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

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP) Corporate Law
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

REGISTRATION WITH THE CVM DOES NOT IMPLY ANY ANALYSIS OF THE COMPANY. MANAGEMENT IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED.

01.01- IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - Federal Taxpayers' Registration Number (CNPJ)
02091-5	MRV ENGENHARIA E PARTICIPAÇÕES S.A.	08.343.492/0001-20
4 - State Registration Number – NIRE		
31300023907		

01.02 - HEAD OFFICE

1 - ADDRESS				2 - SUBURB OR DISTRICT
AV. RAJA GABAGLIA, 2720 / 3o. ANDAR				ESTORIL
3 - POSTAL CODE	**4 - MUNICIPALITY**			**5 – STATE**
30350-540	BELO HORIZONTE			MG
6 - AREA CODE	**7 - TELEPHONE**	**8 - TELEPHONE**	**9 - TELEPHONE**	**10 - TELEX**
031	3348-7133	3348-7131	3348-7140	
11 - AREA CODE	**12 - FAX**	**13 - FAX**	**14 - FAX**	
031	3348-7155	-	-	
leocorrea@mrv.com.br				

01.03 - INVESTOR RELATIONS OFFICER (Company Mail Address)

1 – NAME				
LEONARDO GUIMARÃES CORREA				
2 - ADDRESS			**3 - SUBURB OR DISTRICT**	
AV. RAJA GABAGLIA, 2720 / 3o. ANDAR			ESTORIL	
4 - POSTAL CODE	**5 - MUNICIPALITY**			**6 - STATE**
30350-540	BELO HORIZONTE			MG
7 - AREA CODE	**8 - TELEPHONE**	**9 - TELEPHONE**	**10 - TELEPHONE**	**11 - TELEX**
031	3348-7106	-	-	-
12 - AREA CODE	**13 - FAX**	**14 - FAX**	**15 - FAX**	
031	3348-7155	-	-	
16 - E-MAIL				
leocorrea@mrv.com.br				

01.04 - GENERAL INFORMATION/INDEPENDENT ACCOUNTANT

	1 – BEGINNING DATE	2 – END DATE
1 - Current Year	1/1/2009	12/31/2009
2 - Current Quarter	1/1/2008	12/31/2008
3 - Previous Quarter	1/1/2007	12/31/2007

4 - INDEPENDENT ACCOUNTANT	5 - CVM CODE
Deloitte Touche Tohmatsu Auditores Independentes	00385-9
6 - PARTNER RESPONSIBLE	**7 - INDIVIDUAL TAXPAYERS' REGISTRATION NUMBER OF THE PARTNER RESPONSIBLE**
Délio Rocha Leite	094,062,268-80

01.05 - CAPITAL COMPOSITION

Number of shares (thousand)	1 12/31/2009	2 12/31/2008	3 12/31/2007
Paid-up capital			
1 - Common	481,400	135,993	135,233
2 - Preferred	0	0	0
3 – Total	481,400	135,993	135,233
Treasury Shares			
4 - Common	0	214	0
5 - Preferred	0	0	0
6 - Total	0	214	0

01.06 - CHARACTERISTICS OF THE COMPANY

1 - TYPE OF COMPANY
Commercial, industrial and other
2 – SITUATION
Operational
3 - NATURE OF OWNERSHIP
Foreign
4 -ACTIVITY CODE
1110 – Civil construction, Construction Mat. And Decoration
5 - MAIN ACTIVITY
Management of own assets, development, construction and sale of own or third-party properties, and provision of engineering services.
6 - TYPE OF CONSOLIDATION
Full consolidation
7 - TYPE OF AUDITORS' REPORT
Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM	2 - CNPJ	3 - NAME

01.08 - DIVIDENDS APPROVED AND/OR PAID

1 - ITEM	2 - EVENT	3 - DATE OF APPROVAL	4 - TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE
01	ASM	4/27/2009	Dividend	9/31/2009	Common	0.3198300000
02	PROPOSAL		Dividend		Common	0.1760000000

1.09 - INVESTOR RELATIONS OFFICER

1 - DATE	2 - SIGNATURE

02.01 - BALANCE SHEET - ASSETS (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2008	5 - 12/31/2007
1	Total assets	3,706,445	2,314,311	1,781,068
1.01	Current assets	1,796,724	1,073,070	1,249,174
1.01.01	Cash and cash equivalents	561,930	102,285	592,647
1.01.01.01	Cash and banks	96,586	24,259	3,438
1.01.01.02	Short-term investments	465,344	78,026	589,209
1.01.02	Receivables	651,978	385,203	191,475
1.01.02.01	Trade accounts receivable	651,399	384,267	190,295
1.01.02.01.01	Receivables from real estate development	651,153	383,934	188,907
1.01.02.01.02	Receivables from services provided	246	333	1,388
1.01.02.01.03	Receivables from rent	0	0	0
1.01.02.02	Other receivables	579	936	1,180
1.01.02.02.01	Investment securities - Short term	579	936	1,180
1.01.03	Inventories	534,535	554,230	452,712
1.01.03.01	Real estate under construction	167,904	208,336	76,410
1.01.03.02	Completed units	13,175	11,308	13,768
1.01.03.03	Land bank	336,480	315,373	327,787
1.01.03.04	Advances to suppliers	16,832	17,461	29,783
1.01.03.05	Material inventories	144	1,752	4,964
1.01.04	Other	48,281	31,352	12,340
1.01.04.01	Deferred taxes	0	0	0
1.01.04.02	Recoverable taxes	20,859	23,019	11,836
1.01.04.03	Restricted savings investments	9,720	693	0
1.01.04.04	Other assets	17,702	7,640	504
1.02	Noncurrent assets	1,909,721	1,241,241	531,894
1.02.01	Long-term assets	852,089	417,196	337,918
1.02.01.01	Other receivables	743,689	324,692	292,280
1.02.01.01.01	Investment Securities - Long term	0	0	900
1.02.01.01.02	Receivables from real estate development	353,666	177,409	109,128
1.02.01.01.03	Land bank	390,023	147,283	182,252
1.02.01.02	Due from related parties	92,103	77,171	21,951
1.02.01.02.01	Associates	0	0	0
1.02.01.02.02	Subsidiaries	42,847	38,792	15,691
1.02.01.02.03	Other related parties	49,256	38,379	6,260
1.02.01.03	Other	16,297	15,333	23,687
1.02.01.03.01	Deferred selling expenses	12,588	5,291	1,313
1.02.01.03.02	Deferred taxes	730	9,358	21,912
1.02.01.03.03	Escrow deposits and other	1,200	684	462
1.02.01.03.04	Contributions receivable	1,779	0	0
1.02.02	Permanent assets	1,057,632	824,045	193,976
1.02.02.01	Investments	1,019,105	786,998	180,452
1.02.02.01.01	Investments in associates	0	0	0
1.02.02.01.02	Investments in associates - goodwill	0	0	0
1.02.02.01.03	Investments subsidiaries	1,019,105	786,998	179,749
1.02.02.01.04	Investments subsidiaries - goodwill	0	0	0
1.02.02.01.05	Other investments	0	0	703
1.02.02.02	Property and equipment	17,446	24,010	11,033

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2008	5 - 12/31/2007
1.02.02.03	Intangible assets	21,081	13,037	2,491
1.02.02.03.01	Goodwill on acquisition of investments	3,237	3,237	0
1.02.02.03.02	Other intangible assets	17,844	9,800	2,491

02.02 - BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2008	5 - 12/31/2007
2	Total liabilities	3,706,445	2,314,311	1,781,068
2.01	Current Liabilities	793,742	336,189	333,027
2.01.01	Loans and financing	92,583	51,687	12,498
2.01.02	Debentures	62,032	3,676	0
2.01.03	Trade accounts payable	64,925	25,418	24,929
2.01.04	Taxes payables	6,013	3,800	10,262
2.01.05	Dividends proposed	82,513	51,322	10,166
2.01.06	Provisions	1,489	1,967	772
2.01.06.01	Provision for maintenance of real estate	1,489	1,967	772
2.01.07	Due to related parties	0	0	0
2.01.08	Other	484,187	198,319	274,400
2.01.08.01	Payroll and related charges	26,246	22,768	13,223
2.01.08.02	Payables for purchase of land	286,715	100,440	220,552
2.01.08.03	Advances from customers	87,724	37,503	20,262
2.01.08.04	Deferred taxes	82,616	37,020	20,299
2.01.08.05	Other payables	886	588	64
2.02	Noncurrent liabilities	519,783	426,361	80,268
2.02.01	Long-term liabilities	519,783	426,361	80,268
2.02.01.01	Loans and financing	59,472	25,447	6,475
2.02.01.02	Debentures	339,932	298,093	0
2.02.01.03	Provisions	17,484	11,679	6,799
2.02.03.03.01	Provision for maintenance of real estate	11,890	7,798	3,087
2.02.03.03.02	Reserve for contingencies	5,594	3,881	3,712
2.02.01.04	Due to related parties	0	0	0
2.02.01.05	Advance for future capital increase	0	0	0
2.02.01.06	Other	102,895	91,142	66,994
2.02.01.06.01	Payables for purchase of land	66,068	42,811	46,521
2.02.01.06.02	Advances from customers	1,361	9,952	3,268
2.02.01.06.03	Deferred taxes	28,553	31,629	10,455
2.02.01.06.04	Negative Goodwill on acquisition of investments	6,750	6,750	6,750
2.02.01.06.05	Other payables	163	0	0
2.03	Deferred income	0	0	0
2.05	Shareholders' equity	2,392,920	1,551,761	1,367,773
2.05.01	Paid-up capital	1,917,434	1,321,910	1,321,146
2.05.01.01	Capital	1,917,434	1,851,284	1,321,146
2.05.02	Capital reserves	11,775	32,917	27,533
2.05.02.01	Expenses on share issuance	(25,635)	0	0
2.05.02.02	Special goodwill reserve	18,554	18,554	18,554
2.05.02.03	Stock options granted and recognized	18,856	14,363	8,979
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Own assets	0	0	0

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2009	5 - 12/31/2007
2.05.03.02	Subsidiaries/associates	0	0	0
2.05.04	Earnings reserves	463,711	196,915	33,283
2.05.04.01	Legal	31,709	14,338	2,786
2.05.04.02	Bylaws	0	0	0
2.05.04.03	For contingencies	0	0	0
2.05.04.04	Unrealized earnings	0	0	0
2.05.04.05	Retained earnings	432,002	184,464	30,497
2.05.04.06	Special for unpaid dividends	0	0	0
2.05.04.07	Other earnings reserves	0	(1,887)	0
2.05.04.07.01	Treasury shares	0	(1,887)	0
2.05.05	Valuation adjustments to equity	0	19	0
2.05.05.01	Adjustments to securities	0	19	0
2.05.05.02	Cumulative translation adjustments	0	0	0
2.05.05.03	Business combination adjustments	0	0	0
2.05.06	Retained earnings/accumulated losses	0	0	(14,189)
2.05.07	Advance for future capital increase	0	0	0

03.01 - STATEMENT OF INCOME (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
3.01	Gross revenue from sales and services	914,131	529,885	313,258
3.01.01	Revenue from real estate development	914,131	529,885	313,258
3.02	Deductions from gross revenue	(62,183)	(48,304)	(28,757)
3.02.01	Taxes on sales	(62,183)	(48,304)	(28,757)
3.03	Gross revenue from sales and services	851,948	481,581	284,501
3.04	Cost of sales and services	(560,344)	(331,040)	(185,887)
3.05	Gross profit	291,604	150,541	98,614
3.06	Income from operations	85,639	109,605	(54,610)
3.06.01	Selling expenses	(69,897)	(53,374)	(28,351)
3.06.02	General and administrative expenses	(92,923)	(81,568)	(122,398)
3.06.02.01	General and administrative expenses	(89,802)	(78,703)	(119,880)
3.06.02.02	Management compensation	(3,121)	(2,865)	(2,518)
3.06.03	Financial income (expenses), net	37,659	42,801	37,369
3.06.03.01	Financial income	51,449	56,829	43,789
3.06.03.01.01	Financial income	43,717	43,808	35,725
3.06.03.01.02	Financial income from receivables from real estate development	7,732	13,021	8,064
3.06.03.02	Financial expenses	(13,790)	(14,028)	(6,420)
3.06.04	Other operating income	7,193	13,469	24,141
3.06.05	Other operating expenses	0	0	0
3.06.06	Results from equity participation	203,607	188,277	34,629
3.07	Operating expenses	377,243	260,146	44,004
3.08	Nonoperating (expenses) income	0	0	0
3.08.01	Income	0	0	0
3.06.02	General and administrative expenses	0	0	0
3.09	Income before taxes and management equity participation and profit sharing	377,243	260,146	44,004
3.10	Provision for income tax and social contribution	(1,394)	0	(20,563)
3.11	Deferred income tax	(25,860)	(26,729)	643
3.12	Profit sharing and contribution under bylaws	(2,567)	(2,387)	(1,812)
3.12.01	Profit sharing	(2,567)	(2,387)	(1,812)
3.12.01.01	Management equity participation	(2,567)	(2,387)	(1,812)
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on capital	0	0	0
3.14	Non-controlling interests	0	0	0
3.15	Net income (loss)	347,422	231,030	22,272
	Number of shares, ex-treasury shares (thousand)	481,400	135,779	135,233
	EARNINGS PER SHARE – R$	0,7217	1,7015	0,1647
	LOSS PER SHARE – R$			

04.01 - STATEMENTS OF CASH FLOWS (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
4.01	Net cash from operating activities	(135,267)	(335,350)	(426,671)
4.01.01	Net cash provided by operating activities	235,250	77,679	10,229
4.01.01.01	Net income	347,422	231,030	22,272
4.01.01.02	Depreciation and amortization	9,576	6,050	820
4.01.01.03	Stock options granted and recognized	4,493	5,384	8,979
4.01.01.04	Results from sale of property and equipment	(1,264)	(34)	(46)
4.01.01.05	Net financial income	22,959	(32,775)	(7,784)
4.01.01.06	Results from equity participation	(203,607)	(188,277)	(34,629)
4.01.01.07	Provision for maintenance of real estate	3,614	5,906	1,527
4.01.01.08	Provision for contingencies	909	(54)	(2,348)
4.01.01.09	Deferred taxes on income, net	25,860	26,729	(643)
4.01.01.10	Deferred taxes on revenue (PIS & COFINS)	25,288	23,720	22,081
4.01.02	Increase (decrease) in assets and liabilities	(370,517)	(413,029)	(436,900)
4.01.02.01	Increase in receivables from real estate development	(436,184)	(249,839)	(158,064)
4.01.02.02	Decrease (increase) in inventories	3,320	(169,052)	(268,511)
4.01.02.03	Increase in other assets	(26,434)	(22,157)	(11,379)
4.01.02.04	Increase (decrease) in trade accounts payable	39,507	489	(10,551)
4.01.02.05	Increase in payroll, related taxes and benefits	3,478	9,545	8,950
4.01.02.06	Increase (decrease) in taxes	2,213	(6,462)	8,229
4.01.02.07	Increase in advances from customers	41,630	23,925	(3,652)
4.01.02.08	Increase (decrease) in other liabilities	1,953	522	(1,922)
4.01.03	Other	0	0	0
4.02	Net cash provided by (used in) investing activities	(44,123)	(495,675)	(156,913)
4.02.01	Decrease in investment securities	511	1,163	(2,080)
4.02.02	Increase in due from related parties	(6,342)	(49,271)	(21,440)
4.02.03	Increase in investments	(28,500)	(421,226)	(121,200)
4.02.05	Purchase of property and equipment and intangible assets	(15,725)	(26,377)	(12,285)
4.02.06	Proceeds for sale of property and equipment	5,933	36	92
4.03	Net cash provided by (used in) financing activities	639,035	340,663	1,167,423
4.03.01	Proceeds from shares issuance	569,889	764	1,231,155
4.03.02	Treasury shares	1,887	(1,887)	0
4.03.03	Loans and financing received (repaid), net	21,692	54,738	(51,975)
4.03.04	Increase (decrease) in due to related parties	0	0	(11,144)
4.03.05	Proceeds from debentures	96,889	297,214	0
4.03.06	Dividends paid	(51,322)	(10,166)	(613)
4.04	Exchange rate change on cash equivalents	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	459,645	(490,362)	583,839
4.05.01	Cash and cash equivalents at beginning of year	102,285	592,647	14
4.05.02	Cash and cash equivalents at end of year	561,930	102,285	592,647

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

05.01 - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2007 to 12/31/2007 (In thousands of Brazilian reais - R$)

1 - Code	2 - Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	78,337	0	0	12,300	0	0	90,637
5.02	Prior-year adjustment	0	0	0	(646)	6,988	0	6,342
5.03	Adjusted balance	78,337	0	0	11,654	6,988	0	96,979
5.04	Net income (loss)	0	0	0	0	42,803	0	42,803
5.05	Allocation of income	0	0	0	33,283	(43,449)	0	(10,166)
5.05.01	Dividends	0	0	0	0	(10,166)	0	(10,166)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	33,283	(33,283)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	2,786	(2,786)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	30,497	(30,497)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	0	0
5.07.01	Adjustments to securities	0	0	0	0	0	0	0
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	1,242,809	0	0	(11,654)	0	0	1,231,155
5.08.01	Capital increase on January 24, 2007	160,000	0	0	0	0	0	160,000
5.08.02	Capital increase on May 28, 2007	11,654	0	0	(11,654)	0	0	0
5.08.03	Initial Public Offering on July 19, 2007	1,004,855	0	0	0	0	0	1,004,855
5.08.04	Supplementary Offering on August 6, 2007	66,300	0	0	0	0	0	66,300
5.09	Recognition/realization of capital reserves	0	27,533	0	0	0	0	27,533
5.09.01	Constituição Reserva Especial Ágio Incorporação	0	18,554	0	0	0	0	18,554
5.09.02	Constituição Reserva Opções de Ações - Ajustada	0	8,979	0	0	0	0	8,979
5.10	Treasury shares	0	0	0	0	0	0	0
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	(20,531)	0	(20,531)
5.12.1	Other	0	0	0	0	(20,531)	0	(20,531)
5.13	Closing balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773

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

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

05.02 - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2008 to 12/31/2008 (In thousands of Brazilian reais - R$)

1 - Code	2 – Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773
5.02	Prior-year adjustment	0	0	0	0	0	0	0
5.03	Adjusted balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773
5.04	Net income (loss)	0	0	0	0	231,030	0	231,030
5.05	Allocation of income	0	0	0	165,519	(216,841)	0	(51,322)
5.05.01	Dividends	0	0	0	0	(51,322)	0	(51,322)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	165,519	(165,519)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	11,552	(11,552)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	153,967	(153,967)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	19	19
5.07.01	Adjustments to securities	0	0	0	0	0	19	19
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	764	0	0	0	0	0	764
5.09	Recognition/realization of capital reserves	0	5,384	0	0	0	0	5,384
5.10	Treasury shares	0	0	0	(1,887)	0	0	(1,887)
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing balance	1,321,910	32,917	0	196,915	0	19	1,551,761

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

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

05.03 - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2009 to 12/31/2009 (In thousands of Brazilian reais - R$)

1 - Code	2 – Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	1,321,910	32,917	0	196,915	0	19	1,551,761
5.02	Prior-year adjustment	0	0	0	0	0	0	0
5.03	Adjusted balance	1,321,910	32,917	0	196,915	0	19	1,551,761
5.04	Net income (loss)	0	0	0	0	347,422	0	347,422
5.05	Allocation of income	0	0	0	264,909	(347,422)	0	(82,513)
5.05.01	Dividends	0	0	0	0	(82,513)	0	(82,513)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	264,909	(264,909)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	17,371	(17,371)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	247,538	(247,538)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	(19)	(19)
5.07.01	Adjustments to securities	0	0	0	0	0	(19)	(19)
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	595,524	(25,635)	0	0	0	0	569,889
5.08.01	Capital increase on May 29, 2009	174	0	0	0	0	0	174
5.08.02	Initial Public Offering on June 23, 2009	529,200	0	0	0	0	0	529,200
5.08.03	Supplementary Offering on July 9, 2009	66,150	0	0	0	0	0	66,150
5.08.04	Expenses on share issuance	0	(25,635)	0	0	0	0	(25,635)
5.09	Recognition/realization of capital reserves	0	4,493	0	0	0	0	4,493
5.09.01	Stock options reserves	0	4,493	0	0	0	0	4,493
5.10	Treasury shares	0	0	0	1,887	0	0	1,887
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing balance	1,917,434	11,775	0	463,711	0	0	2,392,920

06.01 - STATEMENTS OF VALUE ADDED (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
6.01	Revenues	932,828	550,043	337,563
6.01.01	Revenue from real estate development	914,131	529,885	313,258
6.01.02	Other income	10,912	15,685	24,305
6.01.03	Revenues related to construction of assets	7,785	4,473	0
	Allowance for/Reversal of doubtful accounts	0	0	0
6.02	Inputs purchased from third parties	(548,262)	(303,765)	(245,076)
6.02.01	Cost of sales and services	(330,599)	(123,811)	(81,774)
6.02.02	Materials, power, outside services and other	(217,663)	(179,954)	(163,302)
6.02.03	Loss/ recovery of assets	0	0	0
6.02.04	Other events	0	0	0
6.03	Gross value added	384,566	246,278	92,487
6.04	Retentions	(9,576)	(6,532)	(820)
6.04.01	Depreciation, amortization and depletion	(9,576)	(6,532)	(820)
6.04.02	Other	0	0	0
6.05	Net value added created	374,990	239,746	91,667
6.06	Value added received in transfer	255,056	245,106	78,418
6.06.01	Results from equity participation	203,607	188,277	34,629
6.06.02	Financial income	51,449	56,829	43,789
6.06.03	Other	0	0	0
6.07	Value added for distribution	630,046	484,852	170,085
6.08	Value added distributed	630,046	484,852	170,085
6.8.01	Personnel	117,754	111,131	60,993
6.08.01.01	Salaries and wages	91,703	84,015	52,314
6.08.01.02	Benefits	19,181	21,811	6,049
6.08.01.03	Severance pay fund (FGTS)	6,870	5,305	2,630
6.08.01.04	Other	0	0	0
6.08.02	Taxes, contributions and fees	112,089	110,632	79,788
6.08.02.01	Federal	97,036	95,257	67,081
6.08.02.02	State	146	60	42
6.08.02.03	Municipal	14,907	15,315	12,665
6.08.03	Lenders and lessors	52,781	32,059	7,032
6.08.03.01	Interest	35,849	18,300	1,096
6.08.03.02	Rentals	15,130	12,972	5,842
6.08.03.03	Leases	1,802	806	94
6.08.03.04	Other	0	(19)	0
6.08.04	Shareholders	347,422	231,030	22,272
6.08.04.01	Interest on capital	0	0	0
6.08.04.02	Dividends	82,513	51,322	10,166
6.08.04.03	Retained earnings/accumulated losses	264,909	179,708	12,106
6.08.05	Other	0	0	0

07.01 - CONSOLIDATED BALANCE SHEETS - ASSETS (In thousands of Brazilian reais - R$)

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2009	5 - 12/31/2007
1	Total assets	4,358,965	2,682,420	1,897,184
1.01	Current assets	3,167,665	1,896,160	1,469,077
1.01.01	Cash and cash equivalents	713,368	148,988	604,196
1.01.01.01	Cash and banks	182,973	49,976	9,377
1.01.01.02	Short-term investments	530,395	99,012	594,819
1.01.02	Receivables	1,449,955	702,588	210,984
1.01.02.01	Trade accounts receivable	1,449,373	701,481	209,804
1.01.02.01.01	Receivables from real estate development	1,449,028	701,148	208,416
1.01.02.01.02	Receivables from services provided	246	333	1,388
1.01.02.01.03	Receivables from rent	99	0	0
1.01.02.02	Other receivables	582	1,107	1,180
1.01.02.02.01	Investment Securities - Short term	582	1,107	1,180
1.01.03	Inventories	946,613	985,649	640,989
1.01.03.01	Real estate under construction	344,646	392,467	142,797
1.01.03.02	Completed units	31,921	12,159	14,181
1.01.03.03	Land bank	543,360	554,459	446,174
1.01.03.04	Advances to suppliers	26,295	23,419	32,046
1.01.03.05	Material inventories	391	3,145	5,791
1.01.04	Other	57,729	58,935	12,908
1.01.04.01	Deferred taxes	0	0	0
1.01.04.02	Recoverable taxes	22,096	23,019	11,898
1.01.04.03	Restricted savings investments	15,360	6,866	0
1.01.04.04	Other assets	20,273	29,050	1,010
1.02	Noncurrent assets	1,191,300	786,260	428,107
1.02.01	Long-term assets	1,120,653	712,616	409,721
1.02.01.01	Other receivables	995,122	639,769	370,027
1.02.01.01.01	Investment Securities - Long term	10	3	900
1.02.01.01.02	Receivables from real estate development	605,089	449,432	183,533
1.02.01.01.03	Land bank	390,023	190,334	185,594
1.02.01.02	Due from related parties	84,786	51,826	14,117
1.02.01.02.01	Associates	0	0	0
1.02.01.02.02	Subsidiaries	17,817	13,376	7,857
1.02.01.02.03	Other related parties	66,969	38,450	6,260
1.02.01.03	Other	40,745	21,021	25,577
1.02.01.03.01	Deferred selling expenses	16,220	10,921	3,121
1.02.01.03.02	Deferred taxes	753	9,373	21,928
1.02.01.03.03	Escrow deposits and other	1,505	727	528
1.02.01.03.04	Contributions receivables	22,267	0	0
1.02.02	Permanent assets	70,647	73,644	18,386
1.02.02.01	Investments	0	10,838	824
1.02.02.01.01	Investments in associates	0	0	0
1.02.02.01.02	Investments in associates - goodwill	0	0	0
1.02.02.01.03	Investments subsidiaries	0	0	0
1.02.02.01.04	Investments subsidiaries - goodwill	0	0	0
1.02.02.01.05	Other investments	0	10,838	824
1.02.02.02	Property and equipment	49,537	49,733	11,339

1 - Code	2 - DESCRIPTION	3 - 12/31/2009	4 - 12/31/2009	5 - 12/31/2007
1.02.02.03	Intangible assets	21,110	13,073	6,223
1.02.02.03.01	Goodwill on acquisition of investments	3,237	3,237	3,719
1.02.02.03.02	Other intangible assets	17,873	9,836	2,504

07.02 - CONSOLIDATED BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS' EQUITY
(In thousands of Brazilian reais - R$)

1 - Code	2 – DESCRIPTION	3 - 12/31/2009	4 - 12/31/2009	5 - 12/31/2007
2	Total liabilities	4,358,965	2,682,420	1,897,184
2.01	Current Liabilities	1,194,473	535,383	429,480
2.01.01	Loans and financing	241,560	64,045	15,347
2.01.02	Debentures	62,032	3,676	0
2.01.03	Trade accounts payable	96,514	49,423	29,137
2.01.04	Taxes payables	10,995	9,145	11,981
2.01.05	Dividends proposed	82,513	51,322	10,166
2.01.06	Provisions	4,002	3,343	1,022
2.01.06.01	Provision for maintenance of real estate	4,002	3,343	1,022
2.01.07	Due to related parties	0	0	0
2.01.08	Other	696,857	354,429	361,827
2.01.08.01	Payroll and related charges	34,222	29,489	14,386
2.01.08.02	Payables for purchase of land	385,286	199,495	282,682
2.01.08.03	Advances from customers	140,450	68,261	41,500
2.01.08.04	Deferred taxes	134,651	54,100	23,025
2.01.08.05	Other payables	2,248	3,084	234
2.02	Noncurrent liabilities	647,968	511,910	91,613
2.02.01	Long-term liabilities	647,968	511,910	91,613
2.02.01.01	Loans and financing	142,933	61,117	7,092
2.02.01.02	Debentures	339,932	298,093	0
2.02.01.03	Provisions	28,508	16,791	7,126
2.02.03.03.01	Provision for maintenance of real estate	22,914	12,901	3,405
2.02.03.03.02	Reserve for contingencies	5,594	3,890	3,721
2.02.01.04	Due to related parties	0	0	0
2.02.01.05	Advance for future capital increase	0	0	0
2.02.01.06	Other	136,595	135,909	77,395
2.02.01.06.01	Payables for purchase of land	82,156	63,415	46,753
2.02.01.06.02	Advances from customers	2,206	13,836	8,157
2.02.01.06.03	Deferred taxes	45,320	51,908	13,592
2.02.01.06.04	Negative Goodwill on acquisition of investments	6,750	6,750	8,893
2.02.01.06.05	Other payables	163	0	0
2.03	Deferred income	0	0	0
2.04	Non-controlling interests	123,604	83,366	8,318
2.05	Shareholders' equity	2,392,920	1,551,761	1,367,773
2.05.01	Paid-up capital	1,917,434	1,321,910	1,321,146
2.05.01.01	Capital	1,917,434	1,321,910	1,321,146
2.05.02	Capital reserves	11,775	32,917	27,533
2.05.02.01	Expenses on share issuance	(25,635)	0	0
2.05.02.02	Special goodwill reserve	18,554	18,554	18,554
2.05.02.03	Stock options granted and recognized	18,856	14,363	8,979
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Own assets	0	0	0
2.05.03.02	Subsidiaries/associates	0	0	0
2.05.04	Earnings reserves	463,711	196,915	33,283
2.05.04.01	Legal	31,709	14,338	2,786
2.05.04.02	Bylaws	0	0	0

1 - Code	2 – DESCRIPTION	3 - 12/31/2009	4 - 12/31/2009	5 - 12/31/2007
2.05.04.03	For contingencies	0	0	0
2.05.04.04	Unrealized earnings	0	0	0
2.05.04.05	Retained earnings	432,002	184,464	30,497
2.05.04.06	Special for unpaid dividends	0	0	0
2.05.04.07	Other earnings reserves	0	(1,887)	0
2.05.04.07.01	Treasury shares	0	(1,887)	0
2.05.05	Valuation adjustments to equity	0	19	0
2.05.05.01	Adjustments to securities	0	19	0
2.05.05.02	Cumulative translation adjustment	0	0	0
2.05.05.03	Business combination adjustments	0	0	0
2.05.06	Retained earnings/accumulated losses	0	0	(14,189)
2.05.07	Advance for future capital increase	0	0	0

08.01 - CONSOLIDATED STATEMENTS OF INCOME (In thousands of Brazilian reais - R$)

1 - Code	2 – DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
3.01	Gross revenue from sales and services	1,735,914	1,181,410	432,629
3.01.01	Revenue from real estate development	1,735,914	1,181,410	432,629
3.02	Deductions from gross revenue	(88,334)	(70,662)	(33,065)
3.02.01	Taxes on sales	(88,334)	(70,662)	(33,065)
3.03	Gross revenue from sales and services	1,647,580	1,110,748	399,564
3.04	Cost of sales and services	(1,069,739)	(690,151)	(253,398)
3.05	Gross profit	577,841	420,597	146,166
3.06	Income from operations	(152,516)	(121,799)	(97,791)
3.06.01	Selling expenses	(105,185)	(93,235)	(35,514)
3.06.02	General and administrative expenses	(97,521)	(83,864)	(123,474)
3.06.02.01	General and administrative expenses	(94,071)	(80,999)	(120,956)
3.06.02.02	Management compensation	(3,450)	(2,865)	(2,518)
3.06.03	Financial income (expenses), net	38,341	41,067	36,822
3.06.03.01	Financial income	59,561	59,094	43,461
3.06.03.01.01	Financial income	47,386	45,869	35,987
3.06.03.01.02	Financial income from receivables from real estate development	12,175	13,225	7,474
3.06.03.02	Financial expenses	(21,220)	(18,027)	(6,639)
3.06.04	Other operating income	11,849	14,233	24,375
3.06.05	Other operating expenses	0	0	0
3.06.06	Results from equity participation	0	0	0
3.07	Operating expenses	425,325	298,798	48,375
3.08	Nonoperating (expenses) income	0	0	0
3.08.01	Income	0	0	0
3.06.02	General and administrative expenses	0	0	0
3.09	Income before taxes and management equity participation and profit sharing	425,325	298,798	48,375
3.10	Provision for income tax and social contribution	(8,297)	(3,933)	(21,482)
3.11	Deferred income tax	(40,279)	(40,801)	(1,979)
3.12	Profit sharing and contribution under bylaws	(2,567)	(2,387)	(1,812)
3.12.01	Profit sharing	(2,567)	(2,387)	(1,812)
3.12.01.01	Management equity participation	(2,567)	(2,387)	(1,812)
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on capital	0	0	0
3.14	Non-controlling interests	(26,760)	(20,647)	(830)
3.15	Net income (loss)	347,422	231,030	22,272
	Number of shares, ex-treasury shares (thousand)	481,400	135,779	135,233
	EARNINGS PER SHARE – R$	0,7217	1,7015	0,1647
	LOSS PER SHARE – R$			

09.01 – CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands of Brazilian reais – R$)

1 - Code	2 – DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
4.01	Net cash from operating activities	(210,600)	(790,242)	(552,602)
4.01.01	Net cash provided by operating activities	524,901	335,503	52,606
4.01.01.01	Net income	347,422	231,030	22,272
4.01.01.02	Depreciation and amortization	14,728	10,874	852
4.01.01.03	Stock options granted and recognized	4,493	5,384	8,979
4.01.01.04	Results from sale of property and equipment	(1,257)	(36)	(46)
4.01.01.05	Net financial income	37,627	(26,107)	(6,963)
4.01.01.06	Results from equity participation	0	0	0
4.01.01.07	Minority interest	26,760	20,647	830
4.01.01.08	Provision for maintenance of real estate	10,672	11,817	1,946
4.01.01.09	Provision for contingencies	1,872	(52)	(2,339)
4.01.01.10	Deferred taxes on income, net	40,279	40,801	1,979
4.01.01.11	Deferred PIS and COFINS	42,305	41,145	25,096
4.01.02	Increase (decrease) in assets and liabilities	(735,501)	(1,125,745)	(605,208)
4.01.02.01	Increase in receivables from real estate development	(892,141)	(744,649)	(249,297)
4.01.02.02	Increase in inventories	70,006	(395,390)	(376,069)
4.01.02.03	Increase in other assets	(27,149)	(52,971)	(13,010)
4.01.02.04	Increase (decrease) in trade accounts payable	47,090	20,286	(6,645)
4.01.02.05	Increase in payroll, related taxes and benefits	4,733	15,103	10,089
4.01.02.06	Increase (decrease) in taxes	1,850	(2,836)	9,807
4.01.02.07	Increase in advances from customers	60,559	32,440	21,852
4.01.02.08	Increase (decrease) in other liabilities	(449)	2,272	(1,935)
4.01.03	Other	0	0	0
4.02	Net cash provided by (used in) investing activities	(47,263)	(100,874)	(30,726)
4.02.01	Decrease (increase) in investment securities	677	989	(2,080)
4.02.02	Increase in due from related parties	(26,628)	(33,624)	(13,705)
4.02.03	Increase in investments	0	(12,157)	(2,400)
4.02.04	Purchase of property and equipment and intangible assets	(27,245)	(56,140)	(12,633)
4.02.05	Proceeds for sale of property and equipment	5,933	58	92
4.03	Net cash provided by financing activities	822,243	435,908	1,178,152
4.03.01	Proceeds from shares issuance	569,889	764	1,231,155
4.03.02	Treasury shares	1,887	(1,887)	0
4.03.03	Loans and financing received (repaid), net	191,422	95,138	(48,715)
4.03.04	Increase (decrease) in due to related parties	0	444	(11,163)
4.03.05	Proceeds from debentures	96,889	297,214	0
4.03.06	Increase in minority interest	13,478	54,401	7,488
4.03.07	Dividends paid	(51,322)	(10,166)	(613)
4.04	Exchange rate change on cash equivalents	0	0	0
4.05	Increase (decrease) in cash and cash equivalents	564,380	(455,208)	594,824
4.05.01	Cash and cash equivalents at beginning of year	148,988	604,196	9,372
4.05.02	Cash and cash equivalents at end of year	713,368	148,988	604,196

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

10.01 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2007 to 12/31/2007 (In thousands of Brazilian reais - R$)

1 - Code	2 – Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	78,337	0	0	12,300	0	0	90,637
5.02	Prior-year adjustment	0	0	0	(646)	6,988	0	6,342
5.03	Adjusted balance	78,337	0	0	11,654	6,988	0	96,979
5.04	Net income (loss)	0	0	0	0	42,803	0	42,803
5.05	Allocation of income	0	0	0	33,283	(43,449)	0	(10,166)
5.05.01	Dividends	0	0	0	0	(10,166)	0	(10,166)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	33,283	(33,283)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	2,786	(2,786)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	30,497	(30,497)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	0	0
5.07.01	Adjustments to securities	0	0	0	0	0	0	0
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	1,242,809	0	0	(11,654)	0	0	1,231,155
5.08.01	Capital increase on January 24, 2007	160,000	0	0	0	0	0	160,000
5.08.02	Capital increase on May 28, 2007	11,654	0	0	(11,654)	0	0	0
5.08.03	Initial Public Offering on July 19, 2007	1,004,855	0	0	0	0	0	1,004,855
5.08.04	Supplementary Offering on August 6, 2007	66,300	0	0	0	0	0	66,300
5.09	Recognition/realization of capital reserves	0	27,533	0	0	0	0	27,533
5.09.01	Constituição Reserva Especial Ágio Incorporação	0	18,554	0	0	0	0	18,554
5.09.02	Constituição Reserva Opções de Ações - Ajustada	0	8,979	0	0	0	0	8,979
5.10	Treasury shares	0	0	0	0	0	0	0
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	(20,531)	0	(20,531)
5.12.1	Other	0	0	0	0	(20,531)	0	(20,531)
5.13	Closing balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

10.02 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2008 to 12/31/2008 (In thousands of Brazilian reais - R$)

1 - Code	2 – Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773
5.02	Prior-year adjustment	0	0	0	0	0	0	0
5.03	Adjusted balance	1,321,146	27,533	0	33,283	(14,189)	0	1,367,773
5.04	Net income (loss)	0	0	0	0	231,030	0	231,030
5.05	Allocation of income	0	0	0	165,519	(216,841)	0	(51,322)
5.05.01	Dividends	0	0	0	0	(51,322)	0	(51,322)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	165,519	(165,519)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	11,552	(11,552)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	153,967	(153,967)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	19	19
5.07.01	Adjustments to securities	0	0	0	0	0	19	19
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	764	0	0	0	0	0	764
5.09	Recognition/realization of capital reserves	0	5,384	0	0	0	0	5,384
5.10	Treasury shares	0	0	0	(1,887)	0	0	(1,887)
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing balance	1,321,910	32,917	0	196,915	0	19	1,551,761

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

10.03 – CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2009 to 12/31/2009 (In thousands of Brazilian reais - R$)

1 - Code	2 – Description	3 - CAPITAL	4 - CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - EARNINGS RESERVES	7 - RETAINED EARNINGS (ACCUMULATED LOSSES)	8 – VALUATION ADJUSTMENTS TO EQUITY	9 - TOTAL
5.01	Opening balance	1,321,910	32,917	0	196,915	0	19	1,551,761
5.02	Prior-year adjustment	0	0	0	0	0	0	0
5.03	Adjusted balance	1,321,910	32,917	0	196,915	0	19	1,551,761
5.04	Net income (loss)	0	0	0	0	347,422	0	347,422
5.05	Allocation of income	0	0	0	264,909	(347,422)	0	(82,513)
5.05.01	Dividends	0	0	0	0	(82,513)	0	(82,513)
5.05.02	Interest on capital	0	0	0	0	0	0	0
5.05.03	Other allocations	0	0	0	264,909	(264,909)	0	0
5.05.03.01	Establishment of Legal Reserve	0	0	0	17,371	(17,371)	0	0
5.05.03.02	Retained earnings - Reinvestment	0	0	0	247,538	(247,538)	0	0
5.06	Recognition of earnings reserve	0	0	0	0	0	0	0
5.07	Valuation adjustments to equity	0	0	0	0	0	(19)	(19)
5.07.01	Adjustments to securities	0	0	0	0	0	(19)	(19)
5.07.02	Cumulative translation adjustment	0	0	0	0	0	0	0
5.07.03	Business combination adjustments	0	0	0	0	0	0	0
5.08	Capital increase (reduction)	595,524	(25,635)	0	0	0	0	569,889
5.08.01	Capital increase on May 29, 2009	174	0	0	0	0	0	174
5.08.02	Initial Public Offering on June 23, 2009	529,200	0	0	0	0	0	529,200
5.08.03	Supplementary Offering on July 9, 2009	66,150	0	0	0	0	0	66,150
5.08.04	Expenses on share issuance	0	(25,635)	0	0	0	0	(25,635)
5.09	Recognition/realization of capital reserves	0	4,493	0	0	0	0	4,493
5.09.01	Stock options reserves	0	4,493	0	0	0	0	4,493
5.10	Treasury shares	0	0	0	1,887	0	0	1,887
5.11	Other capital transactions	0	0	0	0	0	0	0
5.12	Other	0	0	0	0	0	0	0
5.13	Closing balance	1,917,434	11,775	0	463,711	0	0	2,392,920

11.01 – CONSOLIDATED STATEMENTS OF VALUE ADDED (In thousands of Brazilian reais – R$)

1 - Code	2 - DESCRIPTION	3 - 1/1/09 to 12/31/09/	4 - 1/1/08 to 12/31/08	5 - 1/1/07 to 12/31/07
6.01	Revenues	1,783,515	1,221,346	457,177
6.01.01	Revenue from real estate development	1,735,914	1,181,410	432,629
6.01.02	Other income	15,722	17,731	24,548
6.01.03	Revenues related to construction of assets	31,879	22,205	0
6.01.04	Allowance for/Reversal of doubtful accounts	0	0	0
6.02	Inputs purchased from third parties	(1,075,098)	(642,855)	(315,384)
6.02.01	Cost of sales and services	(764,189)	(302,244)	(109,215)
6.02.02	Materials, power, outside services and other	(310,909)	(340,611)	(206,169)
6.02.03	Loss/ recovery of assets	0	0	0
6.02.04	Other events	0	0	0
6.03	Gross value added	708,417	578,491	141,793
6.04	Retentions	(14,728)	(11,356)	(852)
6.04.01	Depreciation, amortization and depletion	(14,728)	(11,356)	(852)
6.04.02	Other	0	0	0
6.05	Net value added created	693,689	567,135	140,941
6.06	Value added received in transfer	59,561	59,094	43,461
6.06.01	Results from equity participation	0	0	0
6.06.02	Financial income	59,561	59,094	43,461
6.06.03	Other	0	0	0
6.07	Value added for distribution	753,250	626,229	184,402
6.08	Value added distributed	753,250	626,229	184,402
6.8.01	Personnel	136,046	160,220	63,945
6.08.01.01	Salaries and wages	105,881	121,996	54,395
6.08.01.02	Benefits	22,064	30,005	6,774
6.08.01.03	Severance pay fund (FGTS)	8,101	8,219	2,776
6.08.01.04	Other events	0	0	0
6.08.02	Taxes, contributions and fees	165,302	168,125	89,427
6.08.02.01	Federal	148,127	144,976	75,551
6.08.02.02	State	932	67	42
6.08.02.03	Municipal	16,243	23,082	13,834
6.08.03	Lenders and lessors	77,720	46,207	7,928
6.08.03.01	Interest	56,666	22,391	1,531
6.08.03.02	Rentals	19,252	23,029	6,303
6.08.03.03	Leases	1,802	806	94
6.08.03.04	Other	0	(19)	0
6.08.04	Shareholders	374,182	251,677	23,102
6.08.04.01	Interest on capital	0	0	0
6.08.04.02	Dividends	82,513	51,322	10,166
6.08.04.03	Retained earnings/accumulated losses	264,909	179,708	12,106
6.08.04.04	Non-controlling interests/earnings retention	26,760	20,647	830
6.08.05	Other			

12.01 – INDEPENDENT AUDITORS' REPORT - UNQUALIFIED

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

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Management of
MRV Engenharia e Participações S.A.
Belo Horizonte - MG

1. We have audited the accompanying individual (Company) and consolidated balance sheets of MRV Engenharia e Participações S.A. and subsidiaries as of December 31, 2009 and 2008, and the related statements of income, changes in shareholders' equity (Company), cash flows, and value added for the years then ended, all expressed in Brazilian reais and prepared under the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements.

2. Our audits were conducted in accordance with auditing standards in Brazil and comprised: (a) planning of the work, taking into consideration the significance of the balances, volume of transactions, and the accounting and internal control systems of the Company and its subsidiaries; (b) checking, on a test basis, the evidence and records that support the amounts and accounting information disclosed; and (c) evaluating the significant accounting practices and estimates adopted by the Management of the Company and its subsidiaries, as well as the presentation of the financial statements taken as a whole.

3. In our opinion, the financial statements referred to in paragraph 1 present fairly, in all material respects, the individual and consolidated financial positions of MRV Engenharia e Participações S.A. and subsidiaries as of December 2009 and 2008, and the results of their operations, the changes in their shareholders' equity (Company), their cash flows, and the values added for the years then ended, in conformity with Brazilian accounting practices.

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

Belo Horizonte, March 22, 2010 (March 24, 2010 for the subject mentioned in note 26)

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Délio Rocha Leite
Engagement Partner

2009 Management Report

Dear Shareholders,

Pursuant to legal and statutory provisions, MRV Engenharia e Participações S.A.'s Management presents its Management Report and the Consolidated Financial Statements of the Company and its Subsidiaries, together with the independent Auditors' Report, for the fiscal year ended December 31, 2009.

MESSAGE TO SHAREHOLDERS

2009 was a year of great challenges and many achievements for MRV.

In the first quarter of 2009, whereas Brazil was still facing great economic uncertainties that have arisen with the global financial crisis, our contracted sales already signaled a significant increase.

In the middle of April 2009, we noted that contracted sales increased even more after the launch by the federal government of the housing program "Minha Casa Minha Vida" (My House, My Life), as a result of the Company's strong positioning in the market segment covered by the government housing program and the team's vast expertise in the industry.

Caixa Econômica Federal (CEF) has played an important role in responding rapidly to the challenges posed by the Program.

In 2009, we entered into a significant amount of financing contracts with Caixa Econômica Federal, totaling more than 23 thousand contracted units, and took the lead, also as a result of the mutual knowledge and understanding between CEF and MRV that has been developed through a long-lasting relationship.

In the midst of the global financial crisis, we started in the second quarter the primary offering of stock with the objective of raising funds to expand our operations, especially in view of greater credit availability for lower income classes positively affected by the government housing program "Minha Casa Minha Vida".

We successfully completed in July 2009 the issue of 24.3 million shares, with net proceeds of approximately R$570 million. The stock issue has raised cash to fund the growth of our business.

We are present in 75 cities, 14 states and in the Federal District. We have already about 220 construction sites in operation. Our construction sites have an average of 183 units. The projects to be launched have an average of 390 units. This increase in construction sites is due to a change in the Company's production strategy, considering extremely favorable market conditions and the Company's leading position in the property market.

13.01 – MANAGEMENT´S REPORT

In 2009 we continued to invest heavily in expansion and optimization of our structure to support growth, considering that our business attracts an increasingly larger number of customers and residential units. Among several actions implemented, we completed the SAP project and started to implement a shared service center. SAP is a highly effective management platform to integrate data and processes from all key areas of the Company. Among other benefits, the shared service center will enable optimization of processes and reduction of costs, while improving quality of our controls and management information.

Our financial discipline and record of strong capitalization and adequate indebtedness level over time has resulted in the Company's cash being preserved, especially under unfavorable conditions.

In the third quarter, we were the only big company in the industry to achieve positive cash flow. Our business model, with smaller cycle and with our portfolio being largely composed of associative credit, allows to generate cash fast.

As in the last years, in 2009 we focused on balancing all aspects of our business. We expanded our development, sales and construction capacity, and our administrative and financial structure, always with rigorous control over costs and expenses.

In January 2010 our shares began to compose the Ibovespa (Bovespa index), which is the main indicator of the Brazilian stock market and reflects the performance of its most actively traded stocks.

At the beginning of 2010 we completed the restructuring of our organization chart in order to overcome the operational challenges involved in growth and to create opportunities for young talents. We are combining the experience of our senior employees with the innovation and energy of the youngest.

There is in Brazil a many years' suppressed housing demand. From a demographic point of view, Brazil will experience formation of more than one million households per year in the next ten years. A significant percentage of these new households will require new houses. These factors coupled with an adequate supply of real estate credit will further increase the residential construction market's size. We are planning to increase our operations to 70 thousand units/year in the near future and we are confident that our expertise and competitive advantages will enable us to meet this increasing demand from consumers and to deliver consistent and profitable results to our shareholders.

MACROECONOMIC ENVIRONMENT

The macroeconomic environment in 2009 was marked by uncertainties and economic contraction in the initial months of the year generated by the global financial crisis that began in the U.S. real estate industry. Although developing economies have been gradually growing, led by China, contractions in GDP in developed countries led to lower world output during the year. The year began with a strong contraction in credit, which included Brazil and the real estate sector.

Nevertheless, Brazil's performance during this turbulence was exceptional, since it was one of the countries to suffer the least compared with the average of economic downturns worldwide. The global financial crisis interrupted the expansion in Brazil's economy, with the country's GDP contracting by 0.2%, which compares with the average GDP growth registered from 2004 to 2008 of 4.8%. All the uncertainties in the world economy during the crisis led to a shortage of liquidity in the international market and lower investment in most sectors in Brazil.

With inflation under control and below the center of the inflation target, Brazil's central bank adopted an expansionist monetary policy, implementing a cumulative cut in the SELIC basic interest rate of 5 percentage points, from 13.75% to 8.75% per year. These changes made it possible to rebuild the supply of credit, especially credit to individuals.

According to the IBGE statistics institute, the unemployment rate followed a downward trend in 2009, accompanying the country's economic performance. Unemployment began the year at 8.2% in January and ended at 6.8% in December. Average unemployment in 2009 was 8.1%.

Lastly, Brazil's good performance in 2009 was important for recovering and expanding the availability of credit to the real estate industry.

REAL ESTATE INDUSTRY IN 2009

One highlight of 2009, was the launch of the "Minha Casa, Minha Vida" program by the federal government in mid April. It provided a major boost to homebuilding sector, particularly in the operating companies of low-income segment. The main purpose of the government was to implement the National Housing Plan and support the construction of one million homes, increase access by low-income families to housing and generate jobs and income through higher investments in the construction industry. With these measures, CEF closed 2009 with record mortgage lending, with R$14.1 billion lent under the My Life, My Home program, which benefitted directly 275,528 households. The number of units approved grew throughout the year, effectively demonstrating CEF's capacity to efficiently execute the My Life, My Home program.

Housing credit lines using funds from the Workers' Retirement Contribution Fund (FGTS) also registered positive results. The volume of new units or units in the design phase increased by 31%, from 110,021 in 2008 to 144,309 in 2009. Loans reached over R$ 9.4 billion, 109% higher than in 2008. The funds directed to used properties increased by 36%, from R$ 5.74 billion in 2008 to R$ 7.84 billion in 2009. In all, financing drawing on FGTS funds grew by 65%, corresponding to 284,791 new contracts.

The volume of mortgage lending financed by savings deposits (i.e. the Brazilian Savings and Loans System - SBPE) reached R$19.4 billion in 2009, up 108% from 2008, and financed 153,181 units.

The favorable macroeconomic environment combined with the "Minha Casa, Minha Vida" program and the growth in housing credit generated excellent results for the construction sector

in the year.

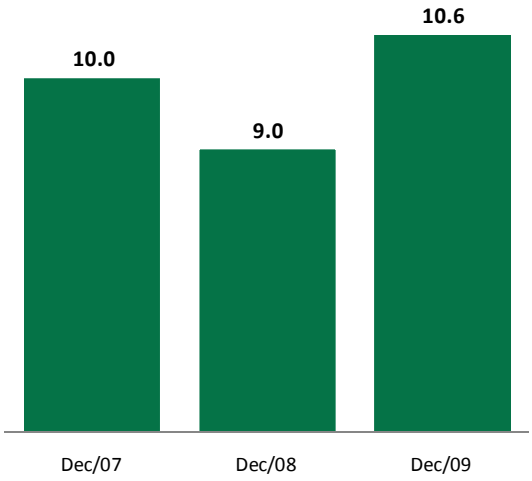
OPERATING PERFORMANCE

Land Bank

On December 31, 2009, our land bank represented potential sales of R$10.6 billion, corresponding to more than 103,000 units in 263 projects. These lots represented 5.2 million m^2 of usable area for sale, at an average price per unit of 50.5 m^2.

Of the total projects in inventory, 94% were eligible for the "Minha Casa, Minha Vida" program.

Land Bank
(R$ billion)



In 2009, we advanced our strategy to diversify geographically. On December 31, 2009, we were present in 75 cities and 14 states and the Federal District.

13.01 – MANAGEMENT´S REPORT



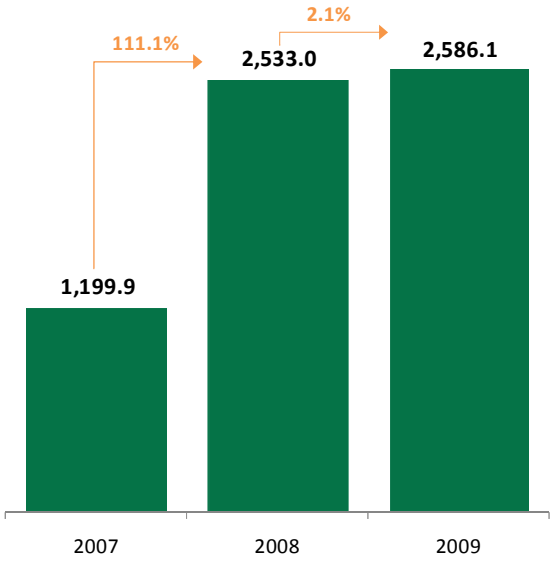
Launches

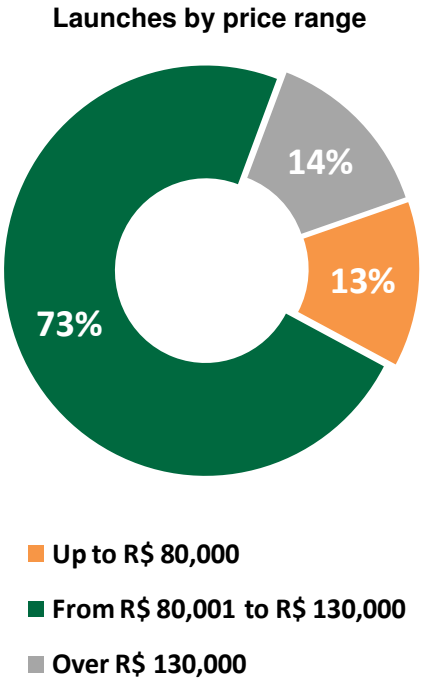
Our projects are located strategically in accordance with consumer preferences, primarily in urban areas with easy access to public transportation and local services.

In 2009, we launched 25,500 units, which represented potential sales of R$2.5 billion. Most of these launches were of residential units with an average price from R$80,000 to R$130,000, which is a price range that qualifies the units for the "Minha Casa, Minha Vida" program.

Launches
(R$ million)

13.01 – MANAGEMENT´S REPORT





Of the launches in 2009, 52.1% were in the state of São Paulo and 14.9% in Minas Gerais.

Launches per State

13.01 – MANAGEMENT´S REPORT

State	R$ thousand		Units		Average Price (R$ thousand)	
	2009	2008	2009	2008	2009	2008
São Paulo	1,346,514	1,346,971	12,963	12,661	103.9	106.4
Minas Gerais	384,935	453,150	4,034	4,479	95.4	101.2
Paraná	116,492	248,617	1,058	2,090	110.1	119.0
Mato Grosso do Sul	111,062	-	1,099	-	101.1	-
Goiás	105,862	58,932	1,079	558	98.2	105.6
Rio Grande do Norte	104,124	-	862	-	120.8	-
Ceará	88,229	36,527	1,024	293	86.2	124.8
Rio de Janeiro	79,463	206,995	873	1,860	91.0	111.3
Mato Grosso	76,608	-	808	-	94.8	-
Santa Catarina	45,692	68,207	435	573	104.9	119.0
Espírito Santo	45,236	72,655	492	649	91.9	111.9
Pernambuco	34,373	-	363	-	94.8	-
Rio Grande do Sul	31,083	21,128	296	150	105.0	140.9
Bahia	16,405	-	137	-	119.9	-
Distrito Federal	-	19,804	-	161	-	122.9
Total	**2,586,080**	**2,532,985**	**25,522**	**23,474**	**101.3**	**107.9**

Launches in the year sought to meet the higher demand for units generated by the stronger market and maintain our inventory of finished units at low levels. On December 31, 2009, only 3.0% of our inventory of launched units was represented by projects for which construction was concluded.

Contracted Sales

Our developments are sold by an in-house sales team and through partnerships with realtors, which have dedicated teams of brokers trained to sell our products.

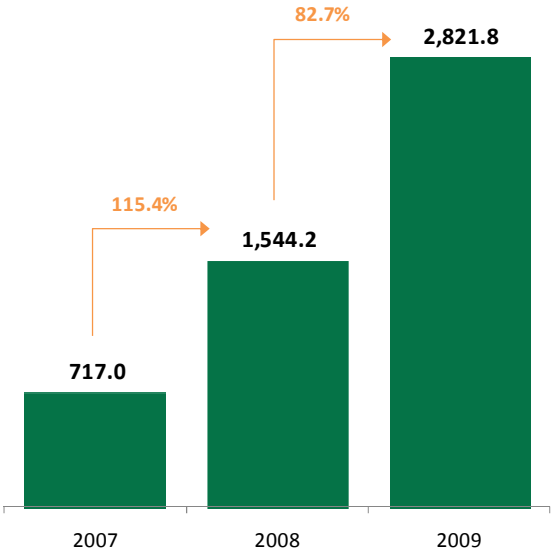
On December 31, 2009, in-house sales team was formed by 1,683 own and outsourced brokers.

The sales strategy also included the sale of properties through own stores and virtual stores, special mortgage loan plans, direct marketing, national campaigns to strengthen our brand, and sports marketing.

In 2009, the Company set a new sales record. Contracted sales reached R$2.8 billion or approximately 28,000 units, of which 84.0% were eligible for the "Minha Casa, Minha Vida" program. We believe MRV is the largest player in the government's program to reduce the country's housing deficit.

Contracted Sales
(R$ million)

13.01 – MANAGEMENT´S REPORT



Production

The management and control of the construction of our projects are conducted by our technical team, which has extensive experience in low-income residential developments. The execution of construction is carried out by contractors with long-term partnerships with our company. To meet the strong growth in demand for our units, and hence increase our building capacity, we also establish partnerships with other homebuilders.

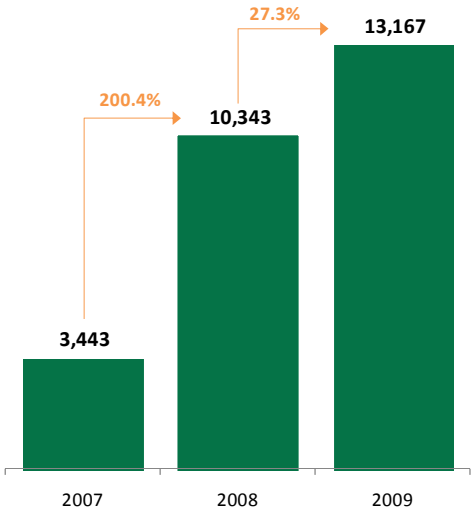
Our construction process is highly standardized. The main benefit arising from this standardization of our construction process is optimized cost control, which consequently reduces operational costs and speeds up the execution of developments.

The adoption of an input purchasing process with strict standards of quality and selection of suppliers is also a highly important element for standardizing the construction process and guarantee the quality of our products.

From January to December 2009, MRV built more than 13,000 equivalent units and by the end of the year 2009 we had 206 sites under construction, corresponding to 37,797 units under construction.

Built Units

13.01 – MANAGEMENT´S REPORT



In 2009, we strengthened our production team, which now totals 17,000 employees at the sites under construction, in order to increase our production capacity.

Mortgage Lending

The availability of mortgage lending to our clients is of vital importance to our business. In these 30 years of operations, we have developed strong relationships with financial institutions that offer credit to our clients, in particular Caixa Econômica Federal (CEF).

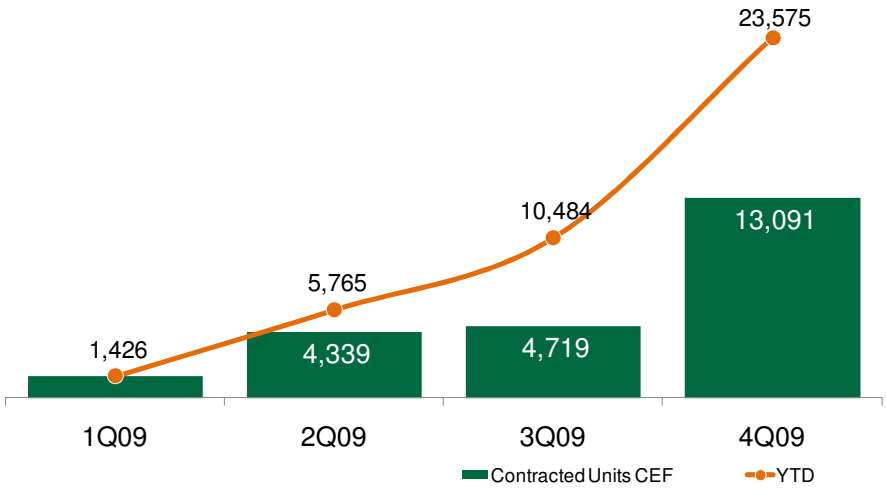
As a result of the extensive experience acquired over more than 25 years working with CEF, in December 2007, we became CEF's first homebuilder correspondent in the real estate sector. The main advantage of this partnership has been the accelerated processing of mortgage loans for our clients.

This vast experience became even more important with the launch of the "Minha Casa, Minha Vida" program, whose main agent is CEF itself. Today we are CEF's main partner in this program.

In 2009, we expanded our structure to meet the growing demand for credit. Our team currently has approximately 250 employees (own and outsourced) dedicated to mortgage lending activities. At the same time, we continued to work with CEF to make processes even more efficient by optimizing our role as correspondent.

The chart below shows the evolution in the volume of units sold drawing on CEF financing in 2009:

Contracted Units with CEF



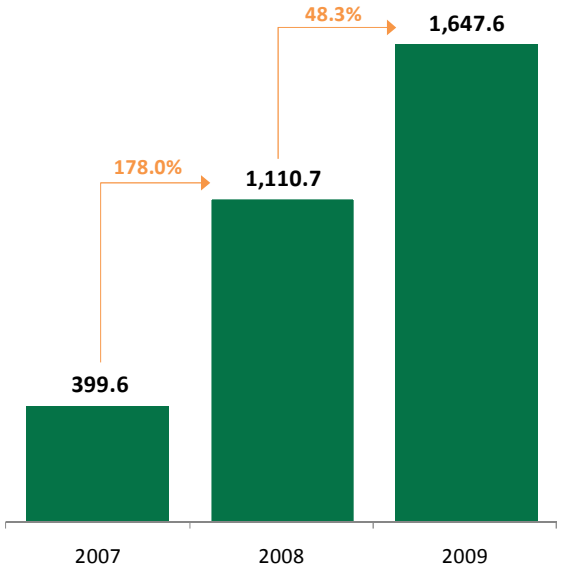
CONSOLIDATED FINANCIAL PERFORMANCE

Consolidated Operating Net Revenue

Consolidated net revenue increased by 48.3% from R$1,110.7 million in 2008 to R$1,647.6 million in 2009, driven by higher sales volume in the year and the increased number of units built.

Consolidated Operating Net Revenue
(R$ million)

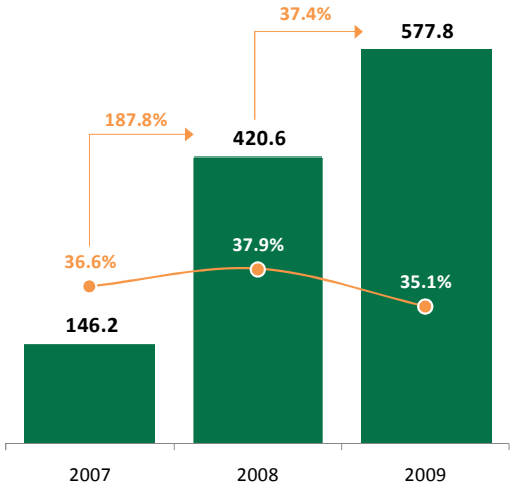
13.01 – MANAGEMENT´S REPORT



Consolidated Gross Income

In 2009, consolidated gross income was R$577.8 million, up 37.4% from R$420.6 million in the previous year, fueled by the net revenue growth mentioned above, which was partially offset by the lower gross margin, which decreased from 37.9% in 2008 to 35.1% in 2009. The lower margin reflects the higher volume of interest allocated to the cost of units sold in 2009 (R$42.2 million) compared to 2008 (R$6.4 million).

Consolidated Gross Income
(R$ million)

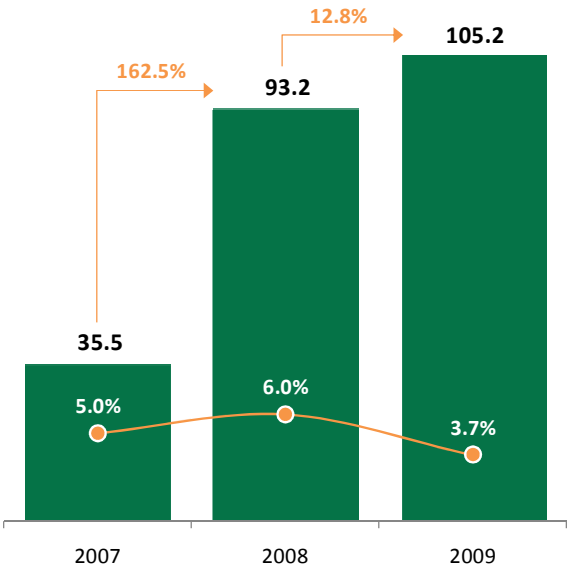


Consolidated Selling Expenses

13.01 – MANAGEMENT´S REPORT

In 2009, we achieved substantial productivity gains in our selling expenses, which can be observed by comparing our selling expenses with the contracted sales in the period, as the chart below shows.

Consolidated Selling Expenses (R$ Million)
Consolidated Selling Expenses / Contracted Sales (%)



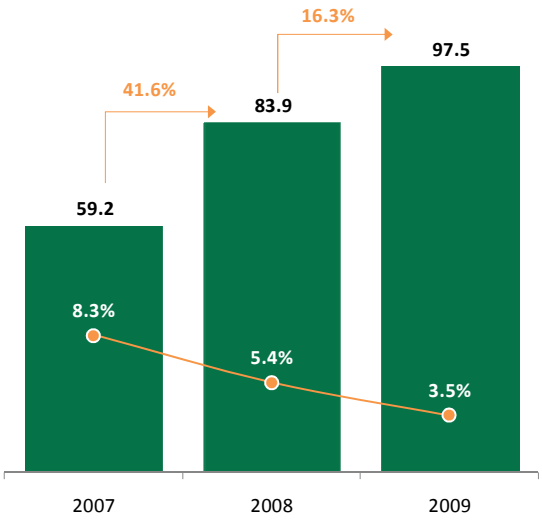
Consolidated General and Administrative Expenses

MRV's operational growth has been accompanied by rigid control of administrative expenses. A comparison of these expenses with contracted sales or net revenue shows substantial productivity gains, which are the product of our investments in technology and processes.

.

13.01 – MANAGEMENT´S REPORT

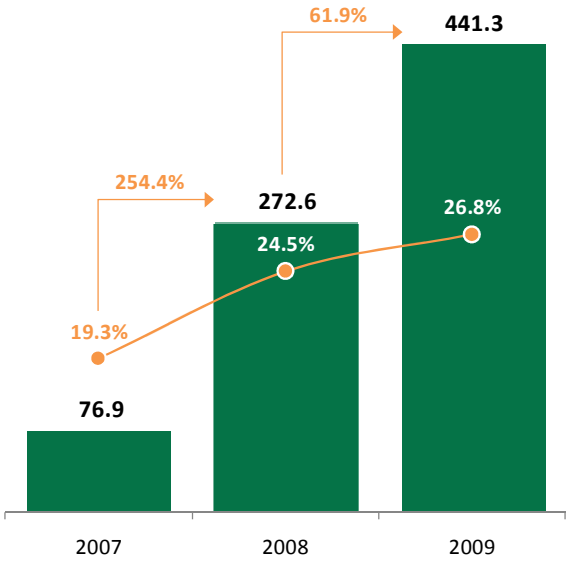
Consolidated General and Administrative Expenses (R$ million) and Consolidated General and Administrative Expenses / Contracted Sales (%)



Consolidated EBITDA

Consolidated EBITDA (earnings before interest, tax, depreciation and amortization) was R$441.3 million in 2009, up 61.9% from R$272.6 million in 2008. As a result of the higher dilution of operating expenses, EBITDA margin increased by 2.2 p.p., from 24.5% in 2008 to 26.8% in 2009.

Consolidated EBITDA (R$ million) and Margin EBITDA (%)



13.01 – MANAGEMENT´S REPORT

EBITDA	R$ million		Chg%
	2009	2008	2009 x 2008
Net Income	347,422	231,030	50.4%
Net Financial Resuts	(38,341)	(41,067)	-6.6%
Income Tax and Social Contribution	48,576	44,734	8.6%
Depreciation and Amortization	14,728	10,874	35.4%
Minority Intrest	26,760	20,647	29.6%
Financial Charges included in CMV	42,198	6,413	558.0%
EBITDA	**441,343**	**272,631**	61.9%
EBITDA Margin	*26.8%*	*24.5%*	*2,3 p.p.*

Consolidated Financial Result

Financial expenses increased by 17.7%, from R$18.0 million in 2008 to R$21.2 million in 2009, mainly due to increase in our indebtedness.

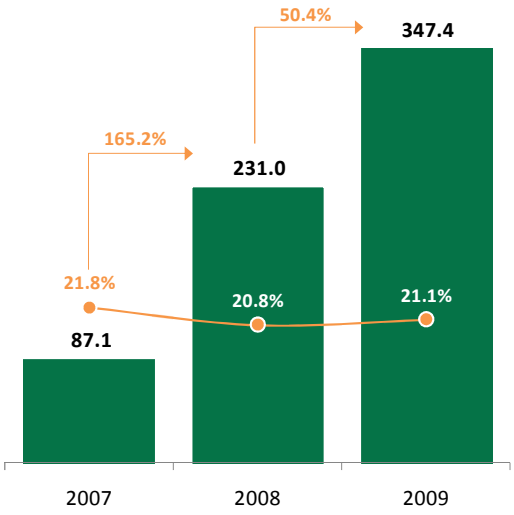
Meanwhile, our financial income increased by 3.3%, from R$45.9 million in 2008 to R$47.4 million in 2009. This was primarily due to the cash inflow in our cash position as a result of the proceeds from the share offering held in 2009, which was partially offset by the lower interest rates in 2009 versus 2008.

Revenue from clients decreased by 7.9%, from R$13.2 million in 2008 to R$12.2 million in 2009, due to the policy adopted by the company to reduce the volume of loans granted to clients, which began to be financed primarily by financial institutions.

Consolidated Net Income

As a result of the factors mentioned above, consolidated net income was R$347.4 million in 2009, up 50.4% from R$231.0 million in 2008. Net margin rose from 20.8% in 2008 to 21.1% in 2009. Earnings per share stood at R$0.7215 in 2009, versus R$1.7015 in 2008 (equivalent to R$ 0,5672 per share, if considered the stock split of December 2009).

Consolidated Net Income (R$ million) and Net Margin (%)



Consolidated Unearned Revenue and Results

UNEARNED RESULTS	R$ milhões		
	2009	2008	Var%
Unearned Sales Revenues	2,278.0	991.6	129.7%
Unearned Costs of Units Sold	(1,230.8)	(505.8)	143.3%
Unearned Results	**1,047.2**	**485.8**	115.6%
Unearned Results Margin	*46.0%*	*49.0%*	*-3 p.p*

Indebtedness

On December 31, 2009, consolidated debt was R$786.5 million, which, considering the company's cash position of R$714.0 million, results in net debt of R$72.5 million.

Consolidated Net Debt
(R$ million)

13.01 – MANAGEMENT´S REPORT

	2009	2008
Loans, Financing and e Debentures	786.5	426.9
Cash, Cash Equivalents e Investment Securities	(714.0)	(150.1)
Net Debt	72.5	276.8
Net Debt / Shareholders' Equity	3.0%	17.8%

Consolidated Debt Maturity Schedule
(R$ million)

Year	Debentures	Loans, Financing, and Leasing *	Total
2010	62.0	241.6	303.6
2011	140.7	129.8	270.5
2012	99.4	12.5	111.9
2103	99.8	0.7	100.5
	402.0	384.5	786.5

* Refers mainly to construction financing

In March 2010, we concluded the third public issue of debentures, raising R$516.4 million from the sale of 51,640 debentures maturing in four years. These funds will be used to acquire lots, develop new projects and build projects already launched and for working capital.

STOCK MARKET

In March 2009, we increased our visibility abroad and consequently the access by foreign investors with the launch of Level 1 American Depositary Receipts (ADR) on the U.S. over-the-counter (OTC) market. In December, MRV's ADRs began to be traded on the highest level of the U.S. OTC market: OTCQX International Premier. The OTCQX market represents the premier tier of the over-the-counter market in the United States. Investor-focused companies use the qualitatively controlled OTCQX platform to offer investors transactions with higher transparency, superior information quality and easy access through registered brokers in the United States. This innovative platform offers companies and shareholders a much higher level of market services, which until previously was only available on U.S. stock exchanges.

In July 2009, we concluded our primary share offering by issuing 24,300,000 common shares (before the split) on the BM&FBovespa - Securities, Commodities and Futures Exchange at R$24.50 per share (before the split), raising R$595 million (R$570 million net of commissions). The proceeds will be used to acquire lots, develop new projects, build projects already launched and maintain working capital.

13.01 – MANAGEMENT´S REPORT

In December 2009, we carried out a stock split at the ratio of 3:1 for all of MRV's common shares (MRVE3). This transaction increased the liquidity of our stock, supporting easier and greater access by investors.

The financial trading volume of our stock MRVE3 substantially increased during 2009, especially as of March, following the launch of the "Minha Casa, Minha Vida" program. The average price per share also progressively increased during the year, supported by the excellent results reported by the company.

Average Price per month (MRVE3) (R$)
and Average Daily Trading Volume (ADTV) (R$ thousand)



IBOVESPA

Given the higher trading volume of our stock, in January 2010, MRVE3 was included in the Bovespa Index (Ibovespa), which is the most important indicator for stock performance in the Brazilian market and is composed of shares with the highest indicators for liquidity, weighting in financial trading volume and volume per trading sessions.

Therefore, we are components of Brazil's main stock indexes:

Index	Ticker
Bovespa Index	IBOV
Brasil 50 Index	IBrX-50
Brasil Index	IBrX
Industrial Sector Index	INDX
Real Estate Index	IMOB
Small Cap Index	SMLL
Special Tag Along Stock Index	ITAG
Special Corporate Governance Index	IGC
Valor BM&FBovespa Index	IVBX-2
MSCI BRIC	MXBRIC
MSCI Brazil	MXBR
MSCI Emerging Markets	MXEF
MSCI Emerging Markets Latin America	MXLA

Dividends

The proposal submitted by Management for the payment of dividends for fiscal year 2009, which is subject to approval by the Annual Shareholders' Meeting, is presented below:

R$ thousand (except dividends per share)

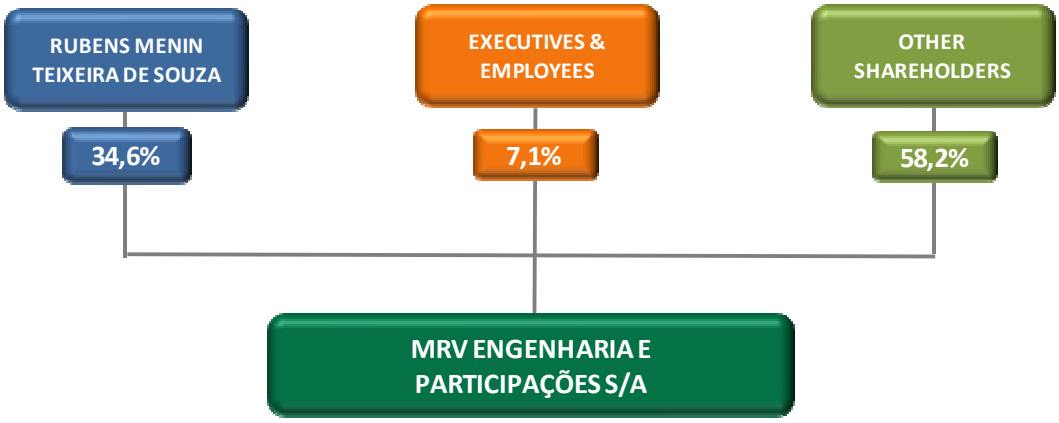
13.01 – MANAGEMENT´S REPORT

	2009
Net Income	347,422
Legal Reserve (5%)	(17,371)
Net Income available for distribution	330,051
Proposed Dividend - 25% of net income available for distribution	82,513
Proposed Dividend per Share – R$	0.171
Remaining Balance of Net Income	247,538

As proposed by the Company's Management, the remaining balance of net income for fiscal year 2009 was transferred to the profit reserve to meet cash requirements for future investments, mainly for working capital, in accordance with the capital budget to be submitted to the Annual Shareholders' Meeting for approval.

CORPORATE GOVERNANCE

Ownership Composition



Novo Mercado

MRV Engenharia is listed on the Novo Mercado Special Corporate Governance segment of the BM&FBovespa, demonstrating its commitment to the highest level of corporate governance practices, including transparency of financial performance and equal treatment for all levels of the ownership structure as well as for employees, suppliers, customers and creditors, among other responsibilities.

Pursuant to the Bylaws, the Company is managed by a Board of Directors, a Board of Executive Officers and Internal Committees created by the Board.

Board of Directors (7 members)

13.01 – MANAGEMENT´S REPORT

The Board of Directors consists of 7 members, who meet regularly on a quarterly basis and extraordinary when called by the chairman or by two of the members. The members are elected at an annual shareholders' meeting, with a three-year term of office. The Board of Directors' main responsibilities are to establish strategic and sales policies, elect executive officers and supervise the management team. The Board of Directors is currently composed by Rubens Menin Teixeira de Souza, Marcos Alberto Cabaleiro Fernandez and the independent board members Levi Henrique, Marco Aurélio de Vasconcelos Cançado, Fernando Henrique da Fonseca, João Batista de Abreu and Eduardo Luiz de Mascarenhas Picchioni.

Board of Executive Officers (11 members)

The Executive Officers have individual responsibilities regarding the Company's executive routines that are established by the Bylaws. They are elected by the Board of Directors for a two-year term and may be re-elected or withdrawn before the expiration of their term of office. Executive officers' compensation is determined according to (i) functions and (ii) responsibilities and executive management performance aimed at increasing the Company's share price.
The Company's Executive Board is composed by Rubens Menin Teixeira de Souza, Leonardo Guimarães Corrêa, Eduardo Paes Barreto, Homero Aguiar Paiva, Júnia Maria de Sousa Lima Galvão, José Adib Tomé Simão, Hudson Gonçalves de Andrade, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza, Marcos Alberto Cabaleiro Fernandez and Lucas Cabaleiro Fernandez.

Management Committees

Human Resources Committee

The Human Resources Committee has the purpose of creating strategies to attract and retain talent and is composed of one board member (Levi Henrique) and two executive officers (Júnia Maria de Souza Lima Galvão and Homero Aguiar Paiva).

Corporate Governance Committee

The Corporate Governance Committee is responsible for guaranteeing compliance with the best corporate governance practices and proposing adjustments to the Company's corporate governance whenever assessed as necessary. This committee is composed of one Board Member (Levi Henrique), one Executive Officer (Júnia Maria de Souza Lima Galvão) and one Executive Manager (Maria Fernanda Menin T. de Souza Maia).

Customer Relationship Committee

The Customer Relationship Committee is responsible for developing: action plans related to customer service, conflict mitigating strategies, improving teams and channels of customer service, among others. This Committee consists of one Board Member (Marcos Alberto Cabaleiro Fernandez), one Executive Officer (Eduardo Paes Barretto) and one Manager (Lisieux Viegas).

Real Estate Development Committee

The Real Estate Development Committee determines strategies for geographic expansion and lot acquisitions. The committee is composed by two Board Members (Rubens Menin Teixeira de Souza and Marcos Alberto Cabaleiro Fernandez) and one Executive Officer (Lucas Cabaleiro Fernandez).

Risk Management Committee

The Risk Management Committee was created to assess the company's financial and operational risks and formulate strategies to mitigate these risks. The committee is composed of two Board Members (Marcos Alberto Cabaleiro Fernandez and Marco Aurélio de Vasconcelos Cançado), one Executive Officer (Leonardo Guimarães Corrêa) and one Executive Manager (Maria Fernanda Menin T. de Souza Maia).

HUMAN RESOURCES

MRV Engenharia continues to grow and undergo constant change, and therefore invests regularly in its team of employees, which is considered an important competitive advantage. The Company continuously motivates its employees by offering training, adopting ethical and non-discriminatory practices and maintaining a pleasant and highly productive work environment and fair compensation practices.

The team is formed by the most qualified professionals in the lower-income residential construction sector, who are supported heavily by investments in training the professionals who will leverage the company's future.

The "Talent Identification" program seeks to train professionals for all areas of the Company. In the hiring process conducted in 2009, the Company focused on civil engineers to work both in construction and planning, searching for these professionals among last-year students in top universities in Brazil, combining the best theoretical experience with best market practices. In 2009, MRV selected 14 new talents, who joined our team in January 2010.

The company's training and development of human capital were strengthened in 2009 by various projects. MRV developed a new module for the High-Performance Leadership Development Program that focuses on a continuous training process, preparing 70 managers for the challenges ahead and for achieving surprising results in a ever more demanding and competitive environment. The program provided a total of 16,866 on-site training hours to MRV's brokers and sales team, increasing their sales capacity and improving their sales pitch. Using our Click & Learn on-line training system, we administered all preliminary training for new employees and the sales and mortgage lending courses, for a total of 2,660 hours of structured learning.

In 2009, MRV intensified its initiatives to recognize the value of employees. The Goals Program, for instance, involved all managers and consisted of setting quantitative results to be achieved over the year for individuals and teams. The program is participatory, with MRV's CEO meeting with the representatives of each area and determining the potential targets to be met. The guidelines are then sub-divided for each team level.

More than 10 year ago, we implemented a management model focused on retaining talent and aligning the interests of our shareholders, key executives and employees. Today, approximately 90 of our key executives and employees participate in the Company's stock option plan. In addition to helping develop a highly efficient business model, we believe the adoption of a program of this nature that has a broad impact on our management team creates the proper

incentives for employees to constantly improve their work and consequently their career prospects.

In line with the model mentioned above, we recently implemented a new organizational structure, creating regional departments and support departments with the objective of improving the precision of the management process, supporting the geographic expansion of operations and facilitating the promotion of our talent.

SHARED SERVICES CENTER

In October 2009, we launched the project to implement a Shared Services Center (SSC). The main objectives of MRV's SSC are to: (i) lower costs; (ii) optimize processes; (iii) support growth through construction partnerships; (iv) expand the business; (v) improve service levels; (vi) improve controls.

The SSC's main processes involve the following areas: (i) Accounts Payable and Banking Reconciliation; (ii) Invoice Center; (iii) Taxes; (iv) Administrative; (v) Personnel Management and Human Resources; (vi) Accounts Receivable.

The project began as a business case that defined the model and coverage of the SSC, as well as its potential gains. The planning and implementation occurred in the first half of 2011. After the implementation, MRV will focus on follow-up and monitoring to make any necessary adjustments to the operational model, guaranteeing optimal processes and better results.

INFORMATION TECHNOLOGY

Given the strong growth in our operations, client base and number of units sold, our business requires managing an ever growing volume of information and transactions.

To assure this capacity, we have been investing heavily in the development of our information technology platform. In 2009, IT investments totaled R$14 million.

We adopted an IT management model focused primarily on creating more value for our business, by choosing practices and systems that provide (i) excellent availability of precise information, (ii) efficient customer service, (ii) lower operational costs, and (iv) flexibility in the decision-making process.

Our installed system base is capable of applying the best market practices to our processes, among which we highlight the SAP system implemented in July 2009, which can integrate data and processes from all key areas of the company. Other important tools are the systems MRV Obras (proprietary) and CRM (Microsoft), which are responsible for managing construction sites, customer service and technical assistance.

The main objectives of our information technology team include: (i) implementation of new processes to achieve efficiency and agility, and in turn reduce costs; (ii) implementation of the

functionalities of our administrative and management softwares; (iii) and guarantee information security.

CORPORATE RESPONSIBILITY

The mission of MRV Engenharia, the largest platform for low-income properties in Brazil, is to reduce the country's housing deficit by offering the best cost-benefit relationship, generating solid and growing results for shareholders and constantly fostering the development of its employees and communities, while helping to preserve the environment. To achieve excellence over its 30 years of existence, MRV has always worked in step with the market and by adopting the best construction, social and environmental practices.

MRV minimizes environmental impacts and works to promote wellbeing and quality of life in the communities where it operates, as demonstrated by the many social and environmental initiatives it has developed over the years.

MRV Engenharia's developments are submitted in accordance with National Environmental Policy, which means all projects comply with: environmental licensing; authorizations for earthmoving and/or vegetation suppression; and regulations for disposal of solid waste and preservation of the soil and groundwater. All aspects are taken into consideration when acquiring the lot and reflected in the design of our projects that are submitted to the authorities for approval.

Social and Environmental Projects

MRV always strives for expertise and innovation, while meeting the needs of an increasingly dynamic and demanding market. The pursuit of sustainable and environmentally correct solutions is one of the major concerns of the organization, whose growth in based on the personal and professional development of its employees, always with a view to customer satisfaction.

The sustainability actions promoted by the company are:

Meticulous selection of suppliers

More than just service and solution providers, MRV Engenharia views its suppliers as partners in the pursuit of Sustainable Development. During selection, potential suppliers are meticulously evaluated and only contracted if their activities are aligned with the Company's reality: Sustainable Development.

Adopting public areas and squares

Aware of its role and social and environmental responsibility, MRV Engenharia adopts public squares and areas to promote better quality of life and increase safety and social wellbeing. Some examples are: (i) adoption of the public square Maria Borges in Goiânia, Goiás; (ii) restoration of the Casarão, a 1920s farmhouse in the Castelo district of Belo Horizonte,

Minas Gerais; (iii) revitalization and maintenance of Parque Linear do Confisco, a public park in Belo Horizonte, Minas Gerais.

Recycling Exchange

The recycling exchange, which is part of the Minas Gerais State Manufacturers' Federation (FIEMG), promotes the exchange of waste byproducts and supports the recycling sector by providing electronic information on the supply, demand and donation of waste byproducts. MRV actively participates in this project as a supplier of byproducts.

Sustainable Developments

MRV plans and builds its developments employing elements that are fundamental for the preservation of natural resources.

- Individual water meters – The Company uses individual water meters in its developments, which reduces monthly water consumption in condominiums by up to 50%, and at its construction sites MRV uses certified timber of known origin.

- Low-flow toilets with tank – The use of toilets with coupled tanks provides excellent water savings compared to conventional toilets, helping preserve the environment. Each flush saves up to 20 liters of water compared with conventional toilets. In addition to installing low-flow toilets as standard, one of the options in our Finishing Kit is a Dual-Flush system, with offers two flow options (3 or 6 liters) depending on the specific need.

- Certified wood – Forestry certification guarantees that the lumber used by the Company comes from proper production processes. This guarantee also helps MRV choose a high quality product that adds value while also being environmentally safe (selection of value chain).

- Reforestation timber – Our concern with deforestation has led us to seek timber from replanted areas, which avoids the consumption of native species from the Amazon Region. The main benefit is the use of a renewable raw material (in compliance with the sustainable production principles established by forestry certification), contributing to CO_2 sequestration.

- Pergolas – in addition, to reducing timber consumption, MRV's developments use only pergolas made of concrete.

- Debris – MRV Engenharia contracts outsourced companies to appropriately dispose of the debris from its construction sites, in compliance with the environmental regulations of the municipalities and states where it operates.

- Plaster disposal – MRV works in partnership with Gramadus to appropriately collect and dispose of plaster/lumber. After being collected, the material is sent to a Disposal and Sorting Area for separation and reintegration into the production process.

Toy donations

This campaign is held during the Christmas season and involves the donation of toys to unprivileged children on the behalf of our clients who want to invest.

São Vicente de Paulo Boy's Community

This is MRV's largest social project and is sponsored in partnership with the institution Cidade dos Meninos de São Vicente de Paulo, which supports more than 5,000 underprivileged youths, with headquarters in the Belo Horizonte Metropolitan Area. In 2008, MRV Engenharia and a group of its shareholders/employees built two buildings with six units that feature bedrooms, a master bedroom for the host mother or father, a study room, bathrooms, a kitchen and laundry area that is capable of housing 200 teenagers benefitted by the institution.

The building was donated on February 6, 2009, when the company and a group of shareholders/employees reiterated committed to maintain the buildings and the 200 youths who will live there for 5 years. In this way, we help ensure that these adolescents become citizens with access to housing, quality education, food, sports and cultural activities. In addition to the moral and human orientation, the boys also learn a profession, since the Cidade dos Meninos institution offers some 90 vocational courses.

RELATIONSHIP WITH INDEPENDENT AUDITORS

Deloitte Touche Tohmatsu Auditores Independentes has not provided any services other than those related to the company's independent audit. Accordingly, in the fiscal year 2009, only services related to the external independent audit were provided. The Company's policy assures there are no conflicts of interest or lack of independence or objectivity.

COMMITMENT CLAUSE

In accordance with Article 48 of Chapter VIII – Arbitration Chamber of the Company's Bylaws: The Company, its shareholders, executive officers and members of the Fiscal Council are obliged to resolve, through arbitration, all and any disputes or controversies between them related to or arising from, in particular, the application, validity, efficacy, interpretation, violation and effects thereto of the provisions in Brazilian Corporation Law, the Company's Bylaws, the regulations of the National Monetary Council (CMN), the Central Bank of Brazil and the Securities and Exchange Commission of Brazil (CVM), as well as any other rules applicable to the functioning of the capital markets, including those provided for in the regulations of the Novo Mercado Special Corporate Governance, the Arbitration Regulations of the Market Arbitration Chamber and the Participation Agreement of the Novo Mercado.

MESSAGE FROM THE EXECUTIVE BOARD

In accordance with CVM Instruction 480, the Executive Board declares that it has discussed and reviewed the opinions expressed in the independent auditors' report and the financial statements for the fiscal year ended December 31, 2009, and is in agreement with said opinions.

13.01 – MANAGEMENT´S REPORT

ACKNOWLEDGEMENTS

MRV Management thanks its shareholders, customers, suppliers and financial institutions for their support and confidence. It also thanks its employees for their dedication and efforts, who in great part were responsible for the results achieved.

Belo Horizonte, March 24, 2010

The Management

1. OPERATIONS

MRV Engenharia e Participações S.A., a corporation listed in the São Paulo Stock Exchange (BOVESPA), under code MRVE3, and subsidiaries are engaged in the management of Company–owned assets, development, construction and sale of Company owned or third-party properties, the provision of technical engineering services related to the functions of the technicians in charge, and holding of equity interests in other companies. The development and construction of properties are performed directly by the Company, subsidiaries or by other partners. Partners have a direct participation in the project, through interest in silent partnerships, consortiums, and special purpose entities to develop the project.

Additionally, subsidiary MRV Logística e Participações S.A., a private company, is engaged in the lease of distribution centers, industrial condominiums, hubs (sheds used by companies to centralize their operations in certain regions), and logistics condominiums (projects leased to logistics companies – carriers – that lease part of the sheds and share common areas, such as cafeteria, restaurant, sleeping quarters, support areas, etc.).

2. PRESENTATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING PRACTICES

2.1 Presentation of the Financial Statements

The financial statements have been prepared and are presented in conformity with Brazilian accounting practices and the standards established by the Brazilian Securities and Exchange Commission (CVM), pursuant to Corporate Law.

In order to maintain the consistency of the classification criteria used in 2009 and allow comparability of the financial statements, the Company reclassified the balance of deferred discounts, abatements, and returns in the statement of income for the year ended December 31, 2008 from ‘Deductions from gross revenue’ in order to directly reduce ‘Revenue from real estate development’.

(a) Reconciliation note

For better presentation and comparability purposes of the financial statements, some reclassifications have been made in the 2008 financial statements, as follows:

(a) Reclassification of Goodwill on acquisition of subsidiary Blás Engenharia e Empreendimentos S.A., previously classified at the subsidiary in line account ‘Investment’, to ‘Intangible assets’. As a result, the amortization of goodwill classified in income as ‘Equity in subsidiaries and associates’ was reclassified to ‘Other operating expenses’, and in the Statement of Value Added to ‘Depreciation and amortization’.

(b) In the Statement of Value Added, financial charges allocated to cost of cost of properties sold were reclassified to line account 'Interest'.

2.2 Significant accounting practices

Significant accounting practices are as follows:

(a) Revenue recognition from development and sale of properties and other

The practices adopted for calculating and recognizing income and recording the amounts under the captions properties for sale, receivables from real estate development, and advances from customers follow the procedures and standards established by Federal Accounting Council (CFC) Resolution 963/03, as follows:

- For installment sales of completed units, income is fully recognized at the time the sale is performed, regardless of the term for receiving of the amount established by contract.

- For sales of uncompleted units, income is recognized based on the following criteria:

  (i) Sales revenues and land and construction costs inherent to the related developments are credited or charged to income under the percentage-of-completion method, which measures incurred costs to the total budgeted cost of projects.

  (ii) Sales revenues calculated according to item (i), including inflation adjustment, net of installments already received, are recognized as accounts receivable or advances from customers, according to the ratio between recorded revenues and received amounts.

- Interest and discounts to present value are credited or charged to income on the accrual basis, regardless of whether actual receiving.

- Revenue and expenses are recorded on the accrual basis.

- Real state for sale - Units completed or under construction and not yet sold, including the land bank, are stated at the incurred cost of each unit, which does not exceed their fair value. Land from barter agreements is valued at the sales price of the bartered units. Classification into short- and long-term assets in based on the date scheduled to start building the project. The actual construction cost of bartered units is diluted among the other units.

(b) Loans, financing, debentures and payables for purchase of land

Stated at their original amounts, less amortization of principal, plus contractual charges incurred through the balance sheet date, less fundraising expenses. Transaction costs linked to debentures are presented as a reduction of current and noncurrent liabilities, and are expensed over the same repayment term of the financing from which they were originated based on the effective rate of each transaction.

Interest related to units under construction is capitalized as cost of real estate for sale, for future allocation to income, under the same criterion adopted for recognition of revenue from and costs of units sold.

(c) Discount to present value

Assets and liabilities arising from short-term (if material) and long-term transactions without an estimated realization or settlement date or subject to: (i) fixed interest; (ii) interest rates clearly below market quotation for similar transactions; and (iii) adjustments only for inflation and interest free, are adjusted at present value based on a long-term interest rate, and their reversal is recognized in the statement of income under 'Revenue from real estate development' for the year before the delivery of units and under 'Financial income' for the year after the delivery of units.

(d) Material inventories

Stated at the lower of average acquisition cost and net realizable values.

(e) Deferred selling expenses

Specific expenses on commissions and brokerage fees are deferred and charged to income under the same criteria for the recognition of revenue from real estate development described in (a) above.

(f) Recognition of revenue from other activities

Other revenue and costs include interest and inflation adjustments and exchange rate changes calculated at official indices or rates levied on current and noncurrent assets and liabilities. They also include adjustments of assets to fair value or realizable value, including the allowance for probable losses on the realization of receivables from real estate development, when applicable.

(g) Other current and noncurrent assets

- Cash and cash equivalents – Include cash, banks and highly liquid short-term investments with original maturities of 90 days or less and low risk of change in fair value, and are stated at cost plus income earned through the balance sheet

dates, on a daily pro rata basis, which does not exceed realizable value. Short-term investments are classified as held for trading, and are adjusted to their fair value at the reporting date, when applicable.

- Investment securities - Classified into two categories: held-to-maturity and available-for-sale securities. They are stated at cost, plus interest, inflation adjustment and exchange rate changes, less recoverable impairment, when applicable, incurred through the balance sheet date, and available-for-sale securities are adjusted to their fair value at the reporting dates.

- Allowance for doubtful accounts - recognized, when applicable, based on management's evaluation of possible losses on the realization of receivables. No allowance for doubtful accounts was recognized as of December 31, 2009 and 2008, considering that the amounts receivable are collateralized by the traded properties and that there is no history of actual losses on said accounts receivable.

- Other assets - Stated at cost or realizable value, plus income and inflation adjustments earned through, when applicable.

(h) Investments

Investments in subsidiaries, such as: other companies, silent partnerships, special purpose entities, and project-related assets are accounted for under the equity method based on the balance sheets prepared by the related investees as of the same dates as the Company's balance sheet dates.

(i) Property and equipment and intangible assets

Stated at cost of purchase or construction, less depreciation or amortization, and the allowance for losses, when applicable. Depreciation or amortization is calculated under the straight-line method at the rates described in notes 8 and 9.

(j) Current and deferred taxes

As allowed by prevailing tax legislation, the Company and its subsidiaries adopt the cash basis for calculating income from real estate development, and this income is used to determine taxable income.

The Company determined income tax and social contribution based on taxable income. The Company's subsidiaries adopted taxation based on deemed income. Under the deemed income criterion, each company's net income for income tax and social contribution purposes is calculated based on the tax rates defined for their activities, and corresponds to 8% and 12% of gross revenue, respectively. The income tax and social contribution rates prevailing at the reporting date of each

period (15% plus 10% surtax on income exceeding R$240 per year for income tax, and 9% for social contribution tax) are levied on deemed income. The Company adopts the 'Project-related assets' for some projects under the special taxation regime (RET). Under the RET, the income tax and social contribution tax rates are 1.89% and 0.98% respectively, levied on gross revenue received. For taxes on revenue (PIS and COFINS) calculation purposes, total tax rate is 9.25% for taxation based on actual income, 3.65% for taxation based on deemed income, and 3.13% under the RET.

Income tax, social contribution, PIS, and COFINS are deferred due to temporary difference between the cash basis adopted for tax purposes and the accrual basis for accounting purposes, and are recorded in current and noncurrent groups based on the projected realization or settlement. Prepayments of income tax and social contribution are presented as a reduction of taxes payable.

(k) Contingent assets and contingent liabilities

Recognized based on estimates reported by the Company's and its subsidiaries' in-house and outside legal counsel, combined with the following:

- Contingent assets - Recorded as an asset only when a final and unappealable court decision favorable to the Company and its subsidiaries is issued; and

- Contingent liabilities - Accrued as liabilities, based on the legal counsel's estimate of loss, less related escrow deposits. These amounts reflect probable losses, based on the best understanding of the in-house and outside legal counsel.

(l) Other current and noncurrent liabilities

Stated at known or estimated amounts, plus corresponding charges and inflation adjustments or exchange rate changes, including interest and other contractual charges incurred through the balance sheet dates.

(m) Use of estimates

The preparation of financial statements requires management to make estimates that affect the reported amounts of certain assets, liabilities and other transactions. These financial statements include, therefore, various estimates on the useful lives of property and equipment, budgeted costs to complete the projects, reserve for contingent liabilities, provision for maintenance of real estate, calculation of taxes, and other similar provisions. Actual results could differ from those estimates.

(n) Consolidated financial statements and consolidation criteria

The consolidated financial statements have been prepared comprising the subsidiaries, silent partnerships, special purpose entities and project-related assets listed in note 7.

Entities jointly owned with other partners were consolidated in the financial statements under the proportionate consolidation method, applicable to each component of the financial statements.

Intercompany bank accounts, revenue and expenses and investments have been eliminated. The same accounting practices were consistently applied by all consolidated entities.

2.3 New accounting standards issued in 2009 and effective from 2010

Law 11638/07 and Law 11941/09 were enacted, so as to enable the convergence of Brazilian accounting practices with the International Financial Reporting Standards (IFRS) and allow the Accounting Pronouncements Committee (CPC) to issue new accounting standards and procedures consistent with such international accounting standards.

By the reporting date, new accounting pronouncements had been issued by the CPC and approved by CVM Resolutions for mandatory applications beginning 2010, and the 2009 financial statements to be disclosed together with the 2010 financial statements will be consistently adjusted for comparative purposes.

The CPC standards that might be applicable to the Company, considering its operations, are as follows:

CPC	Title
16	Inventories
17	Construction Contracts
19	Interests in Joint Ventures
20	Borrowing Costs
21	Interim Financial Reporting
22	Operating Reporting
23	Accounting Policies, Changes in Accounting Estimates and Errors
24	Events after the Balance Sheet Date
25	Provisions, Contingent Liabilities and Contingent Assets
26	Presentation of Financial Statements
27	Property, Plant and Equipment
28	Investment Property
30	Revenues
32	Income Taxes
33	Employee Benefits
35	Separate Financial Statements

36	Consolidated Financial Statements
37	First-time Adoption of the IFRSs
38	Financial Instruments: Recognition and Measurement
39	Financial Instruments: Presentation
40	Financial Instruments: Disclosures
43	First-time Adoption of Accounting Pronouncements CPC 15 to CPC 40

ICPCs

02	Agreements for the Construction of Real Estate
08	Accounting for Proposed Dividend Payments
09	Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements, and Application of the Equity Method of Accounting
10	Clarifications on Technical Pronouncements CPC 27 - Property, Plant and Equipment and CPC 28 - Investment Property

On December 22, 2009, the Brazilian Securities and Exchange Commission (CVM) approved through CVM Resolution 612, the Interpretation ICPC 02 – Agreements for the Construction of Real Estate – corresponding to International Financial Reporting Interpretations Committee Interpretation 15 (IFRIC 15) – which addresses construction agreements in the real estate industry and changes the criteria for the recognition of revenue by real estate entities and is effective for annual reporting periods ending on or after December 31, 2010.

This guidance may produce significant impacts for the real estate industry from its implementation in 2010, in view of the potential postponement of the recognition of revenue related to units sales, as under the new rule, depending on the agreement features, revenue shall be recognized: (a) on the transfer to the buyer of the control, risks and rewards of ownership of the property; or (b) under the currently adopted criterion.

In 2008 and 2009 the following accounting literature was issued on the depreciation calculation methods, review of estimated useful lives of property, plant and equipment, and deemed cost: Accounting Pronouncement CPC 27, Guidance OCPC 2, and Technical Interpretation ICPC 10 containing additional clarifications of this matter.

The Company is studying and assessing the effects of applying these new accounting criteria and, as permitted by ICPC 10, intends to complete the periodical review of the useful lives of property and equipment, and decide if it will opt for deemed cost in the year beginning January 1, 2010.

The Company's management is analyzing the impacts of the changes introduced by these new pronouncements. In the event of adjustments arising from adopting new accounting practices beginning 2010, the Company should assess the need to remeasure

the effects thereof on its financial statements for 2009, for comparative purposes, as if these new procedures would be effective since the beginning of the year ending December 31, 2009.

3. CASH AND CASH EQUIVALENTS

Breakdown as of December 31:

	Company		Consolidated	
	2009	2008	2009	2008
Cash	379	722	669	854
Bank accounts	96,207	23,537	182,304	49,122
Short-term investments:				
Savings deposits	31,163	9,561	44,773	18,078
Investment funds	34,785	3,393	35,518	3,587
Bank certificates of deposit (CDBs)	195,042	50,478	225,405	50,857
Repos backed by debentures	204,354	14,013	224,699	18,225
Other	-	581	-	8,265
Total	561,930	102,285	713,368	148,988

Investments in savings accounts are highly liquid. Restricted savings deposits are held during the project construction period and correspond to the moneys contributed by Caixa Econômica Federal (Federal Government savings bank) to open *Crédito Associativo* (subsidized mortgage loans) credit facilities, totaling R$9,720 (R$693 in 2008), Company, and R$15,360 (R$6,866 in 2008), on a consolidated basis, and are recorded in 'Restricted savings investments', in current assets. Investment funds have yields close to the interbank deposit rate (CDI). The average yield of investments in CDB and repurchase agreements is equivalent to the CDI and are immediately redeemable.

Investments in repurchase agreements backed by debentures of financial institutions have the following features:

	Company		Consolidated	
Rating	2009	2008	2009	2008
AAA (bra)	45,545	-	45,897	-
AA + (bra)	109,841	-	109,841	1,788
AAA	-	14,013	-	14,013
brAA	15,188	-	15,188	-
Aaa.br	33,780	-	53,773	2,424
	204,354	14,013	224,699	18,225

The daily repurchase of these investments in repos backed by debentures is guaranteed by the issuers, and repos can be immediately redeemed, according to the Company's cash requirements.

4. INVESTMENT SECURITIES

As of December 31 are broken down as follows:

	Company		Consolidated	
	2009	2008	2009	2008
Held-to-maturity securities:				
Real estate consortium	579	54	579	63
Real estate credit note	-	-	-	160
Other	-	-	13	5
Available-for-sale securities:				
Flexible put and call options - option box	-	882	-	882
Total	579	936	592	1,110
Noncurrent	-	-	10	3
Current	579	936	582	1,107

The flexible put and call options - option box referred to the interest rate swap (US dollar) and were settled on December 21, 2009. See note 20.

5. RECEIVABLES FROM REAL ESTATE DEVELOPMENT AND RENTAL

(a) Receivables from real estate development:

As of December 31 are broken down as follows:

	2009			2008		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Company:						
Receivables from real estate development	655,891	358,520	1,014,411	399,213	185,261	584,474
Discount to present value	(4,738)	(4,854)	(9,592)	(15,279)	(7,852)	(23,131)
Total	651,153	353,666	1,004,819	383,934	177,409	561,343
Consolidated:						
Receivables from real estate development	1,459,412	612,417	2,071,829	721,509	459,744	1,181,253
Discount to present value	(10,384)	(7,328)	(17,712)	(20,361)	(10,312)	(30,673)
Total	1,449,028	605,089	2,054,117	701,148	449,432	1,150,580

The amounts related to receivables from real estate development include: (i) fixed-rate contracts with fixed installments or floating-rate contracts with interest lower than market for similar transactions or floating-rate contracts with adjustments only for inflation and interest free, which are adjusted to present value using the higher rate of the weighted market fundraising rate of the Company, discounted by inflation indices, and the yield rates of government securities with similar risks and terms; and (ii) floating-rate contracts plus interest of 6 to 12 percent per year. Floating-rate contracts are adjusted based on

various financial indices, mainly the National Civil Construction Index (INCC) or the Basic Unit Cost (CUB) for the period before the delivery of the units, and the General Market Price Index (IGPM) for the period after the delivery of the units. The assumptions made by the Company's management, described above for the calculation of the discount to present value, are consistent among the years, and thus there were no changes in assumptions during the annual reporting periods.

The basic purpose of management of measuring certain receivables at their preset value is to present the revenue earned and its financial assets at fair value on the transaction date, since these are different from the amounts disclosed in the agreements on account of prevailing contractual terms and conditions.

As mentioned in note 2.2(a), the procedures and standards established by CFC Resolution 963/03 were adopted for accounting for income from real estate operations. Thus:

- The adjustment to present value represents the portion of interest to be earned in future years, on the accrual basis;

- accounts receivable were recorded up to the amount of real estate operations conducted in the period; and

- receipts in excess of the recognized balances of accounts receivable were recorded as advances from customers. The balances of advances from customers, at the balance sheet dates, arising from the application of this criterion, are presented in note 15.

Due to the accounting recognition described above, the balances of gross revenue from real estate sale transactions already contracted, referring to uncompleted properties, are as follows:

	Company		Consolidated	
	2009	2008	2009	2008
Unearned gross sales revenue	1,328,614	415,954	2,278,018	991,580

The aging of the amounts above referring to Receivables from real estate development and unearned sales revenue above is as follows, at the contractual amount of the units sold:

	Company		Consolidated	
Year after balance sheet date	2009	2008	2009	2008
2009	-	714,688	-	1,509,573
2010	1,955,906	226,644	3,669,767	552,647
2011	279,209	23,975	541,266	63,445
2012	89,017	6,104	109,445	8,583

2013	6,499	3,459	7,577	4,091
2014 onward	2,802	2,427	4,080	3,821
	2,333,433	977,297	4,332,135	2,142,160
Receivables from real estate development	1,004,819	561,343	2,054,117	1,150,580
Unearned sales revenue	1,328,614	415,954	2,278,018	991,580
	2,333,433	977,297	4,332,135	2,142,160

Discounts, abatements and returns are deducted directly from revenue from real estate development and refer substantially to terminations of purchase and sale agreements of properties not yet delivered. The amounts related to terminated agreements comprise all the revenue earned, net of the contractual fine to reimburse expenses incurred by the Company and its subsidiaries.

(b) Receivables from rent

	Consolidated	
	2009	2008
Receivables from rent	99	-
Total	99	-

Consolidated 'Receivables from rent' refer to the rental portfolio of subsidiary MRV Logística e Participações S/A.

6. REAL ESTATE FOR SALE

Represented by apartments and houses for sale and land for future development, distributed as follows:

	Company		Consolidated	
	2009	2008	2009	2008
Real estate under construction (*)	167,904	208,336	344,646	392,467
Completed units	13,175	11,308	31,921	12,159
Land bank	726,503	462,656	933,383	744,793
Advances to suppliers	16,832	17,461	26,295	23,419
Material inventories	144	1,752	391	3,145
Total	924,558	701,513	1,336,636	1,175,983
Current	534,535	554,230	946,613	985,649
Noncurrent	390,023	147,283	390,023	190,334

(*) As of December 31, 2009, this balance includes R$30,750 (R$7,555 in 2008), Company, and R$31,133 (R$7,555 in 2008) on a consolidated basis, of capitalization of financial charges, as detailed in note 10.d.

The carrying value of a project's land is transferred to line account 'Real estate under construction' when the project is launched.

The Company has agreements with financial institutions to finance the construction of properties. As of December 31, 2009, real estate under construction used as collateral of these agreements total R$132,765.

As of December 31, 2009, the amount of properties pledged as collateral of financing transactions totals R$114,293 (nil in 2008), Company and on a consolidated basis.

7. INVESTMENTS IN SUBSIDIARIES

(a) The main information on equity interests is summarized as follows:

	Equity interest		Shareholder s' equity	Net income	Shareholder s' equity	Net income	Company			
							Investment	Results from equity participation	Investment	Results from equity participation
	12/31/2009	12/31/2008	12/31/2009	2009	12/31/2008	2008	12/31/2009	2009	12/31/2008	2008
Jointly controlled companies										
Blás Engenharia e Empreendimentos S.A.	49.00%	49.00%	5,997	(1,072)	7,055	(670)	2,939	(525)	3,457	(328)
Prime Incorporações e Construções Ltda.	60.00%	60.00%	30,928	11,548	19,328	(975)	18,557	6,929	11,597	(585)
MRV LOG - Logística e Participações S/A	65.00%	65.00%	38,311	996	32,051	84	24,902	647	20,833	55
Company-owned silent partnerships										
Abel Cabral - Spazio Nimbus Residence Club (*)	79.15%	75.00%	12,999	4,313	5,587	(52)	10,289	3,414	4,190	(39)
Área da Serra 214 Mil (***)	0.00%	100.00%	-	-	31,588	(60)	-	-	31,588	(60)
Bosque das Laranjeiras (***)	0.00%	80.00%	-	-	1,132	-	-	-	906	-
Spazio Acrópolis	99.00%	99.00%	10,550	4,850	1,149	(14)	10,444	4,802	1,137	(14)
Ancona Di Roma	75.00%	75.00%	5,684	2,754	9,173	2,927	4,263	2,065	6,879	2,195
Ancona Fontana Airolo (***)	0.00%	73.00%	-	-	87	(1)	-	-	63	(1)
Ary Tarraggo	70.00%	70.00%	7,401	163	6,643	-	5,181	114	4,650	-
Azurro	99.00%	99.00%	1,576	(106)	1,754	412	1,561	(105)	1,736	408
Belle Luna	65.00%	0.00%	129	129	-	-	84	84	-	-
Campos do Conde / Parque Porto Real (*)	68.00%	68.00%	2,406	1,477	409	(37)	1,636	1,004	278	(25)
Carrapicho (*)	60.00%	50.00%	13,522	2,308	8,393	1,210	8,113	1,385	4,197	605
Casanova	99.00%	99.00%	1,547	(36)	70	-	1,531	(36)	69	-
Diamante	70.00%	70.00%	4,527	1,109	2,190	430	3,169	776	1,533	301
Fasano	99.00%	99.00%	4,455	548	4,886	1,071	4,410	543	4,837	1,060
Festeggiare Clube	99.00%	0.00%	24	24	-	-	19	19	-	-
Gorduras - Parque Abrantes	50.00%	50.00%	1,244	-	1,244	-	622	-	622	-
Green Towers	75.49%	75.49%	19,786	11,612	13,597	6,152	14,936	8,766	10,264	4,644
Humaitá 2 (8.200m)	68.00%	68.00%	872	-	856	-	593	-	582	-
Ideale	75.00%	75.00%	4,863	4,569	7,012	3,687	3,647	3,427	5,259	2,765
Ilha do Mel (***)	0.00%	89.00%	-	-	1,172	(12)	-	-	1,043	(10)
Itú -Illuminare	0.00%	88.00%	-	-	9,403	1,507	-	-	8,275	1,326
Laguna Beach	80.62%	80.62%	11,481	5,107	7,612	3,410	9,256	4,117	6,137	2,750
Londrina	99.00%	99.00%	19,205	4,736	13,604	5,796	19,014	4,689	13,468	5,738
Macaé/Buena Vista (*)	70.00%	65.00%	3,570	367	2,431	(10)	2,499	257	1,581	(6)
Maria Lacerda 5400 - Top Life Natal	75.00%	75.00%	13,146	(145)	9,387	(15)	9,859	(109)	7,040	(11)
Mirafiori e Marseille	99.00%	99.00%	3,947	(422)	3,742	1,713	3,908	(418)	3,705	1,696
Park Sun Coast (*)	75.00%	72.00%	897	(7)	(3)	(3)	673	(5)	(2)	(2)
Parque Clair de Lune	99.00%	99.00%	27,610	234	22,255	9,983	27,334	232	22,032	9,883
Parque das Borboletas	99.00%	0.00%	4,275	1,428	-	-	4,233	1,414	-	-
Parque das Flores	75.00%	75.00%	859	(397)	2,325	1,441	644	(298)	1,744	1,081
Parque Diamante	99.00%	0.00%	566	(184)	-	-	561	(182)	-	-
Parque Dos Buritis	99.00%	99.00%	4,599	2,208	4,564	1,388	4,553	2,186	4,518	1,374
Parque Horizonte Belo	98.00%	98.00%	3,601	(45)	5,630	1,654	3,529	(44)	5,517	1,621
Parque Ouro Verde	75.00%	75.00%	1,885	(260)	4,586	1,696	1,414	(195)	3,440	1,272
Parque Puerto Madero/Humaitá	72.00%	72.00%	11,509	21	11,275	-	8,286	15	8,118	-
Parque Recanto dos Passaros	34.00%	34.00%	4,223	32	3,992	(230)	1,436	11	1,357	(78)
Parque Riacho Das Conchas	99.00%	99.00%	7,953	586	8,184	1,011	7,874	580	8,102	1,001
Parque Riacho das Pedras	99.00%	99.00%	2,705	(1,055)	12,676	4,655	2,678	(1,045)	12,549	4,609
Parque Riacho do Ouro	99.00%	0.00%	5,299	1,843	-	-	5,246	1,825	-	-
Parque Rubis	99.00%	0.00%	1,563	-	-	-	1,547	-	-	-
Parque São Petesburgo	99.00%	99.00%	5,859	1,962	7,939	3,230	5,800	1,942	7,861	3,198
Parque Ventanas	75.00%	75.00%	1,488	(90)	6,701	2,499	1,116	(68)	5,026	1,874
Parque Verano	75.00%	75.00%	6,075	1,619	11,500	3,738	4,556	1,214	8,625	2,803
Parque Vila Del Rey	97.00%	97.00%	4,094	(150)	4,578	1,577	3,971	(145)	4,441	1,530
Parque Vila D'ouro/Parque Serrana	98.00%	98.00%	4,726	1,813	2,849	1,241	4,631	1,777	2,791	1,216
Parque Viladorata	75.00%	75.00%	3,331	2,855	1,937	564	2,499	2,141	1,452	423
Pontes do Rialto	88.00%	88.00%	7,421	2,820	4,441	885	6,531	2,482	3,907	779
Porto Cristal	72.00%	0.00%	210	(6)	-	-	151	(4)	-	-
Porto Elizabeth (*)	69.00%	69.00%	3,108	(65)	3,132	-	2,145	(45)	2,161	-
Puerto Colón	70.00%	70.00%	2,134	22	2,020	-	1,494	15	1,414	-
Punta Del Leste	80.44%	80.44%	25,799	14,786	15,676	10,019	20,753	11,894	12,610	8,060
Residencial Veleiros	75.00%	0.00%	2,143	315	-	-	1,607	236	-	-
Riazor	99.00%	0.00%	2,066	3,611	-	-	2,046	3,575	-	-
Rio das Ostras (*)	70.00%	65.00%	2,559	(34)	2,491	(7)	1,792	(24)	1,619	(4)
Residencial Essenza	75.00%	75.00%	3,379	(878)	6,783	2,865	2,534	(659)	5,087	2,149
Residencial Rimini (*)	72.20%	70.00%	7,307	2,909	4,544	1,928	5,275	2,101	3,181	1,350
Saint Etiene / San Teodoro	99.15%	99.15%	12,996	3,967	7,737	2,610	12,886	3,934	7,670	2,588
Saint Tropez	80.43%	80.43%	29,451	12,692	17,722	9,690	23,687	10,209	14,253	7,793
San Telmo	80.00%	80.00%	20,130	(812)	19,740	7,546	16,104	(650)	15,792	6,037
São José do Rio Preto - Rio D'Ouro	97.00%	97.00%	31,476	10,340	19,693	4,645	30,531	10,030	19,102	4,506
Sapucaias -Terra Bella	80.00%	80.00%	11,180	2,498	6,960	504	8,944	1,998	5,569	403
S.Figueiredo Franca - Frankfurt	80.00%	80.00%	10,683	3,337	2,576	(79)	8,546	2,670	2,061	(63)
Spazio Amalfi	99.00%	99.00%	3,916	168	4,394	672	3,877	166	4,349	665
Spazio Amaretto	99.00%	99.00%	8,135	1,216	11,028	5,236	8,054	1,204	10,918	5,183
Spazio Arboreto	98.00%	98.00%	2,758	444	2,204	678	2,703	435	2,160	664
Spazio Avignon	99.00%	99.00%	1,421	(29)	1,531	257	1,407	(28)	1,515	255
Spazio Belo Campo/Belford Roxo	33.50%	33.50%	20,841	3,945	4,634	(66)	6,982	1,321	1,552	(22)
Spazio Cádiz	97.00%	97.00%	17,082	6,653	11,526	5,014	16,569	6,454	11,181	4,864
Spazio Campelles	99.00%	99.00%	3,924	2,038	2,237	1,061	3,884	2,017	2,215	1,051
Spazio Campo Alvorada	98.00%	98.00%	28,613	3,320	14,727	2,532	28,040	3,254	14,432	2,481
Spazio Campo das Nascentes	98.00%	98.00%	6,802	818	5,624	540	6,666	801	5,513	530
Spazio Caravaggio	98.00%	98.00%	8,209	1,584	7,130	4,063	8,045	1,552	6,988	3,982
Spazio Chamonix	99.00%	99.00%	1,099	(340)	1,422	1,726	1,088	(336)	1,409	1,709
Spazio Chateaubriand	99.00%	99.00%	7,684	3,186	4,232	3,709	7,608	3,154	4,190	3,671
Spazio das Aroeiras	98.00%	98.00%	2,425	(13)	2,552	146	2,376	(13)	2,501	143
Spazzio Illuminare	88.00%	0.00%	19,729	5,391	-	-	17,362	4,744	-	-
Spazio Jardim de Trento	98.00%	98.00%	10,661	2,270	8,791	4,365	10,448	2,225	8,615	4,278
Spazio Jardim Ferrara	99.00%	99.00%	1,257	249	817	326	1,244	246	809	322

14.01 – NOTES TO THE FINANCIAL STATEMENTS

(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

							Company			
	Equity interest		Shareholder s' equity	Net income	Shareholder s' equity	Net income	Investment	Results from equity participation	Investment	Results from equity participation
	12/31/2009	12/31/2008	12/31/2009	2009	12/31/2008	2008	12/31/2009	2009	12/31/2008	2008
Spazio Matisse	99.00%	99.00%	14,884	853	8,575	2,664	14,735	845	8,490	2,638
Spazio Monreal	99.50%	99.50%	4,633	(745)	5,168	2,026	4,610	(741)	5,142	2,016
Spazio Monterrey	99.00%	99.00%	5,029	(152)	5,047	1,644	4,978	(150)	4,996	1,627
Spazio Monteverdi	99.00%	99.00%	4,615	772	3,602	494	4,569	764	3,567	489
Spazio Orient - Parque La Terre	98.00%	98.00%	18,233	(1,128)	19,395	7,367	17,868	(1,105)	19,008	7,220
Spazio Orizzonte	97.00%	97.00%	2,444	(33)	1,725	620	2,371	(32)	1,672	601
Spazio Raritá	98.00%	98.00%	1,451	(71)	1,958	395	1,422	(70)	1,920	387
Spazio Renascence	97.00%	97.00%	1,511	89	1,695	151	1,465	87	1,644	147
Spazio Rennes	70.00%	70.00%	7,736	1,931	5,016	2,135	5,415	1,352	3,511	1,495
Spazio Resplendor	99.00%	99.00%	7,262	(463)	7,240	1,685	7,189	(458)	7,169	1,669
Spazio San Cristovan	98.50%	98.50%	1,697	(712)	2,707	740	1,672	(701)	2,666	729
Spazio Sunrise (*)	76.00%	80.00%	2,760	778	967	(24)	2,097	592	774	(19)
Spazio Teneriffe	76.50%	76.50%	-	-	6,810	(181)	-	-	5,210	(138)
Spazio Tifany	75.00%	75.00%	6,041	(67)	2,690	149	4,530	(50)	2,018	112
Spazio Tintoreto	75.50%	75.50%	14,353	6,851	3,597	1,710	10,837	5,173	2,716	1,291
Spazio Total Life	74.00%	74.00%	8,316	2,080	5,136	1,263	6,154	1,539	3,800	934
Spazio Up Side	99.00%	99.00%	1,598	(398)	1,447	504	1,582	(394)	1,433	499
Spazio Vanguardia	75.00%	75.00%	9,357	3,593	5,565	3,414	7,018	2,695	4,175	2,561
Spazio Vila da Serra	75.30%	75.30%	6,618	2,571	3,971	(90)	4,984	1,936	2,990	(68)
Spazio Porto Teresópolis	65.00%	65.00%	3,951	1,871	917	56	2,568	1,216	597	37
Terra Bela - Bosque Indaiá (**)	0.00%	80.00%	-	-	924	-	-	-	739	-
Terra Bela - Bosque das Figueiras (**)	0.00%	80.00%	-	-	185	-	-	-	148	-
Terra Bela - Bosque Ingá (**)	0.00%	80.00%	-	-	260	-	-	-	208	-
Terra Bela Bosque Sapucaias (**)	0.00%	80.00%	-	-	1,525	(29)	-	-	1,220	(23)
Terra Bela - Bosque Seringueira (**)	0.00%	80.00%	-	-	310	(1)	-	-	247	(1)
Top Life Serra - Cancum (**)	0.00%	100.00%	-	-	20,865	(980)	-	-	20,865	(980)
Top Life Palm Beach	80.09%	80.09%	31,584	6,951	28,302	12,572	25,295	5,567	22,668	10,069
Toshiba	0.00%	72.50%	-	-	10,800	-	-	-	7,830	-
Uberlândia - The Palm Houses & Club	99.50%	99.50%	19,422	6,136	7,531	2,713	19,325	6,105	7,493	2,700
Vila do Sol (**)	0.00%	75.00%	-	-	3,229	(21)	-	-	2,422	(16)
Village Anchieta	99.10%	99.10%	5,698	138	5,562	184	5,646	137	5,512	182
Village Chateaux Lafite/Lorane	98.50%	98.50%	5,847	1,030	4,299	1,972	5,759	1,015	4,235	1,943
Village Chateaux Victoria	96.00%	96.00%	3,658	922	2,431	1,462	3,512	885	2,334	1,403
Village Chateaux Tivoli	97.50%	97.50%	1,710	89	1,796	321	1,667	87	1,751	313
Village Chopin	99.00%	99.00%	3,023	(82)	3,680	2,245	2,993	(81)	3,643	2,223
Village Córsega	99.00%	99.00%	4,859	209	3,452	2,856	4,810	207	3,416	2,827
Village Sarria	99.00%	99.00%	38,328	9,983	28,275	7,871	37,945	9,883	27,992	7,792
Village Tempus	76.00%	76.00%	7,253	2,062	1,240	306	5,512	1,567	942	232
Village Tendence	76.00%	76.00%	728	(31)	720	(242)	553	(24)	547	(184)
Vintage (*)	75.00%	100.00%	12,143	2,665	6,920	70	9,107	1,999	6,920	70
Vitalittá	75.00%	75.00%	7,736	5,537	4,263	964	5,802	4,153	3,197	723
Vitta Club	80.00%	80.00%	5,874	1,777	6,519	1,164	4,699	1,421	5,215	931
Vivalde (*)	75.50%	100.00%	1,122	133	900	(15)	847	100	900	(15)
Negative goodwill on silent partnerships	0.00%	0.00%	-	-	-	-	-	-	(6)	-
Jointly-owned silent partnerships										
14 De Julho - Spazio Classique (*)	69.60%	65.00%	6,693	553	4,677	-	4,658	385	3,040	-
Belas Ilhas	50.00%	50.00%	2,326	139	1,998	58	1,163	70	999	29
Belle Époque	65.00%	65.00%	27	(3)	30	-	18	(2)	20	-
Brisas Águas Claras	50.00%	50.00%	8,651	1,564	9,036	5,631	4,326	782	4,518	2,816
Boulevard Taguatinga	66.00%	66.00%	2,105	280	1,452	(1)	1,389	184	959	-
Chácara Primavera - Cleide - Citylife (*)	58.00%	65.00%	420	(52)	455	6	244	(30)	296	4
Coronel - Chronos	67.00%	67.00%	217	(18)	27	-	145	(12)	18	-
Dimas - C. Imperial (*)	58.00%	65.00%	394	-	100	-	229	-	66	-
Ecoville (*)	75.08%	70.00%	8,430	(118)	7,366	(147)	6,330	(89)	5,156	(103)
Feb - Chácara Flora - C.Guimarães (*)	58.00%	65.50%	3,121	2,205	76	-	1,810	1,279	51	-
Flamboyant - Jardim Góias	69.00%	69.00%	6,458	(31)	2,150	36	4,456	(21)	1,483	25
Florais - C.Diamantina - Village Coliseum	66.00%	66.00%	214	(2)	181	-	141	(1)	119	-
Muro Partido - Coliseum (*)	70.62%	65.50%	2,706	(183)	3,843	-	1,911	(130)	2,517	-
Gran Classe/Parque Oeste	66.00%	66.00%	1,196	(23)	1,025	-	790	(15)	676	-
Recanto das Pedras	50.00%	50.00%	418	(13)	487	65	209	(6)	242	32
Residencial Setor dos Afonsos (*)	69.76%	66.00%	4,890	269	3,102	(150)	3,411	187	2,048	(99)
Médico - Conquista São Francisco (*)	69.12%	65.00%	1,511	395	592	-	1,044	273	385	-
Goiabeiras (*)	58.00%	65.00%	2,968	700	898	-	1,721	406	584	-
Parque Bella Acqua (*)	65.00%	0.00%	4,386	796	-	-	2,851	518	-	-
Parque Bello Cielo	57.00%	57.00%	9,706	3,908	4,863	(113)	5,533	2,227	2,772	(64)
Parque Bello Canto (*)	65.00%	57.00%	10,245	(66)	8,907	(93)	6,659	(43)	5,077	(53)
Top Life - GO	65.50%	65.50%	24	(3)	27	-	16	(2)	18	-
Spazio Ritz	34.50%	34.50%	5,373	1,531	1,755	103	1,854	528	605	36
Park Reality	32.00%	32.00%	4,171	(143)	3,928	-	1,335	(46)	1,257	-
Park Riverfall - Rivera do Sol/Costa	34.50%	34.50%	2,160	(59)	1,738	(4)	745	(20)	600	(1)
Parque Rossete/Guandu Sape	33.50%	33.50%	2,857	870	1,097	(367)	957	292	368	(123)
Portal do Bosque - Patrimar	34.00%	0.00%	75	-	-	-	26	-	-	-
Estrada do Tingui - Novolar	34.00%	0.00%	364	-	-	-	124	-	-	-
Lins Vasconcelos - Recanto das Aguas	33.50%	33.50%	1,465	(479)	406	(21)	491	(160)	137	(7)
Ipadu (*)	75.98%	71.00%	4,206	(105)	4,204	-	3,195	(80)	2,985	-
Vivendas Das Oliveiras / Palmeiras	33.50%	33.50%	7,362	(2,897)	11,155	7,603	2,466	(971)	3,737	2,547
Residencial Niteroi - New Home Club (*)	76.33%	70.00%	14,885	5,415	8,195	179	11,362	4,133	5,736	126
Richmond Cond. Resort Cinedia 2 (*)	74.63%	70.00%	2,406	(366)	2,036	(15)	1,796	(273)	1,424	(11)
Riverside/Rio Star/RedentoreRoyal Palms	73.25%	73.25%	30,241	6,019	15,418	4,552	22,152	4,409	11,293	3,334
Senador Camara - Riviera do Campo/Riviera Atlântica (*)	76.56%	71.00%	4,961	(64)	4,774	1	3,798	(49)	3,390	1
Spazio Positano	50.00%	50.00%	518	(40)	1,058	(441)	259	(20)	529	(220)
Spazio Reale	70.00%	70.00%	5,413	(84)	6,148	(2,245)	3,789	(59)	4,302	(1,572)
Spazio Regence	70.00%	70.00%	3,747	(1,979)	4,881	1,792	2,623	(1,385)	3,416	1,254
Spazio Renault	70.00%	70.00%	1,553	(6)	2,027	(449)	1,087	(4)	1,419	(314)
Spazio Rodin	75.00%	75.00%	905	194	1,421	87	679	145	1,066	65
Spazio Rossini	75.40%	75.40%	888	(414)	1,969	(1,534)	669	(312)	1,485	(1,157)

14.01 – NOTES TO THE FINANCIAL STATEMENTS

(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

							Company			
	Equity interest		Shareholder s' equity	Net income	Shareholder s' equity	Net income	Investment	Results from equity participation	Investment	Results from equity participation
	12/31/2009	12/31/2008	12/31/2009	2009	12/31/2008	2008	12/31/2009	2009	12/31/2008	2008
Spazio Rotterdam	75.40%	75.40%	3,375	(1,497)	5,834	1,481	2,545	(1,129)	4,399	1,116
Ilha Vitória	95.00%	95.00%	782	86	917	159	743	81	871	151
Company-owned SPEs										
Camp Life (*)	99.00%	99.50%	16,269	(66)	15,764	(442)	16,107	(66)	15,685	(439)
Camp Life Residences II (*)	99.50%	100.00%	33	-	1	-	33	-	1	-
Campo Del Rey	98.00%	0.00%	1,445	(100)	-	-	1,417	(98)	-	-
Century	98.90%	98.90%	420	18	402	(10)	415	18	398	(10)
Evidence	99.00%	99.00%	2,955	11	1,108	(49)	2,926	10	1,098	(48)
Palazzio Di Spagna	99.50%	0.00%	20,314	9,169	-	-	20,212	9,124	-	-
Parque Premiatto - Panaramic	99.00%	0.00%	2,893	572	-	-	2,865	566	-	-
Saint Moritz	98.90%	98.90%	9,486	1,911	9,200	4,185	9,383	1,890	9,098	4,139
MD PE Praia de Piedade	42.00%	0.00%	950	(113)	-	-	399	(47)	-	-
Campo Colorato	98.00%	0.00%	1,596	127	-	-	1,564	124	-	-
Paladium Incorporações	99.50%	0.00%	2,787	211	-	-	2,773	210	-	-
Campo dos Bandeirantes Incorporações	98.50%	0.00%	2,747	349	-	-	2,705	344	-	-
Campo di Bragança	99.50%	0.00%	6,803	-	-	-	6,769	-	-	-
Forte Indepedência	50.00%	0.00%	2,187	144	-	-	1,094	72	-	-
San Leonard	99.00%	99.00%	5,514	256	2,547	427	5,459	254	2,522	423
Jointly-owned SPEs										
Aparecida de Goiânia	65.00%	65.00%	20,720	3,433	12,205	(620)	13,468	2,231	7,934	(403)
Belvedere Towers - GI (*)	41.67%	41.57%	751	(194)	105	(28)	313	(81)	44	(12)
Forte Iracema/oitenta mil magis	60.00%	60.00%	11,408	1,338	7,728	(52)	6,845	803	4,637	(31)
Forte Diogo - FourSeasons (*)	50.00%	60.00%	8,981	2,233	3,234	586	4,491	1,116	1,940	352
Forte General Albano - Lagune Maraponga	60.00%	60.00%	8,689	2,496	5,190	(59)	5,214	1,497	3,114	(35)
Forte Meireles	51.00%	51.00%	195	(25)	75	(20)	99	(13)	38	(10)
Forte Mucuripe (*)	49.00%	50.00%	32	(6)	22	-	16	(3)	11	-
Forte Parangaba Incorporações	50.00%	0.00%	716	(10)	-	-	358	(5)	-	-
Fortune II	60.00%	60.00%	4,635	(60)	168	-	2,781	(36)	101	-
Four Seasons III	60.00%	0.00%	164	-	-	-	98	-	-	-
Inspiratto Residence Club - Magis	50.00%	0.00%	143	(19)	-	-	72	(9)	-	-
Magis Four Seasons II - Costa Atlântica Incorp.	50.00%	50.00%	1,836	(55)	1,596	-	918	(28)	798	-
Patrimar – Galleria Incorporações	50.00%	50.00%	18,567	2,459	15,867	(1,834)	9,284	1,230	7,933	(917)
Vesper Amazonas Park	72.50%	0.00%	11,384	(7)	-	-	8,254	(5)	-	-
Village Gran Castel	65.00%	0.00%	316	1	-	-	206	1	-	-
Taguatinga QI 03	41.67%	0.00%	647	(163)	-	-	270	(68)	-	-
Silco Taguatinga QI 03	41.67%	0.00%	546	(1)	-	-	227	(1)	-	-
Chapada Diamantina	67.00%	0.00%	12	(160)	-	-	8	(107)	-	-
City Life Incorp spe ltda (Ciudad de Vigo).	70.62%	0.00%	4,871	112	-	-	3,440	79	-	-
Chapada Imperial	58.00%	0.00%	8	(78)	-	-	4	(45)	-	-
Vitalice Incorporações (*)	50.00%	60.00%	1,216	(109)	(3)	(3)	607	(55)	(2)	(2)
Project-related assets										
Santo Amaro	100.00%	100.00%	11,334	(12)	11,379	5,403	11,334	(12)	11,379	5,403
Consortium										
Renoir	75.00%	75.00%	(295)	(160)	(2)	83	-	-	-	-
			1,267,449	248,564	962,961	215,742	1,019,105	203,607	786,998	188,277

(*) Equity interest changed pursuant to contractual amendment.
(**) Interest held by the Company at balance sheet date is 100%, as capital contribution from partners is pending.
(***) Became MRVs wholly-owned silent partnerships.

(b) Changes in investments are as follows:

	Balance 12/31/2008	Capital subscription (reduction)	Results from equity participation	At year end
Jointly controlled companies				
Blás Engenharia e Empreendimentos S.A.	3,457	7	(525)	2,939
Prime Incorporações e Construções Ltda.	11,597	31	6,929	18,557
MRV LOG - Logística e Participações S/A	20,833	3,422	647	24,902
Company-owned silent partnerships				
Abel Cabral - Spazio Numbus Residence Club	4,190	2,685	3,414	10,289
Área da Serra 214 Mil	31,588	(31,588)	-	-
Bosque das Laranjeiras	906	(906)	-	-
Spazio Acrópolis	1,137	4,505	4,802	10,444
Ancona Di Roma	6,879	(4,681)	2,065	4,263
Ancona Fontana Airolo	63	(63)	-	-
Ary Tarraggo	4,650	417	114	5,181
Azurro	1,736	(70)	(105)	1,561
Belle Luna	-	-	84	84
Campos do Conde / Parque Porto Real	278	354	1,004	1,636
Carrapicho	4,197	2,531	1,385	8,113
Casanova	69	1,498	(36)	1,531
Diamante	1,533	860	776	3,169
Fasano	4,837	(970)	543	4,410
Festeggiare Clube	-	-	19	19
Gorduras	622	-	-	622
Green Towers	10,264	(4,094)	8,766	14,936
Humaitá 2 (8.200m)	582	11	-	593
Ideale e o Facile	5,259	(5,039)	3,427	3,647
Ilha do Mel	1,043	(1,043)	-	-
Itú	8,275	(8,275)	-	-
Laguna Beach	6,137	(998)	4,117	9,256
Londrina	13,468	857	4,689	19,014
Macaé/Buena Vista	1,581	661	257	2,499
Maria Lacerda 5400 - Top Life Natal	7,040	2,928	(109)	9,859
Mirafiori e Marseille	3,705	621	(418)	3,908
Park Sun Coast	(2)	680	(5)	673
Parque Clair de Lune	22,032	5,070	232	27,334
Parque das Borboletas	-	2,819	1,414	4,233
Parque das Flores	1,744	(802)	(298)	644
Parque Diamante	-	743	(182)	561
Parque Dos Buritis	4,518	(2,151)	2,186	4,553
Parque Horizonte Belo	5,517	(1,944)	(44)	3,529
Parque Ouro Verde	3,440	(1,831)	(195)	1,414
Parque Puerto Madero/Humaitá	8,118	153	15	8,286
Parque Recanto dos Passaros	1,357	68	11	1,436
Parque Riacho Das Conchas	8,102	(808)	580	7,874
Parque Riacho das Pedras	12,549	(12,549)	-	-
Parque Riacho das Pedras	-	3,723	(1,045)	2,678
Parque Riacho do Ouro	-	3,421	1,825	5,246
Parque Rubis	-	1,547	-	1,547
Parque São Petesburgo	7,861	(4,003)	1,942	5,800
Parque Ventanas	5,026	(3,842)	(68)	1,116
Parque Verano	8,625	(5,283)	1,214	4,556
Parque Vila Del Rey	4,441	(325)	(145)	3,971
Parque Vila D'ouro/Parque Serrana	2,791	63	1,777	4,631
Parque Viladorata	1,452	(1,094)	2,141	2,499
Pontes do Rialto	3,907	142	2,482	6,531

14.01 – NOTES TO THE FINANCIAL STATEMENTS

(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

	Balance 12/31/2008	Capital subscription (reduction)	Results from equity participation	At year end
Porto Cristal	-	155	(4)	151
Porto Elizabeth	2,161	29	(45)	2,145
Puerto Colón	1,414	65	15	1,494
Punta Del Leste	12,610	(3,751)	11,894	20,753
Residencial Veleiros	-	1,371	236	1,607
Riazor	-	(1,529)	3,575	2,046
Rio das Ostras	1,619	197	(24)	1,792
Residencial Essenza	5,087	(1,894)	(659)	2,534
Residencial Rimini	3,181	(7)	2,101	5,275
Saint Etiene / San Teodoro	7,670	1,282	3,934	12,886
Saint Tropez	14,253	(775)	10,209	23,687
San Telmo	15,792	962	(650)	16,104
São José do Rio Preto - Rio D'Ouro	19,102	1,399	10,030	30,531
Sapucaias - Terra a Bela	5,569	1,377	1,998	8,944
S.Figueiredo Franca - Frankfurt	2,061	3,815	2,670	8,546
Spazio Amalfi	4,349	(638)	166	3,877
Spazio Amaretto	10,918	(4,068)	1,204	8,054
Spazio Arboreto	2,160	108	435	2,703
Spazio Avignon	1,515	(80)	(28)	1,407
Spazio Belo Campo/Belford Roxo	1,552	4,109	1,321	6,982
Spazio Cádiz	11,181	(1,066)	6,454	16,569
Spazio Campelles	2,215	(348)	2,017	3,884
Spazio Campo Alvorada	14,432	10,354	3,254	28,040
Spazio Campo das Nascentes	5,513	352	801	6,666
Spazio Caravaggio	6,988	(495)	1,552	8,045
Spazio Chamonix	1,409	15	(336)	1,088
Spazio Chateaubriand	4,190	264	3,154	7,608
Spazio das Aroeiras	2,501	(112)	(13)	2,376
Spazzio Illuminare	-	12,618	4,744	17,362
Spazio Jardim de Trento	8,615	(392)	2,225	10,448
Spazio Jardim Ferrara	809	189	246	1,244
Spazio Matisse	8,490	5,400	845	14,735
Spazio Monreal	5,142	209	(741)	4,610
Spazio Monterrey	4,996	132	(150)	4,978
Spazio Monteverdi	3,567	238	764	4,569
Spazio Orient - Parque La Terre	19,008	(35)	(1,105)	17,868
Spazio Orizzonte	1,672	731	(32)	2,371
Spazio Raritá	1,920	(428)	(70)	1,422
Spazio Renascence	1,644	(266)	87	1,465
Spazio Rennes	3,511	552	1,352	5,415
Spazio Resplendor	7,169	478	(458)	7,189
Spazio San Cristovan	2,666	(293)	(701)	1,672
Spazio Sunrise	774	731	592	2,097
Spazio Teneriffe	5,210	(5,210)	-	-
Spazio Tifany	2,018	2,562	(50)	4,530
Spazio Tintoreto	2,716	2,948	5,173	10,837
Spazio Total Life	3,800	815	1,539	6,154
Spazio Up Side	1,433	543	(394)	1,582
Spazio Vanguardia	4,175	148	2,695	7,018
Spazio Vila da Serra	2,990	58	1,936	4,984
Spazio Porto Teresópolis	597	755	1,216	2,568
Terra Bela - Bosque Indaiá	739	(739)	-	-
Terra Bela - Bosque das Figueiras	148	(148)	-	-
Terra Bela - Bosque Ingá	208	(208)	-	-
Terra Bela Bosque Sapucaias	1,220	(1,220)	-	-
Terra Bela - Bosque Seringueira	247	(247)	-	-
Top Life Serra - Cancum	20,865	(20,865)	-	-
Top Life Palm Beach	22,668	(2,940)	5,567	25,295

14.01 – NOTES TO THE FINANCIAL STATEMENTS

(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

	Balance 12/31/2008	Capital subscription (reduction)	Results from equity participation	At year end
Toshiba	7,830	(7,830)	-	-
Uberlândia - The Palm Houses & Club	7,493	5,727	6,105	19,325
Vila do Sol	2,422	(2,422)	-	-
Village Anchieta	5,512	(3)	137	5,646
Village Chateaux Lafite/Lorane	4,235	509	1,015	5,759
Village Chateaux Victoria	2,334	293	885	3,512
Village Chatezux Tivoli	1,751	(171)	87	1,667
Village Chopin	3,643	(569)	(81)	2,993
Village Córsega	3,416	1,187	207	4,810
Village Sarria	27,992	70	9,883	37,945
Village Tempus	942	3,003	1,567	5,512
Village Tendence	547	30	(24)	553
Vintage	6,920	188	1,999	9,107
Vitalittá	3,197	(1,548)	4,153	5,802
Vitta Club	5,215	(1,937)	1,421	4,699
Vivaldi	900	(153)	100	847
Negative goodwill on silent partnerships	(6)	6	-	-
Jointly-owned silent partnerships				
14 De Julho - Spazio Classique	3,040	1,233	385	4,658
Belas Ilhas	999	94	70	1,163
Belle Époque	20	-	(2)	18
Brisas Águas Claras	4,518	(974)	782	4,326
Boulevard Taguatinga	959	246	184	1,389
Chácara Primavera - Cleide - Citylife	296	(22)	(30)	244
Coronel - Chronos	18	139	(12)	145
Dimas - C. Imperial	66	163	-	229
Ecoville	5,156	1,263	(89)	6,330
Estrada do Tingui - Novolar	-	124	-	124
Feb - Chácara Flora - C.Guimarães	51	480	1,279	1,810
Flamboyant - Jardim Góias	1,483	2,994	(21)	4,456
Florais - C.Diamantina	119	23	(1)	141
Goiabeiras	584	731	406	1,721
Gran Classe/Parque Oeste	676	129	(15)	790
Lins Vasconcelos - Recanto das Aguas	137	514	(160)	491
Ilha Vitória	871	(209)	81	743
Ipadu	2,985	290	(80)	3,195
Médico - Conquista São Francisco	385	386	273	1,044
Muro Partido - Coliseum	2,517	(476)	(130)	1,911
Parque Bella Acqua	-	2,333	518	2,851
Parque Bella Acqua/Bello Cielo	2,772	534	2,227	5,533
Parque Bello Canto	5,077	1,625	(43)	6,659
Spazio Ritz	605	721	528	1,854
Park Reality	1,257	124	(46)	1,335
Park Riverfall - Rivera do Sol/Costa	600	165	(20)	745
Parque Rossete/Guandu Sape	368	297	292	957
Portal do Bosque - Patrimar	-	26	-	26
Recanto das Pedras	242	(27)	(6)	209
Residencial Niteroi - New Home Club	5,736	1,493	4,133	11,362
Richmond Condomínio Resort Cinedia 2	1,424	645	(273)	1,796
Riverside/Rio Star/Redentore/Royal	11,293	6,450	4,409	22,152
Residencial Setor dos Afonsos	2,048	1,176	187	3,411
Senador Camara	3,390	457	(49)	3,798
Spazio Positano	529	(250)	(20)	259
Spazio Reale	4,302	(454)	(59)	3,789
Spazio Regence	3,416	592	(1,385)	2,623

	Balance 12/31/2008	Capital subscription (reduction)	Results from equity participation	At year end
Spazio Renault	1,419	(328)	(4)	1,087
Spazio Rodin	1,066	(532)	145	679
Spazio Rossini	1,485	(504)	(312)	669
Spazio Rotterdam	4,399	(725)	(1,129)	2,545
Top Life - GO	18	-	(2)	16
Vivendas Das Oliveiras/Palmeiras	3,737	(300)	(971)	2,466
Company-owned SPEs				
Camp Life	15,685	488	(66)	16,107
Camp Life Residences II	1	32	-	33
Campo Del Rey	-	1,515	(98)	1,417
Century	398	(1)	18	415
Evidence	1,098	1,818	10	2,926
Parque Premiatto - Panaramic	-	2,299	566	2,865
Saint Moritz	9,098	(1,605)	1,890	9,383
MD PE Praia de Piedade	-	446	(47)	399
Campo Colorato	-	1,440	124	1,564
Paladium Incorporações SPE	-	2,563	210	2,773
Campo dos Bandeirantes Incorporações	-	2,361	344	2,705
Campo di Bragança Inc.	-	6,769	-	6,769
Forte Indepedência	-	1,022	72	1,094
San Leonard	2,522	2,683	254	5,459
Jointly-owned SPEs				
Aparecida de Goiânia	7,934	3,303	2,231	13,468
Belvedere Towers - GI	44	350	(81)	313
Forte Iracema(magis 80.000)	4,637	1,405	803	6,845
Forte Diogo - FourSeasons	1,940	1,435	1,116	4,491
Forte General Albano	3,114	603	1,497	5,214
Forte Meireles	38	74	(13)	99
Forte Mucuripe	11	8	(3)	16
Forte Parangaba Incorporações	-	363	(5)	358
Fortune II	101	2,716	(36)	2,781
Four Seasons III	-	98	-	98
Inspiratto Residence Club - Magis	-	81	(9)	72
Magis Four Seasons II	798	148	(28)	918
Palazzio Di Spagna	-	11,088	9,124	20,212
Patrimar – Galleria Incorporações	7,933	121	1,230	9,284
Vesper Amazonas Park	-	8,259	(5)	8,254
Village Gran Castel	-	205	1	206
Taguatinga QI 03	-	338	(68)	270
Silco Taguatinga QI 03	-	228	(1)	227
Chapada Diamantina	-	115	(107)	8
CityLife Incorp spe ltda (Ciudad de Vigo).	-	3,361	79	3,440
Chapada Imperial	-	49	(45)	4
Vitalice Incorporações	(2)	664	(55)	607
Project-related assets				
Santo Amaro	11,379	(33)	(12)	11,334
Change in 2009 - Total	786,998	28,500	203,607	1,019,105
Change in 2008 - Total	176,030	422,691	188,277	786,998

(c) The main information on the Company´s indirect investments is summarized as follows:

	Total equity interest		Shareholders' equity	Net income	Shareholders' equity	Net income
	2009	2008	2009	2009	2008	Accumulated 2008
Indirect interest:						
MRV LOG - Logística e Participações S/A						
Contagem I SPE Ltda	90.00%	90.00%	27,115	1,046	24,743	-
Contagem II SPE Ltda	100.00%	100.00%	4,355	(5)	4,194	-
Prime Incorporações e Construções Ltda.						
14 De Julho - Spazio Classique	30.40%	35.00%	6,693	553	4,677	-
Belas Ilhas	50.00%	50.00%	2,326	139	1,998	58
Belle Époque	35.00%	35.00%	27	(3)	30	-
Brisas Águas Claras	50.00%	50.00%	8,651	1,564	9,036	5,631
Boulevard Taguatinga	34.00%	34.00%	2,105	280	1,452	(1)
Chácara Primavera - Cleide - Citylife	30.50%	34.25%	420	(52)	455	6
Dimas - C. Imperial	31.00%	35.00%	394	-	592	-
Coronel - Chronos	33.00%	33.00%	217	(18)	3,843	-
Ecoville	24.92%	30.00%	8,430	(118)	7,366	(147)
Feb - Chácara Flora - C.Guimarães	30.00%	34.50%	3,121	2,205	76	-
Flamboyant - Jardim Góias	31.00%	31.00%	6,458	(31)	2,150	36
Florais - C.Diamantina - Village Coliseum	34.00%	34.00%	214	(2)	181	-
Goiabeiras	31.50%	35.00%	2,968	700	898	-
Gran Classe/Parque Oeste	34.00%	34.00%	1,196	(23)	1,025	-
Green Towers	24.51%	24.51%	19,786	11,612	13,597	6,152
Laguna Beach	19.38%	19.38%	11,481	5,107	7,612	3,410
Médico - Conquista São Francisco	30.88%	35.00%	1,511	395	592	-
Muro Partido - Coliseum (*)	29.38%	34.50%	2,706	(183)	3,843	-
Parque Bella Acqua	35.00%	43.00%	4,386	796	-	-
Parque Bello Cielo	28.00%	43.00%	9,706	3,908	4,863	(113)
Parque Bello Canto (*)	35.00%	42.50%	10,245	(66)	8,907	(93)
Punta Del Leste	19.56%	19.56%	25,799	14,786	15,676	10,019
Recanto das Pedras	50.00%	50.00%	418	(13)	487	65
Residencial Setor dos Afonsos	30.24%	34.00%	4,890	269	3,102	(150)
Saint Tropez	19.57%	19.57%	29,451	12,692	17,722	9,690
Top Life - GO	34.50%	34.50%	24	(3)	27	-
Top Life Palm Beach	19.91%	19.91%	31,584	6,951	28,302	12,572
Aparecida de Goiânia	35.00%	35.00%	20,720	3,433	12,205	(620)
Belvedere Towers - GI	25.00%	25.00%	751	(194)	105	(28)
Camp Life	0.50%	0.50%	16,269	(66)	15,764	(442)
Century	1.10%	1.10%	420	18	402	(10)
Bela Vita	50.00%	50.00%	1,674	166	2,374	1,500
Vermont	50.00%	50.00%	700	(43)	1,043	202
Gran Ville	50.00%	50.00%	3,373	(1,700)	4,045	(456)
Panoramic, Premiatto	1.00%	0.00%	2,893	572	-	-
Palazzo di Spagna	0.50%	0.00%	20,314	9,169	-	-
Taguatinga QI 03	25.00%	0.00%	647	(163)	-	-
Silco Taguatinga QI 03	25.00%	0.00%	546	(1)	-	-
Village Gran Castel	35.00%	35.00%	316	1	-	-
Campo Di Bragança	0.50%	0.00%	6,803	6,803	-	-
Chapada Diamantina SPE	33.00%	0.00%	12	(160)	-	-
Chapada Imperial SPE	31.00%	0.00%	8	(78)	-	-
Campo dos Bandeirantes	1.50%	0.00%	2,747	349	-	-
Spazio Campo Colorato	2.00%	0.00%	1,596	127	-	-
Citylife	29.38%	0.00%	4,871	112	-	-
Blás Engenharia e Empreendimentos S.A.						
Ipadu	16.15%	19.50%	4,206	(105)	4,204	-
Estrada do Tingui - Novolar	16.00%	16.00%	364	(0)	-	-
Lins Vasconcelos - Recanto das Aguas	10.00%	10.00%	1,465	(479)	406	(21)
Spazio Ritz	11.00%	11.00%	5,373	1,531	1,755	103
Park Reality	11.00%	11.00%	4,171	(143)	-	-
Park Riverfall - Rivera do Sol/Costa	11.00%	11.00%	2,160	(59)	1,738	(4)
Parque Rossete/Guandu Sape	10.00%	10.00%	2,857	870	1,097	(367)
Portal do Bosque - Patrimar	16.00%	16.00%	75	(0)	-	-
Residencial Niteroi - New Home Club	15.78%	15.78%	14,885	5,415	8,195	179
Residencial Rimini	18.53%	18.53%	7,307	2,909	4,544	1,928
Riverside/Rio Star/RedentoreRoyal Palms	17.83%	17.55%	30,241	6,019	15,418	4,552
Richmond Cond. Resort Cinedia 2	16.91%	20.00%	2,406	(366)	2,036	(15)
Senador Camara - Riviera do Campo/Riviera Atlântica	19.50%	20.00%	4,961	(64)	4,774	1
Spazio Positano	50.00%	50.00%	518	(40)	1,058	(441)
Spazio Reale	20.00%	20.00%	5,413	(84)	6,148	(2,245)
Spazio Regence	20.00%	20.00%	3,747	(1,979)	4,881	1,792
Spazio Renault	20.00%	20.00%	1,553	(6)	2,027	(449)
Spazio Rennes	20.00%	20.00%	7,736	1,931	5,016	2,135
Spazio Rodin	25.00%	25.00%	905	194	1,421	87
Spazio Rossini	16.40%	20.00%	888	(414)	1,969	(1,534)
Spazio Rotterdam	16.40%	16.40%	3,375	(1,497)	5,834	1,481
Vivendas Das Oliveiras / Palmeiras	10.50%	10.50%	7,362	(2,897)	11,155	7,603
Damasco	50.00%	50.00%	3	(30)	33	(2)
Chicago	50.00%	50.00%	39	(24)	63	(1)
Evidence	1.00%	1.00%	2,955	11	1,108	(49)
Saint Moritz	1.10%	1.10%	9,486	1,911	9,200	4,186
San Leonard	1.00%	1.00%	5,514	256	2,547	427
Campo Del Rey	2.00%	0.00%	1,445	(100)	-	-
Paladium	0.50%	0.00%	2,787	211	-	-
Total			445,535	93,802	300,011	66,627

(d) Total balances of balance sheet accounts and income and expense accounts of the subsidiaries under direct or indirect shared control, considered in the consolidated interim financial statements, are summarized as follows:

	Assets						Liabilities							
	Current assets		Noncurrent assets		Total assets		Current liabilities		Nocurrent liabilities		Shareholders' equity		Liabilities and shareholders' equity	
	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008
Jointly controlled companies														
Blás Engenharia e Empreendimentos S.A.	20,296	15,540	13,413	6,805	33,709	22,344	25,699	13,783	2,013	1,520	5,997	7,041	33,709	22,344
Prime Incorporações e Construções Ltda.	47,272	32,196	45,152	28,573	92,424	60,769	51,749	32,977	9,746	8,464	30,928	19,328	92,424	60,769
MRV LOG- Logística e Participações S/A	13,773	4,112	28,476	28,448	42,248	32,560	3,937	509	-	-	38,311	32,051	42,248	32,560
Jointly-owned silent partnerships														
14 De Julho - Spazio Classique	7,054	4,707	757	81	7,811	4,788	1,064	110	54	1	6,693	4,677	7,811	4,788
Belas Ilhas	1,764	4,201	680	125	2,444	4,326	73	2,287	46	41	2,326	1,998	2,444	4,326
Belle Époque	30	31	-	-	30	31	3	-	-	1	27	30	30	31
Brisas Águas Claras	16,174	12,982	3,391	2,244	19,565	15,226	2,249	5,848	8,664	342	8,651	9,036	19,565	15,226
Boulevard Taguatinga	2,193	1,253	147	212	2,340	1,466	222	1	13	13	2,105	1,452	2,340	1,466
Chácara Primavera - Cleide	4,002	4,040	24	20	4,025	4,060	3,602	3,603	3	2	420	455	4,025	4,060
Dimas	4,932	4,606	-	(7)	4,932	4,599	4,536	4,499	2	-	394	100	4,932	4,599
Coronel	218	27	-	-	218	27	-	-	1	-	217	27	218	27
Ecoville	8,533	7,283	304	129	8,837	7,411	377	33	30	12	8,430	7,366	8,837	7,411
Feb - Chácara Flora	7,520	61	3,969	16	11,489	77	8,025	1	343	-	3,121	76	11,489	77
Flamboyant - Jardim Góias	7,170	1,864	803	943	7,973	2,807	1,424	269	91	389	6,458	2,150	7,973	2,807
Florais - C.Diamantina	17,486	31	-	17,420	17,486	17,451	351	350	16,921	16,920	214	181	17,486	17,451
Goibeiras	3,125	27	1,094	872	4,218	899	1,048	1	203	-	2,968	898	4,218	899
Gran Class	2,098	376	-	3,200	2,098	3,576	1	1,651	901	900	1,196	1,025	2,098	3,576
Lins Vasconcelos - Recanto das Aguas	1,250	414	311	1	1,561	416	60	4	36	6	1,465	406	1,561	416
Ilha Vitória	736	832	124	483	860	1,315	27	340	50	58	782	917	860	1,315
Ipadu	4,182	176	40	4,042	4,222	4,218	14	12	2	2	4,206	4,204	4,222	4,218
Médico - Conquista São Francisco	1,685	92	306	500	1,991	592	447	(1)	33	1	1,511	592	1,991	592
Muro Partido	2,717	552	24	4,589	2,742	5,141	33	1,298	3	-	2,706	3,843	2,742	5,141
Parque Bella Acqua	5,035	-	289	-	5,324	-	904	-	34	-	4,386	-	5,324	-
Parque Bello Cielo	10,939	4,354	1,819	899	12,759	5,253	2,908	315	145	75	9,706	4,863	12,759	5,253
Parque Bello Canto	10,643	1,466	39	8,047	10,682	9,513	424	594	14	11	10,245	8,907	10,682	9,512
Spazio Ritz	5,902	1,879	20	44	5,923	1,923	234	132	316	36	5,373	1,755	5,923	1,923
Park Reality	4,393	5,829	1,745	-	6,138	5,829	1,314	1,371	653	530	4,171	3,928	6,138	5,829
Park Riverfall - Rivera do Sol/Costa	1,276	1,801	998	0	2,274	1,801	47	58	67	4	2,160	1,738	2,274	1,801
Parque Rossete	3,219	1,153	23	18	3,242	1,171	177	73	209	-	2,857	1,097	3,242	1,171
Portal do Bosque	89	-	-	-	89	-	13	-	1	-	75	-	89	-
Recanto das Pedras	227	472	212	71	440	543	8	42	14	14	418	487	440	543
Residencial Niteroi - New Home Club	8,757	14,878	14,716	(505)	23,473	14,374	7,324	1,560	1,264	4,619	14,885	8,195	23,473	14,374
Riverside/Rio Star/RedentoreRoyal Palms	24,168	8,115	13,904	10,702	38,072	18,817	6,860	2,690	971	708	30,241	15,418	38,072	18,817
Residencial Setor dos Afonsos	5,173	3,108	232	61	5,405	3,169	484	53	31	14	4,890	3,102	5,405	3,169
Richmond Condomínio Resort	1,637	2,019	926	20	2,563	2,039	103	2	54	1	2,406	2,036	2,563	2,039
Senador Camara - Riviera do Campo	4,978	4,786	3	2	4,981	4,788	19	13	2	1	4,961	4,774	4,981	4,788
Spazio Positano	458	961	163	212	621	1,173	62	109	40	7	518	1,058	621	1,174
Spazio Reale	6,158	8,157	321	180	6,478	8,338	799	1,718	266	472	5,413	6,148	6,478	8,338
Spazio Regence	3,898	5,689	274	64	4,172	5,753	198	808	227	63	3,747	4,881	4,172	5,752
Spazio Renault	1,783	2,656	119	88	1,902	2,744	277	567	72	150	1,553	2,027	1,902	2,744
Spazio Rodin	1,018	1,364	70	218	1,088	1,583	134	161	49	1	905	1,421	1,088	1,583
Spazio Rossini	1,295	2,763	120	8	1,415	2,771	411	422	117	380	888	1,969	1,415	2,771
Spazio Rotterdam	3,857	7,324	287	223	4,144	7,547	577	1,639	192	74	3,375	5,834	4,144	7,547
Estrada do Tingui - Novolar	1,419	-	-	-	1,419	-	1,055	-	-	-	364	-	1,419	-
Top Life - GO	28	28	-	0	28	28	3	-	-	-	24	27	28	27
Vivendas Das Oliveiras /Palmeiras	7,934	12,291	43	272	7,977	12,564	95	622	520	787	7,362	11,155	7,977	12,564
Jointly-owned SPEs														
Aparecida de Goiânia	18,910	12,448	5,057	1,696	23,967	14,144	2,777	1,823	470	116	20,720	12,205	23,967	14,144
Belvedere Towers - GI	682	108	141	30	823	138	63	33	8	-	751	105	823	138
Contagem I	-	375	-	24,742	-	25,117	-	375	-	-	-	24,742	-	25,117
Contagem II	-	-	-	4,194	-	4,194	-	-	-	-	-	4,194	-	4,194
Forte Iracema/oitenta mil magis(**)	6,697	7,649	5,876	167	12,573	7,816	767	84	398	5	11,408	7,728	12,573	7,816
Forte Diogo - Seasons	8,613	1,883	1,487	1,589	10,101	3,472	956	131	163	107	8,981	3,234	10,101	3,472
Forte General Albano	5,068	5,192	4,519	92	9,586	5,284	598	93	299	1	8,689	5,190	9,586	5,284
Forte Meirelles	252	77	8	12	260	89	16	14	49	-	195	75	260	89
Forte Mucuripe	31	22	-	-	31	22	(1)	-	-	-	32	22	31	22
Forte Parangaba Incorporações	649	-	104	-	753	-	30	-	7	-	716	-	753	-
Fortune II	4,634	177	0	-	4,634	177	(2)	9	-	-	4,635	168	4,634	177
Inspiratto Residence Club - Magis	2,407	-	29	-	2,436	-	2,293	-	-	-	143	-	2,436	-
Sílco Taguatinga QI 03	2,123	-	-	-	2,123	-	1,576	-	-	-	546	-	2,123	-
Village Gran Castel	348	-	-	-	348	-	29	-	3	-	316	-	348	-
Magis Four Seasons II	1,912	1,599	-	-	1,912	1,599	76	3	-	-	1,836	1,596	1,912	1,599
Palazzio Di Spagna	12,775	-	11,463	-	24,238	-	3,102	-	822	-	20,314	-	24,238	-
Patrimar – Galleria Incorporações	14,955	15,218	7,943	1,053	22,898	16,270	3,512	312	820	92	18,567	15,867	22,898	16,270
Vesper Amazonas Park	11,481	-	-	-	11,481	-	87	-	10	-	11,384	-	11,481	-
Vitalice	1,421	4	1,122	-	2,543	4	1,253	7	74	-	1,216	(3)	2,543	4
Taquatinga QI	1,462	-	-	-	1,462	-	814	-	1	-	647	-	1,462	-
Forte Independência	1,517	-	793	-	2,310	-	70	-	53	-	2,187	-	2,310	-
MD Praia de Piedade	12,234	-	335	-	12,569	-	11,619	-	-	-	950	-	12,569	-
City life	5,047	-	-	-	5,047	-	241	-	(65)	-	4,871	-	5,047	-

14.01 – NOTES TO THE FINANCIAL STATEMENTS

(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

	Operating revenue		Cost of properties sold		Operating income (expenses)		Financial income (expenses)		Other operating income (expenses)		Income tax and social contribution		Net income (loss)	
	2009		2009		2009		2009		2009		2009		2009	
	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008	12/31/2009	12/31/2008
Jointly controlled companies														
Blás Engenharia e Empreendimentos S.A.	12,801	9,136	(9,030)	(6,870)	(2,284)	(2,029)	(2,150)	(667)	(4)	-	(405)	(240)	(1,072)	(670)
Prime Incorporações e Construções Ltda.	20,762	12,189	(14,875)	(7,504)	11,048	(2,854)	(4,539)	(2,789)	(2)	226	(846)	(243)	11,548	(975)
MRV LOG - Logística e Participações S/A	1,708	-	-	-	(837)	(162)	295	254	-	-	(170)	(8)	996	84
Jointly-owned silent partnerships														
14 De Julho - Spazio Classique	2,097	-	(1,033)	-	(455)	-	(1)	-	-	-	(56)	-	553	-
Belas Ilhas	184	1,088	(42)	(1,035)	(3)	2	(5)	40	-	-	5	(37)	139	58
Belle Époque	-	-	-	-	(3)	-	-	-	-	-	-	-	(3)	-
Brisas Águas Claras	7,937	11,152	(5,719)	(5,296)	(155)	(77)	(270)	(6)	-	-	(229)	(142)	1,564	5,631
Boulevard Taguatinga	1,438	174	(1,013)	(93)	(100)	(75)	(1)	-	-	-	(45)	(7)	280	(1)
Chácara Primavera - Cleide - City life	-	-	-	-	(51)	7	(1)	-	-	-	-	(1)	(52)	6
Coronel - Chronos	-	-	-	-	(18)	-	-	-	-	-	-	-	(18)	-
Ecoville	1,981	-	(1,574)	-	(462)	(145)	(5)	(2)	-	-	(58)	-	(118)	(147)
Feb - Chácara Flora - C.Guimarães	5,001	-	(2,210)	-	(320)	-	-	-	-	-	(266)	-	2,205	-
Flamboyant - Jardim Góias	1,858	1,455	(1,782)	(639)	(37)	(750)	(9)	5	-	-	(60)	(35)	(31)	36
Florais - C.Diamantina	-	-	-	-	(2)	-	-	-	-	-	-	-	(2)	-
Goibeiras	2,937	-	(1,730)	-	(422)	-	(2)	-	-	-	(83)	-	700	-
Gran Class	-	-	-	-	(23)	-	-	-	-	-	-	-	(23)	-
Lins Vasconcelos - Recanto das Aguas	294	-	(191)	-	(568)	(20)	(6)	(1)	-	-	(9)	-	(479)	(21)
Ilha Vitória	84	162	-	(10)	(8)	(19)	12	28	-	-	(4)	(2)	86	159
Ipadu	-	-	-	-	(100)	-	(5)	-	-	-	-	-	(105)	-
Médico - Conquista São Francisco	1,744	-	(1,105)	-	(190)	-	-	-	-	-	(54)	-	395	-
Muro Partido - Coliseum	-	-	(105)	-	(79)	-	1	-	-	-	-	-	(183)	-
Parque Bella Acqua	4,305	802	(3,003)	(429)	(366)	(455)	(1)	(5)	-	-	(139)	(26)	796	-
Parque Bello Cielo	11,037	-	(6,396)	-	(373)	-	(16)	-	-	-	(344)	-	3,908	(113)
Parque Bello Canto	9	-	-	-	(79)	(93)	(4)	-	-	-	8	-	(66)	(93)
Spazio Ritz	5,487	537	(3,071)	(300)	(717)	(117)	(13)	(1)	-	-	(156)	(16)	1,531	103
Park Reality	1,674	-	(1,630)	-	(133)	-	-	-	-	-	(53)	-	(143)	-
Park Riverfall - Rivera do Sol/Costa	947	-	(606)	-	(370)	(4)	(1)	-	-	-	(29)	-	(59)	(4)
Parque Rossete	2,841	32	(1,595)	(18)	(285)	(378)	(1)	(3)	-	-	(89)	-	870	(367)
Recanto das Pedras	(2)	51	(10)	(22)	(10)	(5)	7	43	-	-	2	(2)	(13)	65
Residencial Niteroi New Home	19,042	1,890	(11,243)	(1,152)	(1,812)	(525)	36	23	-	-	(607)	(57)	5,415	179
Riverside/Rio Star/RedentoreRoyal Palms	21,041	14,260	(12,006)	(7,182)	(2,266)	(2,171)	(32)	(2)	-	-	(718)	(353)	6,019	4,552
Residencial Setor dos Afonsos	4,474	-	(3,662)	-	(400)	(143)	(7)	(6)	-	-	(136)	(1)	269	(150)
Richmond Condomínio Resort	958	-	(749)	-	(545)	(15)	(3)	-	-	-	(27)	-	(366)	(15)
Senador Camara - Riviera do Campo	-	-	-	-	(59)	1	(5)	-	-	-	-	-	(64)	1
Spazio Positano	102	728	(105)	(1,167)	(26)	(27)	(2)	14	-	-	(9)	11	(40)	(441)
Spazio Reale	3,443	3,186	(3,182)	(5,216)	(357)	(266)	135	26	-	-	(124)	25	(84)	(2,245)
Spazio Regence	1,323	6,727	(3,127)	(4,601)	(167)	(142)	(13)	18	-	-	5	(210)	(1,979)	1,792
Spazio Renault	196	849	(211)	(1,201)	(23)	(144)	46	43	-	-	(13)	4	(6)	(449)
Spazio Rodin	271	458	(93)	(340)	(5)	(87)	36	48	(2)	-	(14)	8	194	87
Spazio Rossini	803	805	(1,159)	(2,266)	(29)	(162)	(15)	(14)	-	-	(14)	103	(414)	(1,534)
Spazio Rotterdam	2,111	6,770	(3,340)	(4,938)	(157)	(192)	(33)	(24)	-	-	(78)	(135)	(1,497)	1,481
Top Life - GO	-	-	-	-	(3)	-	-	-	-	-	-	-	(3)	-
Vivendas Das Oliveiras/Palmeiras	2,746	20,355	(3,711)	(11,391)	(362)	(127)	(1,531)	(509)	(1)	-	(39)	(725)	(2,897)	7,603
Jointly-owned SPEs														
Aparecida de Goiânia	13,815	2,235	(9,365)	(1,494)	(617)	(1,289)	25	(11)	-	-	(425)	(61)	3,433	(620)
Belvedere Towers - GI	2	-	-	-	(197)	(28)	-	-	-	-	1	-	(194)	(28)
Forte Iracema/oitenta mil magis(**)	7,556	165	(4,796)	(108)	(1,198)	(102)	10	(2)	-	-	(233)	(5)	1,338	(52)
Forte Diogo -Seasons	4,852	1,820	(1,983)	(1,036)	(480)	(140)	(11)	(1)	(2)	-	(143)	(57)	2,233	586
Forte General Albano	5,068	-	(1,987)	-	(426)	(58)	(4)	(1)	-	-	(157)	-	2,496	(59)
Forte Meirelles	(1)	-	-	-	(23)	(20)	-	-	-	-	(1)	-	(25)	(20)
Forte Mucuripe	-	-	-	-	(6)	-	-	-	-	-	-	-	(6)	-
Forte Parangaba Incorporações	104	-	(67)	-	(44)	-	-	-	-	-	(3)	-	(10)	-
Fortune II	-	-	-	-	(8)	-	(53)	-	-	-	-	-	(60)	-
Inspiratto Residence Club - Magis	-	-	-	-	(19)	-	-	-	-	-	-	-	(19)	-
Silco Taguatinga QI 03	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)	-
Village Gran Castel	-	-	-	-	2	-	-	-	-	-	-	-	1	-
Magis Four Seasons II	-	-	-	-	(55)	-	-	-	-	-	-	-	(55)	-
Palazzio Di Spagna	20,575	-	(10,463)	-	(333)	-	39	-	-	-	(650)	-	9,169	-
Patrimar – Galleria Incorporações	10,251	1,031	(5,544)	(807)	(1,963)	(2,014)	58	17	-	(14)	(343)	(48)	2,459	(1,834)
Vesper Amazonas Park	-	-	-	-	(5)	-	-	-	-	-	(2)	-	(7)	-
Vitalice	1,164	-	(819)	-	(417)	(3)	(1)	-	-	-	(36)	-	(109)	(3)
Taquatinga QI 03	381	-	(257)	-	-	-	-	-	-	-	(12)	-	(163)	-
Forte Independência	803	-	(609)	-	(24)	-	-	-	-	-	(26)	-	144	-
MD Praia de Piedade	719	-	(750)	-	(85)	-	9	-	-	-	(6)	-	(113)	-
City life	381	-	(257)	-	-	-	-	-	-	-	(12)	-	112	-

The Company and its subsidiaries participated in the real estate development projects together with other partners, directly, through equity interest or by holding equity interests.

The existing negative goodwill related to the merger of the net assets of MRV Empreendimentos S.A. and MRV Construções Ltda., totaling R$6,750, was reclassified to 'Noncurrent liabilities'. This negative goodwill, supported by other economic reasons, is not being amortized by the Company.

The tax benefit generated by the net assets of Gryfindor Participações Ltda., corresponding to the equity interest held by this entity in the Company, was recorded as 'Special goodwill reserve', in shareholders' equity.

In October, 2008, shares equivalent to 10% of the capital of Prime Incorporações e Construções S/A were acquired using intercompany receivables totaling R$8,730, and now the Company holds 60% of its capital. This acquisition generated goodwill which was used to fully offset the previously existing negative goodwill.

The Company owns 49% of the capital of Blás Engenharia e Empreendimentos S.A. The investment acquired generated goodwill of R$3,719, whose balance as of December 31, 2009, excluding amortization, is R$3,237 (R$3,237 in 2008), classified in 'Intangible assets', Company and consolidated. Goodwill is based on a study on expected future earnings and, in conformity CPC 13, is not being amortized since January 1, 2009.

In May 2008, the Board of Directors approved the creation of subsidiary MRV Logística e Participações S.A. (MRV-LOG), which was established in June 2008 and is engaged in rental operations, as described in note 1.

8. PROPERTY AND EQUIPMENT

Broken down as follows as of December 31:

	Company				Consolidated				
	2009			2008	2009			2008	Annual average depreciation rate
	Cost	Accumulated depreciation	Net	Net	Cost	Accumulated depreciation	Net	Net	
Property and equipment:									
Buildings	1,741	(126)	1,615	1,678	1,808	(128)	1,680	1,733	4%
Land (*)	-	-	-	4,386	-	-	-	4,386	-
Aircraft	2,033	(307)	1,726	1,928	2,033	(307)	1,726	1,928	10%
Machinery and equipment	3,017	(356)	2,661	1,537	5,800	(776)	5,024	3,398	10%
Vehicles in use	2,264	(829)	1,435	1,584	2,458	(890)	1,568	1,712	20%
Furniture and fixtures	3,171	(613)	2,558	2,341	4,001	(673)	3,328	2,918	10%
IT equipment	3,437	(1,708)	1,729	2,365	3,942	(1,809)	2,133	2,611	20%
IT facilities	1,639	(287)	1,352	1,486	1,648	(287)	1,361	1,513	10%
Sales booths and model apartments	10,749	(6,615)	4,134	6,607	22,629	(14,242)	8,387	12,233	67%
Construction in progress	236	-	236	-	236	-	236	-	20%
Construction in progress	-	-	-	98	-	-	-	98	-
	28,287	(10,841)	17,446	24,010	44,555	(19,112)	25,443	32,530	
Property for rental:									
Buildings	-	-	-	-	7,074	(259)	6,815	-	4%
Land	-	-	-	-	16,972	-	16,972	11,242	-
Construction in progress	-	-	-	-	307	-	307	5,961	-
	-	-	-	-	24,353	(259)	24,094	17,203	
Total property and equipment	28,287	(10,841)	17,446	24,010	68,908	(19,371)	49,537	49,733	

(*) In 2009 the Company sold land for R$5,700 and the gain on the sale, totaling R$1,164, was recorded in 'Other operating income'.

The amounts for leased aircraft and vehicles are stated in note 11.

As of December 31, 2009 and 2008, the Company's management concluded that there were no indications of impairment of its finite-life tangible assets, as none of the indicators set out in CPC 01.10-12 was evidenced.

9. INTANGIBLE ASSETS

Broken down as follows as of December 31:

	Company				Consolidated				
	2009			2008	2009			2008	Average annual amortization rate - %
	Cost	Accumulated amortization	Net	Net	Cost	Accumulated amortization	Net	Net	
Software development	4,298	(1,189)	3,109	2,535	4,298	(1,189)	3,109	2,529	20%
Software license	17,322	(2,587)	14,735	2,793	17,367	(2,603)	14,764	2,835	20%
Software license in progress	-	-	-	4,472	-	-	-	4,472	20%
	21,620	(3,776)	17,844	9,800	21,665	(3,792)	17,873	9,836	
Goodwill on acquisition of subsidiary	3,237	-	3,237	3,237	3,237	-	3,237	3,237	-
Total intangible assets	24,857	(3,776)	21,081	13,037	24,902	(3,792)	21,110	13,073	

As of December 31, 2009 and 2008, the Company's management concluded that there were no indications of impairment of its finite-life intangible assets, as none of the indicators set out in CPC 01.10-12 was evidenced.

Goodwill arising on the acquisition of subsidiary Blás Engenharia e Empreendimentos S.A., carried out on November 20, 2007, based on a study on expected future earnings (note 7), measured based on cash flows discounted to present value of Average Weighted Cost of Working Capital, indicates a recoverable value on acquisition date of R$3,719. As of December 31, 2009 and 2008, the Company tested this investment for impairment, as prescribed by CPC 01, and concluded that the amounts of this asset, excluding goodwill, totaling R$3,237 (R$3,237 in 2008) was not impaired.

The key assumptions used to prepare the projections include the estimated amount and the timing of the sale of the projects' units, construction project construction cost and period, and receivables turnover. The assumptions were determined based on historic information.

Goodwill is based on future earnings. Under the evaluation conducted by the Company as of December 31, 2009, using the cash flows discounted to present value method, the company´s management concluded that there is no need to recognize any allowance for losses on this asset. The discount rate used in the calculations was determined using the Weighted Average Cost of Capital (WACC) and a four-year projection period, not considering the growth rate.

The cash flow projections used to test assets for impairment are annually reviewed on the closing of the financial statements. Company's internal functions review these projections.

10. LOANS, FINANCING AND DEBENTURES

Broken down as follows as of December 31:

	Company				Consolidated			
	2009		2008		2009		2008	
	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Loans and financing:								
Working capital - fixed rate	-	-	5,225	-	-	-	5,225	-
Working capital – CDI [1]	15,096	14,299	12,617	5,023	20,668	14,299	12,616	5,023
Working capital – TR [2]	5,192	6,167	3,735	1,274	5,989	6,969	3,735	1,274
Construction financing [2]	71,570	38,249	29,320	17,681	214,178	120,908	41,679	53,346
Total	91,858	58,715	50,897	23,978	240,835	142,176	63,255	59,643
Finance leases:								
CDI	645	757	670	1,389	645	757	670	1,394
Fixed rate	80	-	120	80	80	-	120	80
Total (note 11.a)	725	757	790	1,469	725	757	790	1,474
Debentures:								
1st issue								
Principal	-	300,000	-	300,000	-	300,000	-	300,000
Interest	2,943	2,061	4,232	-	2,943	2,061	4,232	-
Issuance expenses	(557)	(1,350)	(556)	(1,907)	(557)	(1,350)	(556)	(1,907)
2nd issue								
Principal	60,000	40,000	-	-	60,000	40,000	-	-
Interest	1,188	-	-	-	1,188	-	-	-
Issuance expenses	(1,542)	(779)	-	-	(1,542)	(779)	-	-
Total	62,032	339,932	3,676	298,093	62,032	339,932	3,676	298,093
Grand total	154,615	399,404	55,363	323,540	303,592	482,865	67,721	359,210

[1] CDI – interbank deposit rate [2] TR – a managed prime rate

(a) Loans and financing:

The main terms and conditions as of December 31, 2009 are as follows:

Type	Maturities	Index	Average annual spread
Working capital – CDI [1]	12/29/2010 to 05/06/2012	CDI[1]	4.03% to 5.03%
Working capital – TR [2]	10/31/2009 to 12/31/2013	TR [2]	10.50% to 11.00%
Construction financing [2]	01/06/2010 to 11/30/2013	TR [2]	8% to 12%

Working capital agreements are collateralized by receivables, disposal of land (see note 6), or promissory notes, some of which guaranteed by the controlling shareholders.

The noncurrent portion matures as follows:

	Company		Consolidated	
Year after balance sheet date	2009	2008	2009	2008
2010	-	23,973	-	56,129
2011	49,078	5	129,195	3,514
2012	9,519	-	12,297	-
2013	118	-	684	-
	58,715	23,978	142,176	59,643

(b) Finance leases:

The main terms and conditions are as follows:

Type	Maturities	Index	Average annual spread
CDI	11/30/2010 to 06/21/2012	CDI[(1)]	1.29% and 6.64%
Fixed rate	07/31/2010 to 11/30/2010	Fixed rate	17.23%

The noncurrent portion matures as follows:

	Company		Consolidated	
Year after balance sheet date	2009	2008	2009	2008
2010	-	712	-	717
2011	560	516	560	516
2012	197	241	197	241
	757	1,469	757	1,474

(c) Debentures:

The Company issued on June 15, 2008 R$300,000 simple, nonconvertible debentures, in two registered, unsecured series, of which 27,140 in the first series and 2,860 in the second series, totaling 30,000 debentures.

On July 25, 2008, the Company filed under No. CVM/SRE/PRO/2008/006 with the Brazilian Securities and Exchange Commission (CVM), the First Public Debenture Distribution Program of nonconvertible, registered, unsecured debentures, repayable in up to two (2) years, totaling up to R$1,300,000.

The issuance, totaling R$300,000 in two series, was settled on July 31, 2008, as follows:

- The nominal value of first series debentures, in the amount of R$271,400, is not adjusted, and these debentures bear interest, charged on nominal value or outstanding balance, equivalent to 100% of the accumulated change in the average daily rates of extragroup *DI Over* (one-day interbank deposits), calculated and disclosed by the CETIP (organized over-the-counter market for assets and derivatives), plus a spread of 1.5% per year.

- The nominal value, or outstanding balance, of second series debentures, in the amount of R$28,600, is adjusted as from issuance based on the extended consumer price index (IPCA) and such adjustment is automatically added to the nominal value of second series debentures, which bear interest of 10.80% per year.

Interest on first series debentures is paid semiannually and on second series debentures annually, as from issuance date up to maturity date. The adjustment of the second series debentures is paid together with their nominal value, prorated to this nominal amount.

On March 3, 2009, our Board of Directors approved the loan transaction formalized through the first issuance of promissory notes in the amount of R$100,000, as a bridge loan to the second issue of Company debentures.

On March 23, 2009, our Board of Directors approved the second issue of Company debentures for the issue of 100 debentures amounting to R$100,000, with maturity within two years; for the early redemption of promissory notes tied to said bridge loan.

The second issue debentures were issued on May 25, 2009, supported by the Second Issue Indenture for the Public Distribution with Restricted Efforts of Nonconvertible Debentures, dated April 23, 2009, without registration with the Brazilian Securities and Exchange Commission (CVM), pursuant to CVM Instruction 476/09, outside the Company's first debenture distribution program and other relevant legal and regulatory provisions.

This second issue, in single series, was subscribed on June 23, 2009 for R$100,000. Second issue debentures bear interest, charged on nominal value or outstanding balance, equivalent to 100% of the accumulated change in the average daily rates of extragroup DI Over (one-day interbank deposits), calculated and disclosed by the CETIP (organized over-the-counter market for assets and derivatives), plus a spread of 3.70% per year. Interest is paid on a monthly basis.

Under the scheduled amortization of the debentures, the balance as of December 31, 2009 is as follows:

Repayment date	Company and consolidated		
	1st issue	2nd issue	Total
2010	2,386	59,646	62,032
2011	101,503	39,221	140,724
2012	99,442	-	99,442
2013	99,766	-	99,766
	303,097	98,867	401,964

Expenses incurred on debenture issuances totaled R$2,786 in the 1st issue and R$3,111 in the 2nd issue, including fees, commissions and other costs and expenses, which as of December 31, 2009 total R$1,907 (R$2,463 in 2008) in the 1st issue and R$2,321 (nil in 2008) in the 2nd issue. These amounts were accounted for to rectify liabilities and are amortized in income over the debt amortization period and the effective interest rates,

which are 1.70% for the 1st series and 11.09% for the 2nd series of the 1st issue of debentures, and 5.51% for the single series of the 2nd issue of debentures.

Expenses on debentures by maturity as of December 31, 2009 are as follows:

Repayment date	Company and consolidated		
	1st issue	2nd issue	Total
2010	557	1,542	2,099
2011	558	779	1,337
2012	558	-	558
2013	234	-	234
	1,907	2,321	4,228

The Company has to comply with certain restrictive covenants, as described in Section 5 – Accelerated Maturity, of the First and Second Public Issuance of Nonconvertible Debentures Indenture. These restrictive covenants require compliance with financial ratios, calculated and reviewed on a quarterly basis by the Fiduciary Agent, consisting of, but not limited to, the "net debt plus real state payables to shareholders' equity" ratio and the "receivables plus unearned income plus inventories to net debts plus real state payables plus unincurred costs" ratio. Failure to comply with the covenants set out in said Section may cause the automatic accelerated maturity of the debentures.

As of December 31, 2009, the Company's management understands that all restrictive covenants, both for the first issue and the second issue are being complied.

(d) Allocation of financial charges:

Financial expenses on loans, financing and debentures are capitalized and charged to the cost of each project. Expenses are recorded in the income according to the revenue recognition criterion.

	Company		Consolidated	
	2009	2008	2009	2008
Gross financial charges	55,189	21,198	69,869	21,198
Capitalized financial charges	(50,678)	(11. 258)	(65,256)	(11. 258)
Net financial charges - expensed	4,511	9,940	4,613	9,940
Financial charges included in line account 'Properties under construction' (note 6):				
Opening balance	7,555	2,710	7,555	2,710
Capitalized financial charges related to:				
- loans and financing (a)	7,976	2,029	22,554	2,029
- debentures (b)	42,702	9,229	42,702	9,229
Capitalized financial charges	50,678	11,258	65,256	11,258

Charges allocated (charged) to cost of properties sold	(27,483)	(6,413)	(41,678)	(6,413)
Closing balance	30,750	7,555	31,133	7,555

a) Represented an average rate of 0.90% per month (1.24% per month in 2008). Of this total, approximately R$20,784 (R$1,656 in 2008) has a direct contractual link to the properties under construction and the remaining is earmarked by management. In 2009 and 2008 there was no capitalization for finance leases.

b) Financial expenses on debentures are capitalized at the cost of each project and land, as funds are used, and are charged to income according to the revenue recognition criterion or are allocated to income if funds are not used.

11. LEASES

a) The Company has entered into lease agreements related to:

- Two Cirrus aircraft, models SR22, SN2821 and SR22, SN2952, used by the Company's management on business to reach the branches. The agreements were entered into with Bradesco Leasing S.A. – Arrendamento Mercantil for a 48-month period, starting from the delivery of the aircraft, which occurred in June 2008, and contain a purchase option clause. The residual amount is being paid together with the installments. The purchase option can only be exercised at the end of the agreement. The aircraft were purchased by the lessor, according to the specifications made and from suppliers chosen by the Company; and

- Part of our car fleet used in production, consisting of a Fiat Uno, a Fiat Palio and a Fiat Fiorino. The agreements were entered into with the companies: Bradesco Leasing S.A. – Arrendamento Mercantil, Dibens Leasing S.A. – Arrendamento Mercantil and Safra Leasing S.A. – Arrendamento Mercantil, for a 24-month period, starting from the delivery of the assets, and contain a purchase option clause with guaranteed residual value of 70% of the asset price set out in the agreement. Under the contractual clause, the Company is liability all risks and damages caused by to the assets and to the assets.

The agreements related to the transactions above do not have any estimated contingent payments and do not contain covenants referring to dividends and interest on capital, or additional debt. Additionally, the agreement provides for the adjustment of payment based on the CDI plus spread of 1.08 to 1.29 percent, and renewal terms over the period and under the conditions agreed by the parties before agreement termination.

As of December 31, 2009 and 2008, the account balances net of accumulated depreciation by type of asset are as follows:

	Company		Consolidated	
Type of asset	2009	2008	2009	2008
Property and equipment:				
Aircraft	1,726	1,928	1,726	1,928
Vehicles	646	853	646	862

The amounts of aircraft and vehicles are included in the amounts of line accounts 'Aircraft' and 'Vehicles in use' shown in note 8.

As of December 31, 2009 and 2008, the reconciliation of total future minimum finance lease payments and their present value, calculated using the rate set out in the underlying agreement (spread spread of 1.08 to 1.29 percent) are as follows:

	Company				Consolidated			
	2009		2008		2009		2008	
Minimum payments	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Future amount	845	813	1,048	1,712	845	813	1,048	1,719
Unaccrued interest	(120)	(56)	(258)	(243)	(120)	(56)	(258)	(245)
Present value	725	757	790	1,469	725	757	790	1,474

The balances at present value are included in line account 'Finance leases' shown in note 10.

As of December 31, 2009 and 2008, the maturities schedule of total future minimum finance lease payments and their present value are as follows:

	Company				Consolidated			
	2009		2008		2009		2008	
Year after balance sheet date	Future payments	Present value	Future payments	Present value	Future payments	Present value	Future payments	Present value
2009	-	-	1,048	790	-	-	1,048	790
2010	845	725	930	797	845	725	930	797
2011 to 2012	813	757	782	672	813	757	789	677
	1,658	1,482	2,760	2,259	1,658	1,482	2,767	2,264

No contingent payments were recognized as expenses for the years. Also, there was no sublease of finance leases.

b) The Company has operating leases, as follows:

- 900 Hewlett-Packard desktop computers, 900 monitors and 15 servers with the company CSILatina Arrendamento Mercantil S.A., to supply part of its IT requirements. The agreement totals R$2,573 and is effective for 39 months from the date of execu-

tion, in February 2008; and

- 07 Hewlett-Packard Servers with the company HP Financial Services Arrendamento Mercantil S.A. The agreement totals R$480 and is effective for 39 months from the date the equipment was accepted, in June-July 2009

The agreements related to the transactions above do not have any estimated contingent payments and do not contain covenants referring to dividends and interest on capital, or additional debt. These agreements can be extended, permit the return of the leased assets, or their purchase for an adjusted market price, if paid in cash; however, the Company does not have the intention to exercise this purchase option.

Under contractual clauses, the lessee must use the assets according to manufacturer instructions and have in place control of the assets identifying the lessor has their owner; the lessor is allowed to conduct, at its discretion, physical inspections to check these conditions.

AS of December 31, 2009 and 2008, total future minimum operating lease payments are as follows:

	Company and consolidated	
Year after balance sheet date	2009	2008
2009	-	1,009
2010	1,185	1,009
2011 to 2012	460	459
	1,645	2,477

There is no sublease for operating lease transactions. No contingent payments were recognized as expenses for the years.

Expensed lease payments are distributed as follows:

	Company and consolidated	
	2009	2008
Other operating expenses (note 23)	1,802	183
General and administrative expenses	-	623
	1,802	806

12. PAYROLL, RELATED TAXES AND BENEFITS

Broken down as follows as of December 31:

	Company		Consolidated	
	2009	2008	2009	2008

Salaries and wages	4,151	4,172	5,408	6,043
Payroll taxes	1,630	2,677	4,112	4,426
Accrued vacation and related taxes	9,261	8,302	12,906	11,200
Accrued employee profit sharing and management equity participation (*)	11,002	7,318	11,002	7,318
Other	202	299	794	502
Total	26,246	22,768	34,222	29,489

(*) Employee profit sharing and management equity participation, as provided for by prevailing legislation, can be either under voluntary programs maintained by the companies or agreements with employees or labor unions.

13. TAXES PAYABLE

Broken down as follows as of December 31:

	Company		Consolidated	
	2009	2008	2009	2008
Income and social contribution taxes	487	422	1,632	1,931
Taxes on revenue (PIS and COFINS)	2,316	490	2,813	1,765
Withheld third-party taxes	1,894	1,548	4,979	3,972
Taxes withheld on salaries	1,095	1,178	1,289	1,308
Other	221	162	282	169
Total	6,013	3,800	10,995	9,145

The amounts of recoverable taxes arising from tax credits on the inventory of costs incurred on units sold (PIS and COFINS), short-term investments and intercompany loans (withholding income tax) of R$20,859 (R$23,019 in 2008), Company, and R$22,096 (R$23,019 in 2008), on a consolidated basis, are classified in line account 'Other assets', in current assets.

14. PAYABLES FOR PURCHASE OF LAND

Broken down as follows as of December 31:

	Company				Consolidated			
	2009		2008		2009		2008	
	Current	Noncur-rent	Current	Noncur-rent	Current	Noncur-rent	Current	Noncur-rent
Purchases on a barter basis	186,098	17,054	65,945	11,743	275,038	32,451	156,827	28,742
Credit purchases	100,617	49,014	34,495	31,068	110,248	49,705	42,668	34,673
Total	286,715	66,068	100,440	42,811	385,286	82,156	199,495	63,415

The balances of purchases on a barter basis recorded in balance sheets refer to commitments assumed on the purchase of land in inventories for the development of real estate projects and are settled when the real estate units are delivered, according to the contracts.

Classification into current and noncurrent liabilities, as shown above, was made according to the expected launching of the projects. These balances are denominated in local currency and are not subject to financial charges, where the Company has the commitment to build the property.

Purchases under barter arrangements in noncurrent are broken down as follows by maturity:

	Company		Consolidated	
Year after balance sheet date	2009	2008	2009	2008
2010	-	11,743	-	28,742
2012	10,554	-	29,951	-
2013	6,500	-	6,500	-
	17,054	11,743	32,451	28,742

Credit purchases are mostly adjusted based on the IGP-M plus monthly interest of 1%. Noncurrent credit purchases are broken down as follows by maturity:

	Company		Consolidated	
Year after balance sheet date	2009	2008	2009	2008
2010	-	23,561	-	27,166
2011	42,618	7,507	43,309	7,507
2014 onward	6,396	-	6,396	-
	49,014	31,068	49,705	34,673

Bank guarantees pledged for barter arrangements and credit purchases are summarized as follows:

	Company and consolidated	
Year after balance sheet date	2009	2008
2009	-	10,425
2010	14,613	2,601
2011	7,275	2,800
2012	10,344	7,620
2013	6,270	6,270
	38,502	29,716

15. ADVANCES FROM CUSTOMERS

As of December 31, advances from customers are broken down as follows:

	Company	Consolidated

Year after balance sheet date	2009	2008	2009	2008
2009	-	37,503	-	68,261
2010	87,724	9,088	140,450	12,890
2011	152	864	629	946
2012	1,209	-	1,577	-
Total	89,085	47,455	142,656	82,097
Current	87,724	37,503	140,450	68,261
Noncurrent	1,361	9,952	2,206	13,836

For sales of uncompleted units, revenue is recognized in accordance with criteria established by the Federal Accounting Council (CFC) Resolution 963/03, detailed in note 2.2(a). Receipts higher than recognized sales revenue are recorded under advances from customers, classified in current and noncurrent liabilities, as shown above, according to the expected construction completion. As of December 31, 2009, the consolidated balance classified in current liabilities represents 98.45% (83.15% in 2008) of total advances from customers because of the construction pace of the works performed by the Company. These balances are denominated in local currency and are not subject to financial charges, where the Company has the commitment to build the property.

16. PROVISION FOR MAINTENANCE OF REAL ESTATE

The Company and its subsidiaries offer warranty for construction defects limited to five years, in compliance with Brazilian legislation. In order to meet this commitment without impacting future years and properly match revenues with costs, amounts corresponding to 2.00% of the total construction cost actually incurred were accrued as of December 31, 2009 (1.15% to 2.00% in 2008) for each project under construction. This estimate is based on annually reviewed historical averages according to analyses by the Company's engineering department. The accrual is recorded under the percentage-of-completion method, by applying the percentage above to actual contractual costs incurred.

The breakdown of the provision for maintenance of real estate as of December 31 is as follows:

	Company		Consolidated	
	2009	2008	2009	2008
Current	1,489	1,967	4,002	3,343
Noncurrent	11,890	7,798	22,914	12,901
Total	13,379	9,765	26,916	16,244

17. RESERVE FOR CONTINGENCIES - NONCURRENT

The Company and its subsidiaries adopt the procedure established by the Brazilian Securities and Exchange Commission for the recognition of reserves, liabilities, contingent

liabilities and contingent assets. Accordingly, probable contingent liabilities are estimated and accrued and presented as follows:

	Opening balance	Additions	Reversals	Inflation adjustment	Closing balance
Company:					
Civil	1,826	1,719	(1,332)	57	2,270
Labor	629	1,516	(868)	548	1,825
Tax expenses	1,452	61	(128)	53	1,438
Administrative	146	5	(64)	-	87
	4,053	3,301	(2,392)	658	5,620
(-) Escrow deposits for tax lawsuits	(172)	(5)	168	(17)	(26)
Total - 2009	3,881	3,296	(2,224)	641	5,594
Total - 2008	3,712	1,461	(1,517)	225	3,881
Consolidated:					
Civil	1,827	1,719	(1,332)	58	2,272
Labor	637	1,518	(878)	548	1,825
Tax expenses	1,452	1,022	(118)	348	2,704
Administrative	146	5	(64)	-	87
	4,062	4,264	(2,392)	954	6,888
(-) Escrow deposits for tax lawsuits	(172)	(1,006)	169	(285)	(1,294)
Total - 2009	3,890	3,258	(2,223)	669	5,594
Total - 2008	3,721	1,462	(1,516)	223	3,890

As of December 31, 2009, civil contingencies totaled 912 lawsuits (428 in 2008) and the risk of disbursement for approximately 77 (80 in 2008) contingent liabilities was classified as probable. These contingencies referred mainly to contractual termination for units already sold and delivered. Based on the legal counsel's opinion, the Company's management recognized a reserve for estimated losses.

Labor contingencies totaled 1,531 lawsuits (720 in 2008) and the risk of disbursement for approximately 373 contingent liabilities (249 in 2008) was classified as probable. Most of these contingent liabilities refer to labor lawsuits involving former employees of contractors that claim joint liability of the Company. Also based on the legal counsel's opinion, the Company's management recognized a reserve for estimated losses.

Tax contingencies totaled 108 lawsuits (122 in 2008), most of which referred to municipal taxes due by the committed buyers of real estate units.

Administrative contingencies totaled 25 proceedings (21 in 2008) and the risk of disbursement for approximately 8 (17 in 2008) contingent liabilities was classified as probable.

Civil, labor and tax contingent liabilities assessed by the legal counsel as possible losses, which have the same nature as those described above, total R$3,084 as of December 31, 2009 (R$3,225 in 2008). In conformity with Brazilian accounting practices and applicable legislation, no reserve was recognized for these contingent liabilities.

18. RELATED-PARTY TRANSACTIONS

(a) Short-term investments

On December 31, 2008, subsidiary Blás Engenharia e Empreendimentos S.A. held an investment in fixed-income securities yielding 107% of CDI in Intermedium Crédito Financiamento e Investimento S.A., a company controlled by shareholders Rubens Menin Teixeira de Souza (controlling shareholder) and Marcos Alberto Cabaleiro Fernandez. As of this date, these funds totaled R$160. Subsequently, in 2009, these investments were fully redeemed and yield R$8 (R$82 in 2008).

In addition to this investment, on July 28, 2009 the same subsidiary made an investment in fixed-income securities yielding 109% of CDI in Intermedium Crédito Financiamento e Investimento S.A. This investment totaled R$169 and was fully redeemed on October 6, 2009 and yielded R$18.

(b) Receivables from services provided

	Company and consolidated	
	2009	2008
Receivables from services provided (maturities under 3 months)	246	333
Total	246	333

The companies Expar Êxito e Participações Ltda. (Expar), Construtora Verde Grande Ltda. (CVG) and MRV Serviços de Engenharia Ltda. (Serviços) continue to be controlled by the shareholders Marcos Alberto Cabaleiro Fernandez, Lucas Cabaleiro Fernandez and Rubens Menin Teixeira de Souza, and former shareholder Mário Lúcio Pinheiro Menin, but are not part of the Company's corporate group. The Company provides building services to these related parties.

The receivables from services provided presented above include the agreements between the Company and the mentioned companies.

Revenue collected by the Company is calculated at the rate of 15% on construction cost in the case of the construction contract, and at the rates of 7.6% (Expar and CVG) and 8.5% (Serviços) on actual sales in the case of the unit sale and administrative support agreement. The agreements are effective until the end of construction and the end of unit sales.

In 2009, revenue from services provided by these companies (excluding taxes) total R$3,060 (R$8,770 in 2008) and was recognized in line account 'Other operating income'.

(c) Intercompany loan balances

Broken down as follows:

	Receivables		Payables	
	Company	Consolidated	Company	Consolidated
12/31/2009				
Subsidiaries:				
Prime Incorporação e Construções S.A.	28,211	11,283	-	-
Blás Engenharia e Empreendimentos S.A.	12,016	6,128	-	-
MRV Logística e Participações S.A.	287	101	-	-
Silent partnerships	2,333	305	-	1,110
Other related parties:				
MRV Serviços de Engenharia Ltda.	1	1	-	-
Construtora Verde Grande S.A.	45	45	-	-
Partners in real estate development projects	49,210	66,923	-	-
Total	92,103	84,786	-	1,110
12/31/2008				
Subsidiaries:				
Prime Incorporação e Construções S.A.	20,207	8,080	-	-
Blás Engenharia e Empreendimentos S.A.	9,735	4,965	-	-
Silent partnerships	8,850	331	-	555
Other related parties:				
MRV Serviços de Engenharia Ltda.	1	1	-	123
Construtora Verde Grande S.A.	45	45	-	-
Partners in real estate development projects	38,333	38,404	-	11
Total	77,171	51,826	-	689

Payables to related parties are recorded under the line account 'Other payables' in current liabilities.

Financial income from related parties is broken down as follows:

	Company	Consolidated
Year ended 12/31/2009		
Subsidiaries:		
Prime Incorporação e Construções S.A	2,666	1,300
Blás Engenharia e Empreendimentos S.A.	1,495	584
Silent partnerships	610	-
Other related parties:		
Partners in real estate development projects	4,721	4,721
Total	9,492	6,605
Year ended 12/31/2008		
Subsidiaries:		
Prime Incorporação e Construções S.A	2,620	864
Blás Engenharia e Empreendimentos S.A.	768	348
Silent partnerships	679	-
Other related parties:		
Partners in real estate development projects	2,611	2,611
Total	6,678	3,823

In addition to the amounts above, as of December 31, 2009 the Company has receivables from subsidiaries and partners in real estate development projects related to capital contributions to be made totaling R$1,779, Company (nil in 2008) and R$22,267 on a consolidated basis (nil in 2008), which are recognized in line account 'Other', in Long-term assets, as shown below.

	2009	
	Company	Consolidated
Subsidiaries:		
Prime Incorporação e Construções S.A.	1	489
Blás Engenharia e Empreendimentos S.A.	6	2,026
Silent partnerships	1,118	1,581
Other related parties:		
Other partners in real estate development projects	654	18,171
Total	1,779	22,267

The balances of intercompany loans do not have predefined maturities and are subject to interest pegged to the interbank deposit rate (CDI) plus a fixed rate of 5.00% per year in the first half of 2009 and 4.66% per year in the second half for associates and partners.

The balances receivable from subsidiaries and partners for capital contributions are interest free and are receivables immediately after being collected by the Company.

The balances of due to related parties do not do not have predefined maturities and are interest free.

Intercompany loans and receivables from subsidiaries and partners refer mainly to transactions conducted to fund the initial stage of the projects in view of the business relationships that we have with related parties for the development of our real estate development and construction operations.

Related-party transactions are conducted with subsidiaries and partners in real estate projects under terms and conditions negotiated by the parties. As the Company does not conduct similar transactions with unrelated parties we cannot evidence that these transactions would produce the same results had they been conducted with unrelated parties.

(d) Noncompetition agreement

Shareholders Marcos Alberto Cabaleiro Fernandez, Lucas Cabaleiro Fernandez and Rubens Menin Teixeira de Souza entered into a noncompetition agreement with the Company, under which they agree not to engage in any activity in the construction industry outside the Company during two years after a possible withdrawal as shareholders. Their activities in the industry are, therefore, restricted to the Company.

(e) Brand license

On January 5, 2007, we entered into with MRV Serviços de Engenharia Ltda. a Brand License Agreement under with MRV Serviços de Engenharia Ltda. granted a free and exclusive license to the Company for the use of the mixed brand "MRV Engenharia", in the Brazilian territory, which is duly registered in the Brazilian Industrial Property Office (INPI). The license is effective for ten years from the date of the underlying agreement, a period that can be renewed, and cannot be assigned to any other party unless otherwise previously consented.

(f) Guarantees

On May 12, 2008, our Board of Directors approved, within the authorized capital limit, provided a surety of a Bank Guarantee granted to Prime Incorporações Ltda., In the amount of R$400 and effective for 360 days, which was rescinded on May 7, 2009.

(g) Compensation of key personnel

Pursuant to CPC 05, which addresses related party disclosures, and according to the understanding of the Company, management's key personnel consists of members of the Board of Directors and officers elected by the Board of Directors in conformity with the Company's bylaws, and their responsibilities comprise decision-making powers and control of the Company's activities.

	Company		Consolidated	
	2009	2008	2009	2008
Short-term benefits to granted to management:				
Management compensation	3,121	2,865	3,450	2,865
Equity participation	2,567	2,387	2,567	2,387
Share-based compensation:				
Stock option plans	855	1,060	855	1,060
	6,543	6,312	6,872	6,312

On April 27, 2009, the Extraordinary Shareholders' Meeting approved the change in the overall management compensation threshold to R$8,000 (R$4,000 in 2008).

In addition to the benefits above, the Company does not grant any other benefits such as post-employment benefits, other long-term benefits or severance compensation.

19. SHAREHOLDERS' EQUITY

(a) Capital

As of December 31, 2009, capital was R$1,917,434 (R$1,321,910 in 2008), represented by 481,399,656 (135,993,378 in 2008) common shares without par value.

Under Article 5, paragraph 6, of the Company's Bylaws, shareholders are entitled to preemptive rights to the subscription of Company shares, convertible debentures or share warrants, proportionally to the related interest held, which can be exercised within thirty (30) days.

Each share entitled the respective holder to one vote in annual and extraordinary shareholders meetings. Under the Bylaws and the Agreement to Participate in the New Market, the Company cannot issue nonvoting shares or restricted shares, or founder shares.

Under the Company's Bylaws, capital can be increased by means of a resolution of the Board of Directors, regardless of amendments to the bylaws, up to the limit of R$3.0 billion, including shares already issued. The Company may issue common shares, debentures convertible into common shares, and share warrants within this limit. Any capital increase exceeding the authorized capital limit must be approved by the shareholders at a Shareholders' Meeting. Each common share is undividable and entitles its holder to one vote in decisions of the shareholders' meetings.

In 2008 and 2009, our Board of Directors approved, within the authorized capital limit, approved the following capital increases, all through registered, book-entry, common shares, without par value:

Date of Board approval	Registration date	Description	Number of shares	Unit price	Total capital increase	Capital after capital increase	Total outstanding shares after issuance
				R$	R$'000	R$'000	
2008:							
5/12/2008 and 6/2/2008	6/9/2008	Program 1 of the stock option plan	760,633	1.004	764	1,321,910	135,993,378
2009:							
5/29/2009	6/16/2009	Program 1 of the stock option plan	173,174	1.004	174	1,322,084	136,166,552
6/23/2009	6/29/2009	Initial public offering	21,600,000	24.50	529,200	1,851,284	157,766,552
7/8/2009	7/13/2009	Initial public offering - overallotment	2,700,000	24.50	66,150	1,917,434	160,466,552

On December 17, 2009, the Extraordinary Shareholders' Meeting approved the split of all our common shares at a 1/3 ratio. Therefore, our capital is now represented by 481,399,656 shares.

(b) Summary of the offering:

The initial public offering and the supplementary public offering were settled on June 29, 2009 and July 13, 2009, respectively, and the net proceeds received by the Company are as follows:

Primary offerings	Number of shares	Gross proceeds	Commissions	Other expenses	Net proceeds
Initial	21,600	529,200	(20,963)	(2,101)	506,308
Supplementary	2,700	66,150	(2,568)	(3)	63,579
Total	24,300	595,350	(23,531)	(2,104)	569,887

In conformity with CPC 08, commissions and other expenses totaling R$25,635 are accounted for as Capital reserves, in 'Expenses on share issuance'.

(c) Stock options

The Stock Option Plan encompasses 4,701,723 Company shares, equivalent to 5% of total Company shares in April 2007, and establishes the number of options to be granted and the exercise conditions, including vesting periods. The exercise price in the Stock Option Plan will be equivalent to the amount of the share's net equity determined by the Board of Directors upon the definition on and approval of each program.

The Company's officers and employees, including of direct and indirect subsidiaries, may be eligible for the plan. Should the employment agreement or mandate of the employee or officer terminates due to (a) respectively, quitting or resignation; or (b) dismissal (with or without just cause) or removal from office (with or without fair reason), providing the definition of fair reason is provided for in corporate law or of cause is provided for in labor law, as applicable is observed, the options whose exercise right (i) had not been vested until such date will be cancelled; and (ii) had already been vested by such date, may be exercised within ninety day of the date of the termination of said employment agreement or mandate, by means of a written notice sent to the Chairman of our Board and, after this period, they will be cancelled.

The Board of Directors approved the First Stock Option Program and this program's regulations, which encompassed shares equivalent to 3.58% of the share capital of the Company on plan approval date. Up to December 31, 2009, the Company granted 69% of the total approved (69% up to December 31, 2008), and the remaining shares remain available to the Company for new grants or utilization.

This program involves the Company's middle management in addition to its officers and senior management. The option exercise price is R$1.004 for each participant but the number of options granted and the related vesting periods are different. In addition, 471,500 options with exercise price of R$10.00 were granted under this Stock Option Program.

The tables below show the changes in options in the years ended December 31, 2009 and 2008:

Options vesting periods	Number of participants	Cancelled		Exercised		12/31/2009	
		(R$1.004)	(R$10.00)	(R$1.004)	(R$10.00)	(R$1.004)	(R$10.00)
FY 2009							
Participants with 2-year vesting period	17	-	-	(55,751)	-		
Participants with 3-year vesting period	33	(1,593)	-	(25,887)	-	219,844	
Participants with 5-year vesting period	9	-	-	(14,874)	-	292,423	
Participants with 7-year vesting period	62	(23,917)	(14,000)	(76,662)	-	1,393,828	457,500
Total	(*)	(25,510)	(14,000)	(173,174)	-	1,906,095	457,500

(*) 20 participants have different vesting periods.

Options vesting periods	12/31/2007	Exercised	Cancelled	Granted	Number of participants	12/31/2008 (R$1.004)	12/31/2008 (R$10.00)
FY 2008							
Participants with 2-year vesting period	72,674	(14,536)	(2,387)	-	17	55,751	-

Participants with 3-year vesting period	280,778	(28,078)	(5,376)	-	33	247,324	-
Participants with 5-year vesting period	307,971	(16,299)	(2,375)	18,000	9	307,297	-
Participants with 7-year vesting period	1,573,060	(78,653)	-	471,500	62	1,494,407	471,500
Total	2,234,483	(137,566)	(10,138)	489,500	(*)	2,104,779	471,500

(*) 20 participants have different vesting periods.

The balances of options as of December 31, 2009 are unvested.

Under Article 171, Par. 3, of Corporate Law, the Company's shareholders do not have preemptive rights on the exercise of the options.

The Company records share-based compensation of the participants in the financial statements based on its fair value. The fair value of the stock option program benefit was estimated based on the *Black & Scholes* stock option pricing model, considering the following weighed average assumptions:

	Exercise price	
	(R$0.335)	(R$3.333)
Risk-free rate	10.9%	12.5%
Program duration in years	4.1	6.5
Expected annualized volatility	51.70%	50.32%
Option fair value on grant date per share	R$7.74	R$23.51

The compensation costs derived from this program, Company and on consolidated basis, for the year ended December 31, 2009, were R$2,730 and R$1,763, respectively, totaling R$4,493 (R$3,598 and R$1,786, totaling R$5,384 in 2008). The program's compensation costs per exercise price to be recognized over the weighted average remaining period of 3.0 and 5.5 years amount approximately to R$6,120 and R$6,849, respectively (R$8,850 and R$8,612 in 2008, respectively).

As of December 31, 2009, based on the exercise price (R$1.004 and R$10.00), if all options currently granted were exercised, we would issue 7,090,785 shares, which would represent a 1.45% dilution in relation to total Company shares of 481,399,656.

(d) Special goodwill reserve:

On January 31, 2007, the company merged its investor Gryfindor Participações Ltda. The tax benefit obtained with the net assets corresponding to this company's interest in the Company was recognized in this line account.

(e) Treasury shares:

The Extraordinary Shareholders' Meeting held on December 1, 2008 authorized the buyback of Company shares into treasury and subsequent disposal or cancelation. In 2008, we bought back 213,600 shares at a cost of R$1,887 and average price of R$8.83. In 2009, the company bought back 100,000 shares at a cost of R$1,173 and average price of R$11.73. The 313,600 shares were sold in 2009 for R$3,857 at an average price of R$15.34 and gains on sale totaled R$797, accounted for in line account 'Other operating income'.

The changes were as follows:

					Cost in R$ (per share)			
Type	Initial number	Number bought	Number sold	Final number	Weighted average	Maximum	Minimum	Fair value at balance sheet date
In 2008								
Common	-	213,600	-	213,600	8.8343	9.6500	7.9500	9.8000
In 2009								
Common	213,600	100,000	(313,600)	-	9.7551	13.0600	9.8000	-

(f) Mandatory minimum dividend payable to shareholders:

Under the Company's Bylaws and the Brazilian Corporate Law, shareholders are entitled to receive dividends and other distributions related to the Company shares, proportionally to their interests in capital.

Shareholders are entitled to an annual mandatory minimum dividend of not less than 25% of net income, which can be decreased or increased by the following amounts: (i) amount to be allocated to the legal reserve; (ii) amount allocated to recognition of provision for contingencies and reversal of these reserves recognized in prior years; and (iii) amount derived from the reversal of unrealized prior years' earnings reserve, pursuant to article 202, II, of Corporate Law.

According to management's proposal, to be approved at the Annual Shareholders' Meeting, 2009 dividends are as follows (2008 dividends are presented at the end for comparative purposes):

	2009	2008
Retained earnings as of December 31, 2007	-	(14,189)
Net income	347,422	231,030
Legal reserve - 5%	(17,371)	(11,552)

Net income available for distribution	330,051	205,289
Proposed dividends - 25% of net income available for distribution	82,513	51,322
Number of common shares at balance sheet date (excluding treasury shares)	481,399,656	135,779,778
Proposed dividends per share – R$	0.171	0.378
Remaining net income balance	247,538	153,967

The balance of accumulated loss as of December 31, 2007 refers exclusively to the accounting policy adjustment undertaken in 2008 arising from the amendment of Corporate Law and considered in the allocation of net income for 2008.

In 2008, we paid R$10,166 related to 2007 dividends. 2008 dividends totaling R$51,322 were approved at the ASM of April 27, 2009 and paid in April 2009.

According to the proposal of the Company's management, the remaining balance of net income for the year was transferred to the earning retention reserve, as described in letter (h) below.

(g) Legal reserve:

As of December 31, 2009, the Company recorded a legal reserve totaling R$17,371 (R$11,552 as of December 31, 2008) equivalent to 5% of annual net income, as prescribed by Article 193 of the Brazilian Corporate Law.

(h) Earnings retention reserve:

The Annual Shareholders' Meeting held on April 27, 2009 approved management's proposal for the allocation of 2008 retained earnings, totaling R$153,967, to the earnings reserves. As of December 31, 2009, management proposed for approval of the Shareholders' Meeting the allocation of retained earnings, totaling R$247,538, to the earning retention reserve. This reserve is intended to meet the funding requirements for future investments, mainly to meet working capital requirements, according to the capital budget to be submitted to and approved by the Annual Shareholders' Meeting.

20. FINANCIAL INSTRUMENTS

Short-term investments with immediate liquidity or original maturities not higher than 90 days are accounted for under the caption 'Cash and cash equivalents' and all other financial instruments under the caption 'Investment securities', as described in note 3 and 4. These short-term investments refer mostly to fixed-income securities, with guaranteed yield higher

than the interbank deposit rate (CDI) fluctuation, in financial institutions that meet financial soundness and reliability requirements, under management criteria defined by investment committees. Restricted savings accounts are recorded under in line account 'Restricted savings investments', in current assets.

Held-to-maturity securities consisted principally of a real estate consortium, whose yield is pegged to the fluctuation of the TR and were purchased for the purpose of permitting offering to customers another financing option, through the transfer of the credit letter.

Through December 21, 2009, held-for-sale securities of the Company's and its subsidiaries consisted of the option box transaction, the only financial instrument consisting of derivatives used by the Company to guarantee a fixed yield in Brazilian reais. The terms and conditions of this instrument are described in (b) below.

The main financial instruments usually used by the Company and its subsidiaries are cash and banks, receivables, payable, borrowings used for working capital purposes and financing projects under construction and debentures, and are recognized in the financial statements according to the criteria described in note 2.2. In addition, the Company holds investments in subsidiaries, as described in note 7.

The Company and its subsidiaries maintain financial instruments that aim to reduce their exposure to market risks. Accordingly, the strategies adopted, mainly regarding the dilution of risk among financial agents, have provided an appropriate hedging level in recent years.

The considerations on risks and valuation of financial instruments are summarized as follows:

(a) Considerations on risks

- Credit risk - assessed as very low in light of the guarantee of recovery of its products in cases of default.

- Interest rate risk - the contracted interest rates on loans, financing and debentures are mentioned in note 10, and the yield of short-term investments in note 3. Additionally, as described in note 18, the balances of receivables from related parties are subject to financial charges equivalent to the interbank deposit rate (CDI), plus a fixed rate of 5.00% per year in the first half of 2009 and 4.66% per year in the second half.

- Foreign exchange risk - the Company and its subsidiaries do not have foreign currency-denominated assets and liabilities.

(b) Sensitivity analysis

In 2007, the Company and its subsidiaries purchased from Banco Santander S.A. structured financial instruments derived from derivatives, traded in the over-the-counter market, consisting of flexible put and call option agreements in foreign currency (US dollar), to guarantee fixed yield in Brazilian reais.

This transaction, also called box-block, was structured based on flexible options, through which the Company purchased both put options and call options, with the same maturities and amounts, establishing quotation limits for the currency, thus mitigating the risk.

The Company defined with the financial institution a fixed-rate yield for each option, i.e., from 12.39% to 13.03% p.a. in Brazilian reais. Therefore, the investment is not impacted by exchange rate fluctuation. The contracts were settled on December 21, 2009 and as of December 31, 2009 there are no more outstanding derivative transactions.

In 2009, this transaction generated a gain of R$219, recorded in income as financial income (R$209 in 2008). In 2008 we recorded for this transaction, in shareholders' equity, as valuation adjustments to equity, R$19, which was reclassified to income in 2009.

In 2008, in order to test the sensitivity of these assets to exchange rate fluctuations, the Company estimated the probable scenario for the US dollar, based on market expectations disclosed by the Central Bank through the newsletter “Boletim Focus” on January 2, 2009, with an exchange rate of R$2.35 per US$1.00. The possible and remote scenarios were estimated with 25% and 50% depreciation, respectively, as compared to the expected probable scenario.

In that year, considering the exchange rate fluctuation for the dates and scenarios mentioned, management estimated that the Company would earn (incur in) the following gains (losses), as determined by CVM Resolutions 550 and 566/08:

Transaction	Risk	Probable scenario	Possible scenario	Remote scenario
Flexible US dollar call options	Forex	(139)	2,041	4,222
Flexible US dollar put options	Forex	1,049	(1,131)	(3,312)
Gain or loss on transaction		910	910	910

Notional amount	2009	2008
Option contracts:		
Short position in US dollar	-	(8,861)
Long position in US dollar	-	9,771
Total cumulative effect	-	910

The notional amounts refer to the conversion of outstanding amounts of the put and call option contracts in US dollars, using US dollar selling rate (Ptax), disclosed by the Central Bank of Brazil on December 31, 2008.

As compared to an investment with yield equal to 100% of the CDI, the flexible put and call option box transaction, which yield a fixed interest rate on the amount invested, recorded gains of R$1 as of December 31, 2008.

(c) Sensitivity analysis to CDI fluctuation

The Company's subsidiaries are exposed to normal market risks arising from changes in interest rates. The sensitivity analysis was developed considering the exposure to CDI fluctuations, the main index of the loans, financing and debentures, and the short-term investments of the Company and its subsidiaries.

Market expectations, Central Bank of Brazil data on March 5, 2010, indicated an effective mean CDI rate estimated at 10.06% the probable scenario for 2009, against a rate of 9.89% for 2009.

Description	Probable scenario	Scenario I – 25% stress	Scenario I – 50% stress
Balance of short-term investments pegged to CDI	485,622	485,622	485,622
Balance of loans, financing and debentures pegged to CDI	(410,115)	(410,115)	(410,115)
Net assets exposed to CDI fluctuation	75,507	75,507	75,507
Effective CDI rate for the 12-month period ended 12/31/2009	9.89%	9.89%	9.89%
Estimated annual CDI rate under proposed criteria	10.06%	7.55%	5.03%
Effect on financial income, at effective rate	7,468	7,468	7,468
Effect on financial income, under proposed scenarios	7,596	5,701	3,798
Increase (decrease) in Company's financial income	128	(1,767)	(3,670)

(d) Valuation of financial instruments

The main financial instruments, as well as their valuation/measurement criteria, are described below:

- Cash and banks - the amounts stated in the financial statements represent cash on hand and bank deposits, as described in note 3, used in the management of the Company's cash flows.

- Short-term investments - The agreed rates and terms of the transactions reflect usual market conditions. These financial assets of the Company are recorded at the amount initially invested, plus income earned. Short-term investments are basically backed by the CDI and are adjusted through the balance sheet date.

- Investment securities - the box rates yielded the interest described above and were recorded at fair value, immediately recognized in income or loss. In 2008 fair value was measured based on a transactions with yield equal to the CDI.

- Investments in subsidiaries - As of December 31, 2009 and 2008, the Company's investments refer to silent partnerships, special purpose entities, project-related assets, and limited liability companies, the interests in which are described in note 7. The shares of these entities are not publicly traded and their activities are complementary to the Company's business.

- Loans, financing and debentures - The Company's financial liabilities are stated at contracted amounts, plus related charges and inflation adjustments or exchange rate changes, including interest and other contractual charges incurred through the balance sheet dates. Agreed rates are described in note 10.

If recognized, the differences between the carrying amounts and fair value of loans, financing and debentures would generate a gain of R$2,011, Company, and R$2,014, on a consolidated basis, in 2009, and a gain of R$254, Company and on a consolidated basis, in 2008, before income tax and social contribution, as shown in the table below:

	2009				2008			
	Carrying amount				Carrying amount		Fair	
Financial instruments	Current	Noncurrent	Fair value	Difference	Current	Noncurrent	value	Difference
Company:								
Loans and financing								
Working capital - fixed rate	-	-	-	-	(5,225)	-	(4,971)	254
Working capital – CDI + Spread								
CDI + 1.90% p.a.	-	-	-	-	(3,595)	-	(3,595)	-
CDI + 4.03% p.a.	(10,067)	(14,299)	(24,366)	-	-	-	-	-
CDI + 5.03% p.a.	(5,029)	-	(5,038)	(9)	(9,022)	(5,023)	(14,045)	-
Working capital – TR + Spread								
TR + 10.50% p.a.	(5,192)	(6,167)	(11,359)	-	-	-	-	-
TR + 16.77% p.a.	-	-	-	-	(3,735)	(1,274)	(5,009)	-
Construction financing	(71,570)	(38,249)	(109,819)	-	(29,320)	(17,681)	(47,001)	-
Total	(91,858)	(58,715)	(150,582)	(9)	(50,897)	(23,978)	(74,621)	254
Finance leases -								
CDI + Spread	(645)	(757)	(1,372)	30	(670)	(1,389)	(2,059)	-
Fixed rate	(80)	-	(81)	(1)	(120)	(80)	(200)	-
Total	(725)	(757)	(1,453)	29	(790)	(1,469)	(2,259)	-
Debentures								
IPCA +10.80% p.a.	(1,785)	(30,661)	(32,446)	-	(2,550)	(28,600)	(31,150)	-
CDI + 1.50% p.a.	(1,158)	(271,400)	(269,655)	2,903	(1,682)	(271,400)	(273,082)	-
CDI + 3.70% p.a.	(61,188)	(40,000)	(102,100)	(912)	-	-	-	-
Total	(64,131)	(342,061)	(404,201)	1,991	(4,232)	(300,000)	(304,232)	-
Grand total	(156,714)	(401,533)	(556,236)	2,011	(55,919)	(325,447)	(381,112)	254
Consolidated:								
Loans and financing-								
Working capital - fixed rate	-	-	-	-	(5,225)	-	(4,971)	254
Working capital – CDI + Spread								
CDI + 1.90% p.a.	-	-	-	-	(3,595)	-	(3,595)	-
CDI + 2.18% p.a.	(5,572)	-	(5,572)	-	-	-	-	-
CDI + 4.03% p.a.	(10,067)	(14,299)	(24,366)	-	-	-	-	-
CDI + 5.03% p.a.	(5,029)	-	(5,038)	(9)	(9,021)	(5,023)	(14,044)	-

Working capital – TR + Spread								
TR + 10.50% p.a.	(5,629)	(6,623)	(12,252)	-	-	-	-	-
TR + 11.00% p.a.	(360)	(346)	(703)	3	-	-	-	-
TR + 16.77% p.a.	-	-	-	-	(3,735)	(1,274)	(5,009)	-
Construction financing	(214,178)	(120,908)	(335,086)	-	(41,679)	(53,346)	(95,025)	-
Total	(240,835)	(142,176)	(383,017)	(6)	(63,255)	(59,643)	(122,644)	254
Finance leases –								
CDI + Spread	(645)	(757)	(1,372)	30	(670)	(1,394)	(2,064)	-
Fixed rate	(80)	-	(81)	(1)	(120)	(80)	(200)	-
Total	(725)	(757)	(1,453)	29	(790)	(1,474)	(2,264)	-
Debentures								
IPCA + 10.80% p.a.	(1,785)	(30,661)	(32,446)	-	(2,550)	(28,600)	(31,150)	-
CDI + 1.50% p.a.	(1,158)	(271,400)	(269,655)	2,903	(1,682)	(271,400)	(273,082)	-
CDI + 3.70 % p.a.	(61,188)	(40,000)	(102,100)	(912)	-	-	-	-
Total	(64,131)	(342,061)	(404,201)	1,991	(4,232)	(300,000)	(304,232)	-
Grand total	(305,691)	(484,994)	(788,671)	2,014	(68,278)	(361,117)	(429,141)	254

As of December 31, 2008, the fair value of Loans and financing - Working capital – Fixed rate was estimated by the Company's management based on the future value of the loan on maturity date (December 21, 2009) at the contracted rate (15.50%), discounted to present value as of December 31, 2009 at the market rate prevailing on that date of 14.70%.

The fair value of Loans and financing - Working capital with CDI ad TR plus spread and finance leases – CDI plus spread and fixed rate was estimated by the Company's management based on the future value of the loan on maturity date agreement at the contracted rate, discounted to present value at the market rate.

The fair value of Debentures subject to interest based on the Extended Consumer Price Index (IPCA) plus spread was not calculated because these instruments are not liquid or quote in the market at the balance sheet date; therefore, it was considered equal to their carrying amounts. For Debentures subject to CDI plus spread, the Company's management estimated their fair values considering the future value of the loan on maturity date agreement at the contracted rate, discounted to present value at the market rate.

The table below shows a comparative of the contracted rates as of December 31, 2009:

	Current market spread	Maturity dates
Loans and financing - working capital – CDI + Spread		
CDI + 4.03% p.a.	4.03% p.a.	May 2012
CDI + 5.03% p.a.	4.61% p.a.	December 2009
Loans and financing - working capital – TR + Spread		
TR + 10.50% p.a.	10.50% p.a.	December 2013
TR + 11.00% p.a.	11.00% p.a.	December 2011
Construction financing		
TR + 8% a 12% p.a.	8% to 12% p.a.	January 2011 to November 2013
Finance leases – CDI + Spread		
CDI + 1.29% p.a.	3.78% p.a.	May 2010 and May 2012

CDI + 6.64% p.a.	3.78% p.a.	November 2010
Finance leases – fixed rate		
Fixed rate of 17.23% p.a.	14.39% p.a.	July 2010
Debentures		
IPCA + 10.80% p.a.	-	June 2013
CDI + 1.50% p.a.	2.01% p.a.	June 2013
CDI + 3.70% p.a.	2.70% p.a.	May 2011

Investments classified as held for trading and securities classified as available for sale are recorded at their fair values. No material differences were identified between the fair value and the carrying amounts of the other financial instruments.

21. DEFERRED SELLING EXPENSES

Broken down as follows as of December 31:

	Company		Consolidated	
	2009	2008	2009	2008
Sales commissions and brokerage - legal entities	1,867	1,501	4,300	2,894
Sales commissions and brokerage - employees	10,721	3,790	11,920	8,027
	12,588	5,291	16,220	10,921

This line account records the amounts of sales commissions and brokerage paid to legal entities and on payroll, recognized using the same criterion used for the recognition of revenue from real estate development, as described in note 2.2 e).

22. DEFERRED TAXES

Deferred tax assets and liabilities arise from the temporary difference between the cash basis adopted for tax purposes and the accrual basis for accounting purposes, and are as follows:

	Company		Consolidated	
	2009	2008	2009	2008
Assets:				
Income tax (IRPJ)	692	6,880	692	6,881
Social contribution (CSSL)	38	2,478	61	2,478
Taxes on revenues (PIS and COFINS)	-	-	-	14
Noncurrent	730	9,358	753	9,373
Liabilities and shareholders' equity:				

Income tax (IRPJ)	26,014	13,610	46,523	24,726
Social contribution (CSSL)	9,781	4,953	20,813	10,951
COFINS	61,928	41,152	92,547	57,791
PIS	13,446	8,934	20,088	12,540
Total	111,169	68,649	179,971	106,008
Current	82,616	37,020	134,651	54,100
Noncurrent	28,553	31,629	45,320	51,908

As of December 31, 2009, the settlement of the aforementioned deferred tax assets and liabilities, as estimated by the Company's management, is as follows:

	Company			Consolidated		
	Assets	Liabilities		Assets	Liabilities	
Amounts as of December 31, 2009	IRPJ & CSSL	IRPJ & CSSL	PIS & COFINS	IRPJ & CSSL	IRPJ & CSSL	PIS & COFINS
2010	-	25,098	57,518	-	48,965	85,686
2011	730	8,272	14,704	753	14,497	22,079
2012	-	1,414	2,873	-	2,735	4,438
2013	-	663	185	-	748	286
2014 onward	-	348	94	-	391	146
Total	730	35,795	75,374	753	67,336	112,635

Beginning 2008, for income tax and social contribution purposes, the Company is subject to taxation based on actual income, and for PIS and COFINS purposes, the Company is subject to the noncumulative regime.

The effects of business income tax and social contribution on balances of temporary differences as of December 31, 2009 and 2008 are as follows:

	Company		Consolidated	
	Current	Noncurrent	Current	Noncurrent
Amounts as of December 31, 2009				
Effect of income tax and social contribution on:				
Margin not received from real estate development	(47,524)	(25,527)	(90,172)	(37,213)
(-) Advances from customers	10,140	176	28,066	463
Net value	(37,384)	(25,351)	(62,106)	(36,750)
(-) Provision for maintenance of real estate	506	4,043	1,361	7,791
(-) Reserve for contingencies	-	1,962	-	1,962
(-) Accrued profit sharing	3,741	-	3,741	-
(-) Goodwill on merger of subsidiaries	8,039	9,379	8,039	9,379
Net credits	(25,098)	(9,967)	(48,965)	(17,618)
Net amounts recorded in:				
Assets	-	730	-	753
Liabilities	(25,098)	(10,697)	(48,965)	(18,371)
	(25,098)	(9,967)	(48,965)	(17,618)
Amounts as of December 31, 2008				
Effect of income tax and social contribution on:				

Margin not received from real estate development	(27,311)	(18,830)	(40,681)	(30,747)
(-) Advances from customers	5,435	405	9,223	753
Net value	(21,876)	(18,425)	(31,458)	(29,995)
(-) Provision for maintenance of real estate	668	2,651	1,136	1,830
(-) Reserve for contingencies	-	1,319	-	1,380
(-) Accrued profit sharing	1,672	-	1,616	4,386
(-) Goodwill on merger of subsidiaries	8,039	16,747	8,039	16,747
Net credits	(11,497)	2,292	(20,667)	(5,651)
Net amounts recorded in:				
Assets	-	9,358	-	9,359
Liabilities	(11,497)	(7,066)	(20,667)	(15,010)
	(11,497)	2,292	(20,667)	(5,651)

The reconciliation in Company of income tax and social contribution expenses at the statutory and effective rates for the year ended December 31, 2009 and 2008 is as follows:

	Company					
	2009		Total	2008		Total
Income tax and social contribution in income	IRPJ	CSSL		IRPJ	CSSL	
Income before income tax and social contribution and after management equity participation	(374,676)	(374,676)		(257,759)	(257,759)	
Tax rate	25%	9%		25%	9%	
Nominal expense	(93,669)	(33,721)		(64,440)	(23,198)	
Effect of income tax and social contribution on:						
Equity in subsidiaries	50,902	18,325		47,069	16,945	
Project-related assets (see note 2.2)	25,372	8,734		-	-	
Options recognized	(1,123)	(405)		(1,345)	(485)	
Other permanent deductions	(1,192)	(477)		(907)	(368)	
Actual expense	(19,710)	(7,544)		(19,623)	(7,106)	
Income tax and social contribution in income:						
Current	(917)	(477)	(1,394)	-	-	-
Deferred	(18,793)	(7,067)	(25,860)	(19,623)	(7,106)	(26,729)
Actual amount in income	(19,710)	(7,544)	(27,254)	(19,623)	(7,106)	(26,729)

Consolidated income tax and social contribution expenses for the year ended December 31, 2009 and 2008 are as follows:

	Consolidated					
	2009		Total	2008		Total
	IRPJ	CSSL		IRPJ	CSSL	
Revenue from real estate development	1,735,914	1,735,914		1,181,410	1,181,410	
Financial income from receivables	12,175	12,175		13,225	13,225	
Deemed income tax base - real estate development	1,748,089	1,748,089		1,194,635	1,94,635	
(-) Income taxed based on actual income - Company	(914,131)	(914,131)		(529,885)	(529,885)	
(-) Financial income from receivables – Company	(7,732)	(7,732)		(13,021)	(13,021)	
Deemed income tax base - subsidiaries	826,226	826,226		651,729	651,729	
Deemed income - percentage - real estate development	8%	12%		8%	12%	
Deemed income - amount - real estate development	66,098	99,147		52,138	78,207	
Financial income	47,386	47,386		45,869	45,869	
(-)Financial income - Company	(43,717)	(43,717)		(43,808)	(43,808)	
Other revenues	15,373	15,373		15,679	15,679	
(-) Other revenue - Company	(10,575)	(10,575)		(14,904)	(14,904)	

Tax base	74,565	104,692		54,975	81,044	
Statutory rate	25%	9%		25%	9%	
Income tax and social contribution in subsidiaries	(18,641)	(9,685)		(13,744)	(7,294)	
Effects of Project-related assets in subsidiaries	1,624	563		-	-	
Income tax and social contribution in Company	(19,710)	(7,544)		(19,623)	(7,106)	
Other	3,834	983		2,343	690	
Expenses in income statement	(32,893)	(15,683)		(31,024)	(13,710)	
Breakdown of expense in income statement						
Current	(4,722)	(3,575)	(8,297)	(2,361)	(1,572)	(3,933)
Deferred	(28,171)	(12,108)	(40,279)	(28,663)	(12,138)	(40,801)
Total	(32,893)	(15,683)	(48,576)	(31,024)	(13,710)	(44,734)

23. OTHER OPERATING INCOME (EXPENSES)

	Company		Consolidated	
	2009	2008	2009	2008
Other operating income:				
Net income from construction management	3,060	8,770	3,060	8,770
Nonrecurring income and registration fees	2,448	3,679	2,820	4,228
Gains and losses on sale of property and equipment	1,264	319	1,257	319
Gain on disposal of treasury shares (note 19.d)	797	-	797	-
Other operating income	3,006	2,136	7,439	2,362
	10,575	14,904	15,373	15,679
Other operating expenses:				
Operating leases (note 11.b)	(1,802)	(183)	(1,802)	(183)
Contingencies	(1,204)	(622)	(1,213)	(622)
Indemnities	(338)	(35)	(370)	(38)
Goodwill amortization	-	(482)	-	(482)
Other operating expenses	(38)	(113)	(139)	(121)
	(3,382)	(1,435)	(3,524)	(1,446)
	7,193	13,469	11,849	14,233

24. INSURANCE (UNAUDITED)

The Company has an insurance policy that considers principally risk concentration and materiality considering the type of its activities and advice of the insurance brokers. As of December 31, 2009, insurance coverage is as follows:

Items	Type of coverage	Insured amount
- Construction insurance (engineering risk)	- Coverage during construction for involuntary damages caused during construction, installation and assembling work on the insured sites.	769,762

- Civil liability	- D&O	30,000
- Real property delivery insurance	- Guarantees delivery of the works to committed buyers/barterers	180,374
- Car insurance (auto/optional civil liability/passenger injuries)	- Damages to insured vehicles and passenger bodily injury	18,060
- Lenders insurance	- Insures the Company the receipt of actual property price in the event of death of borrower	40,138
- Company group life and collective injuries insurance	- Bodily injury involuntarily caused to employees, contractors, interns and engineers	271,892
- Residential	- Property damage caused by electrical damages, fire, lightening, windstorm, aircraft crash and insures against loss of rental	648
- Corporate	- Property damage caused by electrical damages, fire, lightening, windstorm, riots and insures against loss of rental	8,334
- Aircraft	- Hull, hijack, LUC/AV53	5,583
- Engineering risks	- Close-end insurance purchased directly from Caixa Seguros, mandatory for all projects related to Crédito Associativo	1,272,643

25. SUBSEQUENT EVENTS

On January 14, 2010, the Board of Directors approved the Third Public Issuance of single series simple, nonconvertible, registered, unsecured debentures, within our authorized capital limit. These debentures were settled on March 9, 2010 for a total amount of R$516,400, represented by 51,640 (fifty one thousand, six hundred and forty) debentures in the nominal unit value of R$10, maturing on February 1, 2014, and redeemable in two semiannual payments, on February 1, 2013 and February 1, 2014, respectively. These debentures bear interest, charged on nominal value or outstanding balance, equivalent to the CDI rate plus spread of 1.6% per year.

On March 9, 2010, the Board of Directors approved, within the authorized capital limit, the issuance of 21,020 registered, book-entry common shares, without par value, of which 16,677 shares at the issue price of R$10, and 4,343 shares at the issue price of R$1.004, representing an increase of R$171, to cover the Programs 1 and 2 of the Stock Option Plan, thus increasing capital to R$1,917,605 from R$1,917,434.

26. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issuance by the Board of Directors at the meeting held on March 24, 2010.

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

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
STANDARDIZED FINANCIAL STATEMENTS (DFP)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES 12/31/2009

CONTENTS

GROUP	TABLE	DESCRIPTION	PAGE
01	01	IDENTIFICATION	1
01	02	HEAD OFFICE	1
01	03	INVESTOR RELATIONS OFFICER (Company Mail Address)	1
01	04	GENERAL INFORMATION/INDEPENDENT ACCOUNTANT	1
01	05	CAPITAL COMPOSITION	2
01	06	CHARACTERISTICS OF THE COMPANY	2
01	07	COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS	2
01	08	DIVIDENDS APPROVED AND/OR PAID	2
01	09	INVESTOR RELATIONS OFFICER	2
02	01	BALANCE SHEET – ASSETS	3/4
02	02	BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY	5/6
03	01	STATEMENT OF INCOME	7
04	01	STATEMENTS CASH FLOWS	8
05	01	STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2007 to 12/31/2007	9
05	02	STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2008 to 12/31/2008	10
05	03	STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2009 to 12/31/2009	11
06	01	STATEMENT OF VALUE ADDED	12
07	01	CONSOLIDATED BALANCE SHEET – ASSETS	13/14
07	02	CONSOLIDATED BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY	15/16
08	01	CONSOLIDATED STATEMENT OF INCOME	17
09	01	CONSOLIDATED STATEMENTS OF CASH FLOWS	18
10	01	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2007 to 12/31/2007	19
10	02	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2008 to 12/31/2008	20
10	03	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 1/1/2009 to 12/31/2009	21
11	01	CONSOLIDATED STATEMENT OF VALUE ADDED	21
12	01	INDEPENDENT AUDITORS' REPORT - UNQUALIFIED	23
13	01	MANAGEMENT´S REPORT	24/50
14	01	NOTES TO THE FINANCIAL STATEMENTS	51/106