for current IRPJ and CSLL	322	(5,710)	(1,789)	(6,270)
4.01.01.09	Deferred taxes	3,856	(1,060)	6,963	(1,560)
4.01.02	Changes in assets and liabilities	11,703	(23,769)	(48,629)	(74,031)
4.01.02.01	(Increase) decrease in accounts receivable	31,926	20,614	3,282	(18,559)
4.01.02.02	(Increase) decrease in inventories / crops under development	26,891	31,544	6,037	14,617
4.01.02.03	(Increase) in taxes recoverable	(7,189)	(12,424)	13,140	32,450
4.01.02.04	(Increase) decrease in operations with subsidiaries	0	2	(21)	(19)
4.01.02.05	(Increase) decrease in derivative transactions	(3,739)	(6,790)	(1,326)	(2,130)
4.01.02.06	(Increase) decrease in other accounts receivable	(3,003)	(2,171)	(11,478)	(10,646)
4.01.02.07	Increase (decrease) in suppliers	(5,949)	(50,330)	14,245	14,159
4.01.02.08	Increase (decrease) in tax/social charges	(224)	10,790	453	3,788
4.01.02.09	Increase (decrease) in payables to subsidiaries	(139)	5	510	510
4.01.02.10	Increase (decrease) in derivatives transactions	513	(103)	(66,933)	(91,678)

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

10.01 – STATEMENT OF CASH FLOWS - CONSOLIDATED INDIRECT METHOD (in thousands of reais) (continued)

1 – CODE	2 – DESCRIPTION	3- 04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 to 06/30/2009	6- 01/01/2009 to 06/30/2009
4.01.02.11	Increase (decrease) in payables	(2,386)	(18,689)	(12,994)	(9,370)
4.01.02.12	Increase (decrease) in other payables	(24,998)	3,783	6,456	(7,153)
4.01.03	Other	0	0	0	0
4.02	Net cash from investing activities	(19,767)	(71,386)	(35,925)	(59,347)
4.02.01	In investments	0	0	0	(37)
4.02.02	In fixed assets	(19,645)	(71,125)	(34,759)	(57,674)
4.02.03	In intangibles	(122)	(261)	(1,166)	(1,636)
4.03	Net cash from financing activities	(49,167)	22,781	63,426	107,456
4.03.01	Repurchase of shares	0	392	85	(1,642)
4.03.02	Share option plan	945	889	1,103	2,110
4.03.03	Loans and financing	63,985	151,170	91,739	155,684
4.03.04	Repayments of loans and financing	(107,016)	(122,589)	(18,906)	(38,101)
4.03.05	Paiables dividends	(7,081)	(7,081)	(10,595)	(10,595)
4.04	Exchange movement on cash and cash	0	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	(28,427)	12,863	26,990	92,983
4.05.01	Opening balance of cash and cash equivalents	183,541	142,251	291,200	225,207
4.05.02	Closing balance of cash and cash equivalents	155,114	155,114	318,190	318,190

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

11.01 – STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY CONSOLIDATED 04/01/2010 to 06/30/2010

1 – CODE	2 – DESCRIPTION	3-CAPITAL	4- CAPITAL RESERVE	5-REVALUATION RESERVE	6-INCOME RESERVE	7- RETAINED EARNINGS/AC. LOSSES	8- EQUITY VALUATION ADJUSTMENT	9-TOTAL SHAREHOLDERS' EQUITY
5.01	Initial balance	557,434	167,118	0	77,636	24,939	11,500	838,627
5.04	Net income for the period					(4,248)		(4,248)
5.07	Equity valuation adjustments						3,352	3,352
5.07.04	Unrealized loss on hedging instruments, net of taxes in subsidiaries						3,352	3,352
5.09	Set up/realization of capital reserves							
5.09.01	Premium on issue of shares							
5.10	Treasury shares							
5.12	Other		945					945
5.12.01	Stock option plan		945					945
5.13	Final balance	557,434	168,063		77,636	20,691	14,852	838,676

01.01 - IDENTIFICATION

1 - CVM COD	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

05.02 – STATEMENT OF CHANGES IN SHARE HOLDERS' EQUITY CONSOLIDATED 01/01/2010 to 06/30/2010

1 – CODE	2 – DESCRIPTION	3-CAPITAL	4- CAPITAL RESERVE	5-REVALUATION RESERVE	6-INCOME RESERVE	7- RETAINED EARNINGS/AC. LOSSES	8- EQUITY VALUATION ADJUSTMENT	9-TOTAL SHAREHOLDERS' EQUITY
5.01	Initial balance	557,434	166,782	0	77,636	0	12,017	813,869
5.04	Net income for the period					20,691		20,691
5.07	Equity valuation adjustments						2,835	2,835
5.07.04	Unrealized loss on hedging instruments, net of taxes in subsidiaries						2,835	2,835
5.09	Set up/realization of capital reserves		58					58
5.09.01	Premium on issue of shares		58					58
5.10	Treasury shares		334					334
5.11	Other capital transactions		0					0
5.12	Other		889					889
5.12.01	Stock option plan		889					889
5.13	Final balance	557,434	168,063	0	77,636	20,691	14,852	838,676

1. Operations

The corporate objective of SLC Agrícola S.A., founded in 1977 (hereinafter referred to as "parent company", "SLC", or the "Company") and its subsidiaries involves agriculture and livestock activities, the production and sale of seeds and seedlings; the processing and sale of their products, also importing and exporting goods for their own use and consumption; the supply of primary agricultural and livestock commodities and products in general; the provision of services involving handling, cleaning, drying and storing third party's cereal grains; the supply of services involving agricultural machinery and tools to third parties; the sale, import and export of agricultural products; agribusiness activities involving the processing of sugar cane, alcohol and its by-products; equity interest in other companies.

On September 1, 2009, the Company started cultivating its 2009/2010 harvest, operating with tem production units, with a total planted area of 223.4 thousand hectares, among its own areas and those leased from third parties, located in five Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia and Maranhão. Among the main crops, the Company is cultivating 120.8 thousand hectares of soy, 64.7 thousand hectares of cotton and 34.8 thousand hectares of corn.

2. Basis of Preparation and Presentation of the Financial Statements

These financial statements were prepared in conformity with the accounting practices adopted in Brazil, following the accounting guidelines laid down in Brazil's Corporation Law (6,404/76), and the standards issued by the Brazilian Securities Commission (CVM) and including the new disposal introduced, amended and repealed pursuant to Law No. 11,638, dated December 28, 2007 and by Provisional No. 449, dated December 3rd, 2008, converted into the Law No. 11,641 of May 27, 2009.

3. Consolidated quarterly information

The consolidated quarterly information includes the operations of the Company and the following subsidiaries, whose ownership structure at the balance sheet date is summarized below:

Companies	Direct subsidiary - %	Indirect subsidiary -%	Core business activity	Location
Fazenda Planorte S.A.	**100**	**-**	Cultivation of cotton, soybean and corn crops.	Mato Grosso – MT
Fazenda Paiaguás S.A.	**100**	**-**	Cultivation of cotton, soybean and corn crops.	Mato Grosso – MT
Fazenda Parnaíba S.A.	**100**	**-**	Cultivation of cotton, soybean and corn crops.	Maranhão – MA
SLC Empreendimentos e Agricultura Ltda.	**85.81**	**14.19**	Lease of arable land.	Rio Grande do Sul – RS

3. Consolidated quarterly information-- Continued

The fiscal years of subsidiaries included in consolidation are the same as those of the Company, also accounting policies were consistently applied by the consolidated companies and are consistent with those used in the prior year.

The main consolidation procedures are:

- Elimination of the balances of intercompany assets and liabilities;
- Elimination of equity interest, reserves and retained earnings of consolidated companies;
- Elimination of the balances of revenues, expenses and unrealized profits resulting from intercompany transactions;
- Determination of taxes on unrealized profits, presented as deferred taxes in the consolidated balance sheet.

Reconciliation between net income for the period of nine months of the Company and Consolidated is as follows:

	06/30/2010	06/30/2009
Net income for the year – Company	**21,522**	40,203
Unrealized gain (loss) on hedging instruments, net of taxes	**(831)**	(17,898)
Net income for the year - Consolidated	**20,691**	22,305

Transactions that generate differences between Net income - Company and Net income - Consolidated refer to unrealized gains or losses on hedging instruments contracted by the parent company or subsidiaries through non deliverable forwards (NDFs), qualified as "*Cash Flow Hedge"* for consolidated hedge of futures sales.

These operations are contracted based on future consolidated sales forecasts, with hedge effectiveness assessed between 80% – 125%, and were recorded under the heading "Equity adjustments" in consolidated shareholders' equity.

4. Summary of Principal Accounting Practices

a) Determination of profit or loss and revenue recognition

Revenues are determined on the accrual basis of accounting. Revenues from the sale of goods are recognized in the statement of income when all risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding its realization.

4. Summary of Principal Accounting Practices - Continued

b) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency (reais), at the rate of exchange in effect at the respective balance sheet closing date. Gains and losses arising from restatement of these assets and liabilities between the rate of exchange in effect at the transition date and the fiscal year closing dates are recognized as financial income or financial expenses in the statement of income.

c) Financial instruments

Financial instruments are only recognized when the Company becomes a party to the contractual provisions of said instruments. They are initially recognized at fair value plus transaction costs directly attributable to their acquisition or issue, except for financial assets and liabilities classified at fair value through profit or loss, when such costs are directly charged to the net income for the year. Their subsequent measurement is determined by their classification as financial assets and liabilities at each balance sheet date.

c1) Financial assets: These are classified in the categories below according to the purpose for which they have been purchased or issued:

c1.1) Financial assets measured at fair value through profit or loss (FVTPL):

These include financial instruments held for trading and assets initially recognized at FVTPL. They are classified as held for trading if originated for the purpose of sale or repurchase in the short term. Derivatives are also classified as for trading, excepting those designated as hedge. These are measured at fair value at each balance sheet date. Interest, monetary variation and foreign exchange gains/losses and fluctuations arising from measurement at fair value are recognized in profit or loss, as incurred, under “Financial income” or “Financial expenses”.

c1.2) Held-to-maturity investments:

Non-derivative financial assets with fixed or determinable payments and fixed maturities for which the Company’s management has the intention and ability to hold them to maturity. After their initial recognition, they are measured at amortized cost using the effective interest rate method. This method uses a discount rate that when applied to estimated future receivables, over the expected life of the financial instrument, results in the net book value thereof. Interest, monetary variation and foreign exchange gains/losses, less impairment, if any, are recognized in profit or loss, as incurred, under “Financial income” or “Financial expenses”.

4. Summary of Principal Accounting Practices - Continued

c1.3) Lending and receivables:

Non-derivative financial assets with fixed or determinable payments which, however, are not traded in an active market. After their initial recognition, they are measured at amortized cost using the effective interest rate method. Interest, monetary variation and foreign exchange gains/losses, less impairment, if any, are recognized in profit or loss, as incurred, under “Financial income” or “Financial expenses.

c1.4) Available for sale:

Financial assets that do not fit into categories c1.1 to c1.3 above, and are measured at fair value at each balance sheet date. Interest, monetary variation and foreign exchange gains/losses, if any, are recognized in profit or loss, as incurred, and differences arising between the investment value restated in accordance with relevant contract conditions and related fair value measurement are recognized in shareholders’ equity, under “Equity adjustments” while the asset is not realized. Once the asset is realized, they are transferred to the net income (loss), net of taxes.

The main financial assets recognized by the Company are: cash and cash equivalents, short-term investments, unrealized gain on derivative transactions and trade accounts receivable.

c2) Financial liabilities: These are classified in the categories below according to the nature of financial instruments contracted or issued:

c2.1) Financial liabilities measured at fair value through profit or loss:

These include financial liabilities usually traded before maturity, liabilities stated upon initial recognition at fair value through profit and loss and derivatives, excepting those classified as hedging instruments. These are measured at fair value at each balance sheet date. Interest, monetary variation, foreign exchange gains/losses and fluctuations arising from measurement at fair value, as applicable, are recognized in the profit or loss, as incurred

4. Summary of significant accounting practices-- Continued

c2.2) Financial liabilities not measured at fair value:

Non derivative financial liabilities not usually traded before maturity. They are initially measured at amortized cost using the effective interest rate method. Interest, monetary variation and foreign exchange gains/loss, when applicable, are recognized in profit or loss, as incurred.

The main financial liabilities recognized by the Company are: trade accounts payable, unrealized losses on derivative transactions and loans and financing.

c3) Market value: The market value of financial instruments traded in an active market such as a recognized stock exchange is determined based on the amounts quoted in the market at the balance sheet date. If an active market does not exist, the market value is determined through valuation techniques. These techniques include use of recent market transactions between independent parties, discounted cash flow analysis or other valuation methods.

c4) Hedging instruments: derivative financial instruments used to hedge risk exposures or change the characteristics of underlying financial assets and liabilities, firm commitments not recognized, highly probable transactions, or net investments in foreign transactions, and that: (i) have high correlation with the changes in their market value in relation to the market value of the hedged item, both at inception and over the life of the contract (effectiveness between 80% and 125%); (ii) have documentary identification of the transaction, of the hedged risk, of the risk management process, and of the hedge effectiveness methodology used; and, (iii) are considered effective at reducing risk associated with the exposure being hedged, are classified and accounted for as hedging instruments according to their nature:

- *Fair value hedge* – These are derivative financial instruments used to offset risks arising from exposure to changes in the fair value of the hedged item. The hedged items and underlying derivative financial instruments are recorded against the relevant income or expense account, in the statement of income for the period;

4. Summary of significant accounting practices-- Continued

- *Cash flow hedge* – These are derivative financial instruments used to offset change in the entity's estimated future cash flow. The hedged items and underlying derivative financial instruments are accounted for as follows: (i) the effective portion of gain or loss on the hedging instrument is recognized under the heading "Equity adjustments" in shareholders' equity; and (ii) the non-effective portion of gain or loss on the hedging instrument is directly

- *Foreign investment hedge* – These are derivative financial instruments used to offset the effects of foreign exchange rate changes upon currency translation of quarterly information regarding foreign investments. The hedged items and underlying derivative financial instruments are accounted for as follows: (i) the effective portion of gain or loss on the hedging instrument is recognized under the heading "Equity adjustments" in shareholders' equity; and the non-effective portion of gain or loss on the hedging instrument is directly charged to the net income for the period.

For the periods ended June 30, 2010 and 2009, the Company and its subsidiaries had only cash flow hedge transactions.

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, available bank deposits and short-term investments redeemable within 90 days of the quarterly information, with high liquidity, readily convertible into a known cash amount, and subject to insignificant risk of change in value.

e) Allowance for doubtful accounts

The Company and its subsidiaries do not present amounts requiring setting up of allowance for doubtful accounts once there are no expected losses on accounts receivable.

f) Inventories

Inventories of agricultural products are measured at production cost.
Inventories of seeds, manure, fertilizers, pesticides, fuel, lubricants, stored and sundry materials were valued at average acquisition cost.
Provisions for slow-moving or obsolete inventories are set up when deemed necessary by management.
A provision for adjustment of agricultural products to market value is set up when the production cost exceeds realization value. Realization value is the estimated selling price in the normal course of activities, less estimated costs necessary for sale of the products.

4. Summary of significant accounting practices-- Continued

g) Growing crops

These are stated at cost incurred through the balance sheet date, and represent crop formation in the related fiscal years. A provision for inventory adjustment is set up at market value, when production cost is greater than realization value.

h) Investments

Investments in subsidiaries are valued at the equity accounting method. Other investments are stated at acquisition cost and adjusted to market value, as applicable.

i) Property, plant and equipment

Property, plant and equipment are stated at acquisition, buildup or construction cost. Depreciation is calculated on the straight-line basis at the rates mentioned in Note 11 and takes into consideration the estimated useful life of the assets.

j) Intangible assets

Intangible assets basically comprise licenses for use of software acquired from third parties, in the phase of implementation, and are initially measured at cost of acquisition, subsequently deducting accumulated amortization. Amortization is calculated by the straight line method based on estimated useful life. Book value of intangible assets is submitted to impairment testing when events or changes in circumstances indicate that the book value may not be recovered.

k) Liabilities

Liabilities are recognized in the balance sheet when the Company has a legal or constructive obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits. Due to uncertainty with respect to the timing and amount of the outflow of economic benefits required for settlement, certain liabilities are estimated as incurred and recorded as a provision. Provisions are recorded reflecting the best estimates of the risk involved.

l) Taxation

Sales revenues are subject to the following taxes and mandatory contributions, at the following statutory tax rates:

	Rate
State VAT (ICMS)	0% to 17.00%
Social Contribution Tax on Gross Revenue for Social Security Financing (COFINS)	7.60%
Social Contribution Tax on Gross Revenue for Social Integration Program (PIS)	1.65%
Rural Workers' Assistance Fund Tax (Funrural)	2.85%

4. Summary of significant accounting practices-- Continued

These expenses are stated as sales deductions in the statement of income. Credits deriving from non-cumulative PIS/COFINS are recorded as a deduction from the cost of sales in the statement of income.

Income taxes comprise both income and social contribution taxes. Income tax is calculated at a rate of 15%, plus a surtax of 10% on taxable profit exceeding R$ 240 over 12 months, whereas social contribution tax is computed at a rate of 9% on taxable profit, both recognized on an accrual basis; therefore additions to book income deriving from temporarily non-deductible expenses or exclusions from temporarily non-taxable income upon determination of current taxable profit generate deferred tax assets or liabilities.

m) Cost subsidies

The Governments of Mato Grosso do Sul and Mato Grosso states, through Decrees No. 9542/99 and No. 1261/00, respectively, granted incentives allowing deferral of ICMS debits through inclusion of Fazenda Planalto under the Fundersul Program (Fund for the Development of the Road System of Mato Grosso do Sul state) and the inclusion of Fazenda Planorte and Fazenda Paiaguás under the FETHAB Program (Fund for Transportation and Housing).

The Governments of Mato Grosso do Sul, Mato Grosso and Goiás states, through Decree No. 9716/99, Decree No 1589/97 and state Law No. 13506/99, granted ICMS matching credits for cotton-feather operations, with reduction of ICMS payable by 50% to 75% through inclusion of Fazenda Planalto under the PDAGRO Program (Mato Grosso do Sul), of Fazenda Planorte and Fazenda Paiaguás under the PROALMAT Program (Mato Grosso) and Fazenda Pamplona under the PROALGO Program (Goiás). ICMS matching credits are recorded in the statement of income in the deductions-taxes and mandatory contributions account as a contra entry to recoverable taxes.

The Amazon Development Department – SUDAM (current Amazon Development Agency – ADA), through Declaratory Statute DCI/DAI/SUDAM No. 025/2000, granted IRPJ tax incentive to Parnaíba and Planorte farms, involving IRPJ and non-refundable surtax reduction by 75% on profit from tax incentive operations with cotton and whole cottonseed, up to the production limit provided for by the Declaratory Statute. The tax incentive amounts arrived at are recorded in IRPJ payable, the contra entry being to taxes payable – current in the statement of operations.

n) Share-based payment

The Company has a stock option plan for Company's directors and managers, administered by a steering committee set up by the Board of Directors. In the six-month period ending June 30, 2010/2009 the Company measured and recognized these benefits as expenses, in accordance with CPC 10.

4. Summary of significant accounting practices-- Continued

o) Accounting estimates

These are used in the measurement and recognition of certain assets and liabilities in the quarterly information of the Company and its subsidiaries. These estimates take into consideration experience from past and current events, assumptions in respect of future events, and other objective and subjective factors. Significant items subject to such estimates include selection of useful lives of property, plant and equipment and intangible assets; allowance for doubtful accounts; provision for inventory losses; analysis of recoverability of property, plant and equipment and intangible assets; deferred income and social contribution taxes; provision for contingencies; fair value measurement of share-based payments and financial instruments; and recognition considerations. Settlement of transactions involving these estimates may result in amounts significantly different from those recorded in the quarterly information due to the uncertainties inherent in the estimate process. The Company reviews its estimates and assumptions at least on a quarterly basis.

5. Cash and cash equivalents

Type	Yield	Company		Consolidated	
		06/30/2010	03/31/2010	06/30/2010	03/31/2010
Cash	-	**134**	354	**309**	711
Securities for negotiation:					
Bank Deposit Certificates – Interbank Deposits (CDB–DI)	100.35% of CDI*	**22,075**	59,537	**28,981**	73,818
Repurchase and resale agreements	101.55 of CDI*	**74,128**	84,884	**125,451**	108,645
Other investments	-	**254**	250	**373**	367
		96,457	144,671	**154,805**	182,830
		96,591	145,025	**155,114**	183,541

* Average yield as of June 30, 2010

Short-term investments are represented by Bank Deposit Certificates (CDB) and repurchase and resale agreements (debentures) at market prices and rates, restated at interest earned through to June 30, 2010, not exceeding the trading value.

6. Trade accounts receivable

	Company		Consolidated	
	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Domestic market	**4,166**	18,454	**10,409**	35,448
Foreign market	**2,885**	5,301	**5,782**	12,669
Total	**7,051**	23,755	**16,191**	48,117

At June 30, 2010 and March 31, 2010, the Company and its subsidiaries had no overdue notes receivable.

7. Inventories

	Company		Consolidated	
	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Agricultural products	**1,080**	20,827	**9,748**	47,735
Seeds, manure, fertilizers and pesticides	**42,430**	34,736	**76,460**	51,260
Advances to suppliers	**16,771**	27,133	**21,502**	49,882
Other inventories	**7,521**	5,526	**10,542**	7,144
Provision for market value adjustment	**(8)**	(1,828)	**(229)**	(2,299)
	67,794	86,394	**118,023**	153,722

8. Growing crops

	Company		Consolidated	
	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Soybean	**42,213**	67,409	**47,171**	94,585
Cotton	**147,679**	111,994	**203,511**	156,275
Corn	**28,665**	21,855	**42,766**	35,023
Coffee	**6,011**	4,718	**6,010**	4,718
Other crops	**1,994**	919	**1,994**	919
Provision for market value adjustment	**(11,067)**	(11,373)	**(12,974)**	(11,850)
	215,495	195,522	**288,478**	279,670

Growing crops are substantially represented by costs incurred with crop formation, such as: seeds, fertilizers, pesticides, depreciation and labor used in the crops.

8. Growing crops - Continued

Crops of soybean, corn and cotton are usually as follows:

		Crops		
Farm/Unit	Location	Soybean	Cotton	Corn
Fazenda Planalto	Costa Rica-MS	Oct 1 a March 20	Dec 5 to Aug 15	Jan 25 to Jul 10
Fazenda Paiaguás	Diamantino-MT	Sep 20 to Mar 15	Dec 10to Aug 15	Jan 25 to Jul 10
Fazenda Planorte	Sapezal-MT	Sep 20 to Mar 10	Dec 26 to Aug 15	Jan 25 to Jul 10
Fazenda Pamplona	Cristalina-GO	Oct 25 to Apr 15	Oct 25 to Aug 15	Oct 20 to Apr 30
Fazenda Parnaíba	Tasso Fragoso-MA	Oct 25 to Apr 05	Dec 15 to Aug 10	Dec 1 to May 15
Fazenda Planeste	Balsas-MA	Oct 15 to Mar 30	Dec 20 to Aug 15	Feb 1 to Jul 20
Fazenda Palmeira	Buriti-MA	Jan 20 to Jun 5	N/A	Jan 20 to Jun 10
Fazenda Panorana	Correntina-BA	Nov 1 to Apr 25	Nov 20 to Aug 10	Nov 1 to Apr 1
Fazenda Piratini	Jaborandi-BA	Nov 1 to Apr 25	Dec 15 to Aug 15	N/A
Fazenda Palmares	Barreiras-BA	Nov 1 to Apr 25	Nov 20 to Aug 10	Nov 1 to Apr 1

9. Recoverable taxes

	Company		Consolidated	
	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Income tax	**11,990**	11,762	**18,037**	17,391
Social contribution tax	**14**	12	**1,839**	1,696
ICMS	**16,374**	16,192	**21,901**	21,346
COFINS	**3,090**	3,192	**8,888**	8,571
PIS	**531**	536	**2,136**	2,050
Withholding Income Tax (IRRF)	**1,390**	356	**1,749**	481
Other	**48**	48	**108**	61
	33,437	32,098	**54,658**	51,596
(-) Current assets	**(29,317)**	(27,448)	**(49,002)**	(45,221)
Noncurrent assets	**4,120**	4,650	**5,656**	6,375

Income and social contribution taxes

These refer to income and social contribution tax prepayments that are realized through offset against federal taxes and contributions due.

ICMS, PIS and Cofins to be offset / recoverable

These refer to credits generated in the normal course of operations of the Company and its subsidiaries, which may be offset against taxes of the same nature. The Company's management expects that the balances as of June 30,2010 will be realized with no significant losses.

Recoverable IRRF

This refers to withholding income tax on short-term investments. These credits are realizable through offset against federal taxes and mandatory contributions due.

10. Investments

	Company		Consolidated	
	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Investments in subsidiaries	**402,624**	399,661	**-**	-
Other investments	**99**	99	**292**	292
	402,723	399,760	**292**	292

10. Investments - Continued

The significant investments in subsidiaries companies, valued by the equity accounting method, are shown in the table below:

	Fazenda Parnaíba S.A.	Fazenda Planorte S.A.	Fazenda Paiaguás S.A.	SLC Empreendimentos e Agricultura Ltda (1) and (4)	06/30/2010	03/31/2010
Capital	45,650	57,050	40,010	215,474		
Shareholders' equity	57,086	94,059	77,104	223,397		
Net income (loss) for the year	(1,272)	(3,456)	2,328	5,540		
Number of shares/units of interest						
Common shares (thousand)	5,353	11,506	44,517	-		
Units of interest	-	-	-	1		
Equity interest percentage (%)	100%	100%	100%	85,81%		
Opening balances – initial recognition	58,767	97,254	74,498	178,318	**408,837**	385,871
Unrealized gains on hedging instruments	(409)	-	-	-	**(409)**	(850)
Unearned gains with hedge instruments	-	261	278	-	**539**	-
Equity pickup	(1,272)	(3,456)	2,328	5,233	**2,833**	23,816
Dividends received -	-	-	-	-	**-**	-
Equity value – ending balances	57,086	94,059	77,104	183,531	**411,800**	408,837
Goodwill (2)	-	-	12,980	-	**12,980**	12,980
Discount (3)	(22,156)	-	-	-	**(22,156)**	(22,156)
Ending balances	34,930	94,059	90,084	183,551	**402,624**	399,661

(1) Shareholders' equity was adjusted for R$9,499, whilst net income was adjusted for R$556, regarding intercompany unrealized results, net of tax effects.

(2) Goodwill paid on acquisition of Fazenda Paiaguás on July 20, 2000 whose economic nature was attributed to plus-value of land for plantation. Its amortization will take place only upon disposal or impairment.

(3) Negative goodwill on acquisition of shares of subsidiary Fazenda Parnaíba S.A. from third parties during 2007 and 2008. For consolidation purposes, it is presented as non-current liabilities.

(4) The Company controls 100% of SLC Empreendimentos e Agricultura Ltda. through subsidiary Fazenda Paiaguás S.A.

11. Property, plant and equipment

Company

	Average annual depreciation rate	06/30/2010			03/31/2010
		Cost	Accumulated depreciation	Net	Net
Arable land	-	186	-	**186**	186
Soil development	20%	129,790	53,321	**76,469**	78,755
Buildings and improvements	4%	60,422	6,703	**53,719**	43,918
Furniture and fixtures	10%	3,164	897	**2,267**	2,189
Office equipment and facilities	20%	2,990	1,603	**1,387**	1,130
Agricultural equipment and industrial facilities	12%	179,773	68,933	**110,840**	116,348
Vehicles	26%	10,564	6,151	**4,413**	4,531
Permanent crops	9%	6,195	1,793	**4,402**	4,616
Advances to suppliers	-	5,771	-	**5,771**	3,038
Work and refurbishments in progress	-	21,882	-	**21,882**	24,390
		420,737	139,401	**281,336**	279,101

Consolidated

	Average annual depreciation rate	06/30/2010			03/31/2010
		Cost	Accumulated depreciation	Net	Net
Arable land	-	367,931	-	**367,931**	367,931
Goodwill – Land appreciation	-	12,980	-	**12,980**	12,980
Soil development	20%	196,714	90,687	**106,027**	109,473
Plots	-	42	-	**42**	42
Buildings and improvements	10%	112,729	24,152	**88,577**	79,381
Furniture and fixtures	10%	4,228	1,423	**2,805**	2,683
Office equipment and facilities	20%	4,010	2,271	**1,739**	1,538
Agricultural equipment and industrial facilities	12%	311,384	127,482	**183,902**	191,514
Vehicles	26%	15,752	9,473	**6,279**	6,330
Permanent crops	9%	10,472	4,202	**6,270**	6,566
Advances to suppliers	-	13,580	-	**13,580**	8,260
Work and refurbishments in progress	-	27,070	-	**27,070**	29,475
		1,076,892	259,690	**817,202**	816,173

At June 30, 2010, work and construction in progress for R$27,070 (consolidated) were substantially represented by construction and refurbishment of storage units for R$17.988 in Fazenda Pamplona, Fazenda Palmares and Fazenda Planorte, construction of a shed for agrochemicals worth R$233 in Fazendas Panorama and Planorte, infrastructure work (improvements and construction of roads, etc.) for R$1,518, renovation of the irrigation system (catchment pond and pivots) for R$1,323, improvements to the cotton producer building for R$682 in Fazenda Palmares and improvements (decontamination track) for R$234, all expected to be completed within the next 12 months.

12. Balances and transactions with related parties

a) Balances of transactions with related parties

	Fazenda Planorte S.A.	Fazenda Parnaíba S.A.	Fazenda Paiaguás S.A.	SLC Empreendimentos e Agricultura Ltda.	Ferramentas Gerais Com. Imp. S.A.	Total 06/30/2010	Total 03/31/2010
ASSETS:							
Current:							
Receivables from subsidiaries	478	97	168	59	2	**804**	834
Noncurrent:							
Receivables from subsidiaries	14	-	-	-	-	**14**	2,699
Advances to future capital increase	-	-	-	15,175	-	**15,175**	12,836
						15,189	15,535
LIABILITIES:							
Current:							
Payables to subsidiaries (intercompany)	-	1	195	-	6	**202**	148
Lease transaction payable	-	-	-	13,006	-	**13,006**	8,133
						13,208	8,276
SALES INCOME							
Goods	-	31	234	-	-	**265**	265
COST OF PRODUCTS:							
Lease transactions	-	-	-	7,923	-	**7,923**	3,305
PURCHASES:							
Goods	246	83	-	-	-	**329**	306
FINANCIAL INCOME							
Interest	3	5	69	-	-	**77**	63
FINANCIAL EXPENSES							
Interest	-	14	4	-	-	**18**	12

12. Balances and transactions with related parties-- continued

a) Balances of transactions with related parties-- continued

The Company and its subsidiaries have loan agreements represented by current accounts, indexed to 99% of the CDI-OVER rate nominal variation, maturing in indeterminate periods.

b) Lease agreement

The Company has a rural lease agreement entered into on January 1, 2007, with subsidiary SLC Empreendimentos e Agricultura Ltda., effective for a period of 10 years maturing on December 31, 2016, which may be reviewed at any time in the event market changes take place that render it unfeasible to achieve balance and encumber excessively any of the parties thereto.

This agreement provides for the delivery of land, facilities and other assets by the lessor that allows the lessee to perform its agricultural activities by planting cotton, soybean, corn, sorghum, coffee and pea, in consideration for an amount in the form of lease payments. At June 30, 2010, the lease amount is as follows:

	Total hectares leased	Annual leasing amount (a)	Soybean sack quotation in the region (b)	R$
Fazenda Planalto	13,157.78	11.0	33.70	**4,878**
Fazenda Pamplona	12,619.85	10.5	34.50	**4,572**
Fazenda Planeste	12,831.30	7.0	32,20	**2,892**
Fazenda Palmeira	4,515.,00	5.0	37.00	**835**
Fazenda Panorama	6,570.00	8.0	32.50	**1,708**
Fazenda Paiaguás	24,247.79	8.5	30.50	**6,286**
Fazenda Piratini (c)	3,000.00	-	31.50	**-**
Fazenda Palmares	6,205.00	9.0	32.50	**1,815**
				22,986

(a) Equivalent in soybean sacks per hectare arable per crop year.
(b) Average price per soybean sack prevailing in the region of each farm, obtained as of June 30, 2010, in reais.
(c) As contractually provided for, leasing costs will be incurred as from crop year 2011/2012.

The leasing price will be paid annually based on the over-the-counter (OTC) price of the soybean sack for each region on the payment date, to be established by the lessor at least 15 days before maturity, with no provision for agreement resetting.

12. Balances and transactions with related parties - Continued

c) Management fees

The Company considers that senior management comprises non-remunerated board members, remunerated independent board members and executive board members (statutory and non-statutory).

Management members receive management fees paid through payroll. Management fees, including bonus and other benefits, are stated in a specific statement of operations account, as under:

	Company and consolidated	
	06/30/2010	**06/30/2010**
Fees	**1,010**	734
Bonus	**-**	561
Share option plan – Appropriated in the period	**878**	1,073
Share option plan – Reversed in the period	**(584)**	-
	1,304	2,368

* Refers to cancelation of 143,000 shares of Mr. Laurence Beltrão Gomes, as provided for in the Share Option Plans of 2007, 2008 and 2009.

The Company does not offer post-employment, labor contract termination or other long-term benefits to its management.

13. Loans and financing

		Average annual interest rates (%)		Company		Consolidated	
	Index	**06/30/2010**	**03/31/2010**	**06/30/2010**	**03/31/2010**	**06/30/2010**	**03/31/2010**
Used in property, plant and equipment							
Finame – BNDES	Prefixed and TJLP*	6.79%	7.33%	**30,822**	24,663	**50,963**	43,569
Constitutional Funds**	-	7.34%	7.34%	**149,131**	143,271	**190,626**	186,623
Used in working capital							
Rural credit	-	7.48%	6.75%	**23,982**	52,681	**117,817**	140,730
Constitutional Funds **	-	8.17%	8.29%	**13,610**	23,814	**18,328**	28,435
		7.10%	7.10%	**-**	-	**27,887**	23,943
Working capital - NCE	-	11.70%	11.72%	**33,284**	48,576	**33,284**	48,576
Foreign loans	US$, Libor + Prefixed	2.40%	2.40%	**73,116**	72,179	**73,116**	72,180
				323,945	365,184	**512,021**	544,056
(-) Current liabilities				**(169,754)**	(195,052)	**(282,661)**	(314,936)
Noncurrent liabilities				**154,191**	170,132	**229,360**	229,120

*Long-Term Interest Rate (TJLP)
**Calculation of Constitutional Funds average cost considers a 15% discount relating to non-default bonus applied to these operations.

Finame – BNDES – Guaranteed by a statutory lien and pledges on financed assets by SLC Agrícola S.A. or SLC Participações S.A.. Amounts are amortized on a monthly, semiannual or annual basis, with maturity dates between July 15, 2010 and March 15, 2016.

13. Loans and financing - Continued

Constitutional Funds – Guaranteed by sureties by SLC Agrícola S.A. or SLC Participações S.A. and, in some operations, by pledge and mortgage on land. Amounts are amortized annually, with maturities between July 1, 2010 and June 1, 2016.

Rural Savings – Guaranteed by sureties by the Company and/or SLC Participações S.A. Final maturity is scheduled for September 28, 2010.

Rural Credit – Guaranteed by sureties by SLC Agrícola S.A. or SLC Participações S.A., and, in some transactions, by pledge on the crops. Amortization takes place on a monthly basis, with maturities between July 12, 2010 and September 29, 2011.

Foreign loans – loans taken out from IFC – International Finance Corporation, with final maturity on 01/15/2018, are guaranteed by subsidiaries and mortgage of Fazenda Paiaguás S.A. The contract establishes that certain covenants shall be fulfilled e.g. current liquidity, indebtedness on Ebitda and shareholders' equity and limit of annual repayment of debt in relation to the operating cash generation. In the current quarter, similarly to the prior one, the Company has a mismatched indebtedness ratio on Ebitda. For the moment, the other offsets addressed by the contract will not be required, in case the Company does not fulfill the covenants preset in the contract. Beginning the next quarter, the interest rate will be increased to 1.5% p.a., until it resumes again the match set in the contract.

Working Capital – NCE – Funds taken out through Export Credit Bill (NCE) to finance 2009/10 harvest trading, with a 24- and 12-month grace period. These are collaterally signed by the Company or SLC Participações S.A. They are amortized on a monthly basis, maturing between August 17, 2010 and July 18, 2011.

The aging list of long-term loans and financing is as follows:

	Company		Consolidated	
Maturity	**06/30/2010**	**03/31/2010**	**06/30/2010**	**03/31/2010**
2011	**18,805**	38,619	**52,168**	60,257
2012	**34,157**	32,353	**47,958**	44,931
2013	**30,635**	28,832	**43,552**	40,531
2014	**24,732**	25,862	**33,499**	34,716
2015	**22,064**	20,522	**27,305**	24,733
After 2015	**24,158**	23,944	**24,878**	23,952
	154,191	170,132	**229,360**	229,120

14. Provision for contingencies

At June 30, 2010 the Company recorded a provision for labor contingencies for R$593 (R$853 consolidated), R$863 at March 31, 2010 (R$1,156 consolidated), which relate to legal suits filed by former employees whose likelihood of loss was rated as probable by our legal advisors. The provision for contingencies is recorded in other debts, under current liabilities. The Company recorded R$2,588 (R$2,992 consolidated), R$2,568 at March 31, 2010 (R$3,190 consolidated), relating to labor suits whose loss was rated as possible by our legal advisors, thus no provision was recorded for these suits.

The Company recorded at June 30, 2010 a provision for tax contingencies for R$160 (company and consolidated) (the same amount at March 31, 2010), as a burden of defeat in the suit filed against the Federal Government to seek the right to consider the BTNF value adjusted in accordance with the IPC variation throughout 1990, for monetary adjustment of its quarterly information for the base period 1990, whose likelihood of loss is probable, according to the legal advisors. The Company made a judicial deposit for the tax amount.

The Company has yet identified the existence of environmental claims whose likelihood of an unfavorable outcome was rated as possible by its legal advisors in the amount of R$2,245. Such proceedings relate to claims filed by The Brazilian Institute of the Environment and Natural Renewable Resources (IBAMA) and by Environment Military Police, Cassilândia City, Mato Grosso do Sul State(MS).The Company respects and seeks to comply with all environmental matters, whether statutory or not, and makes respect for the environment, employees and other stakeholders one of the key commitments to the Company's work, combining the use of cutting-edge agricultural techniques with the adoption of sustainability-oriented practices. The proportion of such actions is greater than simply complying with legislation, and reinforced by the current implementation process of an Integrated Management System (SGI), pursuant to standards ISO 14001:2004

Environmental Management Occupational Safety and Health Management and Social Responsibility Management.

In accordance with applicable legislation in Brazil, the federal, state and municipal taxes as well as social security contributions are subject to review by tax authorities for periods varying from 5 to 30 years.

15. Deferred income and social contribution taxes

Deferred income and social contribution taxes were recognized as follows:

Company

Description	06/30/2010 Income Tax	06/30/2010 Social Contribution Tax	06/30/2010 Total	03/31/2010 Total
Assets:				
Temporary differences:				
Taxes on activities not entitled to tax benefits	138	-	**138**	138
Provision for inventory adjustment to market value	2,769	997	**3,766**	4,488
Derivative transactions	5,102	1,837	**6,939**	6,771
Labor provisions	148	53	**201**	294
Other	273	98	**371**	99
Income and social contribution tax losses	37,531	13,730	**51,261**	47,613
	45,961	16,715	**62,676**	59,403
(-) Total current assets			**(15,630)**	(16,156)
Noncurrent assets			**47,046**	43,247
Liabilities:				
Incentive depreciation for rural activities**	32,217	11,598	**43,815**	42,503
Deferred capital gain	1,071	-	**1,071**	1,277
Operations with derivatives	5,572	2,006	**7,578**	6,887
	38,860	13,604	**52,464**	50,667
(-) Total current liabilities			**(14,967)**	(14,113)
Noncurrent liabilities			**37,497**	36,554

Consolidated

Description	06/30/2010 Income Tax	06/30/2010 Social Contribution Tax	06/30/2010 Total	03/31/2010 Total
Assets				
Temporary differences:				
Taxes on activities not entitled to tax benefits	138	-	**138**	138
Provision for inventory adjustment to market value	3,300	1,189	**4,489**	4,810
Derivative transactions	12,145	3,790	**15,935**	16,820
Labor provisions	214	77	**291**	393
Other	1,584	153	**1,737**	1,444
Income and social contribution tax losses	38,807	14,772	**53,579**	48,437
	56,188	19,981	**76,169**	72,042
(-) Total current assets			**(19,462)**	(18,689)
Noncurrent assets			**56,707**	53,353
Liabilities:				
Incentive depreciation for rural activities	57,155	20,418	**77,573**	76,037
Deferred capital gain	1,071	-	**1,071**	1,277
Deferred foreign exchange variation	69	25	**94**	252
Operations with derivatives	6,367	2,292	**8,659**	7,766
	64,662	22,735	**87,397**	85,332
(-) Total current liabilities			**(20,380)**	(19,823)
Noncurrent liabilities			**67,017**	65,509

* Companies involved in rural activities are granted the accelerated depreciation tax benefit for assets acquired for use in the operating activities.

15. Deferred income and social contribution taxes-- continued

Under CVM Rule No. 371/02, the Company and its subsidiaries, based on expected generation of future taxable profits, determined in a technical study approved by management, recognized tax credits on income and social contribution tax losses and temporary differences, which may be carried indefinitely. The book value of deferred tax assets is reviewed annually by the Company and the resulting adjustments have not been significant in relation to the initial management forecast. The technical study takes into consideration investments and the 75% income tax reduction incentive on profit from tax incentive operations of the farms located in regions benefitting from the incentives.

Based on expected generation of future taxable income, Company estimates recover tax credits as follows:

	Company		Consolidated	
	06/30/2010	**03/31/2010**	**06/30/2010**	**03/31/2010**
2010	**15,630**	16,156	**19,462**	18,689
2011	**39,992**	39,992	**50,111**	50,111
2012	**7,054**	3,255	**6,596**	3,242
	62,676	59,403	**76,169**	72,042

The expected recovery of the tax credits is based on the projections of future taxable profit, taking into consideration various business and financial assumptions. Accordingly, these estimates may not materialize in the future due to the underlying uncertainties involved.

Reconciliation of tax expenses at official rates

Income tax (IR) and social contribution tax (CS) calculated at their nominal rates are reconciled to the amount recorded as income and social contribution tax expenses, as follows:

	Company			
	06/30/2010		**06/30/2009**	
	IR	**CS**	**IR**	**CS**
Income before taxation	**19,420**	**19,420**	47,125	47,125
Income and social contribution taxes at nominal rate of 25% and 9%, respectively	**(4,855)**	**(1,748)**	(11,781)	(4,241)
Adjustments to reflect the effective rate				
Equity pickup and equity loss	**6,662**	**2,398**	7,228	2,404
Permanent additions	**(261)**	**(94)**	(551)	(3)
Other	**-**	**-**	22	-
Amount posted to P&L	**1,546**	**556**	(5,082)	1,840
Total income and social contribution taxes	2,102		(6,922)	
Income and social contribution taxes – current	-		(412)	
Income and social contribution taxes – deferred	2,102		(6,510)	
Effective rate	(11%)		15%	

15. Deferred income and social contribution taxes-- continued

	Consolidated			
	06/30/2010		03/31/2010	
	IR	CS	IR	CS
Income before taxation	**27,461**	**27,461**	30,135	30,135
Income and social contribution taxes at nominal rate of 25% and 9%, respectively	**(6,866)**	**(2,472)**	(7,534)	(2,712)
Adjustments to reflect the effective rate				
Permanent exclusions	**1,823**	**615**	1,934	648
Permanent additions	**(295)**	**(106)**	(573)	(207)
Subsidiaries' tax incentives	**299**	**-**	501	-
Other	**176**	**56**	88	25
Amount posted to P&L	**(4,863)**	**(1,907)**	(5,584)	(2,246)
Total income and social contribution taxes	**6,770**		(7,830)	
Income and social contribution taxes – current	**(5,710)**		(6,270)	
Income and social contribution taxes – deferred	**(1,060)**		(1,560)	
Effective rate	**25%**		26%	

Reconciliation of changes in deferred income and social contribution taxes

Changes in income and social contribution taxes recorded in balance sheet account, consolidated, are as follows:

	12/31/2009	06/30/2010	Changes
Deferred assets	71,589	76,169	4,580
Deferred liabilities	(80,006)	(87,397)	(7,391)
			(2,811)
Fair value of gains recorded in shareholders' equity (Note 17h)			2,928
Reversal of taxes recorded in shareholders' equity (Note 17h)			(1,468)
Unearned income - inventories			291
Deferred taxes recorded in P&L for the year			(1,060)

16. Notes payable - Consolidated

	06/30/2010	03/31/2010
Agropecuária Vale do Juruena Ltda. and Other (a)	**44,500**	41,795
Agropecuária Veloso de Araujo Ltda. and Other (b)	**8,716**	10,063
Solo Sagrado Colonizadora e Negócios Ltda.(c)	**9,210**	9,713
Espolio de Francisco Veloso de Araujo (d)	**4,539**	4,399
Jaques Valori Lima (e)	**2,594**	3,829
Other	**8,592**	10,738
	78,151	80,537
(-) Current portion	**(41,216)**	(36,493)
Noncurrent portion	**36,935**	44,044

Breakdown of balances at June 30, 2010 is as follows:

(a) Corresponds to purchase of 10,635 hectares of plantation land in the municipality of Campos de Julio, Mato Grosso State, adjacent to plantation land of subsidiary Fazenda Planorte S.A., for the amount of R$82,950, equivalent to 2,370 thousand soybean bags. The balance at June 30, 2010 refers to 5 remaining installments of R$44,500, equivalent to 1,550 thousand soybean bags, restated by soybean bag variation, and the next installments mature annually from May 2010 to May 2014.

16. Notes payable – Consolidated- continued

(b) Corresponds to purchase of 3,406.62 hectares of plantation land in the municipality of Tasso Fragoso, Maranhão State, adjacent to plantation land of subsidiary Fazenda Parnaíba S.A., for R$14.000, equivalent to 350 thousand soybean bags. The balance at June 30, 2010, in the amount of R$8,716, refers to 15 remaining annual installments, maturing from May 2009 to May 2022, the first equivalent to 47,564 soybean bags, was postponed at creditor's discretion and the other installments equivalent to 20 thousand soybean bags each, totaling 327,564 soybean bags.

(c) Corresponds to purchase of 26,598 hectares of plantation land in the municipality of Santa Filomena, Piauí State, named Fazenda Parnaguá, by subsidiary SLC Empreendimentos e Agricultura Ltda., for R$34,969. The balance at June 30, 2010, in the amount of R$9,210, refers to R$6,251 payable upon deed transfer to the Company and R$2,959, equivalent to 101,539 soybean bags, payable in May 2010.

(d) Corresponds to purchase of 1,237.74 hectares of plantation land in the municipality of Tasso Fragoso, Maranhão State, adjacent to plantation land of subsidiary Fazenda Parnaíba S.A., for R$4,800, equivalent to 137,142 soybean bags. The balance at June 30, 2010, in the amount of R$4,539, refers to: R$2,650 payable upon deed transfer to the Company; and 4 remaining annual installments, maturing from July 2010 to May 2013, equivalent to 12 thousand soybean bags each, totaling 60 thousand soybean bags.

(e) Corresponds to purchase of 2,718 hectares of plantation land in the municipality of Correntina, Bahia State, denominated Fazenda Panorama, by subsidiary SLC Empreendimentos e Agricultura Ltda., in the amount of R$8,857, equivalent to US$4,447. The balance of R$2,594 at June 30, 2010, equivalent to US$1,440, restated by reference to US dollar variation, will be paid in 2 annual installments maturing as from May 31, 2011.

17. Shareholders' equity

a) Capital

At June 30, 2010, subscribed capital amounting to R$557,434 is represented by 98,897,500 common registered shares, without par value, held as follows:

	Number of shares	
Shareholder	**06/30/2010**	**03/31/2010**
SLC Participações S.A.	**28,948,584**	28,948,584
Evaux Participações S.A.	**21,520,787**	21,520,787
Board of Directors	**5**	5
Treasury shares	**1,276,000**	1,276,000
Other	**47,152,124**	47,152,124
Total shares of paid-in capital	**98,897,500**	98,897,500
(-)Treasury shares	**(1,276,000)**	(1,276,000)
Total shares – ex-treasury	**97,621,500**	97,621,500

b) Capital reserve – premium on issue of shares

The balance at June 30, 2010, in the amount of R$175,467 corresponds to goodwill received in public share offerings in June 2007 and June 2008, as well as goodwill on sale of treasury shares in June 2009 (R$13 and R$58, respectively), deducted from the cost of issue of these shares (commissions, fees and other expenses), net of tax effects, in conformity with CPC 10, in the amount of R$24,604.

c) Treasury Stock

Repurchase of stock occurred on the months of November and December of 2008 and January 2009 totalling 1,310,000 stocks, at the price of R$15,621, including the transactions costs.

On June 22, 2009 and March 24, 2010, 6,000 and 28,000 shares were disposed of, respectively, at the price of R$14.00, so that the shares referring to the first purchase option ("2007 Program") could be exercised, as approved at the Board of Directors' Meeting held on October 31, 2007. Said disposal represented a reduction in the treasury stock balance of R$406.
The treasury stock balance at June 30, 2010 totals R$15,215, represented by 1,276,000 shares (equal amount at March 31, 2010).

17. Shareholders' equity - continued

d) Legal reserve

The legal reserve is set based on 5% of net income for the year up to 20% of share capital. As provided for in the Articles of Incorporation, article 35, item a, in the year in which the legal reserve balance, plus the capital reserves addressed in paragraph 1, article 182 of the Corporation Law, exceeds 30% (thirty percent) of capital stock, the Company will not be required to allocate part of net income for the year to the legal reserve.

e) Expansion reserve

According to the articles of incorporation, an expansion reserve will be set up based on the remaining net income for the year after the deductions set forth by relevant legal requirements and articles of incorporation. This reserve is intended to be used for investments in operating assets, and cannot exceed share capital.

At December 31, 2009, allocation of the amount of R$21,243 to the Expansion Reserve was proposed and approval was granted at the Annual Shareholders' Meeting held on April 7, 2010.

f) Profit retention reserve

The balance at June 30, 2010 of R$5,628 refers to the remaining balance of accumulated earnings for year 2007, has been retained and recorded under profit retention reserve, to be applied for new investments established in capital budget, according to article 196 of Brazil's Corporation Law.

g) Dividends

The General Shareholders' Meeting held on April 7, 2010 approved dividends distribution in the total amount of R$7,081 (R$10,595 in 2009), equivalent to 25% of adjusted net income, corresponding to R$0.0726 per common share, considering total number of shares (98,897,500), less treasury stock (1,276,000), paid on April 15, 2010.

According to the articles of incorporation of the Company, mandatory dividends are established based on 25% of remaining net income for the year, after recognition of statutory reserves.

17. Shareholders' equity - continued

h) Equity valuation adjustments

Represents the effective portion of variation in the fair value of derivatives classified as cash flow hedge. The gain or loss related to the ineffective portion is immediately recognized in the statement of income as financial income or expense.

At June 30, 2010, the movement was as follows:

	Company	Consolidated
Balances at December 31, 2009	**11,924**	**12,017**
Unrealized fair value gains in the period	1,445	1,316
Income and social contribution taxes on fair value	(491)	(447)
Transfer to P&L	(1,538)	(2,100)
Income and social contribution taxes on transfers to P&L	523	714
Equity valuation adjustments at subsidiaries	(851)	-
Balances at March 31, 2010	**11,012**	**11,500**
Unrealized fair value gains for the period	5,444	7,296
Income tax and social contribution on fair value	(1,851)	(2,481)
Transfers to P&L	(1,222)	(2,217)
Income tax and social contribution on transfers to P&L	415	754
Equity valuation adjustment recorded by subsidiary	130	-
Balances at June 30, 2010	**13,928**	**14,852**

18. Financial income (expenses), net

	Company		Consolidated	
	06/30/2010	06/30/2009	06/30/2010	06/30/2009
Financial expenses:				
Interest payable	**13,598**	10,773	**19,778**	15,076
Foreign exchange variation	**10,730**	7,624	**13,488**	9,268
Monetary restatement	**788**	1,015	**7,308**	25,082
Loss on derivative transactions	**5,677**	20,792	**6,259**	62,436
Other	**342**	111	**673**	811
	31,135	40,315	**47,506**	112,673
Financial income:				
Short-term investment income	**5,792**	11,904	**7,992**	13,692
Foreign exchange variation	**7,411**	23,524	**9,767**	25,630
Monetary restatement	**86**	1,199	**18,458**	13,000
Gain on derivative transactions	**8,318**	18,544	**8,036**	42,460
Other	**1,690**	2,789	**1,873**	990
	23,297	57,960	**46,126**	95,772
	(7,838)	17,645	**(1,380)**	(16,901)

19. Commitments

19.1. Non-deliverable forwards contracts

The Company and its subsidiaries have entered into NDF contracts with some customers, as follows:

Company

Commodity	Delivery date	Volume	No. of Contracts	Unit	Unit price - US$
2009/2010 harvest					
Cotton lint	August 2010 to December 2010	31,150	10	Ton	$1,609.21
Cotton lint	August 2010 to March 2011	8,000	1	Ton	To be determined
Coffee	August 2010 to November 2010	5,090	7	Sack	$185.19
Cotton Seed	July 2010 to September 2010	68,950	21	Ton	$173.18
Corn	July 2010 to August 2010	336,669	10	Sack	$10.55
Soybean	July 2010 to August 2010	78,811	2	Sack	$18.60
2010/2011 harvest					
Cotton lint	August to February de 2012	34,500	7	Ton	$1,693.19
Cotton lint	August to February de 2011	5,000	1	Ton	To be determined

Consolidated

Commodity	Delivery date	Volume	No. of Contracts	Unit	Unit price - US$
2009/2010 harvest					
Cotton lint	August 2010 to December 2010	61,150	16	Ton	$1,609.21
Cotton lint	August 2010 to March 2011	8,000	1	Ton	To be determined
Coffee	August 2010 to October 2010	5,090	7	Sack	$185.19
Cotton Seed	July to September 2010	101,610	30	Ton	$160.11
Corn	July to September 2010	470,005	18	Sack	$9.80
Soybean	July to August 2010	82,171	3	Sack	$18.58
Soybean	July to August 2010	183,000	2	Sack	To be determined
2010/2011 harvest					
Cotton lint	August to February 2012	58,500	11	Ton	$1,693.19
Cotton lint	August to December 2011	8,000	3	Ton	To be determined

19. Commitments-- continued

19.2. Leased land agreements

At June 30, 2010, the Company and its subsidiaries have 70,685 hectares of leased land, distributed as follows:

Farm/Unit	Location	Total hectares leased	Maturity	Amounts (in soybean sacks/ hectare/year)	Type of Lease
Pamplona	Cristalina-GO	4,080	2011 to 2013	3 to 12	Operating
Planalto	Costa Rica-MS	1,657	2010 *	11	Operating
Planeste	Balsas-MA	10,878	2010 to 2023	1 to 8.3	Operating
Panorama	Correntina-BA	14,404	2015	8	Operating
Piratini	Jaborandi-BA	5,000	2021	- **	Operating
Palmares	Barreiras-BA	18,930	2015	9	Operating
Parnaíba	Tasso Fragoso-MA	10,174	2023	1	Operating
Planorte	Sapezal-MT	3,848	2013 to 2018	5.5 to 8.3	Operating
Paiaguás	Diamantino-MT	1,714	2010	6 to 8.5	Operating
Total		70,685			

* Renewed annually. This area has been leased by the Company since 1999.
** Leasing costs will be incurred beginning 2011/2012 crop year.

Future commitments under these lease agreements are set based on the average price per soybean sack prevailing in the region of each farm, as of their respective payment date.

In addition to plantation land leasing, the Company has operating leasing of cotton processing unit in Fazenda Palmares, in Barreiras-Bahia State, for R$1,500 per year, until 2015.

Minimum future payments of operating leasing of the Company are as under:

	Company	*Consolidated*
Payments within up to 1 year	***6,098***	***7,578***
Payments from 1 to 5 years	***37,766***	***45,524***
Payments within more than 5 years	***11,592***	***28,449***
Total minimum future leasing payments	***55,456***	***81,551***

Leasing contracts of the Company with third parties are indexed by soybean bag quotation in the region of each production unit. For this reason, minimum future amounts will be usually estimated in soybean bag quantity, converted into Reais using soybean quotation in each region, at balance sheet date. The amount of the above minimum payments is subject to significant variation until the moment of payment due to changes in soybean market value.

In relation to leasing agreements with third parties: (i) they do not contain contingent payment clauses; (ii) they do not have renewal or purchase option terms, except the agreement involving Fazenda Planalto, related to 1,657ha, which has annual renewal; (iii) our agreements are indexed to soybean bag variation, as referred to above, and there are no other escalation clauses; (iv) there are no restrictions imposed, such as those related to dividends and interest on equity capital, additional debt or any other requiring additional disclosure.

20. Risk Management and Financial Instruments

The Company's and subsidiaries' sales revenue is substantially generated by sale of agricultural commodities, such as cotton, soybean and corn; products are quoted in US dollars at the Chicago Board of Trade - CBOT and Intercontinental Exchange Futures US - ICE. Accordingly, the volatility of the commodity's international price and the foreign exchange rate are market risks to which the Company and subsidiaries are exposed.

Furthermore, the Company and its subsidiaries engage in financing operations in the financial market, at fixed or floating rates, thus being subject to risk of interest rate variation regarding the indebtedness contracted at floating interest rates.

a) Use policy, objectives and strategies

Derivative financial instruments are used by the Company and its subsidiaries to protect their operating margins (EBITDA). The Company created a Risk Management Steering Committee in July 2008 and approved the Risk Management Policy at the Board of Directors' meeting held on October 29, 2008. Such Committee acts as connection between the Company's Board of Directors and the Executive Board. Its mission is to back Executive Board day-to-day decisions, monitor compliance with established risk limits and, when necessary, make preliminary analyses and assessments of proposals to adjust or reformulate risk policies and limits for appreciation by the Board of Directors.

Operations involving derivative financial instruments are conducted with prime financial institutions (local institutions having been rated "A" in at least one of the three major international credit rating agencies: Moody's, S&P and/or Fitch), observing the limits and exposures to foreign exchange, commodity price and foreign exchange risks of the counterparties on a regular basis.

b) Gains (losses) on derivative financial instruments in the shareholders' equity of company and consolidated

All non-deliverable forwards (NDF) transactions are conducted with a view to hedging future sales in US dollars. Such transactions were recognized under hedge accounting, in accordance with CPC 14, approved by CVM Rule No. 566/08, Accounting Practices adopted in Brazil. The Company records in a specific account, in shareholders' equity, the effects not yet realized of these instruments entered into for own operations or for consolidation purposes to hedge future sales.

Although financial commodity transactions are also hedging instruments, they are not recorded as hedge accounting and therefore their effects are recognized as financial income or expenses, in P&L for the year.

20. Risk Management and Financial Instruments

c) Foreign exchange risk

Contracting these derivative financial instruments has the objective of hedging the sales revenues of Company and its subsidiaries subject to currency volatility. The portfolio of these instruments is represented, basically, by currency futures contracts, through non deliverable forwards (NDFs), and option contracts.

These over-the-counter (OTC) transactions are carried out directly with financial institutions, there being no need for margin calls. The impact on the cash flow of Company and its subsidiaries occurs at the contract settlement date. Yet, the settlement of these financial transactions is associated with receipt of sales, which likewise are associated with currency fluctuation, therefore offsetting gains or losses, if any, on the hedging derivative instruments due to foreign exchange rate fluctuations.

To analyze the currency risk exposure, the Business Plan is constantly updated, considering the following assumptions: (i) planted area forecast; (ii) expected productivity; (iii) commodity prices, quoted in dollar, considering the volume-weighted average of prices for the sales made, and the market prices of the volume to be sold; and, (iv) the sales distribution over the periods under analysis. After the Business Plan definition and measurement of the items previously mentioned, total currency exposure of revenues amounts to USD119,045 thousand from July to December 2010 and USD328,771 thousand in 2011. Based on the cost already built up with anticipated purchase of main inputs (fertilizers, agrochemicals and seeds) and the fixed cost estimate, the expected operating margin is determined. Thus, the risk management committee will apply the parameters specified in the Risk Management Policy, with a view to reducing the standard deviation from the target operating margin.

20. Risk Management and Financial Instruments

In the table below we show the Company's and subsidiaries' position as of June 30, 2010, with nominal and fair values of each instrument contracted, namely:

Description	Reference value (notional)			Fair value			Accumulated effect (current period)		
	Currency	6/30/2010	3/31/2010	Currency	6/30/2010	3/31/2010	Currency	Receivable/ (received)	Payable/ (paid)
Maturing in 2010									
Non-deliverable forwards (NDF):									
Short position									
Foreign currency	**USD**	**88,052**	119,952	**R$**	**13,115**	13,361	**R$**	**13,539**	**-**
Options contracts:									
Writer – Put (Call)									
Foreign currency	**USD**	**-**	20,000	**R$**	**-**	(1,141)	**R$**	**-**	**-**
Subtotal – Maturing in 2010	**USD**	**88,052**	139,952	**R$**	**13,115**	14,502	**R$**	**13,539**	**-**
Maturing in 2011									
Non-deliverable forwards (NDF):									
Short position									
Foreign currency	**USD**	**139,589**	88,489	**R$**	**8,311**	4,237	**R$**	**12,186**	**(56)**
Subtotal – Maturing in 2011	**USD**	**139,589**	88,489	**R$**	**8,311**	4,237	**R$**	**12,186**	**(56)**
Maturing in 2012									
Non-deliverable forwards (NDF):									
Short position									
Foreign currency	**USD**	**15,000**	-	**R$**	**1,298**	-	**R$**	**739**	**-**
Subtotal – maturing in 2012	**USD**	**15,000**	-	**R$**	**1,298**	-	**R$**	**739**	**-**
TOTAL	**USD**	**242,641**	228,441	**R$**	**22,724**	18,739	**R$**	**26,464**	**(56)**

20. Risk Management and Financial Instruments-- continued

c) Foreign exchange risk-- continued

The table below sets out the breakdown of currency derivatives per counterparty (of Company and its subsidiaries):

Description	Reference value (notional)			Fair value		
	Currency	06/30/2010	03/31/2010	Currency	06/30/2010	03/31/2010
Banco Itaú BBA	**USD**	**64,728**	42,648	**R$**	**5,004**	2,644
Citibank	**USD**	**62,363**	82,863	**R$**	**8,408**	9,095
Deutsche Bank	**USD**	**52,888**	56,488	**R$**	**5,730**	4,611
HSBC Bank	**USD**	**23,270**	17,550	**R$**	**673**	209
Banco Bradesco	**USD**	**20,700**	4,600	**R$**	**558**	(50)
Votorantim	**USD**	**14,400**	-	**R$**	**1,177**	-
Santander Brasil	**USD**	**4,292**	4,292	**R$**	**1,174**	1,089
Merrill Lynch de Investimentos	**USD**	**-**	20,000	**R$**	**-**	1,141
Total	**USD**	**242,641**	228,441	**R$**	**22,724**	18,739

The following criteria were used to determine the fair value of these operations:

- Non deliverable forwards (NDF) – the future dollar curve published by the Brazilian Mercantile and Futures Exchange (BM&F) www.bmf.com.br at each year end was taken into consideration. Based on this information, the forecast adjustment at the maturity of each transaction is discounted at the interest curve between Ptax at year end and future quote at the maturity of the derivative published by the BM&F.

- Options contracts – the fair value of transactions for issuing call options on dollar is equivalent to the market value of reversal of such transactions confirmed by the financial institutions with which the Company has entered into these transactions.

d) Price risk

Commodity price volatility is mostly hedged through advance sales made directly with our customers (forward contracts). **In addition, there is also use of** futures and option contracts, traded on exchanges, and financial transactions under swap and option contracts, with financial institutions. These transactions are negotiated based on the commodity prices on the futures market. All transactions are related to the net exposure of the production of Company and its subsidiaries, so that every transaction is backed by a physical commodity. Exchange-traded transactions require available initial margin funds and daily adjustments are made according to changes in notional prices. In turn, initial margin funds are not required for transactions performed with financial institutions, for these transactions are backed by a credit limit previously approved by the financial institutions. The Company engaged in derivative commodities operations to set the price of a portion of the production cost of the next crop.

20. Risk Management and Financial Instruments-- continued

At June 30 2010, the Company and its subsidiaries had engaged into the following derivative transactions to hedge against commodities price volatility, at the following maturities:

Description	Reference value (notional)			Fair value			Accumulated effect (current period)		
	Currency	06/30/2010	03/31/2010	Currency	06/30/2010	03/31/2010	Currency	Receivable/ (received)	Payable/ (paid)
Maturing in 2010									
Swap contracts - accumulators									
Commodities - Cotton	**USD**	**4,884**	8,945	**R$**	(385)	(340)	**R$**	-	(385)
Commodities - Soy	**USD**	**-**	17,324	**R$**	-	2.295	**R$**	-	-
Commodities - Coffee	**USD**	**3,870**	998	**R$**	(825)	110	**R$**	-	(825)
Commodities Uréia	**USD**	**1,534**			(12)	-		-	(12)
Subtotal – Maturing in 2010	**USD**	**10,288**	27,267	**R$**	(1,222)	2,065	**R$**	-	(1,222)
Maturing in 2011									
Swap contracts - accumulators									
Commodities - Cotton	**USD**	**13,705**	13,705	**R$**	(953)	(792)	**R$**	-	(953)
Commodities - Soy	**USD**	**3,148**	1,872	**R$**	4,739	2,806	**R$**	4,739	-
Subtotal – Maturing in 2011	**USD**	**16,853**	15,577	**R$**	3,786	2,014	**R$**	4,739	(953)
Grand total	**USD**	**27,141**	42,844	**R$**	2,564	4,079	**R$**	4,739	(2,175)

d) Price risk-- continued

All operations with agricultural commodities were traded in the OTC market and the counterparties are Morgan Stanley Capital Group Inc and Cargill Financial Service International Inc to Macquarie Group Limited to Citibanck N.A.. The fair value of these operations was provided by the financial institution.

e) Interest rate risk

A portion of the Company's debt is subject to variable interest rates. Such variable interest rates are the TJLP (Long-Term Interest Rate) on BNDES financing and Libor (London Interbank Offered Rate) on international loans.

In order to provide hedge against variation in such interest rates, the Company carries out interest rate swap operations with highly rate financial institutions. These operations involve swap of variable interest rates for fixed interest rates, in which the Company holds the asset end under variable interest rate (TJLP or Libor), and concurrently the liability end under fixed interest rate. The notional value of principal and maturities of the swap operation are identical to the hedged debt flow. Thus, the risk of fluctuation of variable interest rate on the debt is eliminated.

20. Risk Management and Financial Instruments-- continued

Information on the swap operation (interest rate x Libor indexed debt) is set out below:

Counterparty	Hedge instrument	Hedged item	Nominal value		Swap balance (MTM) (R$)		Adjustment (R$)
			Hedge instrument	Hedged item	Forex receivable	Forex payable	Financial result
Santander	Swap agreement of USD40,000 (Assets – 6-month Libor+2%pa. / Liabilities 4.68%pa.)	Debt of USD40,000 6-month Libor + 2%pa.	90,876	90,876	73,104	76,427	(3,323)
Total			**90,876**	**90,876**	**73,104**	**76,427**	**(3,323)**

We set out below the Company's consolidated derivative instruments and that are presented in balance sheet accounts:

e) Interest rate risk - continued

Description	Reference value (notional)			Fair value recorded in assets			Fair value recorded in liabilities	
	Currency	06/30/2010	03/31/2010	Currency	06/30/2010	03/31/2010	06/30/2010	03/31/2010
Forex hedging								
Non-Deliverable Forwards	**USD**	**242,641**	208,441	**R$**	**22,810**	18,011	**86**	413
Options contracts	**USD**	**-**	20,000	**R$**	**-**	49	**-**	1,190
Subtotal	**USD**	**242,641**	228,441	**R$**	**22,810**	18,060	**86**	1,603
Commodity hedging								
Cotton – swap with accumulators	**USD**	**18,589**	22,650	**R$**	**-**	-	**1,230**	1,132
Soybean – swap with accumulators	**USD**	**3,148**	19,196	**R$**	**4,739**	5,101	**137**	-
Coffee – swap with accumulators	**USD**	**3,870**	998	**R$**	**-**	110	**825**	-
Uréia - swap		1,534	-		-	-	12	-
Subtotal	**USD**	**27,141**	42,844	**R$**	**4,739**	5,211	**2,204**	1,132
Interest rate hedging								
Swap Libor x Fixed	**USD**	**40,000**	40,000	**R$**	**3**	542	**3,326**	2,368
Subtotal	**USD**	**40,000**	40,000	**R$**	**3**	542	**3,326**	2,368
Total	**USD**	**309,782**	311,285	**R$**	**27,552**	23,813	**5,616**	5,103
(-) current	**USD**	**(163,463)**	(186,568)	**R$**	**(22,727)**	(18,152)	**(3,719)**	(3,045)
Non-current	**USD**	**146,319**	124,717	**R$**	**4,825**	5,661	**1,897**	2,058

20. Risk Management and Financial Instruments-- continued

We set out below the fair value of gains or losses consolidated in the period, segregated by the main risk categories:

		Gains and losses recorded in P&L				Gains and losses recorded in shareholders' equity *	
		Allocated in gross revenue at		Allocated in P&L at			
Description	**Currency**	**06/30/2010**	**3/31/2010**	**06/30/2010**	**3/31/2010**	**06/30/2010**	**3/31/2010**
Forex hedging							
Non-Deliverable Forwards	**R$**	**3,519**	(10,864)	**(231)**	(42,745)	**22,505**	**17,426**
Options contracts	**R$**	-	-	**480**	(6,008)	-	-
Sub-total	**R$**	**3,519**	(10,864)	**249**	(48,753)	**22,505**	**17,426**
Commodities hedging							
Swap with accumulators							
Cotton	**R$**	**-**	-	**(129)**	866	**-**	**-**
Soybean	**R$**	-	-	**5,079**	621	-	-
Coffee	**R$**	**-**	-	**(825)**	-	**-**	**-**
Swap			-				-
Uréia	**R$**	-	-	**(12)**	-	-	-
Sub-total	**R$**	-	-	**4,113**	1,487	-	-
Interest rate hedging							
Swap Libor x Fixed	**R$**	-	-	**(2,585)**	-	-	-
Sub-total	**R$**	-	-	**(2,585)**	-	**-**	**-**
TOTAL	**R$**	**3,519**	(10,864)	**1,777**	(47,266)	**22,505**	**17,426**

** Amounts net of tax effects, and is represented by the amounts of R$14,852 to11,500 and financial instruments --Continued(R$12,017) in the consolidated shareholders' equity, respectively, net of tax effects.*

The effect of foreign exchange, commodities and interest rate hedging on P&L amounted to(R$224 thousand)

f) Credit risk

A significant portion of sales made by the Company and its subsidiaries is made to a selected group of highly qualified clients, i.e. trading companies, weaving companies etc., which usually acquire large volumes that guarantee local and internationals deals. Credit risk is managed through specific rules of client acceptance, credit rating and setting of limits for customer exposure. The Company and its subsidiaries historically do not record material losses on trade accounts receivable.

g) Market values

At June 30 2010 the market values of cash, financial investments, accounts receivable and payable, as well as loans and financing approximate the respective carrying amounts due to their short-term nature, or also because such they are subject to variable interest rates.

h) Sensitivity analysis

The Company carries out operations with derivative instruments solely for providing hedge against fluctuation in foreign exchange rates and commodities sale price, which is linked to US dollar rate, as well as in soybean and cotton price in the international market.

20. Risk Management and Financial Instruments-- continued

We prepared a sensitivity analysis for derivative instruments according to Resolution No. 550, dated October 17, 2008 and Technical Pronouncement CPC 14, segregating them based on the risk factor; to wit: exchange variation, commodities price and interest rate variation (CDI, TJLP, Libor).

If any of the scenarios projected by Company management comes to materialize, resulting in gain or loss, these will be fully offset by an opposite effect on the realization of Company sales revenue.

The estimated fair value of derivative financial instruments contracted by the Company and its subsidiaries was determined based on information available in the market and specific valuation methodologies. However, significant professional judgment was required in the interpretation of market data in order to estimate fair value of each operation. Consequently, the estimates below do not necessarily indicate the amounts that will effectively be realized upon financial settlement of the operations.

Foreign exchange risk

The Company projected the impact of foreign exchange hedge operations and of its USD debt in the following 5 scenarios for the years 2010 2011 and 2012:

- Probable Scenario: Based on the FOCUS report (Bacen) of June 25, 2010, we defined this scenario considering average exchange rate to US dollar of R$ 1.100.
- 25% fall in the foreign exchange rate: in this scenario, transactions would be settled in US dollars quoted at R$ 1.3575, which is 25% lower than the Probable Scenario quote.
- 50% fall in the foreign exchange rate: in this scenario, transactions would be settled in US dollars quoted at R$ 0.9050, which is 50% lower than the Probable Scenario quote.
- 25% increase in the foreign exchange rate: in this scenario, transactions would be settled in US dollars quoted at R$ 2.2625, which is 25% higher than the Probable Scenario quote.
- 50% increase in the foreign exchange rate: in this scenario, transactions would be settled in US dollars quoted at R$ 2.7150, which is 50% higher than the Probable Scenario quote.

20. Risk Management and Financial Instruments-- continued

The summary below sets out the projected impacts on each scenario:

Description	Risk	Remote scenario *Quote R$ 0.9050*	Possible scenario *Quote R$ 1.3575*	Probable scenario *Quote R$ 1.8100*	Possible scenario *Quote R$ 2.2625*	Remote scenario *Quote R$ 2.7150*
2010						
Sales revenue (underlying item)*	USD change	(124,706)	(70,838)	(16,970)	36,897	90,766
Non-Deliverable Forwards	USD change	96,657	56,814	16,970	(22,873)	(62,717)
Subtotal	**-**	**(28,049)**	**(14,024)**	**-**	**14,024**	**28,049**
2011						
Sales revenue (underlying item)*	USD change	(332,272)	(183,503)	(34,734)	114,036	262,805
Non-Deliverable Forwards	USD change	161,062	97,898	34,734	(28,431)	(91,595)
Subtotal		**(171,210)**	**(85,605)**	**-**	**85,605**	**171,210**
2012						
Sales revenue (underlying item)*	USD change	(338,393)	(171,994)	(5,593)	160,808	327,707
Non-Deliverable Forwards	USD change	19,168	12,381	5,593	(1,195)	(7,982)
Subtotal		**(319,225)**	**(159,613)**	**-**	**159,613**	**319,225**
Indebtedness in USD						
Subtotal	USD change	**72,721**	**36,016**	**(689)**	**(37,395)**	**(74,100)**
Total		(445,763)	(223,226)	(689)	221,847	444,384

(*)Future revenue forecast

Commodity price risks

The Company projected the impact of commodity price hedging operations in the following 3 scenarios for the year 2010 to 2011:

The Company projected the impact of commodities price hedging operations considering three scenarios for 2010 e 2011:

- Probable scenario: In this scenario, the prices below were considered, maturing at the CBOT (Chicago Board of Trade) and ICE (Ice Futures US):
Cotton: USD/Pound 0.7638 – maturing in December/2010;
Cotton: USD/Pound 0.7853 – maturing in June/2011;
Soybean: USD/Bushel 9.21 – maturing in April/2010;
Coffee: USD/Pound 1.6585 – maturing in August/2010
Coffee: USD/Pound 1.6605 – maturing in December/2010
Uréia: USD/Ton 228.00 – vencimento em September/2010

- Possible scenario: In this scenario, the prices of cotton, soybean and coffee would increase by 25%, when compared to the Probable Scenario:
Cotton: USD/Pound 0.9548 – maturing in December/2010;
Cotton: USD/Pound 0.9816 – maturing in June/2011;
Soybean: USD/Bushel 11.51 – maturing in April/2010;
Coffee: USD/Pound 2,0731 – maturing in August/2010
Coffee: USD/Pound 2.0756 – maturing in December/2010
Uréia: USD/Ton 285.00 – vencimento em September/2010

- Remote scenario: In this scenario, the prices of cotton, soybean and coffee would increase by 50%, when compared to the Probable Scenario:
Cotton: USD/Pound 1.1457 – maturing in December/2010;

20. Risk Management and Financial Instruments-- continued

Cotton: USD/Pound 1.1780 – maturing in June/2011;
Soybean: USD/Bushel 13.82– maturing in April/2011;
Coffee: USD/Pound 2.4878 – maturing in Augustr/2010
Coffee: USD/Pound 2.4908 – maturing in December/2010
Uréia: USD/Ton 342.00 – vencimento em September/2010

Commodity price risks - continued

We present below a summary of the impacts in each of the projected scenarios:

Description	Risk	Probable scenario	Possible scenario +25%	Remote scenario +50%
2010				
Cotton – Swap contracts with accumulators	Rise in price	(385)	(849)	(1,604)
Soybean - Swap contracts with accumulators	Rise in price	-	-	-
Café - Swap contracts with accumulators	Rise in price	(825)	(2,762)	(4,740)
Uréia – Swap contracts	Fall in price	(12)	676	1,364
Subtotal		**(1,222)**	**(2,935)**	**(4,980)**
2011				
Cotton - Swap contracts with accumulators	Rise in price	(953)	(10,246)	(20,616)
Soybean - Swap contracts with accumulators	Rise in price	4,738	(6,061)	(23,340)
Subtotal		**3,785**	**(16,307)**	**(43,956)**
Total		**2,563**	**(19,242)**	**(48,936)**

Interest rate risks

With a view to analyzing interest rate sensitivity on debts and short-term investments of the Company, as of June 30, 2010, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of June 25, 2010, we defined the index rates for Interbank Deposit Certificates (CDI) and FOREX; concerning Libor, we considered the BM&F future curve as of June 30, 2010, and for the Long-term Interest Rate (TJLP), we considered the rate valid *on the year-closing date*. Based on this information, we defined the Probable Scenario to be analyzed, and arrived at a variation between 25% and 50% there from.

Financial expense or gross financial income was considered in analyzing each scenario, not including taxes or debt maturity terms and redemption of short-term investments scheduled for 2010. The portfolio base date was June 30, 2010, and the interest rates were projected over a one-year period, their sensitivity being analyzed in each one of the 5 scenarios.

20. Risk Management and Financial Instruments-- continued

Following is a summary of the impacts on each scenario for the coming 12 months:

Description	Interest rate*	Balance at 6/30/2010	50% fall	25% fall	Probable scenario	25% rise	50% rise
Debts in reais – fixed rate							
Rural credit	7.48%	117,817	N/A	N/A	N/A	N/A	N/A
Constitutional funds	7.41%	208,954	N/A	N/A	N/A	N/A	N/A
BNDES	5.08%	26,565	N/A	N/A	N/A	N/A	N/A
NCE	11.70%	33,284	N/A	N/A	N/A	N/A	N/A
Debts in reais – floating rate							
BNDES	TJLP + 2.73%	23,442	(1,343)	(1,695)	(2,047)	(2,398)	(2,750)
Rural savings	TR + 6.50%	27,887	(1,896)	(1,938)	(1,980)	(2,022)	(2,064)
Debts in USD							
Libor	Libor 6M + 2%	73,116	(1,732)	(1,867)	(2,002)	(2,137)	(2,271)
Swap Libor x fixed rate**	Assets: Libor 6M+2% Liabilities: 4.68%	72,060	(1,591)	(1,461)	(1,331)	(1,201)	(1,071)
BNDES	Basket of currencies + 2.04%	956	(45)	(56)	(66)	(76)	(86)
Short-term investments							
CDB and debentures	101.3% on CDI	154,805	7,935	11,902	15,870	19,837	23,805

* Average annual rates

** Value of R$72,060 refers to translation of USD40,000 (loan for which the labor rate fluctuation is being covered) at the USD quote of June 30, 2010 – R$1.8015.

21. Employees' profit sharing

Under the Collective Labor Agreements executed with their employees' professional categories, the Company and its subsidiaries have established a profit sharing scheme, covering all its employees.

The amounts payable in the form of profit sharing started to be computed on consolidated net income of the Company. This amount is, in part, freely distributed to the beneficiaries and, in part, based on goals predefined by each production unit.

Profit sharing is determined by applying 9% on consolidated net income. Amounts payable to the beneficiaries of all the production units are calculated by applying 60% thereon, and the remaining 40% will depend on the fulfillment of goals set by each production unit. The amount corresponding to goals achieved is limited to 2 (two) nominal salaries per beneficiary employee.

22. Stock option plan

At the Extraordinary Shareholders' Meeting held on May 23, 2007, Company shareholders approved the stock option plan, effective as from June 15, 2007, designed for the Company's officers and managers. The Plan is managed by a Managing Committee, created by the Board of Directors on the same date.

22. Stock option plan - Continued

The Stock Option Plan is limited to a maximum number of options resulting in dilution by 3% of the Company's capital on the date each Annual Plan is created. The dilution corresponds to the percentage represented by the number of shares considered for the options in relation to the total number of shares issued by the Company.

Stock Option Plan beneficiaries shall exercise their options within 5 years from the respective grant date. Vesting period shall be up to 3 years, with releases corresponding to 20% as from the first anniversary, 40% as from the second anniversary and 100% as from the third anniversary. The Company may issue the shares within a 30-day period as from the date of delivery of the Stock Option Exercise Instrument.

At the Board of Directors' meetings held on October 31, 2007, December 16, 2008 and November 11, 2009, the Stock Option Programs for 2007, 2008 and 2009 were approved, whereby 640,000, 720,000 and 488,000 stock options were granted, respectively. The changes in the number of shares granted in the Annual Programs for 2007, 2008 and related waiting periods are as follows:

	Number of shares
Outstanding at 12/31/2009	1,752,000
Granted in 2010	-
Cancelled in 2010	(212,000)
Exercised in 2010	(28,000)
Outstanding at June 30, 2010	1,512,000
Exercisable at June 30, 2010	303,000

Vesting periods as from option grant	% of options released for the year	Maximum number of shares
As from the first anniversary – 06/30/2010	20%	303,000
As from the second anniversary – 10/31/2010	39%	585,000
As from the third anniversary – 11/11/2010	45%	678,400
As from the third anniversary - 12/16/2010	52%	793,400
As from the third anniversary – 11/11/2011	59%	886,800
As from the third anniversary - 12/16/2011	81%	1,231,800
As from the third anniversary - 11/12/2012	100%	1,512,000

The exercise price under the 2007 annual program was established at R$ 14.00 (fourteen reais) per share, equivalent to the distribution price per share established in the initial public offering, without monetary restatement.

The exercise price of the 2008 annual program was established at R$ 14.80 (fourteen reais and eighty cents) per share, corresponding to the average of 90 closing quotations of the Company's share on the São Paulo State Stock Exchange (Bovespa), prior to plan approval, with a discount of 19.97%.

22. Stock option plan - Continued

The exercise price of the 2009 Annual Program is set at R$15.00 (fifteen reais) per share, equivalent to the average of the 90 closing quotations of the Company's share on the Bovespa, prior to the plan approval, with a discount of 7.98%.

The weighted average fair value of stock options is R$21,2528 on the date of grant of the 2007 Annual Plan, R$23,8985 on the date of grant of the 2008 Annual Plan and R$21,3870 on the date of grant of the 2009 Annual Plan, considering premiums for R$7,2528, R$9,0985 and R$6,3870, respectively. The amounts were calculated using the Black-Scholes pricing models, assuming 32.03% volatility for the 2007 Annual Program, 76.05% for the 2008 Annual Program and 67.59% for the 2009 Annual Program.

Pursuant to CPC 10, and based on the aforesaid grace periods, the Company recognized in P&L the amounts of stock option plans in connection with the elapsing of the vesting period, with a contra-entry to shareholders' equity in a specific capital reserve account, for R$889.

23. Government grants and assistance

a) ICMS deferral and Deemed Matching Credit

The Company has incentives allowing deferral of ICMS on soybean, corn and whole cottonseed operations through participation of Fazenda Planalto in the Fundersul (Fund for Development of Highway System of Mato Grosso do Sul State) program and Fazenda Planorte and Fazenda Paiaguás in the FETHAB (Transportation and Housing Fund) program. To use the ICMS deferral incentive, the Company has to file an application with the relevant state authorities, waive ICMS credits on entries to which it would be entitled and pay Fundersul charge to Mato do Grosso do Sul state and FETHAB charge to Mato Grosso state.

The state government of Mato Grosso do Sul, Mato Grosso and Goiás, granted deemed matching ICMS credits on operations with cotton lint, with ICMS reduction by 50% to 75% through participation of Fazenda Planalto in the PDAGRO program (Mato Grosso do Sul), of Fazenda Planorte e Fazenda Paiaguás in the PROALMAT program (Mato Grosso) and Fazenda Pamplona in the PROALGO program (Goiás).

In order to participate in these programs the Company must file an application with the relevant state authorities, waive ICMS credits to which it would be entitled upon entries, provide accessory information about this tax waiver and pay Facual and IMA/MT charges to Mato Grosso state, PDAgro charge to Mato Grosso do Sul state and Fialgo charge to Goiás state.

The deemed matching credits are credited to sales taxes account in the statement of operations, the contra entry being to taxes payable. In the nine-month period ended June 30, 2010, there was recognition of deemed matching ICMS credit of R$2,061 – Company and R$3,744 – consolidated.

23. Government grants and assistance - Continued

b) IRPJ reduction incentive

The Company enjoys IRPJ reduction incentive in subsidiaries Fazendas Parnaíba S.A. and Fazenda Planorte S.A., located in Maranhão state and Mato Grosso state, respectively, granted by SUDAM. This incentive involves 75% reduction of IRPJ and non-refundable surtax.

Fazenda Planorte enjoys this benefit until the production and sale limit of 13,478 tons of cotton lint and 18,533 tons of whole cottonseed per year. This incentive expires in 2015. Fazenda Parnaíba enjoys this benefit until the production and sale limit of 5,528 tons of cotton lint and 8,292 tons of whole cotton seed per year. This incentive expires in 2013.

The amount of IRPJ reduction incentive is debited to IRPJ payable account, in current liabilities, and credited to current taxes in the statement of operations for the year. The IRPJ reduction incentive amount may not be distributed to shareholders as dividends, reason why the annual incentive amount is transferred from retained earnings to capital reserve, in shareholders' equity. This reserve may only be used to increase capital or absorb losses.

Gains stemming from IRPJ reduction in the period ended June 30, 2010 totaled R$299 at the subsidiary Fazenda Planorte S.A. No gains with such incentive were recognized at the subsidiary Fazenda Parnaíba S.A. in view of the tax loss recorded in the period.

24. Insurance *(Unaudited)*

At June 30, 2010, the Company and its subsidiaries had retained business insurance to cover any losses considering the nature of their activities and risks involved in their operations. Insurance coverage was taken out at amounts considered sufficient by management to mitigate risks identified, and it is detailed as follows:

Policy No.	Nature	Period covered	Coverage
03.31.2187773	Vehicles of SLC Agrícola	9/10/09 to 9/10/10	100% Fipe* price list
03.31.2185888	Vehicles of Fazenda Parnaíba	9/10/09 to 9/10/10	100% Fipe price list
03.31.2188327	Vehicles of Fazenda Planorte	9/10/09 to 9/10/10	100% Fipe price list
03.31.2185740	Vehicles of Fazenda Paiaguás	9/10/09 to 9/10/10	100% Fipe price list
03.18.0358200	Master business insurance, fire lightning, explosion of any kind, theft and robbery, windstorm, smoke and vehicle impact, farm products, manure, inputs and pesticides.	9/10/09 to 9/10/10	R$25,000
30.704.1078000 0006030	Basic coverage - chattels	9/15/09 to 9/15/10	Market value of insured item
25.51.0013566. 27	Comprehensive liability	04/11/09 to 04/11/10	1,000,000.00

The scope of our audit does not include issuing an opinion on the sufficiency of the insurance coverage, which was determined by the Company management, who considered it to be sufficient to cover any losses.

25. New accounting pronouncements

In 2009, the Brazilian FASB (CPC) issued and the Brazilian Securities and Exchange Commission (CVM) approved several Technical Pronouncements, Interpretations and Guidance, for mandatory adoption as from January 1, 2010 only. At March 31, 2010, CVM issued Rule No. 626, which amends Rule Nº 603, of November 10, 2009and Circular Letter SNC/SEP 01/2010, confirming the postponement of the mandatory adoption of the CPC Pronouncements, Interpretations and Guidance edited and approved by CVM in 2009 to December 2010, including CPC Pronouncement 21, which addresses interim financial statements.

CVM Rule No. 626 permits the early adoption of all CPCs for interim financial statements for the quarterly information for the first quarter of 2010. The Company elected not to exercise this option for the quarterly information as of June 30, 2010 and 2009 and, to the best of its knowledge, presents below a brief description of the possible significant changes in the previously adopted accounting practices:

CPC 29 Biological Assets and Agricultural Products: The Company expects that this standard will significantly impact the quarterly information, as the currently adopted accounting practice for biological assets and agricultural products is considerably different from the new practice established by the CPC. The Company currently restructuring its internal control and data processing systems to make such measurement, and at this point it is not possible to precisely quantify the related effects.

CPC 27 – Property, Plant and Equipment: The Company expects that this standard will impact its quarterly financial information, particularly because it introduces the requirement to deduct the estimated net book value of fixed assets to calculate depreciation. Fixed assets are currently depreciated based on their full build-up cost, without deducting the estimated net book value. As such, depreciation expenses arising from fixed assets existing at December 31, 2009 will be reduced in the following presentations of quarterly information. The Company engaged a specialized company to provide assistance with determination of the net book value of fixed assets and review of useful lives. The process was started off in the first quarter of 2010, and its completion is due by the third quarter. At this point, considering that the work is still underway, it is not possible to estimate the related impact on the quarterly information. The experts will also calculate the deemed cost.

ICPC 10 Interpretation of First-time Adoption for Property, Plant and Equipment: In view of the changes in the Brazilian accounting practices for purposes of adherence to the process of conversion into the international accounting practices, upon adoption of Technical Pronouncements CPC No. 27 and 28, the Company may opt to adjust the opening balances, as permitted by the international standards, with use of the deemed cost concept, as provided for in Technical Pronouncements CPC No. 37 and 43. The Company intends to adopt such Technical Interpretation. As already mentioned above, a specialized company was engaged to assist the Company in measuring the deemed cost. This study is still underway.

25. New accounting pronouncements - Continued

CPC 20 Financing Costs, approved by CVM Rule No. 577, of June 5, 2009: This CPC establishes the accounting treatment regarding the following: i) definition of financing costs that can be capitalized in the cost of certain qualified assets (that take a substantial amount of time to become ready for use or sale) and that are directly attributable to purchase, construction or production of such assets; ii) form of recognition by recording such financial charges at the book value of certain qualified assets, provided such amounts are likely to result in future economic benefits and may be safely measured; iii) determination of the periods in which the Company must begin, stop or reverse capitalization of the amounts. Even if the Company has obtained resources without a specific purpose, but uses them to obtain a given asset, this CPC also permits that the financial charges be capitalized by applying a weighted average rate of financing costs prevailing during the period in relation to expenses with such qualified assets.

Although the Company already adopts the practice of recording financing costs directly attributable to qualified assets, it is studying the possibility of adopting the criterion of capitalizing financial charges obtained generically. Accordingly, depending on the option made by management during 2010, the referred to pronouncement could lead to impacts on the financial statements. The Company did not estimate the potential amounts involved in view of the need to define the technique to be used.

CPC 24 Subsequent Event, approved by CVM Rule No. 593, of September 15, 2009 and ICPC 08 Accounting for Proposed Dividend Distribution, approved by CVM Rule No. 601, of October 7, 2009: The standard defines subsequent events as those occurring between the financial statements base date and the date in which authorization for their issue is given. This standard determines the circumstances in which the Company must adjust the financial statements as a result of subsequent events that occur after the base date, and when the Company must disclose only subsequent events occurring after such date. The major impact of adoption of this pronouncement concerns accounting for dividends. Pursuant to this standard, at the end of the year, the Company must recognize as liabilities only the minimum mandatory dividends established in its Articles of Incorporation or, when such information is not provided therein, the figures determined by Law No. 6404. Dividends additional to the minimum dividends are recorded as liabilities as they are approved by the Company's competent areas.

Such requirement, however, will only impact the Company's annual financial statements.

The Technical Pronouncements and Interpretations that should not significantly impact the Company for not being applicable, being immaterial or because the accounting practices currently adopted are duly aligned with the new standards, are shown below, based on analyses conducted:

- CPC 15 Business combinations, approved by CVM Rule No. 580, of July 31, 2009:
- CPC 16 Inventories, approved by CVM Rule No. 575, of June 5, 2009:

25. New accounting pronouncements - Continued

- CPC 18 Investment in Affiliates and Subsidiaries, approved by CVM Rule No. 605, of November 26, 2009;
- CPC 19 Investment in Joint Ventures, approved by CVM Rule No. 606, of November 26, 2009;
- CPC 22 Information by Segment, approved by CVM Rule No. 582, of July 31, 2009:
- CPC 23 Accounting Policies, Changes in Accounting Estimates and Errors, approved by CVM Rule No. 592, of September 15, 2009;
- CPC 25 Provisions, Contingent Liabilities and Contingent Assets, approved by CVM Rule No. 594, of September 15, 2009;
- CPC 26 Presentation of Financial Statements, approved by CVM Rule No. 595, of December 15, 2009;
- CPC 30 Revenue, approved by CVM Rule No. 597, of September 15, 2009:
- CPC 31 Non-Current Assets Held for Sale and Discontinued Operations, approved by CVM Rule No. 598, of September 15, 2009;
- CPC 32 Income Taxes, approved by CVM Rule No. 599, of September 15, 2009;
- CPC 33 Employee Benefits, approved by CVM Rule No. 600, of October 7, 2009;
- CPC 36 Consolidated Financial Statements, approved by CVM Rule No. 608, of November 26, 2009
- Revision No. 1 of Technical Pronouncements and Guidance, approved by CVM Rule No. 624, of January 28, 2010;
- CPCs 38 and 29 – Financial Instruments, approved by CVM Rule No. 604, of November 19, 2009;
- ICPC 03 Determining whether an Arrangement contains a Lease, approved by CVM Rule No. 613, of December 22, 2009;
- ICPC 09 Individual, Consolidated and Separate Financial Statements and Adoption of the Equity Method, approved by CVM Rule No. 618, of December 22, 2009;
- ICPC 10 Interpretation of First-time Adoption of Technical Pronouncements CPCs 27, 28, 37 and 43 for Property, Plant and Equipment and Investment Property, approved by CVM Rule No. 619, of December 22, 2009.

CPC intends to issue several new technical pronouncements in 2010, therefore an analysis of the impacts on the quarterly financial information of the Company and subsidiaries should be supplemented on occasion of their issuance, or reassessed should such new pronouncements or interpretations bring about any changes that could modify the previous analyses.

06.01 - NOTES TO FINANCIAL STATEMENTS

26. Statements of Value Added

	Company				Consolidated			
	06/30/2010		**06/30/2009**		**06/30/2010**		**06/30/2009**	
Revenues								
Sale of goods, products and services	**203,510**		203,953		**343,294**		340,898	
Other operating results	**2,215**		(6,933)*		**3,025**		1,357	
Revenues related to construction of own assets	**21,117**		13,679		**22,939**		21,558	
	226,842		210,699		**369,258**		363,813	
Inputs purchased from third parties								
Raw materials consumed	**(81,429)**		(71,543)		**(139,936)**		(113,284)	
Cost of goods and services sold	**(306)**		(18)		**(418)**		(51)	
Materials, electric energy, outsourced services and other	**(65,784)**		(66,252)		**(94,388)**		(104,813)	
Loss/recovery of receivables	**(1,070)**		(11,950)		**(2,237)**		(11,950)	
	(148,589)		(149,763)		**(236,979)**		(230,098)	
Gross value added	**78,253**		60,936		**132,279**		133,715	
Retentions								
Depreciation and amortization	**(18,054)**		(14,933)		**(30,924)**		(24,595)	
Net value added generated	**60,199**		46,003		**101,355**		109,120	
Value added received in transfer								
Equity pickup	**26,649**		36,911		**-**		-	
Financial income	**25,589**		57,960		**50,518**		95,618	
Other	**59**		59		**87**		89	
	52,297		94,930		**50,605**		95,707	
Total value added to be distributed (wealth generated by the Company)	**112,496**		140,933		**151,960**		204,827	
Value added distribution	**112,496**	**100%**	140,933	100%	**151,960**	**100%**	204,827	100&
Taxes, charges and compulsory contributions	**19,558**	**17%**	11,872	8%	**39,122**	**25%**	17,100	8%
Federal	**14,907**		10,680		**32,631**		14,977	
State	**4,631**		1,192		**6,447**		2,108	
Municipal	**20**		-		**44**		15	
Personnel	**25,534**	**23%**	24,765	18%	**37,641**	**25%**	34,783	17%
Direct remuneration	**18,565**		16,876		**26,067**		24,077	
Benefits	**5,733**		6,719		**9,678**		9,019	
FGTS	**1,236**		1,170		**1,896**		1,687	
Remuneration of third party capital	**45,882**	**41%**	64,093	45%	**54,506**	**36%**	130,639	64%
Interest	**31,733**		47,608		**48,063**		122,703	
Rental	**14,149**		16,485		**6,443**		7,936	
Remuneration of own capital	**21,522**	**19%**	40,203	29%	**20,691**	**14%**	22,305	11%
Dividends	**21,522**		40,203		**20,691**		22,305	

* At June 30, 2009, this refers substantially to capital loss in investment of the subsidiary SLC Empreendimentos e Agricultura Ltda. This amount is eliminated in the consolidated position.

07.01 – MANAGEMENT COMMENTS ON COMPANY'S PERFORMANCE FOR THE QUARTER

The Company is presenting only the comments on the consolidated performance for the quarter.

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

EBITDA margin grows 12.8 p.p. in 2Q10 over 2Q09

Porto Alegre, August 11, 2010 **– SLC AGRÍCOLA S.A. (Bovespa: SLCE3; Bloomberg: SLCE3: BZ; Reuters: SLCE3.SA), one of the largest landowners in Brazil and one of the largest agricultural producers in terms of cotton, soybean and corn planted area, announces today its results for the second quarter of 2010 (2Q10). Except where stated otherwise, the financial and operating data are presented on a consolidated basis, in accordance with Brazilian Corporate Law and in thousands of Brazilian real.**

2Q10 Highlights

(R$ thousands)	1H09	1H10	AH	2Q09	2Q10	AH
Net Revenue	311,389	326,538	4.9%	146,683	146,687	n.m.
Gross Income	76,724	63,606	-17.1%	1,648	23,442	1,322.5%
Gross Margin	*24.6%*	*19.5%*	*-5.1p.p.*	*1.1%*	*16.0%*	*14.9p.p.*
Operating Income	30,135	27,461	-8.9%	(11,096)	(8,426)	24.1%
Operating Margin	*9.7%*	*8.4%*	*-1.3p.p.*	*-7.6%*	*-5.7%*	*1.9.p.p.*
Net Income	22,305	20,691	-7.2%	(5,921)	(4,248)	28.3%
Net Margin	*7.2%*	*6.3%*	-0.9p.p.	*-4.0%*	*-2.9%*	*1.1p.p.*
EBITDA	71,631	59,765	-16.6%	4,651	23,516	405.6%
EBITDA Margin	*23.0%*	*18.3%*	*-4.7p.p.*	*3.2%*	*16.0%*	*12.8p.p.*
Net Debt	191,522	356,906	86.4%	191,522	356,906	86.4%

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NOTE: 2Q09 and 2Q10 refer to the cumulative three-month period from April through June of the years 2009 and 2010, respectively. 1H09 and 1H10 refer to the cumulative six-month period from January through June of the years 2009 and 2010, respectively. AH refers to the horizontal percentage variation between two periods, and AV refers to the vertical percentage variation in relation to a certain total.

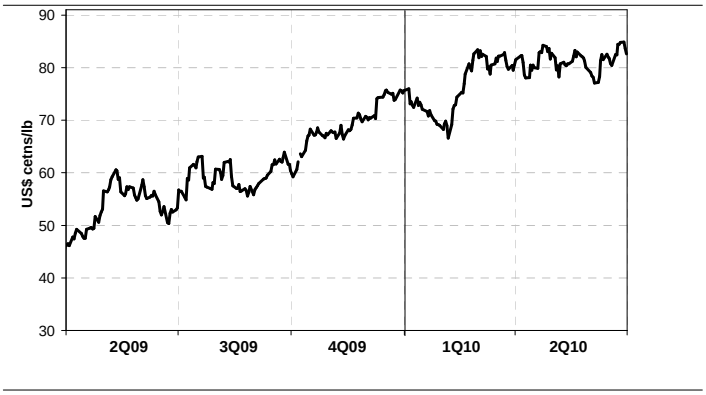
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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Market Outlook

Cotton

Cotton Prices in the International Market
ICE - (1st Contract)



Source: ICE/CMA

The prices of cotton future contracts traded on the ICE (ICE Futures U.S.) registered an average first maturity price of US¢81.35/lb in 2Q10, up 6.7% on 1Q10 and 52.1% from 2Q09. As in previous quarters, the price recovery in 2Q10 was chiefly due to the lower cotton production than consumption in the 2009/10 marketing year and the forecast of closing inventories at lower levels at the end of this season.

Lower cotton prices at the beggining of 2009 discouraged planting for the 2009/10 marketing year. According to the United States Department of Agriculture (USDA), there was also contraction due to adverse weather in important cotton producing countries such as the United States, China and India, which led to a 4.3% year-on-year decline in global cotton production to 102.5 million bales.

Table World's Cotton Supply and Demand

		2006/07	2007/08	2008/09	2009/10*	2010/11**
Area (ha)		34,734	32,942	30,730	30,317	32,654
Productivity (kg/ha)		764	796	759	736	774
Production	millions of bales	122.0	120.5	107.2	102.5	116.0
Import	millions of bales	37.5	38.3	30.0	35.6	37.1
Export	millions of bales	37.0	38.3	30.2	35.3	37.0
Consumption	millions of bales	123.1	122.8	109.9	116.6	119.7
Ending Stocks	millions of bales	63.3	63.1	62.1	51.0	49.9
Stocks/Consumption (%)		51.4%	51.4%	56.5%	43.7%	41.7%

Table US Cotton Supply and Demand

		2006/07	2007/08	2008/09	2009/10*	2010/11**
Area (ha)		5,152	4,245	3,063	3,047	4,209
Productivity (kg/ha)		912	985	911	960	961
Production	millions of bales	21.6	19.2	12.8	12.2	18.3
Import	millions of bales	0.0	0.0	0.0	0.0	0.0
Export	millions of bales	13.0	13.7	13.3	12.3	14.3
Consumption	millions of bales	4.9	4.6	3.6	3.4	3.4
Ending Stocks	millions of bales	9.5	10.0	6.3	2.9	3.5
Stocks/(Cons + Exp) (%)		52.8%	55.1%	37.6%	18.5%	19.8%

* Estimated; **Projected;

Source: USDA July 2010

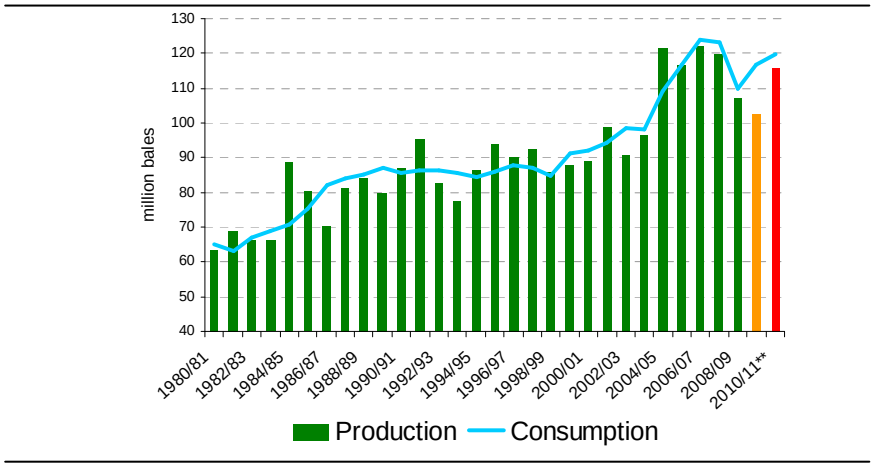
With world economy recovering this year, projections also point to a significant rebound in textile and cotton consumption. According to the USDA, world consumption in the 2009/10 marketing year should grow by 6.1% to 116.1 million bales, or 14.1 million bales more than the production expected in the year. With demand growth, higher then on the supply side, inventories should go down by 18%.

On the other hand, the recovery in international cotton prices in 2010 caused an increase in the worldwide cotton planted area for the 2010/11 marketing year. According to the USDA, world harvested area should expand 7.7% in 2010/11. According to USDA's report on planted area for 2010/11, published in June 2010, cotton planted area in the United States, the world's largest exporter, which had been contracting successively, should grow by 19.2% over the previous marketing year. Better cotton prices than such competing crops as soybean and corn during the planting season once again encouraged the migration of areas previously allocated to these commodities to cotton.

Global consumption should also continue to grow in 2010/11. The USDA projects a 2.7% growth to 119.7 million bales (26.1 million metric tons), and, despite the 7.7% expansion in global cultivated area, production will once again fall short of consumption (by 3.7 million bales or 800 thousand metric tons) - the fourth consecutive decline in the global ending inventories of cotton.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

World Cotton Supply and Demand

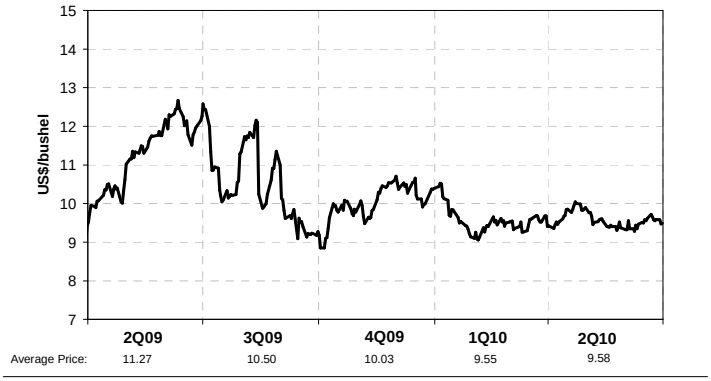


Source: USDA ** projected;

In Brazil, survey by the Companhia Nacional de Abastecimento (CONAB) has estimated the cotton planted area at 846.5 thousand hectares for 2009/10, 0.4% more than in the previous marketing year, and production volume at 1,260.7 thousand tons. Domestic consumption in 2009/10 should amount to 996 thousand metric tons, while exports should be 400 thousand metric tons; while ending stocks should fall once again, by 21.8% to 340.5 thousand metric tons.

Soybean

Soybean Prices in the International Market
CBOT - (1st Contract)



Source: CBOT/CMA

The average price of the first soybean contract at the Chicago Board of Trade (CBOT) in 2Q10 was US$9.58/bu, up 0.3% over the previous quarter and 15.2% lower year-on-year.

Despite the global soybean production of 259.7 million metric tons, according to the USDA, and the rebuilding of inventories in 2009/10, prices were relatively sustained by demand, which recovered growth in 2009/10. The USDA estimates consumption of 235.6 million metric tons, 6.6% more than in the previous year.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Table US Soybean Supply and Demand

		2006/07	2007/08	2008/09	2009/10*	2010/11**
Harvested Area (ha)		30,190	25,959	30,222	30,907	31,560
Productivity (kg/ha)		2,882	2,807	2,672	2,958	2,885
Production	thousand of tons	87,001	72,859	80,749	91,417	91,036
Imports	thousand of tons	246	269	361	408	272
Exports	thousand of tons	30,386	31,538	34,925	39,735	37,285
Consumption	thousand of tons	53,473	51,627	48,004	51,098	48,976
Ending Stocks	thousand of tons	15,617	5,580	3,761	4,753	9,800
Stocks/(Cons + Exp) (%)		18.6%	6.7%	4.5%	5.2%	11.4%

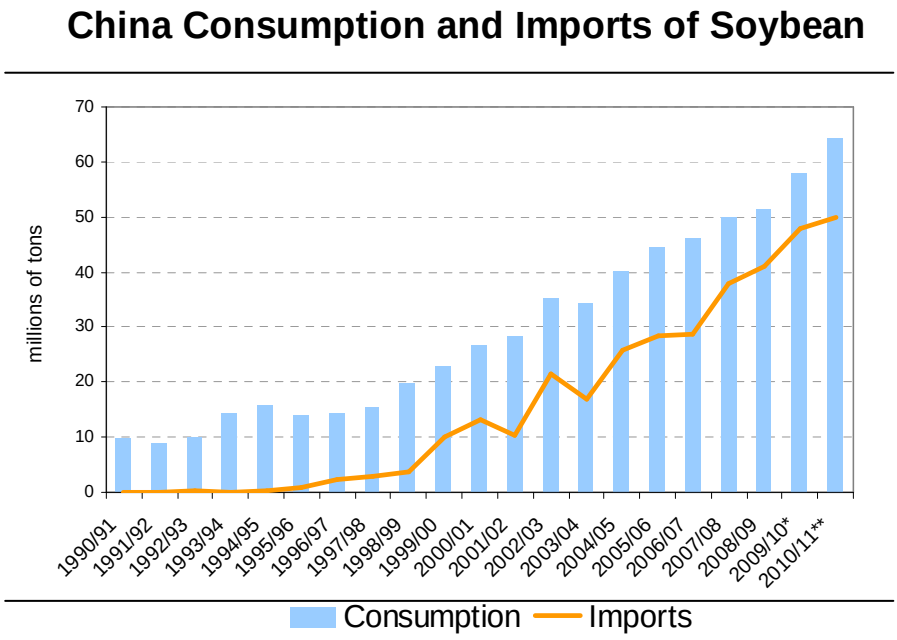
*estimated; **projected;

Table World Soybean Supply and Demand

		2006/07	2007/08	2008/09	2009/10*	2010/11**
Harvested Area (ha)		94,237	90,723	96,398	101,917	101,972
Productivity (kg/ha)		2,516	2,437	2,199	2,548	2,464
Production	thousand of tons	237,111	221,133	211,964	259,702	251,287
Imports	thousand of tons	69,062	78,162	77,165	85,148	87,540
Exports	thousand of tons	71,310	79,519	77,340	87,582	88,838
Consumption	thousand of tons	225,185	229,753	221,033	235,583	247,575
Ending Stocks	thousand of tons	62,885	52,908	43,662	65,347	67,761
Stocks/Consumption (%)		27.9%	23.0%	19.8%	27.7%	27.4%

Source: USDA jul/10

China continues to be the leading consumer of soybean and, according to the USDA, should increase total consumption by 11% to 64.2 million metric tons in 2010/11, while its imports should reach 50 million metric tons, equivalent to 56% of world soybean trade flows in the year.



Source: USDA *projected; **estimated;

Due to the buoyant demand, the United Sates should close the 2009/10 marketing year with stocks of around 175 million bushels (4.7 million metric tons), according to the USDA.

The USDA report of July 2010 predicts that the soybean harvested area in the United States in the 2010/11 marketing year should reach 78 million acres (31.6 million hectares) - the largest soybean harvested area in the country's history.

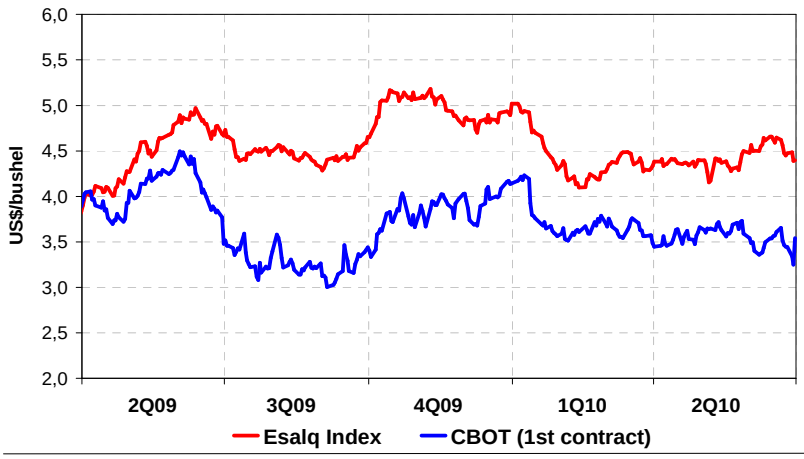
Despite the record planted area in 2010/11, we could see price volatility in the coming months as the U.S. crop is in full steam, approaching the critical phase and, hence, still vulnerable to climatic conditions. Moreover, any rebound in economic growth should lead to a new cycle of consumption growth.

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Corn

Corn Prices



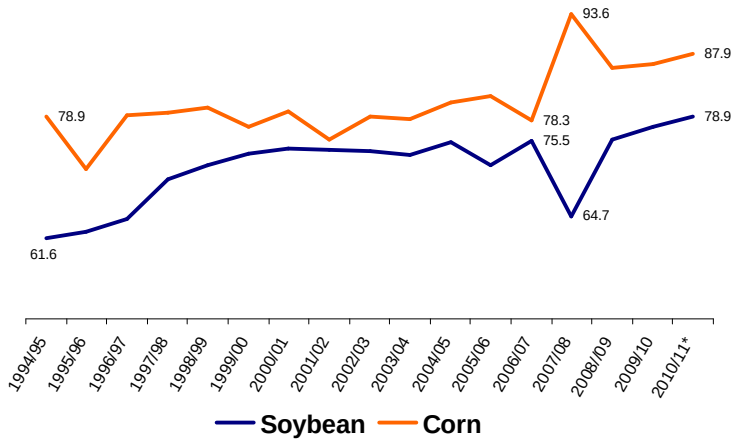
Esalq Index:	4.49	4.47	4.96	4.42	4.42
CBOT:	4.06	3.28	3.86	3.70	3.55

Source: CBOT/ Cepea (Esalq)/CMA

The average price of corn on the CBOT in 2Q10 was US$3.55/bu, a decrease of 4.1% from the previous quarter and 12.6% from 2Q09. In the domestic market, average corn price, measured by the ESALQ index published by the Luiz de Queiroz Higher Agricultural School (ESALQ) remained stable at US$4.42/bu.

The drop in international corn prices was mainly due to the second consecutive expansion in the corn planted area in the United States, the world's largest producer and exporter of corn. The contraction in wheat harvested areas in the U.S. gave room for the expansion of the soybean and corn planted areas in the 2010/11 marketing year. The USDA projected a corn planted area of 87.9 million acres in 2010/11, 1.6 % more than the 86.5 million acres cultivated in the previous year.

US Soybean and Corn Planted Area



Source: USDA

*estimated

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

The USDA's monthly supply and demand report estimated world corn production for the 2010/11 marketing year at 832.4 million metric tons, up 2.8% on the previous year. The United States should produce 336.4 million metric tons, 1% more than the 333 million metric tons it produced in 2009/10, mainly due to increase in the planted area.

The USDA forecasts world corn consumption in 2010/11 at 828.5 million metric tons, 2% more than the 812 million metric tons in 2009/10. Part of the consumption growth continues to be directed to ethanol production. According to the USDA, corn consumption for ethanol production in the United States should grow by 4.4% in 2010/11 to 119 million metric tons, compared with 114 million metric tons in 2009/10.

Brazil should produce 53.5 million metric tons of corn in 2009/10, 2.4 million metric tons more than in 2008/09, of which 34 million metric tons will be from the first crop and 19.4 million metric tons from the second corn crop, according to CONAB.

The planted area of first-crop corn decreased by 15.3% in relation to 2008/09, due to the higher supply and lower price in 2009. On the other hand, CONAB estimates an increase of approximately 3.9% in second-crop corn planted area, mainly in Mato Grosso, where the planted area expanded by 21.5% over the previous year.

According to CONAB, exports should come to 8.5 million metric tons, while domestic consumption should reach 45.8 million metric tons. As a result, ending stocks should fall slightly to 11 million metric tons.

Operating Performance

The second quarter was marked by the end of harvesting of 120,777 ha of soybean and 7,140 ha of first-crop corn, and the beginning of harvesting of 54,556 ha of first-crop cotton and 27,695 ha of second-crop corn.

Yields

Yields (kg/ha)	(A) Achieved 2008/09	(B) Estimated [1] 2009/10	(C) Projected[2] 2009/10	Δ% (C/A)	% harvested[3]
Cotton lint 1st crop	1,507	1,664	1,564	3.8	42.1
Cotton lint 2nd crop	1,644	1,442	1,462	-11.1	3.8
Ultra Narrow Row Cotton	0	1,463	1,424	-	-
Soybean	2,800	3,100	2,906	3.8	100
Corn 1st crop	9,652	9,840	9,893	2.5	100
Corn 2nd crop	6,266	6,540	6,168	-1.6	32.7

(1) Initial productivity estimates for the marketing year.
(2) Percentage estimated considering harvested area.
(3) As of June 30, 2010.

***Soybean*.** We concluded the harvesting of 120,777 ha of soybean planted in the 2009/10 marketing year with an average yield of 2,906 kg/ha (or 48.4 bags/ha), 3.8% more than in 2008/09. This yield, however, was still below our initial target of 51.7 bags/ha, chiefly as a result of (i) the heavy rainfall during the harvest period, especially the state of Mato Grosso and (ii) a period of strong *veranico* (out-of-season drought) in Palmares and Piratini farms in Bahia, and Pamplona farm in Goiás. Of the total soybean planted by the Company, 31.3% pertained to the super-early and early soybean varieties, which have lower potential yields but allow the planting of second-crop cotton, ultra-narrow-row cotton and second-crop corn.

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Corn 1st crop. The average yield of first-crop corn was 9,893 kg/ha, up 2.5% on 2008/09 and 3.7% higher than our average yield in the past five marketing years. Panorama Farm (Bahia) was the top performer with yield of 11,472 kg/ha.

Corn 2nd crop. In the second fortnight of July, we began harvesting the second-crop corn and, by the end of 2Q10, had harvested 32.7% of the area planned for this crop. The average yield was 6,664 kg/ha, up 6.4% in relation to 2008/09.

Cotton 1st crop. In May, we began harvesting cotton and, by June 30, had harvested 42.1% of the crop, with an average yield of 1,513 kg/ha, 0.4% higher than in 2008/09.

Planted Area

Crop Mix	Achieved 2008/09 ha	Achieved 2009/10 ha	Share %	Δ Absolute ha	Δ Percentage %
Cotton	63,458	**64,705**	**28.9**	**1,247**	2
Cotton 1st crop	*55,211*	*54,556*	*24.4*	*(655)*	*-1*
Cotton 2nd crop	*8,247*	*9,619*	*4.3*	*1,372*	*17*
Ultra Narrow Row Cotton	*0*	*530*	*0.2*	*530*	*0*
Soybean	116,821	***120,777***	***54.1***	***3,955***	*3*
Corn	36,420	**34,835**	**15.6**	**(1,585)**	-4
Corn 1st crop	*2,387*	*7,140*	*3.2*	*4,753*	*199*
Corn 2nd crop	*34,033*	*27,695*	*12.4*	*(6,338)*	*-19*
Other(1)	2,982	**3,034**	**1.4**	**53**	2
Total	**219,681**	**223,351**	**100.0**	**3,670**	**2**

Planted Area Mix	ha	ha	%	ha	%
Physical Area Under Control	176,325	**183,745**	82	**7,420**	**4**
Owned Area	*114,725*	*120,576*	*54*	*5,850*	*5*
Leased Area	*61,600*	*63,169*	*28*	*1,570*	*3*
2nd crop	43,356	**39,606**	18	**(3,750)**	**-9**
Total	**219,681**	**223,351**	**100**	**3,670**	**2**

(1) Coffee, wheat, corn seed and rice.

Property Portfolio

We currently control the following property portfolio:

Areas 2009/10 (ha) Farm	State	Owned	Leased	Under Control	Planted (2009/10)
		---------- ha ----------			
Pamplona	GO	17,094	4,080	21,174	18,021
Planalto	MS	17,489	1,657	19,146	19,680
Planorte	MT	23,794	367	24,161	33,742
Paiaguás	MT	34,960	12,162	47,122	38,206
Parnaíba	MA	39,334	7,492	46,826	27,614
Planeste	MA	22,787	10,837	33,624	30,412
Palmeira	MA	14,625	0	14,625	2,735
Panorama	BA	12,982	12,313	25,295	21,849
Piratini	BA	25,355	5,000	30,355	6,873
Palmares	BA	12,855	21,194	34,049	24,219
Parnaguá	PI	26,611	0	26,611	-
Total		**247,886**	**75,102**	**322,988**	**223,351**

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Due to new land acquisitions, regarding our owned area figures disclosed at the 1Q10, there was an increase of 4,811 hectares (703 ha at Paiaguás Farm, 2,608 ha at Panorama farm and 1,500 ha at Palmares Farm), of which 4,108 were already leased by our Company (thus not representing an increase in the cultivated area – there was only a migration from leased to owned area). This way, 703 ha refer to new areas, thus reflecting an actual increase in our arable land portfolio.

In terms of leased area, there was, in relation to the figures of 1Q10, a net increase of 4,417 hectares, justified chiefly by new leasing agreements, in the total of 15,828 hectares, as disclosed at the Notice to the Market of August 6th, partially offset by the cancellation of some old leasing agreements and by the migration of those acquired areas (to owned).

Land Appraisal

On April 30, 2010, the land owned by the Company was appraised by the independent consulting firm Deloitte Touche Tohmatsu at R$1.5 billion, practically stable in relation to the previous assessment. The appraisal considered only the land and disregarded any buildings, facilities, improvements or machinery.

	Deloitte Appraisal 2009			Deloitte Appraisal 2010		
	Total area appraised (ha)	R$ thd	R$/ha	Total area appraised (ha)	R$ thd	R$/ha
Fazenda Pamplona	17,094	158,220	9,256	17,094	164,240	9,608
Fazenda Planalto	17,489	234,810	13,426	17,490	241,810	13,826
Fazenda Planorte	23,794	232,990	9,792	23,793	200,050	8,408
Fazenda Paiaguás	26,257	265,050	10,094	26,257	243,950	9,291
Fazenda Parnaíba	33,798	207,350	6,135	33,734	199,850	5,924
Fazenda Planeste	18,256	118,040	6,466	22,787	142,170	6,239
Fazenda Palmeira	14,963	25,260	1,688	14,625	24,850	1,699
Fazenda Panorama	9,220	86,360	9,367	10,374	102,810	9,910
Fazenda Piratini	25,002	94,840	3,793	25,355	81,810	3,227
Fazenda Palmares	5,280	22,780	4,314	11,356	46,320	4,079
Fazenda Parnaguá	26,712	49,990	1,871	26,611	50,760	1,907
Total	**217,865**	**1,495,690**	**6,865**	**229,476**	**1,498,620**	**6,531**

NOTE: The appraisal and average variation per hectare exclude the 13,600 hectares acquired in October 2009 (in the land portfolio table this land was added to the areas of the Paiaguás and Parnaíba farms, in the ratio of 8,000 ha and 5,600 ha, respectively), exclusively dedicated to legal reserve.

The average value per hectare was about 5% lower than in 2009, due to the approximately 30% decline in soybean prices in Brazilian real, an important indicator of property prices. This price reduction, however, was partially offset by the increase in land value in terms of bags of soybean, which was of approximately 40% year-on-year.

Machinery and Storage Capacity

On June 30, 2010 our machinery and storage capacity included:

Machinery	Quantity
Tractors	**404**
Grains Combines	**162**
Cotton Pickers	**88**
Planters	**169**
Sprayers	**90**

Storage Capacity	Grains	Cotton
Metric Tons	355,700	86,925
% Production(1)	60.0	86.8

(1) SLC Agrícola estimate based on the planted area and the average yield in the 2009/10 marketing year.

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Financial Analysis

EBITDA

(R$ mil)	1H09	1H10	AH	2Q09	2Q10	AH
Net Revenue	**311,389**	**326,538**	**4.9%**	**146,683**	**146,687**	**n.m.**
(-) Cost of Goods Sold	**(234,665)**	**(262,932)**	**12.0%**	**(145,035)**	**(123,245)**	**-15.0%**
Gross Income	**76,724**	**63,606**	**-17.1%**	**1,648**	**23,442**	**n.m.**
(-) Selling expenses	(16,063)	(20,826)	29.7%	(6,949)	(9,118)	31.2%
(-) General and administrative expenses	(12,552)	(15,050)	19.9%	(6,041)	(8,573)	41.9%
(-) Board and directors Payment	(2,368)	(1,304)	-44.9%	(937)	(1,039)	10.9%
(-) Other operating income	1,295	2,415	86.5%	641	1,197	86.7%
(+) Depreciation and amortization	24,595	30,924	25.7%	16,289	17,607	8.1%
EBITDA	**71,631**	**59,765**	**-16.6%**	**4,651**	**23,516**	**405.6%**
EBITDA margin	**23.0%**	**18.3%**	**-4.7p.p.**	**3.2%**	**16.0%**	**12.8p.p.**

Second-quarter EBITDA was R$18,865 thousand higher year-on-year, chiefly due to the reduction in the cost of goods sold (COGS), from R$145,035 thousand in 2Q09 to R$123,245 thousand, while net revenue remained stable.

The reduction in COGS was mainly driven by the decrease in soybean costs which, despite the higher sales volume in 2Q10 compared to 2Q09, fell by 22.9% on account of the lower unit cost. Soybean represented 66.7% of COGS in 2Q10.

Gross Operating Revenue

(R$ tdh)	1H09	1H10	AH	2Q09	2Q10	AH
Gross revenue	**330,032**	**346,813**	**5.1%**	**157,546**	**156,846**	**-0.4%**
Cotton lint	127,709	150,222	17.6%	52,142	53,394	2.4%
Cotton seed	4,194	5,702	36.0%	934	3,194	242.0%
Soybean	169,556	136,684	-19.4%	89,488	80,207	-10.4%
Corn	7,127	14,601	104.9%	2,599	4,611	77.4%
Coffee	3,102	5,385	73.6%	1,578	1,482	-6.1%
Other	29,208	30,700	5.1%	15,006	10,353	-31.0%
Hedge transactions	(10,864)	3,519	n.m	(4,201)	3,605	n.m.

(Metric Tons)	1H09	1H10	AH	2Q09	2Q10	AH
Volume sold	**333,997**	**368,865**	**10.4%**	**175,027**	**190,424**	**8.8%**
Cotton lint	43,018	49,760	15.7%	17,440	16,916	-3.0%
Cotton seed	13,854	18,200	31.4%	3,362	10,557	214.0%
Soybean	247,460	249,419	0.8%	139,349	149,012	6.9%
Corn	17,586	41,635	136.8%	6,625	12,873	94.3%
Coffee	673	2,701	301.3%	387	368	-4.9%
Other	11,406	7,150	-37.3%	7,864	698	-91.1%

Gross operating revenue in the quarter was practically stable, dropping 0.4%, from R$157,546 thousand in 2Q09 to R$156,846 thousand. Though in 2Q10 sales of cotton seed, corn and soybean were higher than in 2Q09, the unit prices of soybean and corn were significantly lower.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

In 2Q10, soybean and cotton crops accounted for 51.1% and 34.0% of the gross operating revenue, respectively, while exports accounted for 53.4%, compared to 59.7% in 2Q09.

Cotton lint		1H09	1H10	AH	2Q09	2Q10	AH
Cotton lint							
Volume sold	Ton	43,018	49,760	15.7%	17,440	16,916	-3.0%
Gross revenue	R$ thd	127,709	150,222	17.6%	52,142	53,394	2.4%
Unit Price	R$ thd / Ton	2.97	3.02	1.7%	2.99	3.16	5.6%
Cotton seed							
Volume sold	Ton	13,854	18,200	31.4%	3,362	10,557	214.0%
Gross revenue	R$ thd	4,194	5,702	36.0%	934	3,194	242.0%
Unit Price	R$ thd / Ton	0.30	0.31	3.5%	0.28	0.30	7.1%

Cotton lint sales in 2Q10 refer to the closing balance of the production in the 2008/09 marketing year. Gross revenue from cotton lint in 2Q10 increased by 2.4% from 2Q09, mainly due to the 5.6% increase in the average sale price year-on-year, despite the 3.0% drop in sales during the period. Exports accounted for 57.8% of gross cotton revenue in 2Q10, compared with 42.7% in 2Q09.

Soybean		1H09	1H10	AH	2Q09	2Q10	AH
Volume sold	Ton	247,460	249,419	0.8%	139,349	149,012	6.9%
Gross revenue	R$ thd	169,556	136,684	-19.4%	89,488	80,207	-10.4%
Unit Price	R$ thd / Ton	0.69	0.55	-20.3%	0.64	0.54	-15.6%

Soybean sales in 2Q10 refer to the production in the 2009/10 marketing year. Gross soybean revenue in the quarter declined by 10.4% from 2Q09, chiefly due to:

- the 15.6% decline in the unit price, caused by the oscillation in international commodity prices and the appreciation in the Brazilian real against the U.S. dollar; and
- the 6.9% growth in sales volume, thanks to the Company's sales policy.

Exports represented 77.0% of total gross revenue from soybean in 2Q10, compared with 69.6% in 2Q09.

Corn		1H09	1H10	AH	2Q09	2Q10	AH
Volume sold	Ton	17,586	41,635	136.8%	6,625	12,873	94.3%
Gross revenue	R$ thd	7,127	14,601	104.9%	2,599	4,611	77.4%
Unit Price	R$ thd / Ton	0.41	0.35	-14.6%	0.39	0.36	-7.7%

The volume of corn invoiced in 2Q10 refers 77% to the production in the 2009/10 marketing year, being the remaining 33% produced in 2009/10 marketing year. Gross revenue from corn in 2Q10 grew by 77.4% year-on-year, mainly due to:

- the 94.3% increase in the quantity invoiced on account of the Company's sales policy;
- the 7.7% decline in the unit price, due to the variation in the market price of the commodity.

There were no corn exports in 2Q10 and 2Q09.

Other revenues. Other revenues in the quarter rose by 24.7%, from R$12,383 thousand in 2Q09 to R$15,440 thousand, mainly driven by results with hedging operations, which increased from a negative (R$4,201) thousand in 2Q09 to R$3,605 thousand in 2Q10.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Cost of Goods Sold (COGS)

(R$ thd)	1H09	1H10	AH	2Q09	2Q10	AH
Cost of goods sold	**234,665**	**262,932**	**12.0%**	**145,035**	**123,245**	**-15.0%**
Cotton lint	72,177	104,471	44.7%	31,372	29,979	-4.4%
Cotton seed	2,788	4,583	64.4%	654	2,262	245.9%
Soybean	148,832	132,870	-10.7%	106,631	82,216	-22.9%
Corn	3,330	12,686	281.0%	1,629	6,645	307.9%
Coffee	2,985	5,554	86.1%	1,717	1,728	0.6%
Other	4,553	2,768	-39.2%	3,032	415	-86.3%

Cost of goods sold (COGS) fell 15.0%, from R$145,035 thousand in 2Q09 to R$123,245 thousand in 2Q10, with soybean and cotton representing 66.7% and 24.3% of COGS, respectively.

Cotton lint. Cotton invoiced in 2Q10 refers to the 2008/09 marketing year. Cotton lint costs declined by 4.4% year-on-year, due to the 3.0% reduction in sales and the reversal of the adjustment to market value of R$2,070 thousand.

Soybean. Soybean invoiced in 2Q10 refers to the 2009/10 marketing year. Soybean costs in 2Q10 were 22.9% lower year-on-year, despite the 6.9% increase in the quantity invoiced. The cost reduction reflects the reversal of adjustment to market value in the amount of R$1,670 thousand and the lower unit cost.

Corn. Corn invoiced in 2Q10 refers 77% to the 2008/09 and 33% to the 2009/10 marketing year. Corn costs in the quarter were 307.9% higher than in 2Q09, mainly due to the adjustment to market value of inventories amounting to R$2,984 thousand and the 94.3% increase in the quantity invoiced in 2Q10 compared to 2Q09.

Other. The cost of other products fell 86.3%, from R$3,032 thousand in 2Q09 to R$415 thousand in 2Q10, mainly due to the sale of wheat and corn seed in 2Q09, which did not occur in 2Q10.

Production Costs

The composition of our cash cost per hectare is presented below:

	Cotton[(1)]	Soybean[(1)]	Corn[(1)]	Average 2009/10 [(1)]	Average 2008/09	Average 2007/08
Variable Costs	**88**	**76**	**81**	**83**	**85**	**83**
Seeds	2	8	14	6	5	5
Fertilizer	26	28	35	28	32	27
Chemicals	32	18	12	24	25	28
Fuel and Lubricants	6	7	5	6	5	6
Labor	3	1	1	2	2	2
Processing	11	3	5	7	6	7
Machinery and equipment maintenance	4	8	5	6	7	5
Other	4	3	4	4	3	3
Fixed Costs	**12**	**24**	**19**	**17**	**15**	**17**
Labor	7	15	11	10	9	10
Depreciation and Amortization	0	0	0	0	0	0
Leasing	2	3	3	3	3	3
Other	3	6	5	4	3	4

[(1)] SLC Agrícola percentage estimates as of June 30, 2010 to enable advance crop assessments.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Our estimates for cash cost of production per hectare in the 2009/10 marketing year are shown below:

Cash Cost (R$/ha)	2008/09	2009/10[1]	Δ%
Cotton 1st crop	*4,007*	*3,526*	-12.0
Cotton 2nd crop	*3,156*	*2,969*	-5.9
Ultra Narrow Row Cotton	0	2,601	0
Soybean	1,577	1,422	-9.8
Corn 1st crop	*2,369*	*2,257*	-4.7
Corn 2nd crop	*1,228*	*1,026*	-16.4

[1] SLC Agrícola estimates as of June 30, 2010 to enable advance crop assessments.

For the 2009/10 marketing year, we expect the total cash cost of production per hectare to reduce by 9.9% in relation to the 2008/09 marketing year, mainly due to the reduction in the cost of fertilizers and chemicals.

Gross Income

Gross income totaled R$23,442 thousand in 2Q10, a hefty 1,322.5% increase over the R$1,648 thousand recorded in 2Q09. Gross margin came to 16.0%, versus 1.1% in 2Q09. The increase in gross income was due to the reduction in the cost of goods sold.

Selling Expenses

R$ (thd)	1H09	1H10	AH	2Q09	2Q10	AH
Freight	9,268	13,892	49.9%	4,381	6,035	37.8%
Storage	2,815	3,542	25.8%	1,317	1,776	34.9%
Commissions	981	1,247	27.1%	679	714	5.2%
Product Classification	1,010	737	-27.0%	14	694	n.m.
Other	1,989	1,408	-29.2%	558	(101)	n.m.
Total	**16,063**	**20,826**	**29.7%**	**6,949**	**9,118**	**31.2%**
% Net Revenue	**5.2%**	**6.4%**	**1.2 p.p.**	**4.7%**	**6.2%**	**1.5 p.p.**

Selling expenses in 2Q10 increased by 31.2% over 2Q09, chiefly due to the growth in the volume of corn transported, for which freight was our responsibility.

General and Administrative Expenses

(R$ thd)	1H09	1H10	AH	2Q09	2Q10	AH
Personnel	6,668	7,657	14.8%	3,375	4,811	42.5%
Fees	1,468	1,901	29.5%	519	1,052	102.7%
Depreciations	908	960	5.7%	470	487	3.6%
Travel Expenses	788	714	-9.4%	442	408	-7.8%
Other	2,720	3,818	40.4%	1,235	1,815	47.0%
Total	**12,552**	**15,050**	**19.9%**	**6,041**	**8,573**	**41.9%**
% Net Revenue	**4.0%**	**4.6%**	**0.6 p.p.**	**4.1%**	**5.8%**	**1.7 p.p.**

General and administrative expenses in 2Q10 increased by 41.9% year-on-year, mainly due to:

- the R$1,436 thousand increase in personnel expenses, chiefly due to the increase in administrative staff and the collective bargaining agreement in May, with a wage increase of 5.9%, amounting to R$291 thousand, in addition to the R$851 thousand provision for the profit sharing program in 2Q10;
- the increase of R$533 thousand in fees, mainly relating to specific external legal advisory services and in the Controllership and HR departments;
- the increase of R$580 thousand in other administrative expenses, mainly due to the R$342 thousand increase in IT spending.

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

As a percentage of net revenue, general and administrative expenses climbed 1.7 p.p., from 4.1% in 2Q09 to 5.8% in 2Q10.

Net Financial Result

(R$ mil)	1H09	1H10	AH	2Q09	2Q10	AH
Gain (loss) with Derivative Transactions	(19,976)	1,777	-108.9%	(7,265)	(1,899)	-73.9%
Interest	(1,384)	(11,786)	751.6%	(948)	(5,126)	-440.7%
Monetary Variation	(12,082)	11,150	-192.3%	(7,736)	(6,540)	15.5%
FX Variation	16,362	(3,721)	-122.7%	16,062	(1,168)	n.m.
Other Financial Income (expenses)	179	1,200	570.4%	429	398	-7.2%
Total	**(16,901)**	**(1,380)**	**91.8%**	**542**	**(14,335)**	**n.m.**
% Net Revenue	**-5.4%**	**-0.4%**	**5.0p.p.**	**0.4%**	**-9.8%**	**-10.1p.p.**

The net financial result in 2Q10 was negative of (R$14,335) thousand, compared with positive of R$542 thousand in 2Q09, mainly impacted by:

- the foreign exchange losses of (R$1,168) thousand in 2Q10 due to the 1.15% devaluation of the Brazilian Real against the U.S. dollar, in opposition to 15.7% increase in 2Q09, which affected the dollar-denominated portion of the Company's debt;

- net interest expense (cost of debt minus return on cash and cash equivalents) of (R$5,126) thousand in 2Q10, against an expense of (R$948) thousand in 2Q09, reflecting the increase in net debt, marked by the increase in gross debt combined with the reduction in cash equivalents;

- net financial loss of (R$1,899) thousand from derivatives operations in 2Q10, compared to a loss of (R$7,265) thousand in 2Q09, as a result of the significant reduction in foreign exchange hedge operations not covered by the hedge accounting methodology.

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12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Net Result

The net result in 2Q10 was a loss of R$4,248 thousand, versus a loss of R$5,921 thousand in 2Q09, while net margin was a negative 2.9%, a 1.1 p.p. improvement over the negative margin of 4.0% in 2Q09.

The quarter's net loss was mainly caused by the net financial expense of (R$14,335) thousand.

The Company reiterates that the second quarter is historically the weakest in terms of results as it is marked mainly by the sale of grains, whose margins have in recent years been lower than cotton margins. We expect margins to recover from the upcoming quarter, fueled by the commencement of invoicing of cotton for the 2009/10 marketing year.

FX and Agricultural Commodity Hedging

The Company's sales revenue is derived mainly from the sale of agricultural commodities, such as cotton, soybean and corn, which are quoted in U.S. dollar on the foreign exchanges Chicago Board of Trade (CBOT) and Intercontinental Exchange Futures US (ICE). Therefore, the company has exposure to foreign exchange variation and the prices of these commodities. To protect from FX variation, we use derivative instruments, with the portfolio of these instruments comprised basically of non-deliverable forwards (NDFs) and option contracts.

Most of the instruments used to hedge against variations in commodity prices consist of forward contracts made directly with our clients. We also use futures and options contracts traded on stock exchanges, as well as swap and options operations contracted with financial institutions.

Our positions in 2Q10 in commodity hedges and foreign-exchange hedges are shown below:

	Cotton		Soybean		FX Rate	
	%	US¢ / lb[1] [4]	%	US$ / bushel[2] [4]	%	R$ / US$
2010	96	73.0	63	10.21	80	1.91
2011	60	77.0	20	10.53	43	2.04
2012	4	77.0	-	-	4	2.18

[1] Reference price on ICE.
[2] Reference price on CBOT.
[3] Reference price on BM&F
[4] Prices at our production units are influenced by location differences (port, transport, port basis and other expenses).
NOTE: The percentage share of commodities is based on total estimated production to be invoiced in the fiscal year and the percentage share of foreign exchange is based on total gross revenue estimated for the years specified.

Hedge Accounting

Open positions in non-deliverable forwards on June 30, 2010 and with maturities in 2010, 2011 and 2012 (see the table below) were recognized using the Hedge Accounting methodology, in accordance with accounting notice CPC14, which was approved by CVM Resolution 566/08. This methodology results in accounting impacts from hedge operations that are identical to the economic impacts, in accordance with the accrual accounting method.

The company's hedge operations are classified in the category cash flow hedge, which are hedges to protect from exposure to variations in cash flow that are attributable to a certain risk and associated with highly probable transactions that could impact the entity's profitability.

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In the cash flow hedge category, the appreciation or depreciation of the hedge should be booked as follows: (i) for open positions, the effective gain or loss from the hedge instruments should be booked directly on the Balance Sheet in the line Adjustment To Equity Value and the ineffective gain or loss from hedge positions should be booked in the financial revenue or expense line in the fiscal year; and (ii) for matured positions, the effective gain or loss from the hedge instruments should be booked directly under Gross Revenue and the ineffective gain or loss from hedge positions should be booked in the financial revenue or expense line.

Derivative, FX, Commodity and Interest Positions

Description	Reference Value - Notional (US$ thd)	Fair Value (R$ thd)	Fair Value allocated under Shareholder's Equity (R$ thd)	Fair Value (accumulated) allocated under Financial Results (R$ thd)*
FX				
Open Positions	**242,641**	**22,725**	**22,505**	**220**
Maturing in 2010	**88,052**	**13,115**	**12,943**	**172**
Short Position - NDF	88,052	13,115	12,943	172
Maturing in 2011	**139,589**	**8,311**	**8,263**	**48**
Short Position - NDF	139,589	8,311	8,263	48
Maturing in 2012	**15,000**	**1,299**	**1,299**	**-**
Short Position - NDF	15,000	1,299	1,299	-
Total FX	**242,641**	**22,725**	**22,505**	**220**
Commodities				
Open Positions	**27,141**	**2,564**	**-**	**2,564**
Maturing in 2010	**10,288**	**(1,222)**	**-**	**(1,222)**
Cotton – Swap with accumulator	4,884	(385)	-	(385)
Coffee – Swap with accumulator	3,870	(825)	-	(825)
Urea – Swap	1,534	(12)	-	(12)
Maturing in 2011	**16,853**	**3,786**	**-**	**3,786**
Cotton – Swap with accumulator	13,705	(953)	-	(953)
Soybean – Swap with accumulator	3,148	4,739	-	4,739
Total Commodities	**27,141**	**2,564**	**-**	**2,564**
Interests				
Open Positions				
Maturing from 2010 on	**40,000**	**(3,323)**	**-**	**(3,323)**
Swap Libor X Fixed Rate	40,000	(3,323)	-	(3,323)
Total Interests	**40,000**	**(3,323)**	**-**	**(3,323)**
TOTAL	**309,782**	**21,966**	**22,505**	**(539)**

*Refers to the fair value in June 30, 2010. As some of these operations initiated before 2010, the "Total", of R$539 thousand (negative), is not comparable to the R$1,899 thousand (negative) allocated under Net Financial Results, once the first refers to the accumulated fair value of the hedging operations, and the second refers solely to the variation on the quarter.

The Company ended 2Q10 with a fair value of FX hedge operations of R$22,725 thousand, of which R$22,505 thousand was booked under Shareholders' Equity and R$220 thousand under the Financial Result, in accordance with hedge accounting methodology. In 2Q10, the Company advanced its FX hedge positions (NDF operations) for fiscal years 2010, 2011 and 2012.

The fair value of the Commodity Hedge position was R$2,564 thousand. This quarter, we contracted the first swap operation to lock the price of fertilizers (urea) with the objective of locking a part of the production cost in 2010/11.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Inventories and Growing Crops

Inventories (R$ thd)	1Q10	2Q10	AH
Agricultural products	47,735	9,747	-79.6%
Seeds, fertilizers and chemicals	51,260	76,461	49.2%
Advances to suppliers	49,883	21,502	-56.9%
Other inventories	7,143	10,542	47.6%
(-) Inventory Adjustment to Market Value	(2,299)	(229)	-90.0%
Total	**153,722**	**118,023**	**-23.2%**

In 2Q10, our inventories decreased by 23.2% from 1Q10, chiefly due to:

- the 79.6% reduction in stocks of agricultural products, mainly due to the invoicing in 2Q10 of cotton lint of the 2008/09 marketing year;
- the 49.2% increase in seed, fertilizer and chemical inventories, due to the arrival of fertilizers for the 2010/11 marketing year; and
- the 56.9% reduction in advances to suppliers, due to the receipt of manures and fertilizers in the quarter, the balance of which was transferred to Fertilizers account.

Growing Crops (R$ thd)	1Q10	2Q10	AH
Soybean	94,585	47,171	-50.1%
Cotton	156,275	203,511	30.2%
Corn	35,023	42,766	22.1%
Coffee	4,718	6,010	27.4%
Other	919	1,994	117.0%
(-)Inventory Adjustment to Market Value	(11,850)	(12,974)	9.5%
Total	**279,670**	**288,478**	**3.1%**

The concept of growing crops is similar to the concept of products in manufacture used in the industrial sector. Included in this group are the costs incurred with crops in the development process that have not yet been harvested and/or processed.

The balance of the growing crops account increased by 3.1% over 2Q09, primarily due to:

- the increase in the balance of the cotton, corn and coffee crops due to the use of the seeds, fertilizers and chemicals in inventory, as well as labor, depreciation and other expenses in 2Q10, primarily for cotton, which represented an increase of 30.2%.
- the 50.1% decrease in the balance of growing soybean crop on account of the sales in 2Q10.

Fixed/ Intangible Assets

CAPEX (R$ thd)	1H10	AV	2Q10	AV
Machinery and equipment	20,093	28.1%	3,493	17.7%
Advances to suppliers- machinery and equipment	12,330	17.3%	5,320	26.9%
Soil Correction	12,005	16.8%	4,207	21.3%
Land Acquisition	12,000	16.8%	-	0.0%
Infrastructure	4,933	6.9%	4,681	23.7%
Land Cleaning	1,220	1.7%	604	3.1%
Other	8,805	12.3%	1,462	7.4%
	71,386	**100.0%**	**19,767**	**100.0%**

Fixed assets remained practically stable (+0.1%), increasing from R$816,173 thousand in 1Q09 to R$817,202 thousand in 2Q10, mainly due to:

- the investments of R$8,813 thousand in machinery, implements and equipment (including advances to suppliers of agricultural machinery, implements and equipment);
- the investment of R$4,681 thousand in infrastructure;
- the investment of R$4,207 thousand in soil correction;
- the depreciation of R$18,607 thousand.

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Net Debt

(R$ thd)	Currency	Interest rate % p.a.	1Q10	2Q10	AH	AV
Constitutional Funds[1]	R$	7.41%	215,058	208,954	-2.8%	40.8%
Rural Credit	R$	7.48%	140,730	117,817	-16.3%	23.0%
BNDES	R$	6.79%	42,594	50,007	17.4%	9.8%
Working Capital	R$	11.70%	48,576	33,284	-31.5%	6.5%
Rural Savings	R$	7.10%	23,943	27,886	16.5%	5.4%
		7.66%	**470,901**	**437,948**	**-7.0%**	**85.5%**
IFC	US$	2.40%	72.180	73,116	1.3%	14.3%
BNDES	US$	6.89%	975	956	-1.9%	0.2%
		2.46%	**73.155**	**74,072**	**1.3%**	**14.5%**
Total Debt		**6.91%**	**544.056**	**512,020**	**-5.9%**	**100.0%**
(-) Cash			**183.541**	**155,114**	**-15.5%**	
(=) Net Debt			**360.515**	**356,906**	**-1.0%**	

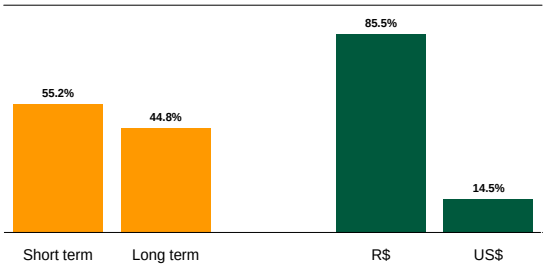
[1] To calculate the average cost of the Constitutional Funds, we considered a discount of 15% relative to the performance bonus applicable to these operations.

Net debt fell by 1.0%, from R$360,515 thousand in 1Q10 to R$356,906 thousand in 2Q10.

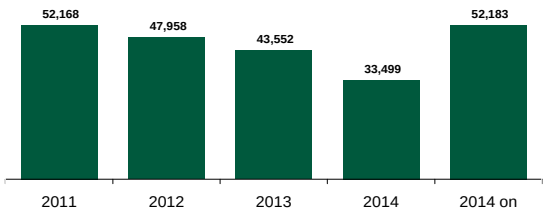
Total debt decreased by 5.9% in 2Q10 from the previous quarter, due to:

- the 16.3% reduction in the debtor balance of rural credit financing agreements which, in turn, was caused by the beginning of amortization of the agricultural costs for the 2009/10 marketing year;
- advance payment of working capital loans, which resulted in a 31.5% decline in the debtor balance in relation to 1Q10;
- the 17.4% increase in the balance of BNDES loans. Several disbursements were made in 2Q10 under the Program to Sustain Investments (PSI) at a cost of 4.5% p.a.

2Q10 Debt Profile (%)



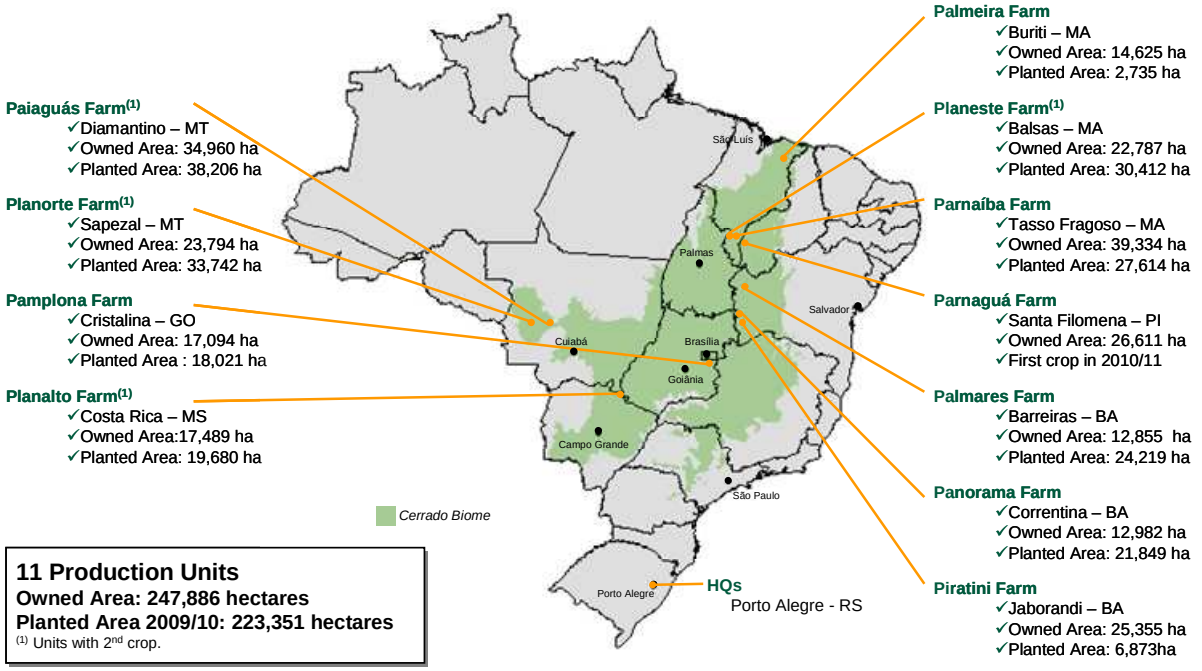
2Q10 Long Term Debt Schedule (R$ thd)



02074-5	SLC AGRÍCOLA S.A.	89.096.457/0001-55

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Location of Production Units



11 Production Units
Owned Area: 247,886 hectares
Planted Area 2009/10: 223,351 hectares
(1) Units with 2nd crop.

Adherence to Arbitration Chamber

SLC AGRÍCOLA is subject to arbitration under the Arbitration Chamber of the Novo Mercado of the São Paulo Stock Exchange (Bovespa), in accordance with the arbitration clause in the Company's Bylaws.

02074-5	SLC AGRÍCOLA S.A.	89.096.457/0001-55

12.01 COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Agricultural weight units and measures

1 metric ton	1,000 kg
1 kg	2.0462 pounds
1 pound	0.45359 kg
1 acre	0.40469 hectares
1 acre	0.1840 alqueire
1 hectare (ha)	2.47105 acres
1 hectare (ha)	10,000 m²
1 alqueire	5.4363 acres

Soybean and Wheat

1 bushel of soybean	60 pounds	27.2155 kg
1 bag of soybean	60 kg	2.20462 bushels
1 bushel/acre	67.25 kg/ha	
1.00 US$/bushel	2.2046 US$/bag	

Corn

1 bushel of corn	56 pounds	25.4012 kg
1 bag of corn	60 kg	2,36210 bushels
1 bushel/acre	62.77 kg/ha	
1.00 US$/bushel	2.3621 US$/bag	

Cotton

1 bale	480 pounds	217.72 kg
1 arroba	14.68 kg*	

Coffee

1 bag of coffee	60 kg	132.28 pounds
1.00 US¢/pound	1.3228 US$/bag	

* The market practice and our practice are to use 15.00 kg for this measure.

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

09.01 – **INTERESTS IN SUBSIDIARIES AND/OR AFFILIATES**

1 – ITEM	2 – COMPANY' NAME	3 – GENERAL TAXPAYERS' REGISTER	4 – TYPE OF INVESTMENT	5 - % OF CAPITAL OF SUBSIDIARY	6 - % OF THE SHAREHOLDER'S EQUITY OF SUBSIDIARY
7 – TYPE OF COMPANY		8 – SHARES OWNED IN CURRENT QUARTER (units)	8 – SHARES OWNED IN CURRENT QUARTER (units)		
01	FAZENDA PARNAÍBA S.A.	12.147.930/0001-51	Private Subsidiary	100.00	4.16
COMMERCIAL, INDUSTRIAL AND OTHER		5,353	5,353		
02	FAZENDA PLANORTE S.A.	00.337.109/0001-19	Private Subsidiary	100.00	11.22
COMMERCIAL, INDUSTRIAL AND OTHER		11,506	11,506		
03	FAZENDA PAIAGUÁS S.A.	02.144.795/0001-37	Private Subsidiary	100.00	10.74
COMMERCIAL, INDUSTRIAL AND OTHER		44,517	44,517		
04	SLC EMPREENDIMENTOS E AGRIC. LTDA.	93.805.365/0001-48	Private Subsidiary	85.81	21.89
COMMERCIAL, INDUSTRIAL AND OTHER		1	1		

20.01 –OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY

The Company is subject to arbitration in the Market Arbitration Chamber, pursuant to Committing Clause included in its bylaws.

CONSOLIDATED SHAREHOLDING OF THE CONTROLLING PARTIES AND MANAGEMENT AND OUTSTANDING SHARES HOLDINGS AS OF

Position on: 06/30/2010

Shareholder	Total Common Shares (Units)	%	Total Shares (Units)	%
Controlling Parties	**50,469,371**	**51.03**	**50,469,371**	**51.03**
SLC Participações S.A.	28,948,584	29.27	28,948,584	29.27
Evaux Participações S.A.	21,520,787	21.76	21,520,787	21.76
Management	**5**	**0,00%**	**5**	**0,00%**
Board of Directors	5	0,00%	5	0,00%
Directors	0	0,00%	0	0,00%
Shareholder with more than 5%	**4,692,600**	**4.74**	**4,692,600**	**4.74**
Blackrock, INC	4,692,600	4.74	4,692,600	4.74
In Treasury	**1,276,000**	**1.29**	**1,276,000**	**1.29**
Other Shareholders	**42,459,524**	**42.94**	**42,459,524**	**42.94**
Total	**98,897,500**	**100.00**	**98,897,500**	**100.00**
Free Float	***47,152.124***	***47.68***	***47,152,124***	***47.68***

There was no Supervisory or Technical Board organized during the reference period

20.01 –OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY

CONSOLIDATED SHAREHOLDING CONTROLLING PARTIES AND MANAGEMENT AND OUTSTANDING SHARES HOLDINGS AS OF

Position on :06/30/2009

Shareholder	Total Common Shares (Units)	%	Total Shares (Units)	%	Total Common Shares (Units)	%
Controlling Parties	**50,469,371**	**51.03**	**-**	**-**	**50,469,371**	**51.03**
SLC Participações S.A.	28,948,584	29.27	-	-	28,976,584	29.27
Evaux Participações S.A.	21,520,787	21.76	-	-	21,520,787	21.76
Management	**1,005**	**-**	**0,00%-**	**-**	**1,005**	**0,00%-**
Board of Directors	5	-	0,00%	-	5	0,00%
Directors	1,000		0,00%		1,000	0,00%
	-	-	-	-	-	-
Shareholder with more than 5%	**4,692,600**	4.74			**4,692,600**	4.74
Blackrock, INC	4,692,600	4.74			4,692,600	4.74
In Treasury	**1,304,000**	**1.32**			**1,304,000**	**1.32**
Other Shareholders	**42,430,524**	**42.90**	**-**	**-**	**42,430,524**	**42.9**
Total	**98,897,500**	**100**	**-**	**-**	**98,897,500**	**100**
Free Float	**47,123,124**	***47.65***	**-**	**-**	**47,123,124**	***47.654***

There was no Supervisory or Technical Board organized during the reference period

20.01 –OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY

SHAREHOLDERS OWNING MORE THAN 5% EQUITY INTEREST IN EACH TYPE AND CLASS UP TO THE INDIVIDUAL LEVEL

COMPANY: EVAUX PARTICIPAÇÕES S.A.
CNPJ: 02.699.849/0001-20

As of 06/30/2010

Shareholder	Number of common shares (in units)	%	Number of preferred shares (in units)	%	Total number of shares (in units)	%
SLC Participações S.A.	759,281,610	100	-	-	759,281,610	100
Eduardo Silva Logemann	1	-	-	-	1	-
Total	**759,281,611**	**100**	**-**	**-**	**759,281,611**	**100**

SHAREHOLDERS OWNING MORE THAN 5% EQUITY INTEREST IN EACH TYPE AND CLASS UP TO THE INDIVIDUAL LEVEL

COMPANY: SLC PARTICIPAÇÕES S.A.
CNPJ: 90.522.921/0001-07

As of 06/30/2010

Shareholder	Number of common shares (in units)	%	Number of preferred shares (in units)	%	Total number of shares (in units)	%
Zaira Elisabeth Silva Logemann	127,409,638	43.19	-	-	127,409,638	43.19
Eduardo Silva Logemann	22,565,422	7.65	-	-	22,565,422	7.65
Jorge Luiz Silva Logemann	34,509,818	11.70	-	-	34,509,818	11.70
Marcelo Silva Logemann	34,509,818	11.70	-	-	34,509,818	11.70
Elisabeth Silva Logemann	34,509,818	11.70	-	-	34,509,818	11.70
Ana Beatriz Logemann de Almeida	34,509,818	11.70	-	-	34,509,818	11.70
Espólio de Sonia Logemann	6,985,668	2.36	-	-	6,985,668	2.36
Total	**295,000,000**	**100**	**-**	**-**	**295,000,000**	**100**

21.01 A FREE TRANSLATION FROM PORTUGUESE INTO ENGLISH OF SPECIAL REVIEW REPORT OF INDEPENDENT AUDITORS ON QUARTERLY INFORMATION PREPARED IN ACCORDANCE WITH ACCOUNTING PRACTICES ADOPTED IN BRAZIL

REVIEW REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Shareholders
SLC Agrícola S.A.
Porto Alegre – RS

1. We reviewed the accounting information contained in the Quarterly Information (ITR) (Company and consolidated) of SLC Agrícola S.A. and subsidiaries for the quarter ended June 30, 2010, comprising the balance sheet and the statements of operations, cash flows, changes in shareholders' equity and value added, the report on performance and notes thereto. These financial statements are the responsibility of the Company's management.

2. We conducted our review in accordance with specific standards established by the Braziian Institute of Independent Auditors (IBRACON), in conjunction with the National Associatin of State Boards of Accountancy (CFC), comprising mainly: (a) inquiries of and discussion with accounting, financial and operating officials of the Company and subsidiaries about the main criteria adopted in the preparation of the Quarterly Information; and (b) review of the information and subsequent events that have or may have significant effects on the financial and operating position of the Company and subsidiaries.

3. Based on our review, we are not aware of any significant modification that should be made to the Quarterly Information for it to be in accordance with the standards required by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information.

4. As described in Notes 2 and 25, during 2009 CVM approved various technical pronouncements, interpretations and guidelines issued by the Brazilian FASB (CPC) to go into effect in 2010, which amended the accounting practices adopted in Brazil. As permitted by CVM Rules Nº 603/09 and Nº 626/10, the Company's management opted to present its Quarterly Information (ITR) in light of the accounting practices adopted in Brazil until December 31, 2009, i.e. thus not applying the aforesaid pronouncements, interpretations and guidelines in force for 2010. As required by CVM Rule Nº 603/09, the Company disclosed this fact in Note 25 to the ITR and clarified the reasons which prevent the Company from estimating the possible effects on shareholders' equity and on the statement of operations, as required by the aforesaid Rule.

Porto Alegre, July 30, 2010

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP15199/O-6/F/RS

Luis Carlos de Souza
Accountant CRC-1SC021585/O-4-S-RS

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
FAZENDA PARNAÍBA S.A.

22.01 - SUBSIDIARY'S STATEMENT OF OPERATIONS (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.01	Gross Sales	15,428	34,285	20,598	37,046
3.02	Sales Deductions	(103)	(776)	(779)	(1,706)
3.03	Net Sales	15,325	33,509	19,819	35,340
3.04	Cost of Sales	(14,641)	(27,257)	(16,545)	(27,362)
3.05	Gross Profit	684	6,252	3,274	7,978
3.06	Operating Income/Expenses	(2,610)	(1,360)	(1,003)	(4,474)
3.06.01	Selling Expenses	(771)	(1,631)	(866)	(1,835)
3.06.02	General And Administrative Expenses	(427)	(744)	(372)	(653)
3.06.02.01	General And Administrative Expenses	(427)	(744)	(372)	(653)
3.06.03	Financial	(1,612)	982	211	(2,007)
3.06.03.01	Financial Income	719	4,725	5,884	10,157
3.06.03.02	Financial Expenses	(2,331)	(3,743)	(5,673)	(12,164)
3.06.04	Other Operating Income	0	0	24	24
3.06.05	Other Operating Expenses	200	33	0	(3)
3.06.06	Equity Pick-up	0	0	0	0
3.07	Operating Income	(1,926)	4,892	2,271	3,5040
3.08	Non-operating Expenses	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME

FAZENDA PARNAÍBA S.A.

22.01 SUBSIDIARY'S STATEMENT OF OPERATIONS (in thousands of reais) (Continued)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.09	Income Before Tax and Profit Minority Interest	(1,926)	4,892	2,271	3,504
3.10	Provision for Income tax and social contribution	0	0	0	(711)
3.11	Deferred Income Tax and Social Contribution	654	(1,665)	(772)	(228)
3.12	Statutory Participations / Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.15	Earnings / Losses in the Period	(1,272)	3,227	1,499	2,565
	NUMBER OF SHARES, EX-TREASURY (units)	5,353	5,353	5,353	5,353
	EARNINGS PER SHARE (reais)		602.83953	280.02989	479.17056
	LOSS PER SHARE (reais)	(237.62376)			

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

22.01 MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/FOR AFFILIATES

SUBSIDIARY

COMPANY NAME
FAZENDA PARNAÍBA S.A.

The Company is presenting only the comments on the consolidated performance in the quarter.

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
FAZENDA PLANORTE S.A.

22.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.01	Gross Sales	21,805	45,847	14,571	47,613
3.02	Sales Deductions	(1,071)	(2,086)	(747)	(1,846)
3.03	Net Sales	20,734	43,761	13,824	45,767
3.04	Cost of Sales	(17,758)	(35,611)	(11,827)	(28,777)
3.05	Gross Profit	2,976	8,150	1,997	16,990
3.06	Operating Income/Expenses	(8,245)	4,509	(7,688)	(17,203)
3.06.01	Selling Expenses	(1,831)	(3,378)	(655)	(1,509)
3.06.02	General And Administrative Expenses	(451)	(605)	(440)	(862)
3.06.02.01	General And Administrative Expenses	(451)	(605)	(440)	(862)
3.06.03	Financial	(5,649)	8,394	(6,596)	(14,921)
3.06.03.01	Financial Income	970	16,012	6,448	15,478
3.06.03.02	Financial Expenses	(6,619)	(7,618)	(13,044)	(30,399)
3.06.04	Other Operating Income	(314)	98	7	93
3.06.05	Other Operating Expenses	0	0	(4)	(4)
3.06.06	Equity Pick-up	0	0	0	0
3.07	Operating Income	(5,269)	12,659	(5,691)	(213)
3.08	Non-operating Expenses	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
FAZENDA PLANORTE S.A.

22.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais) (Continued)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.09	Income Before Tax and Profit Minority Interest	(5,269)	12,659	(5,691)	(213)
3.10	Provision for Income tax and social contribution	1,635	(3,311)	0	(2,410)
3.11	Deferred Income Tax and Social Contribution	178	(619)	1,912	2,780
3.12	Statutory Participations / Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.15	Earnings / Losses in the Period	(3,456)	8,729	(3,779)	157
	NUMBER OF SHARES, EX-TREASURY (thousand)	11,506	11,506	11,506	11,506
	EARNINGS PER SHARE (reais)		758.64766		13.64505
	LOSS PER SHARE (reais)	(300.36503)		(328.43734)	

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

22.01 MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/FOR AFFILIATES

SUBSIDIARY

COMPANY NAME
FAZENDA PLANORTE S.A.

The Company is presenting only the comments on the consolidated performance in the quarter.

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
FAZENDA PAIAGUÁS S.A.

22.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.01	Gross Sales	36,034	60,655	20,679	48,941
3.02	Sales Deductions	(2,457)	(3,827)	(1,134)	(2,383)
3.03	Net Sales	33,577	56,828	19,545	46,558
3.04	Cost of Sales	(30,350)	(45,800)	(15,491)	(29,867)
3.05	Gross Profit	3,227	11,028	4,054	16,691
3.06	Operating Income/Expenses	(112)	(2,883)	7,040	15,279
3.06.01	Selling Expenses	(1,214)	(2,829)	(626)	(1,602)
3.06.02	General And Administrative Expenses	(567)	(861)	(324)	(633)
3.06.02.01	General And Administrative Expenses	(567)	(861)	(324)	(633)
3.06.03	Financial	416	(1,219)	6,835	7,774
3.06.03.01	Financial Income	2,310	3,538	20,704	26,954
3.06.03.02	Financial Expenses	(1,894)	(4,757)	(13,869)	(19,180)
3.06.04	Other Operating Income	388	565	118	8,141
3.06.05	Other Operating Expenses	0	0	0	0
3.06.06	Equity Pick-up	865	1,461)	1,037	1,599
3.07	Operating Income	3,115	8,145	11,094	31,970
3.08	Non-operating Expenses	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income Before Tax and Profit Minority Interest	3,115	8,145	11,094	31,970

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02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
FAZENDA PAIAGUÁS S.A.

22.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais) (Continued)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.10	Provision for Income tax and social contribution	(445)	(751)	(315)	(649)
3.11	Deferred Income Tax And Social Contribution	(342)	(1,538)0	(3,093)	(6,934)
3.12	Statutory Participations / Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.15	Earnings / Losses in the Period	2,328	5,856	7,686	24,387
	NUMBER OF SHARES, EX-TREASURY (thousand)	44.517	44.517	44.517	44.517
	EARNINGS PER SHARE (reais)	52.29463	131.54525	172.65314	547.81319
	LOSS PER SHARE (reais)				

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02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

22.01 MANAGEMENT COMMENTS ON PERFORMANCE PF SUBSIDIARIES AND/FOR AFFILIATES

SUBSIDIARY

COMPANY NAME
FAZENDA PAIAGUÁSS.A.

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01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - GENERAL TAXPAYERS' REGISTER
02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
SLC EMPREENDIMENTOS E AGRICULTURA LTDA.

22.01- SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.01	Gross Sales	7,034	9,723	8,389	14,787
3.02	Sales Deductions	(257)	(363)	(307)	(540)
3.03	Net Sales	6,777	9,360	8,082	14,247
3.04	Cost of Sales	0	0	0	0
3.05	Gross Profit	6,777	9,360	8,082	14,247
3.06	Operating Income/Expenses	(666)	(327)	740	865
3.06.01	Selling Expenses	0	0	0	0
3.06.02	General And Administrative Expenses	(412)	(779)	(339)	(705)
3.06.02.01	General And Administrative Expenses	(412)	(779)	(339)	(705)
3.06.03	Financial	(254)	452	1,079	1,570
3.06.03.01	Financial Income	132	1,126	1,853	3,107
3.06.03.02	Financial Expenses	(386)	(674)	(774)	(1,537)
3.06.04	Other Operating Income	0	0	0	0
3.06.05	Other Operating Expenses	0	0	0	0
3.06.06	Equity Pick-up	0	0	0	0
3.07	Operating Income	6,111	9,033	8,822	15,112
3.08	Non-operating Expenses	0	0	0	0
3.08.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0

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02074-5	**SLC AGRÍCOLA S.A.**	**89.096.457/0001-55**

SUBSIDIARY

COMPANY NAME
SLC EMPREENDIMENTOS E AGRICULTURA LTDA.

22.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais) (Continued)

1 – CODE	2 – DESCRIPTION	3-04/01/2010 to 06/30/2010	4- 01/01/2010 to 06/30/2010	5- 04/01/2009 a 06/30/2009	6-01/01/2009 a 06/30/2009
3.09	Income Before Tax and Profit Minority Interest	6,111	9,033	8,822	15,112
3.10	Provision for Income tax and social contribution	(801)	(1,357)	(1,232)	(2,277)
3.11	Deferred Income Tax And Social Contribution	230	232	113	113
3.12	Statutory Participations / Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contribution	0	0	0	0
3.13	Reversion of Interest on Shareholders' Equity	0	0	0	0
3.15	Earnings / Losses in the Period	5,540	7,908	7,703	12,948
	NUMBER OF SHARES, EX-TREASURY (thousand)	1		1	1
	EARNINGS PER SHARE (reais)	5,540,000.00000	7,908,000.00000	7,703,000.00000	12,948,000.00000
	LOSS PER SHARE (reais)				

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22.01 MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/FOR AFFILIATES

SUBSIDIARY

COMPANY NAME
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