Gafisa S.A.
Form 6-K
August 17, 2010

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934

For the month of August, 2010

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

Av. Nações Unidas No. 8501, 19th floor
São Paulo, SP, 05425-070
Federative Republic of Brazil
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ___X___ Form 40-F ______

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1)

Yes ______ No ___X___

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ______ No ___X___

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes ______ No ___X___

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

(A free translation of the original in Portuguese)

FEDERAL GOVERNMENT SERVICE	**Unaudited**
BRAZILIAN SECURITIES COMMISSION (CVM)	
QUARTERLY INFORMATION - ITR	**Corporate Legislation**
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER	**June 30, 2010**

REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE COMPANY.

COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.

01.01 - IDENTIFICATION

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ (Federal Tax ID)
01610-1	**GAFISA S/A**	**01.545.826/0001-07**
4 - NIRE (State Registration Number)		

01.02 - HEAD OFFICE

1 ADDRESS		2 - DISTRICT
Av. das Nações Unidas, 8501 19° floor		Pinheiros
3 - ZIP CODE	4 CITY	5 - STATE
05425-070	Sao Paulo	SP

6 - AREA CODE	7 - TELEPHONE	8 - TELEPHONE	9 - TELEPHONE	10 - TELEX
011	3025-9297	3025-9158	3025-9191	
11 - AREA CODE	12 - FAX	13 FAX	14 - FAX	
011	3025-9438	3025-9217	-	
15 - E-MAIL				

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME

Alceu Duilio Calciolari

2 ADDRESS		3 - DISTRICT
Av. das Nações Unidas, 8501	19° floor	Pinheiros

4 - ZIP CODE	5 CITY	6 - STATE
05425-070	Sao Paulo	SP

7 - AREA CODE	8 - TELEPHONE	9 - TELEPHONE	10 - TELEPHONE	11 - TELEX
011	3025-9297	3025-9158	3025-9191	

12 - AREA CODE	13 FAX	14 FAX	15 - FAX
011	3025-9438	3025-9191	-

16 - E-MAIL

ri@gafisa.com.br

01.04 - REFERENCE / AUDITOR

CURRENT YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2 - END	3 - QUARTER	4 - BEGINNING	5 END	6 - QUARTER	7 - BEGINNING	8 - END
1/1/2010	12/31/2010	2	4/1/2010	6/30/2010	1	1/1/2010	3/31/2010

09 - INDEPENDENT ACCOUNTANT	10 - CVM CODE
Terco Grant Thornton Auditores Independentes Soc. Simples	00635-1
11 - PARTNER IN CHARGE	12 - PARTNER S CPF (INDIVIDUAL TAXPAYER S REGISTER)
Daniel Gomes Maranhão Junior	070.962.868-45

01.05 - CAPITAL STOCK

Number of Shares (in thousands)	1 - CURRENT QUARTER 6/30/2010	2 - PREVIOUS QUARTER 3/31/2010	3 - SAME QUARTER, PREVIOUS YEAR 6/30/2009
Paid-in Capital			
1 - Common	429,348	419,336	133,463
2 - Preferred	0	0	0
3 - Total	429,348	419,336	133,463
Treasury share			
4 - Common	600	600	3,125
5 - Preferred	0	0	0
6 - Total	600	600	3,125

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY

Commercial, Industrial and Other

2 - STATUS

Operational

3 - NATURE OF OWNERSHIP

National Private

4 - ACTIVITY CODE

1110 Civil Construction, Constr. Mat. and Decoration

5 - MAIN ACTIVITY

Real Estate Development

6 - CONSOLIDATION TYPE

Full

7 - TYPE OF REPORT OF INDEPENDENT AUDITORS

Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 ITEM	2 - CNPJ (Federal Tax ID)	3 - COMPANY NAME

01.08 - CASH DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

1 - ITEM	2 - EVENT	3 - APPROVAL	4 TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE

Page 2

01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 ITEM	2 - DATE OF CHANGE	3 - CAPITAL STOCK (In thousands of Reais)	4 - AMOUNT OF CHANGE (In thousands of Reais)	5 - NATURE OF CHANGE	7 - NUMBER OF SHARES ISSUED (thousands)	8 -SHARE PRICE WHEN ISSUED (In Reais)

01.10 - INVESTOR RELATIONS OFFICER

1- DATE	2 SIGNATURE
08/03/2010	

02.01 - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)

1 CODE	2 DESCRIPTION	3 6/30/2010	4 3/31/2010
1	Total Assets	6,860,791	6,659,552
1.01	Current Assets	3,629,101	3,472,399
1.01.01	Cash and cash equivalents	1,147,359	1,569,486
1.01.01.01	Cash and banks	58,552	24,539
1.01.01.02	Financial Investments	1,088,807	1,544,947
1.01.02	Credits	1,245,035	1,059,185
1.01.02.01	Trade accounts receivable	1,245,035	1,059,185
1.01.02.01.01	Receivables from clients of developments	1,134,442	946,207
1.01.02.01.02	Receivables from clients of construction and services rendered	75,162	79,401
1.01.02.01.03	Other Receivables	35,431	33,577
1.01.02.02	Sundry Credits	0	0
1.01.03	Inventory	607,847	594,153
1.01.03.01	Properties for sale	607,847	594,153
1.01.04	Other	628,860	249,575
1.01.04.01	Deferred selling expenses	739	209
1.01.04.02	Other receivables	613,186	237,464
1.01.04.03	Prepaid expenses	14,935	11,902
1.02	Non Current Assets	3,231,690	3,187,153
1.02.01	Long Term Receivables	923,590	994,016
1.02.01.01	Sundry Credits	711,931	804,532
1.02.01.01.01	Receivables from clients of developments	554,120	654,970
1.02.01.01.02	Properties for sale	157,811	149,562
1.02.01.02	Credits with Related Parties	0	0
1.02.01.02.01	Associated companies	0	0
1.02.01.02.02	Subsidiaries	0	0
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	211,659	189,484
1.02.01.03.01	Deferred taxes	166,233	161,416
1.02.01.03.02	Other receivables	45,426	28,068
1.02.02	Permanent Assets	2,308,100	2,193,137
1.02.02.01	Investments	2,076,331	1,963,075
1.02.02.01.01	Interest in associated and similar companies	0	0
1.02.02.01.02	Interest in associated and similar companies - Goodwill	0	0
1.02.02.01.03	Interest in Subsidiaries	1,731,625	1,614,235
1.02.02.01.04	Interest in Subsidiaries - goodwill	0	0
1.02.02.01.05	Other Investments	344,706	348,840
1.02.02.02	Property and equipment	28,755	27,399
1.02.02.03	Intangible assets	203,014	202,663
1.02.02.03.01	Goodwill on acquisition of subsidiaries	194,871	195,534
1.02.02.03.02	Other intangible	8,143	7,129
1.02.02.04	Deferred charges	0	0

02.02 - BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 3/31/2010
2	Total Liabilities and Shareholders Equity	6,860,791	6,659,552
2.01	Current Liabilities	1,395,855	1,283,314
2.01.01	Loans and Financing	642,401	554,995
2.01.02	Debentures	112,134	116,199
2.01.03	Suppliers	78,376	64,467
2.01.04	Taxes, charges and contributions	92,006	86,420
2.01.05	Dividends Payable	50,716	50,716
2.01.06	Provisions	6,312	7,326
2.01.06.01	Provision for contingencies	6,312	7,326
2.01.07	Accounts payable to related parties	0	0
2.01.08	Other	413,910	403,191
2.01.08.02	Obligations for purchase of real estate and advances from customers	208,200	222,749
2.01.08.03	Payroll, profit sharing and related charges	38,026	35,095
2.01.08.04	Other liabilities	167,684	145,347
2.02	Non Current Liabilities	1,919,523	1,946,655
2.02.01	Long Term Liabilities	1,919,523	1,946,655
2.02.01.01	Loans and Financing	183,468	223,226
2.02.01.02	Debentures	1,148,000	1,148,000
2.02.01.03	Provisions	12,104	11,192
2.02.01.03.01	Provisions for contingencies	12,104	11,192
2.02.01.04	Accounts payable to related parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Others	575,951	564,237
2.02.01.06.01	Obligations for purchase of real estate and advances from customers	47,384	48,820
2.02.01.06.02	Deferred income tax and social contribution	218,366	205,716
2.02.01.06.03	Negative goodwill on acquisition of subsidiaries	8,045	8,203
2.02.01.06.04	Other liabilities	302,156	301,498
2.03	Deferred income	0	0
2.05	Shareholders' equity	3,545,413	3,429,583
2.05.01	Paid-in capital stock	2,711,168	2,689,487
2.05.01.01	Capital Stock	2,712,899	2,691,218
2.05.01.02	Treasury shares	(1,731)	(1,731)
2.05.02	Capital Reserves	290,507	293,626
2.05.03	Revaluation reserves	0	0
2.05.03.01	Own assets	0	0
2.05.03.02	Subsidiaries/ Associated and similar Companies	0	0
2.05.04	Revenue reserves	381,651	381,651
2.05.04.01	Legal	31,758	31,758
2.05.04.02	Statutory	311,360	311,360
2.05.04.03	For Contingencies	0	0
2.05.04.04	Unrealized profits	0	0

02.02 - BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 3/31/2010
2.05.04.05	Retained earnings	38,553	38,553
2.05.04.06	Special reserve for undistributed dividends	0	0
2.05.04.07	Other revenue reserves	0	0
2.05.05	Adjustments to Assets Valuation	0	0
2.05.05.01	Securities Adjustments	0	0
2.05.05.02	Cumulative Translation Adjustments	0	0
2.05.05.03	Business Combination Adjustments	0	0
2.05.06	Retained earnings/accumulated losses	162,087	64,819
2.05.07	Advances for future capital increase	0	0

03.01 - STATEMENT OF INCOME (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.01	Gross Sales and/or Services	357,966	784,735	285,558	513,554
3.01.01	Real estate development and sales	338,033	714,928	264,496	475,298
3.01.02	Construction services rendered revenue	11,457	18,665	8,971	18,202
3.01.03	Barter transactions revenue	8,476	51,142	12,091	20,054
3.02	Gross Sales Deductions	(32,260)	(45,338)	(9,032)	(16,163)
3.02.01	Taxes on sales and services	(29,689)	(39,971)	(8,290)	(15,090)
3.02.02	Brokerage fee on sales	(2,571)	(5,367)	(742)	(1,073)
3.03	Net Sales and/or Services	325,706	739,367	276,526	497,391
3.04	Cost of Sales and/or Services	(238,045)	(560,767)	(182,853)	(356,016)
3.04.01	Cost of Real estate development	(229,569)	(509,625)	(170,762)	(335,962)
3.4.02	Barter transactions cost	(8,476)	(51,142)	(12,091)	(20,054)
3.05	Gross Profit	87,661	178,630	93,673	141,375
3.06	Operating Expenses/Income	20,826	3,923	(21,493)	(24,990)
3.06.01	Selling Expenses	(15,978)	(31,822)	(16,040)	(32,650)
3.06.02	General and Administrative	(22,059)	(45,968)	(24,943)	(51,025)
3.06.02.01	Profit sharing	(6,790)	(6,800)	(5,736)	(5,736)
3.06.02.02	Stock option plan expenses	(1,491)	(3,719)	(1,074)	(7,264)
3.06.02.03	Other Administrative Expenses	(13,778)	(35,449)	(18,133)	(38,025)
3.06.03	Financial	(2,995)	(27,473)	(17,864)	(32,247)
3.06.03.01	Financial income	30,778	45,419	22,774	45,665
3.06.03.02	Financial Expenses	(33,773)	(72,892)	(40,638)	(77,912)
3.06.04	Other operating income	0	0	52,600	105,200
3.06.04.01	Gain on partial sale of Fit Residential negative goodwill amortiz.	0	0	52,600	105,200
3.06.04.02	Other operating income	0	0	0	0
3.06.05	Other operating expenses	(11,191)	(5,964)	(22,709)	(47,045)
3.06.05.01	Depreciation and Amortization	(1,929)	(5,705)	519	(3,118)

03.01 - STATEMENT OF INCOME (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.06.05.02	Other Operating expenses	(9,262)	(259)	(23,228)	(43,927)
3.06.06	Equity in results of investees	73,049	115,150	7,463	32,777
3.07	Total operating profit	108,487	182,553	72,180	116,385
3.08	Total non-operating (income) expenses, net	0	0	0	0
3.8.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Profit before taxes/profit sharing	108,487	182,553	72,180	116,385
3.10	Provision for income tax and social contribution	0	0	0	0
3.11	Deferred Income Tax	(11,219)	(20,466)	(14,412)	(21,884)
3.12	Statutory Profit Sharing/Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest attributed to shareholders equity	0	0	0	0
3.15	Net income for the Period	97,268	162,087	57,768	94,501
	NUMBER OF SHARES OUTSTANDING EXCLUDING TREASURY SHARES (in thousands)	428,748	428,748	130,338	130,338
	EARNINGS PER SHARE (*Reais*)	0.22687	0.37805	0.44322	0.72505
	LOSS PER SHARE (*Reais*)				

04.01 - STATEMENT OF CASH FLOW INDIRECT METHOD (in thousands of Brazilian Reais)

1 CODE	2 DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.01	Net cash from operating activities	(431,707)	(480,624)	(4,400)	27,716
4.01.01	Cash generated in the operations	54,085	147,081	80,149	94,620
4.01.01.01	Net Income for the year	97,268	162,087	57,768	94,501
4.01.01.02	Equity in the results of investees	(73,049)	(115,150)	(7,463)	(32,777)
4.01.01.03	Stock options expenses	1,490	3,718	1,074	7,264
4.01.01.04	Gain on sale of investments	0	0	(52,600)	(105,200)
4.01.01.05	Unrealized interest and finance charges, net	21,333	71,110	31,697	67,237
4.01.01.06	Deferred taxes	(5,920)	3,327	14,412	21,884
4.01.01.07	Depreciation and amortization	2,087	7,068	2,109	7,019
4.01.01.08	Amortization of negative goodwill	(158)	(1,363)	(2,628)	(3,901)
4.01.01.09	Provision for contingencies	2,738	5,896	28,849	30,305
4.01.01.10	Warranty provision	1,827	3,919	1,195	2,552
4.01.01.11	Profit sharing provision	6.800	6,800	5,736	5,736
4.01.01.12	Fixed asset disposal, net	(331)	(331)	0	0
4.01.02	Variation in Assets and Liabilities	(485,792)	(627,705)	(84,459)	(66,904)
4.01.02.01	Trade accounts receivable	(84,998)	(190,868)	(155,669)	(274,468)
4.01.02.02	Properties for sale	(21,943)	(27,257)	16,283	136,539
4.01.02.03	Other Receivables	(417,174)	(390,071)	59,507	42,115
4.01.02.04	Deferred selling expenses	(530)	(315)	(4,433)	(2,073)
4.01.02.05	Prepaid expenses	(3,033)	1,492	511	461
4.01.02.06	Obligations for purchase of real estate and adv. from customers	(13,892)	(36,186)	(6,840)	(34,419)
4.01.02.07	Taxes, charges and contributions	5,586	14,145	3,340	7,157
4.01.02.08	Suppliers	13,909	17,239	19,155	15,170
4.01.02.09	Payroll, and related charges	(3,819)	(7,669)	4,896	8,468
4.01.02.10	Other accounts payable	40,102	(8,215)	(21,299)	34,146
4.01.03	Others	0	0	0	0

04.01 - STATEMENT OF CASH FLOW INDIRECT METHOD (in thousands of Brazilian Reais)

1 - CODE	2 DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.02	Net cash from investments activities	(39,011)	(430,722)	(81,388)	(189,778)
4.02.01	Purchase of property and equipment and deferred charges	(3,908)	(10,978)	(6,352)	(11,810)
4.02.02	Capital contribution in subsidiary companies	(39,762)	(56,884)	(22,351)	(97,824)
4.02.03	Restricted cash in guarantee to loans	4,659	(362,860)	(52,685)	(80,144)
4.03	Net cash from financing activities	53,250	922,366	166,880	141,752
4.03.01	Capital increase	21,681	1,085,624	3,062	3,062
4.03.02	Loans and financing obtained	104,907	169,317	299,548	333,700
4.03.03	Repayment of loans and financing	(82,658)	(300,924)	(198,202)	(257,108)
4.03.04	Assignment of credits receivable, net	0	0	3,583	3,209
4.03.05	Dividends paid	0	0	0	0
4.03.06	Public offering expenses and deferred taxes	(9,439)	(50,410)	0	0
4.03.07	CCI Assignment of credits receivable	0	0	58,889	58,889
4.03.08	Capital reserve	18,759	18,759	0	0
4.05	Net increase (decrease) of Cash and Cash Equivalents	(417,468)	11,020	81,092	(20,310)
4.05.01	Cash at the beginning of the period	1,174,003	745,515	63,814	165,216
4.05.02	Cash at the end of the period	756,535	756,535	144,906	144,906

05.01 - STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 04/01/2010 TO 06/30/2010 (in thousands of Brazilian reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - REVENUE RESERVES	7 - RETAINED EARNINGS/ ACCUMULATED DEFICIT	8 ADJUSTMENTS TO ASSETS VALUATION
5.01	Opening balance	2,691,218	293,626	0	379,920	64,819	0
5.02	Prior-years adjustments	0	0	0	0	0	0
5.03	Adjusted balance	2,691,218	293,626	0	379,920	64,819	0
5.04	Net Income/Loss for the period	0	0	0	0	97,268	0
5.05	Allocations	0	0	0	0	0	0
5.05.01	Dividends	0	0	0	0	0	0
5.05.02	Interest on own capital	0	0	0	0	0	0
5.05.03	Other Allocations	0	0	0	0	0	0
5.06	Realization of revenue reserves	0	0	0	0	0	0
5.07	Adjustments to assets valuation	0	0	0	0	0	0
5.07.01	Securities adjustments	0	0	0	0	0	0
5.07.02	Cumulative Translation adjustments	0	0	0	0	0	0
5.07.03	Business Combination Adjustments	0	0	0	0	0	0
5.08	Increase/decrease in capital stock	21,681	0	0	0	0	0
5.08.01	Shertis shares subscription	20,283	0	0	0	0	0
5.08.02	Exercise of stock options	1,398	0	0	0	0	0
5.09	Increase in capital reserves	0	(3,119)	0	0	0	0
5.09.01	Public offering expenses	0	(6,230)	0	0	0	0
5.09.02	Stock options program	0	1,491	0	0	0	0
5.09.03	Shertis shares subscription	0	1,620	0	0	0	0
5.10	Treasury Shares	0	0	0	0	0	0
5.11	Other Capital Transactions	0	0	0	0	0	0

5.12	Others	0	0	0	0	0	0
5.13	Closing balance	2,712,899	290,507	0	379,920	162,087	0

05.02 - STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2010 TO 06/30/2010 (in thousands of Brazilian reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - REVENUE RESERVES	7 - RETAINED EARNINGS/ ACCUMULATED DEFICIT	8 ADJUSTMENTS TO ASSETS VALUATION	9
5.01	Opening balance	1,627,275	318,439	0	379,920	0	0	
5.02	Prior-years adjustments	0	0	0	0	0	0	
5.03	Adjusted balance	1,627,275	318,439	0	379,920	0	0	
5.04	Net Income/Loss for the period	0	0	0	0	162,087	0	
5.05	Allocations	0	0	0	0	0	0	
5.05.01	Dividends	0	0	0	0	0	0	
5.05.02	Interest on own capital	0	0	0	0	0	0	
5.05.03	Other Allocations	0	0	0	0	0	0	
5.06	Realization of revenue reserves	0	0	0	0	0	0	
5.07	Adjustments to assets valuation	0	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	0	
5.07.02	Cumulative Translation adjustments	0	0	0	0	0	0	
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	
5.08	Increase/decrease in capital stock	1,085,624	0	0	0	0	0	
5.08.01	Public offering	1,063,750	0	0	0	0	0	
5.08.02	Exercise of stock options	1,591	0	0	0	0	0	
5.08.03	Shertis shares subscription	20,283	0	0	0	0	0	
5.09	Increase in capital reserves	0	(27,932)	0	0	0	0	
5.09.01	Public offering expenses	0	(33,271)	0	0	0	0	
5.09.02	Stock options program	0	3,719	0	0	0	0	
5.09.03	Shertis shares subscription	0	1,620	0	0	0	0	
5.10	Treasury Shares	0	0	0	0	0	0	
5.11		0	0	0	0	0	0	

	Other Capital Transactions						
5.12	Others	0	0	0	0	0	0
5.13	Closing balance	2,712,899	290,507	0	379,920	162,087	0

08.01 CONSOLIDATED BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)

1 - CODE	2 DESCRIPTION	3 6/30/2010	4 3/31/2010
1	Total Assets	9,098,194	8,752,813
1.01	Current Assets	5,901,703	5,773,717
1.01.01	Cash and cash equivalents	1,806,384	2,125,613
1.01.01.01	Cash and banks	138,674	193,615
1.01.01.02	Financial Investments	1,500,054	1,786,941
1.01.01.03	Restricted credits	167,656	145,057
1.01.02	Credits	2,470,944	2,193,650
1.01.02.01	Trade accounts receivable	2,470,944	2,193,650
1.01.02.01.01	Receivables from clients of developments	2,391,584	2,103,394
1.01.02.01.02	Receivables from clients of construction and services rendered	77,073	81,312
1.01.02.01.03	Other Receivables	2,287	8,944
1.01.02.02	Sundry Credits	0	0
1.01.03	Inventory	1,446,760	1,327,966
1.01.03.01	Properties for sale	1,446,760	1,327,966
1.01.04	Other	177,615	126,488
1.01.04.01	Deferred selling expenses	20,592	18,802
1.01.04.02	Other receivables	141,740	95,436
1.01.04.03	Prepaid expenses	15,283	12,250
1.02	Non Current Assets	3,196,491	2,979,096
1.02.01	Long Term Assets	2,925,681	2,711,246
1.02.01.01	Sundry Credits	2,482,953	2,351,031
1.02.01.01.01	Receivables from clients of developments	2,075,161	1,922,482
1.02.01.01.02	Properties for sale	407,792	428,549
1.02.01.02	Credits with Related Parties	0	0
1.02.01.02.01	Associated companies	0	0
1.02.01.02.02	Subsidiaries	0	0
1.02.01.02.03	Other Related Parties	0	0
1.02.01.03	Other	442,728	360,215
1.02.01.03.01	Deferred taxes	311,693	307,132
1.02.01.03.02	Other receivables	131,035	53,083
1.02.02	Permanent Assets	270,810	267,850
1.02.02.01	Investments	0	0
1.02.02.01.01	Interest in associated and similar companies	0	0
1.02.02.01.02	Interest in Subsidiaries	0	0
1.02.02.01.03	Other investments	0	0
1.02.02.02	Property and equipment	59,659	60,269
1.02.02.03	Intangible assets	211,151	207,581
1.02.02.03.01	Goodwill on acquisition of subsidiaries	194,871	195,534
1.02.02.03.02	Other intangibles	16,280	12,047
1.02.02.04	Deferred charges	0	0

08.02 CONSOLIDATED BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 3/31/2010
2	Total Liabilities and Shareholders equity	9,098,194	8,752,813
2.01	Current Liabilities	2,163,821	2,056,473
2.01.01	Loans and Financing	825,382	735,741
2.01.02	Debentures	123,608	139,792
2.01.03	Suppliers	244,545	234,648
2.01.04	Taxes, charges and contributions	154,983	143,196
2.01.05	Dividends Payable	52,287	54,468
2.01.06	Provisions	6,312	7,326
2.01.06.01	Provision for contingencies	6,312	7,326
2.01.07	Accounts payable to related parties	0	0
2.01.08	Other	756,704	741,302
2.01.08.01	Obligations for purchase of real estate and advances from customers	466,078	470,986
2.01.08.02	Payroll, profit sharing and related charges	73,057	64,851
2.01.08.03	Other liabilities	217,569	205,465
2.01.08.04	Deferred taxes	0	0
2.02	Non Current Liabilities	3,342,644	3,203,451
2.02.01	Long Term Liabilities	3,342,644	3,203,451
2.02.01.01	Loans and Financing	352,181	410,067
2.02.01.02	Debentures	1,748,000	1,748,000
2.02.01.03	Provisions	52,670	51,957
2.02.01.03.01	Provisions for contingencies	52,670	51,957
2.02.01.04	Accounts payable to related parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Others	1,189,793	993,427
2.02.01.06.01	Obligations for purchase of real estate and advances from customers	176,084	161,194
2.02.01.06.02	Deferred taxes	484,453	452,496
2.02.01.06.03	Other liabilities	521,211	371,534
2.02.01.06.04	Negative goodwill on acquisition of subsidiaries	8,045	8,203
2.03	Deferred income	0	0
2.04	Minority Interests	46,316	63,306
2.05	Shareholders' equity	3,545,413	3,429,583
2.05.01	Paid-in capital stock	2,711,168	2,689,487
2.05.01.01	Capital Stock	2,712,899	2,691,218
2.05.01.02	Treasury shares	(1,731)	(1,731)
2.05.02	Capital Reserves	290,507	293,626
2.05.03	Revaluation reserves	0	0
2.05.03.01	Own assets	0	0
2.05.03.02	Subsidiaries/ Associated and similar Companies	0	0
2.05.04	Revenue reserves	381,651	381,651
2.05.04.01	Legal	31,758	31,758
2.05.04.02	Statutory	311,360	311,360

08.02 CONSOLIDATED BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 3/31/2010
2.05.04.03	For Contingencies	0	0
2.05.04.04	Unrealized profits	0	0
2.05.04.05	Retained earnings	38,533	38,533
2.05.04.06	Special reserve for undistributed dividends	0	0
2.05.04.07	Other revenue reserves	0	0
2.05.05	Adjustments to Assets Valuation	0	0
2.05.05.01	Securities Adjustments	0	0
2.05.05.02	Cumulative Translation Adjustments	0	0
2.05.05.03	Business Combination Adjustments	0	0
2.05.06	Retained earnings/accumulated losses	162,087	64,819
2.05.07	Advances for future capital increase	0	0

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09.01 CONSOLIDATED STATEMENT OF INCOME (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.01	Gross Sales and/or Services	1,003,861	1,942,737	733,197	1,299,008
3.01.01	Real estate development and sales	972,776	1,857,442	707,454	1,257,374
3.01.02	Construction services rendered revenue	13,592	21,469	9,788	17,087
3.01.03	Barter transactions revenue	17,493	63,826	15,955	24,547
3.02	Gross Sales Deductions	(76,419)	(107,710)	(27,379)	(51,303)
3.02.01	Taxes on sales and services	(71,035)	(96,547)	(24,249)	(45,959)
3.02.02	Brokerage fee on sales	(5,384)	(11,163)	(3,130)	(5,344)
3.03	Net Sales and/or Services	927,442	1,835,027	705,818	1,247,705
3.04	Cost of Sales and/or Services	(647,950)	(1,302,879)	(514,465)	(901,713)
3.04.01	Cost of Real estate development	(630,457)	(1,239,053)	(498,510)	(877,166)
3.4.02	Barter transactions cost	(17,493)	(63,826)	(15,955)	(24,547)
3.05	Gross Profit	279,492	532,148	191,353	345,992
3.06	Operating Expenses/Income	(146,164)	(300,362)	(93,355)	(183,193)
3.06.01	Selling Expenses	(61,140)	(112,434)	(51,182)	(97,788)
3.06.02	General and Administrative	(55,125)	(112,543)	(59,312)	(115,230)
3.06.02.01	Profit sharing	(10,886)	(12,579)	(7,395)	(8,747)
3.06.02.02	Stock option plan expenses	(2,584)	(5,767)	(3,746)	(12,313)
3.06.02.03	Other Administrative Expenses	(41,655)	(94,197)	(48,171)	(94,170)
3.06.03	Financial	(13,911)	(47,179)	(12,720)	(21,929)
3.06.03.01	Financial income	40,929	64,858	37,768	73,295
3.06.03.02	Financial Expenses	(54,840)	(112,037)	(50,488)	(95,224)
3.06.04	Other operating income	0	0	52,600	105,200
3.06.04.01	Gain on partial sale of Fit Residential negative goodwill amortize	0	0	52,600	105,200
3.06.05	Other operating expenses	(15,988)	(28,206)	(22,741)	(53,446)
3.06.05.01	Depreciation and Amortization	(8,939)	(20,382)	(8,041)	(18,283)
3.06.05.02	Negative goodwill amortization	158	1,363	1,641	3,901

09.01 CONSOLIDATED STATEMENT OF INCOME (in thousands of Brazilian Reais)

1 - CODE	2 - DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.06.05.03	Other Operating expenses	(7,207)	(9,187)	(16,341)	(39,064)
3.06.06	Equity in results of investees	0	0	0	0
3.07	Total operating profit	133,328	231,786	97,998	162,799
3.08	Total non-operating (income) expenses, net	0	0	0	0
3.8.01	Income	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Profit before taxes/profit sharing	133,328	231,786	97,998	162,799
3.10	Provision for income tax and social contribution	(9,977)	(17,723)	(4,519)	(10,831)
3.11	Deferred Income Tax	(12,083)	(26,826)	(16,102)	(26,103)
3.12	Statutory Profit Sharing/Contributions	0	0	0	0
3.12.01	Profit Sharing	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of interest attributed to shareholders equity	0	0	0	0
3.14	Minority interest	(14,000)	(25,150)	(19,609)	(31,364)
3.15	Net income for the Period	97,268	162,087	57,768	94,501
	NUMBER OF SHARES OUTSTANDING EXCLUDING TREASURY SHARES (in thousands)	428,748	428,748	130,338	130,338
	EARNINGS PER SHARE (*Reais*)	0.22687	0.37805	0.44322	0.72505
	LOSS PER SHARE (*Reais*)				

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10.01 CONSOLIDATED STATEMENT OF CASH FLOW INDIRECT METHOD (in thousands of Brazilian Reais)

1 - CODE	2 DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.01	Net cash from operating activities	(356,081)	(471,171)	(133,437)	(251,424)
4.01.01	Cash generated in the operations	153,311	329,613	125,512	192,247
4.01.01.01	Net Income for the year	97,268	162,087	57,768	94.501
4.01.01.02	Stock options expenses	2,584	5,767	3,746	12,313
4.01.01.03	Gain on sale of investments	0	0	(52,600)	(105,200)
4.01.01.04	Unrealized interest and finance charges, net	27,529	92,030	45,752	83,628
4.01.01.05	Deferred taxes	23,541	38,284	16,102	26,103
4.01.01.06	Depreciation and amortization	8,939	20,382	8,041	17,296
4.01.01.07	Amortization of negative goodwill	(158)	(1,363)	(1,641)	(2,914)
4.01.01.08	Disposal of fixed asset	(331)	(331)	49	4,709
4.01.01.09	Provision for contingencies	2,819	5,977	24,950	23,439
4.01.01.10	Warranty provision	3,615	6,318	1,566	3,486
4.01.01.11	Profit sharing provision	10,886	12,579	7,395	8,747
4.01.01.12	Allowance for doubtful accounts	0	114	813	813
4.01.01.13	Minority interest	(23,381)	(12,231)	13,571	25,326
4.01.02	Variation in Assets and Liabilities	(509,392)	(800,784)	(258,949)	(443,671)
4.01.02.01	Trade accounts receivable	(429,973)	(769,573)	(320,539)	(795,594)
4.01.02.02	Properties for sale	(98,037)	(106,095)	58,301	239,051
4.01.02.03	Other Receivables	(143,442)	(97,975)	128,667	140,073
4.01.02.04	Deferred selling expenses	(1,790)	(13,959)	(3,866)	(5,809)
4.01.02.05	Prepaid expenses	117	0	519	313
4.01.02.06	Suppliers	9,897	50,214	47,643	43,001
4.01.02.07	Obligations for purchase of real estate and adv. from customers	12,686	20,352	(80,743)	(23,767)
4.01.02.08	Taxes, charges and contributions	7,265	12,284	(14,059)	7,457
4.01.02.09	Payroll, profit sharing and related charges	(4,371)	(840)	3,538	32,721
4.01.02.10	Other accounts payable	138,256	104,808	(78,410)	(81,117)

10.01 CONSOLIDATED STATEMENT OF CASH FLOW INDIRECT METHOD (in thousands of Brazilian Reais)

1 - CODE	2 DESCRIPTION	3 -4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 -4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.01.02.11	Escrow deposits	0	0	0	0
4.01.03	Others	0	0	0	0
4.02	Net cash from investments activities	(109,647)	(523,323)	(43,071)	(80,064)
4.02.01	Purchase of property and equipment and intangible assets	(10,649)	(28,335)	(13,089)	(15,879)
4.02.02	Restricted cash in guarantee to loans	(98,998)	(494,988)	(29,982)	(64,185)
4.03	Net cash from financing activities	47,500	881,837	702,060	718,113
4.03.01	Capital increase	21,681	1,085,624	3,062	3,062
4.03.02	Loans and financing obtained	136,286	240,391	930,036	981,667
4.03.03	Repayment of loans and financing	(148,245)	(405,383)	(292,999)	(380,348)
4.03.04	Assignment of credits receivable, net	32,772	19,985	3,581	(14,354)
4.03.05	Dividends paid	0	0	0	0
4.03.06	Proceeds from subscription of redeemable equity interest in securitization fund	(4,314)	(13,982)	(10,935)	58,771
4.03.07	CCI assignment of credits receivable	0	0	69,315	69,315
4.03.08	Dividends paid SCP	0	(13,147)	0	0
4.3.09	Public offering expenses and deferred taxes	(9,439)	(50,410)	0	0
4.03.10	Capital reserve	18,759	18,759	0	0
4.04	Foreign Exchange Variation on Cash and Cash Equivalents	0	0	0	0
4.05	Net increase (decrease) of Cash and Cash Equivalents	(418,428)	(112,657)	525,552	386,625
4.05.01	Cash at the beginning of the period	1,554,993	1,249,422	389,647	528,574
4.05.02	Cash at the end of the period	1,136,765	1,136,765	915,199	915,199

11.01 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 04/01/2010 TO 06/30/2010 (in thousands of Brazilian reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - REVENUE RESERVES	7 - RETAINED EARNINGS/ ACCUMULATED DEFICIT	8 ADJUSTMENTS TO ASSETS VALUATION	9 S E
5.01	Opening balance	2,691,218	293,626	0	379,920	64,819	0	
5.02	Prior-years adjustments	0	0	0	0	0	0	
5.03	Adjusted balance	2,691,218	293,626	0	379,920	64,819	0	
5.04	Net Income/Loss for the period	0	0	0	0	97,268	0	
5.05	Allocations	0	0	0	0	0	0	
5.05.01	Dividends	0	0	0	0	0	0	
5.05.02	Interest on own capital	0	0	0	0	0	0	
5.05.03	Other Allocations	0	0	0	0	0	0	
5.06	Realization of revenue reserves	0	0	0	0	0	0	
5.07	Adjustments to assets valuation	0	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	0	
5.07.02	Cumulative Translation adjustments	0	0	0	0	0	0	
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	
5.08	Increase/decrease in capital stock	21,681	0	0	0	0	0	
5.08.01	Shertis shares subscription	20,283	0	0	0	0	0	
5.08.02	Exercise of stock options	1,398	0	0	0	0	0	
5.09	Increase in capital reserves	0	(3,119)	0	0	0	0	
5.09.01	Public offering expenses	0	(6,230)	0	0	0	0	
5.09.02	Stock options program	0	1,491	0	0	0	0	
5.09.03	Shertis shares subscription	0	1,620	0	0	0	0	
5.10	Treasury Shares	0	0	0	0	0	0	
5.11	Other Capital Transactions	0	0	0	0	0	0	

5.12	Others	0	0	0	0	0	0
5.13	Closing balance	2,712,899	290,507	0	379,920	162,087	0

11.02 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2010 TO 06/30/2010 (in thousands of Brazilian reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 - REVALUATION RESERVES	6 - REVENUE RESERVES	7 - RETAINED EARNINGS/ ACCUMULATED DEFICIT	8 ADJUSTMENTS TO ASSETS VALUATION	9
5.01	Opening balance	1,627,275	318,439	0	379,920	0	0	
5.02	Prior-years adjustments	0	0	0	0	0	0	
5.03	Adjusted balance	1,627,275	318,439	0	379,920	0	0	
5.04	Net Income/Loss for the period	0	0	0	0	162,087	0	
5.05	Allocations	0	0	0	0	0	0	
5.05.01	Dividends	0	0	0	0	0	0	
5.05.02	Interest on own capital	0	0	0	0	0	0	
5.05.03	Other Allocations	0	0	0	0	0	0	
5.06	Realization of revenue reserves	0	0	0	0	0	0	
5.07	Adjustments to assets valuation	0	0	0	0	0	0	
5.07.01	Securities adjustments	0	0	0	0	0	0	
5.07.02	Cumulative Translation adjustments	0	0	0	0	0	0	
5.07.03	Business Combination Adjustments	0	0	0	0	0	0	
5.08	Increase/decrease in capital stock	1,085,624	0	0	0	0	0	
5.08.01	Public offering	1,063,750	0	0	0	0	0	
5.08.02	Exercise of stock options	1,591	0	0	0	0	0	
5.08.03	Shertis shares subscription	20,283	0	0	0	0	0	
5.09	Increase in capital reserves	0	(27,932)	0	0	0	0	
5.09.01	Public offering expenses	0	(33,271)	0	0	0	0	
5.09.02	Stock options program	0	3,719	0	0	0	0	
5.09.03	Shertis shares subscription	0	1,620	0	0	0	0	
5.10	Treasury Shares	0	0	0	0	0	0	
5.11		0	0	0	0	0	0	

	Other Capital Transactions						
5.12	Others	0	0	0	0	0	0
5.13	Closing balance	2,712,899	290,507	0	379,920	162,087	0

(A free translation of the original in Portuguese)

FEDERAL GOVERNMENT SERVICE

BRAZILIAN SECURITIES COMMISSION (CVM)	**(Unaudited)**
QUARTERLY INFORMATION - ITR	**Corporate Legislation**
TYPE OF COMPANY: COMMERCIAL, INDUSTRIAL AND OTHER	**BASE DATE - 06/30/2010**

01610-1	**GAFISA S/A**	**01.545.826/0001-07**

06.01 NOTES TO THE QUARTERLY INFORMATION

Notes to quarterly information (parent company and consolidated) as of June 30, 2010

(Amounts in thousands of Brazilian Reais, unless otherwise stated)

(Convenience translation into English from the original previously issued in Portuguese)

1. Operations

Gafisa S.A. and its subsidiaries (collectively, the Company) started its commercial operations in 1997 with the objectives of: (a) promoting and managing all forms of real estate ventures on its own behalf or for third parties; (b) purchasing, selling and negotiating real estate properties in general, including provision of financing to real estate clients; (c) carrying out civil construction and civil engineering services; (d) developing and implementing marketing strategies related to its own or third party real estate ventures; and (e) investing in other Brazilian or foreign companies which have similar objectives as the Company's.

The Company forms jointly-controlled ventures (Special Purpose Entities - SPEs) and participates in consortia and condominiums with third parties as a means of meeting its objectives. The controlled entities share the structure and corporate, managerial and operating costs with the Company.

On June 29, 2009, Gafisa S.A. and Construtora Tenda S.A. entered into a Private Instrument for Assignment and Transfer of Quotas and Other Covenants, in which Gafisa assigns and transfers to Tenda 41,341,895 quotas of Cotia1 Empreendimento Imobiliário for the net book value of R$ 41,342 (Note 7). On December 30, 2009, the shareholders of Gafisa and Tenda approved the merger by Gafisa of total shares outstanding issued by Tenda. Because of the merger, Tenda became a wholly-owned subsidiary of Gafisa, and its shareholders received shares of Gafisa in exchange for their shares of Tenda at the ratio of 0.205 shares of Gafisa to one share of Tenda, as negotiated between Gafisa and the Independent Committee of Tenda, both parties having been advised by independent expert companies. In view of the exchange ratio, 32,889,563 common shares were issued for the total issue price of R$ 448,844 (Note 8).

On February 22, 2010, the split of our common shares was approved in the ratio of one existing share to two newly-issued shares, thus increasing the number of shares from 167,077,137 to 334,154,274.

In March 2010, the Company completed a public offering of common shares, resulting in a capital increase of R$ 1,063,750 with the issue of 85,100,000 shares, comprising 46,634,420 shares in Brazil and 38,465,680 ADRs.

In May 2010, the Company approved the merger of the total amount of shares issued by Shertis Empreendimentos e Participações S.A., which main asset comprises 20% of the capital stock of Alphaville Urbanismo S.A. (AUSA). The Merger of Shares has the purpose of making viable the implementation of the Second Phase of the planned investment in the Investment Agreement and other Covenants, signed between the Company and Alphaville Participações S.A. (Alphapar) on October 2, 2006, thus increasing the interest of Gafisa in the capital stock of AUSA to 80%. As a result of the Merger of Shares, Shertis was converted into a wholly-owned subsidiary of Gafisa, with the issue of 9,797,792 new common shares to Alphapar, former shareholder of Shertis, thus resulting in a capital increase amounting to R$ 20,283.

2. Presentation of the Quarterly Information

The quarterly information was approved by the Board of Directors in their meeting held on July 29, 2010.

The quarterly information (ITR) was prepared and is being presented in accordance with the accounting practices adopted in Brazil, which take into consideration the provisions contained in the Brazilian Corporate Law Law No. 6,404/76, amended by Laws Nos. 11,638/07 and 11,941/09, the rules set out by the Brazilian Securities Commission (CVM), the Pronouncement, Guidance and Interpretation issued by the Accounting Standard Committee (CPC), approved by Brazilian regulators, effective through December 31, 2009.

Over 2009 the Accounting Standard Committee (CPC) issued several pronouncements which implementation was required for 2010. On November 10, 2009, the CVM issued Resolution No. 603, amended by Resolution No. 626, which provides for the presentation of Quarterly Information (ITR) for 2010 and the early adoption of the accounting standards that shall be effective from 2010. These Resolutions permitted public companies to present their Quarterly Information during 2010, according to the accounting standards effective until December 31, 2009.

As mentioned above, the Company prepared its Quarterly Information in accordance with the accounting standards effective on December 31, 2009, therefore, at the time it prepares the financial statements for the year ending December 31, 2010, it will present again the Quarterly Information for 2010.

The Company is in the phase of analyzing the estimates for the potential effects produced by the changes introduced by the new accounting standards on its financial statements and decided not to include any change in the Quarterly Information at June 30, 2010 and March 31, 2010, in view of the complexity of and difficulty in measuring and quantifying the effects produced by the changes in the accounting practices applicable to its business. The Company is also discussing this matter with the other real estate companies to improve its understanding about its applicability in the segment and considering the Brazilian scenario. At present it is not possible to determine the effects of such changes on the shareholders equity and results for the quarter ended June 30, 2010.

The main effects expected from the adoption of these new accounting standards are as follows:

- Revenue from sale and costs of real estate recognize in income statement when the title, risks and benefits are transferred to the real estate buyer (usually after the completion of the construction and upon the delivery of the apartment keys), and recognize the cost in income statement proportionally to the units sold taking into consideration the same criteria on recognition of revenue from sale of real estate.

- Business combinations: sets out the accounting treatment for business combinations regarding the recognition and measurement of acquired assets and assumed liabilities, goodwill based on future economic benefits, and minimum information to be disclosed by the Company.

- Construction contracts: sets out the accounting treatment for revenue and costs associated with construction contracts.

- Investments in associates: sets out how to record investments in associates in the parent company and consolidated financial statements.

- Interests in joint venture: sets out how to record interest in joint ventures and how to disclose assets, liabilities, income and expenses of these ventures in the financial statements of investors.

- Definition of principles for recognition, measurement and disclosure of financial instruments and requirements for disclosing information on financial instruments.

- Investment property: sets out the accounting treatment for investment property and respective disclosing requirements.

- Non-current assets held for sale and operations: sets out the accounting for non-current assets held for sale (on sale) and the presentation and disclosure of discontinued operations.

3. Significant accounting practices adopted in the preparation of the quarterly information

a) Accounting estimates

The preparation of the quarterly information in accordance with the accounting practices adopted in Brazil requires the Company's management to make judgments to determine and record accounting estimates. Assets and liabilities affected by estimates and assumptions include the residual value of property and equipment, provision for impairment, allowance for doubtful accounts, deferred tax assets, provision for contingencies and measurement of financial instruments. The settlement of transactions involving these estimates may result in amounts different from those estimated in view of the inaccuracies inherent in the process for determining them. The Company review estimates and assumptions at least annually.

b) Recognition of results

(i) Real estate development and sales

Revenues, as well as costs and expenses directly related to real estate development units sold and not yet finished, are recognized over the course of the construction period and the following procedures are adopted::

(a) For completed units, the result is recognized when the sale is made, with the transfer of significant risks and rights, regardless of the receipt of the contractual amount, provided that the following conditions are met: (a) the result is determinable, that is, the collectibility of the sale price is reasonably assured or the amount that will not be collected can be estimated, and (b) the earnings process is virtually complete, that is, the Company is not obliged to perform significant activities after the sale to earn the profit. The collectibility of the sales price is demonstrated by the client's commitment to pay, which in turn is supported by initial and continuing investment..

(b) In the sales of uncompleted units, the following procedures and rules were observed:

§ The incurred cost (including the costs related to land, and other expenditures directly related to increase inventories) corresponding to the units sold is fully appropriated to the result.

§ The percentage of incurred cost (including costs related to land) is measured in relation to total estimated cost, and this percentage is applied on the revenues from units sold, determined in accordance with the terms established in the sales contracts, thus determining the amount of revenues and selling expenses to be recognized in direct proportion to cost.

§ The amount of revenues recognized that exceeds the amount received from clients is recorded as current or non-current assets. Any amount received in connection with the sale of units that exceeds the amount of revenues recognized is recorded as "Obligations for purchase of land and advances from clients".

§ Interest and inflation-indexation charges on accounts receivable as from the time the client takes possession of the property, as well as the adjustment to present value of accounts receivable, are appropriated to the result from the development and sale of real estate using the accrual basis of accounting pro rata basis.

§ The financial charges on accounts payable for acquisition of land and those directly associated with the financing of construction are recorded in inventories of properties for sale, and appropriated to the incurred cost of completed units, following the same criteria for appropriation of real estate development cost of units under construction sold.

The taxes on the difference between the revenues from real estate development and the accumulated revenues subject to tax are calculated and recognized when the difference in revenues is recognized.

The other advertising and publicity expenses are appropriated to results as they are incurred represented by media insertion using the accrual basis of accounting.

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(ii) Construction services

Revenues from services consist primarily of amounts received regarding with construction management activities for third parties, technical management and management of real estate; revenues are recognized as services are rendered.

(iii) Barter transactions

Barter transactions of land in exchange for units, the value of land acquired by the Company is calculated based on the fair value of real estate units to be delivered. The fair value is recorded in inventories of Properties for sale against liabilities for Advances from clients, at the time the barter agreement is signed, provided that the real estate development recording is obtained. Revenues and costs incurred from barter transactions are appropriated to income over the course of construction period of the projects, as described in item (b).

c) Financial instruments

Financial instruments are recognized only from the date the Company becomes a party to the contract provisions of financial instruments, which include financial investments, accounts receivable and other receivables, cash and cash equivalents, loans and financing, as well as accounts payable and other debts. Financial instruments that are not recognized at fair value through income are added by any directly attributable transactions costs.

After the initial recognition, financial instruments are measured as described below:

(i) Financial instruments at fair value through income

A financial instrument is classified into fair value through income if held for trading, that is, designated as such when initially recognized. Financial instruments are designated at fair value through income if the Company manages these investments and makes decisions on purchase and sale based on their fair value according to the strategy of investment and risk management documented by the Company. After initial recognition, attributable transaction costs are recognized in income when incurred. Financial instruments at fair value through income are measured at fair value, and their fluctuations are recognized in income.

(ii) Loans and receivables

Loans and receivables are measured at cost amortized using the method of effective interest rate, reduced by possible impairment.

d) Cash and cash equivalents

Consist primarily of bank certificates of deposit and investment funds, denominated in reais, having a ready market and original maturity of 90 days or less or in regard to which there are no penalties or other restrictions for early redemption. Most of financial investments are classified into the category financial assets at fair value through income.

Investment funds in which the Company is the sole owner are fully consolidated.

e) Receivables from clients

These are stated at cost plus accrued interest and indexation adjustments, net of adjustment to present value. The allowance for doubtful accounts arising from the provision of services, when applicable, is set up by the Company s management when there is no expectation of realization. In relation to receivables from development, the allowance for doubtful accounts is set up at an amount considered sufficient by Management to cover estimated losses on realization of credits that do not have general guarantee.

The installments due are indexed based on the National Civil Construction Index (INCC) during the construction phase, and based on the General Market Prices Index (IGP-M) and interest, after delivery of the units. For accounts receivable due of sale of units, the understanding of Management is that there is no need of setting up an allowance because it has general guarantee and the prices of units are above their book value, except for those related to the subsidiary Tenda.

f) Certificates of real estate receivables (CRI)

The Company assigns receivables for the securitization and issuance of mortgage-backed securities ("CRI"). When this assignment does not involve right of recourse, it is recorded as a reduction of accounts receivable. When the transaction involves recourse against the Company, the accounts receivable sold is maintained on the balance sheet. The financial guarantees, when a participation is acquired (subordinated CRI) and maintained to secure the receivables that were assigned, are recorded in the balance sheet in non-current receivables at fair value.

g) Investment Fund of Receivables ("FIDC) and Real estate credit certificate (CCI)

The Company consolidates Investment Funds of Receivables (FIDC) in which it holds subordinated quotas, subscribed and paid in by the Company in receivables.

Pursuant to CVM Instruction No. 408, the consolidation by the Company of FDIC arises from the evaluation of the underlying and economic reality of these investments, considering, among others: (a) whether the Company still have control over the assigned receivables, (b) whether it still retains any right in relation to assigned receivables, (c) whether it still bears the risks and responsibilities for the assigned receivables, and (d) whether the Company fundamentally or usually pledges guarantees to FIDC investors in relation to the expected receipts and interests, even informally.

When consolidating the FIDC in its quarterly information, the Company discloses the receivables in the group of accounts of receivables from clients and the FIDC net worth is reflected in other accounts payable, the balance of subordinated quotas held by the Company being eliminated in this consolidation process.

The financial costs of these transactions are appropriated on pro rata basis in the adequate heading of financial expenses.

The Company carries out the assignment and/or securitization of receivables related to credits of statutory lien on completed real estate ventures. This securitization is carried out upon the issuance of the real estate credit certificate (CCI), which is assigned to financial institutions that grant credit. The funds from assignment are classified in the heading other accounts payable, until certificates are settled by clients.

h) Properties for sale

Land is stated at cost of acquisition. Land is recorded only after the deed of property is registered. The Company also acquires land through barter transactions where, in exchange for the land acquired, it undertakes to deliver (a) real estate units under development or (b) part of the sales revenues originating from the sale of the real estate units. Land acquired through barter transaction is stated at fair value.

Properties are stated at construction cost, which does not exceed the net realizable value. In the case of real estate developments in progress, the portion in inventories corresponds to the cost incurred for units that have not yet been sold. The incurred cost comprises construction (materials, own or outsourced labor, and other related items), expenses for regularizing lands and ventures, and financial charges appropriated to the development as incurred during the construction phase.

When the cost of construction of properties for sale exceeds the expected cash flow from sales, once completed or still under construction, an impairment charge is recognized in the period when the book value is considered no longer to be recoverable.

Properties for sale are reviewed to evaluate the recovery of the book value of each real estate development when events or changes in macroeconomic scenarios indicate that the book value may not be recoverable. If the book value of a real estate development is not recoverable, compared to its realizable value through expected cash flows, a provision is recorded.

The Company capitalizes interest on developments during the construction phase, arising from the National Housing System SFH and other credit lines that are used for financing the construction of developments (limited to the corresponding financial expense amount), which are recognized in income in the proportion to units sold, the same criterion for other costs.

i) Deferred selling expenses

Brokerage expenditures are recorded in results following the same percentage-of-completion criteria adopted for the recognition of revenues. The charges related to sales commission of the buyer are not recognized as revenue or expense of the Company.

j) Warranty provision

The Company and its subsidiaries record a provision to cover expenditures for repairing construction defects covered during the warranty period, except for the subsidiaries that operate with outsourced companies, which are the own guarantors of the constructions services provided. The warranty period is five years from the delivery of the unit.

k) Prepaid expenses

These are taken to income in the period to which they relate.

l) Property and equipment

Recorded at cost. Depreciation is calculated based on the straight-line method considering the estimated useful life of the assets, as follows:

(i) Vehicles 5 years;

(ii) Office equipment and other installations 10 years;

(iii) Sales stands, facilities, model apartments and related furnishings - 1 year.

Expenditures incurred for the construction of sales stands, facilities, model apartments and related furnishings are capitalized as Property and equipment. Depreciation of these assets commences upon launch of the development and is recorded over the average term of one year and subject to periodical analysis of asset impairment.

m) Intangible assets

Intangible assets relate to the acquisition and development of computer systems and software licenses, recorded at acquisition cost, and are amortized over a period of up to five years.

n) Goodwill and negative goodwill on the acquisition of investments

The Companys investments in subsidiaries include goodwill when the acquisition cost exceeds the book value of net tangible assets of the acquired subsidiary and negative goodwill when the acquisition cost is lower.

Up to December 31, 2008, the goodwill is amortized in accordance with the underlying economic basis which considers factors such as the land bank, the ability to generate results from developments launched and/or to be launched and other inherent factors. From January 1, 2009 goodwill is no longer amortized in results for the period.

The Company annually evaluates at the balance sheet date whether there are any indications of permanent loss and potential adjustments to measure the residual portion not amortized of recorded goodwill, and records an impairment provision, if required, to adjust the carrying value of goodwill to recoverable amounts or to realizable values. If the book value exceeds the recoverable amount, the amount thereof is reduced.

Goodwill that cannot be justified economically is immediately charged to results for the year.

Negative goodwill that is justified economically is appropriated to results at the extent the assets which originated it are realized. Negative goodwill that is not justified economically is recognized in results only upon disposal of the investment.

o) Investments in subsidiaries and joint-controlled investees

If the Company holds more than half of the voting capital of another company, the latter is considered a subsidiary and is consolidated. In situations where shareholder agreements grant the other party veto rights affecting the Company's business decisions with regards to its subsidiary, such affiliates are considered to be jointly-controlled companies and are recorded on the equity method.

Cumulative movements after acquisitions are adjusted in cost of investment. Unrealized gains or transactions between Gafisa S.A. and its affiliates and subsidiary companies are eliminated in proportion to the Gafisa S.A.'s interest; unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred.

When the Company's interest in the losses of subsidiaries is equal to or higher than the amount invested, the Company recognizes the residual portion of the net capital deficiency since it assumes obligations to make payments on behalf of these companies or for advances for future capital increase.

The accounting practices of acquired subsidiaries are aligned with those of the parent company, in order to ensure consistency with the practices adopted by the Company.

p) Obligations for purchase of land and advances from clients due to barter transactions

These are contractual obligations established for purchases of land in inventory (Property for sale) which are stated at amortized cost plus interest and charges proportional to the period (pro rata basis), when applicable, net of adjustment to present value.

The obligations related to barter transactions of land in exchange for real estate units are stated at fair value, as advances from clients.

q) Taxes on income

Taxes on income in Brazil comprise Federal income tax (25%) and social contribution (9%), as recorded in the statutory accounting records, for entities on the taxable profit regime, for which the composite statutory rate is 34%. Deferred taxes are provided on all temporary tax differences.

As permitted by tax legislation, certain subsidiaries and jointly-controlled companies, the annual revenue of which were lower than a specified amount, opted for the presumed profit regime. For these companies, the income tax basis is calculated at the rate of 8% on gross revenues plus financial income and for the social contribution basis at 12% on gross revenues plus financial income, upon which the income tax and social contribution rates, 25% and 9%, respectively, are applied. The deferred tax assets are recognized to the extent that future taxable income is expected to be available to be used to offset temporary differences based on the budgeted future results prepared based on internal assumptions. New circumstances and economic scenarios may change the estimates, as approved by the Board.

Deferred tax assets arising from net operating losses have no expiration dates, though offset is restricted to 30% of annual taxable income. Taxable entities on the presumed profit regime cannot offset prior year losses against tax payable.

In the event realization of deferred tax assets is not considered to be probable, no amount is recorded (Note 16).

r) Other current and non-current liabilities

These liabilities are stated on the accrual basis at their known or estimated amounts, plus, when applicable, the corresponding charges and monetary variations through the balance sheet date, which contra-entry is included in income for the year. When applicable, current and non-current liabilities are recorded at present value based on interest rates that reflect the term, currency and risk of each transaction.

The liability for future compensation of employee vacations earned is fully accrued.

Gafisa S.A. and its subsidiaries do not offer private pension plans or retirement plan or other post-employment benefits to employees.

s) Stock option plan

As approved by its Board of Directors, the Company offers to its selected executives share-based compensation plans ("Stock Options”).

The fair value of services received from the plan participants, in exchange for options, is determined in relation to the fair value of shares, on the grant date of each plan, and recognized as expense as contra-entry to shareholders’ equity at the extent service is rendered.

t) Profit sharing program for employees and officers

The Company provides for the distribution of profit sharing benefits and bonuses to employees recognized in results in General and administrative expenses.

Additionally, the Company’s bylaws establish the distribution of profit sharing to executive officers (in an amount that does not exceed the lower of their annual compensation or 10% of the Company's net income).

The bonus systems operate on a three-tier performance-based structure in which the corporate efficiency targets as approved by the Board of Directors must first be achieved, followed by targets for the business units and finally individual performance targets.

u) Present value adjustment

The assets and liabilities arising from long or short-term transactions, if they had a significant effect, were adjusted to present value.

In installment sales of unfinished units, real estate development entities have receivables formed prior to delivery of the units which does not accrue interest, were discounted to present value. The reversal of the adjustment to present value, considering that an important part of the Company’s activities is to finance its customers, was made as a contra-entry to the real estate development revenue group itself, consistent with the interest accrued on the portion of accounts receivable related to the “after the keys” period

The financial charges of funds used in the construction and finance of real estate ventures shall be capitalized. As interest from funds used to finance the acquisition of land for development and construction is capitalized, the accretion of the present value adjustment arising from the obligation is recorded in Real estate development operating costs or against inventories of Properties for sale, as the case may be, until the construction phase of the venture is completed.

Accordingly, certain asset and liability items are adjusted to present value based on discount rates that reflect management's best estimate of the value of money over time and the specific risks of the asset and the liability.

The applied discount rate□s underlying economic basis and assumption is the average rate of the financing and loans obtained by the Company, net of the inflation-index effect of IGP-M (Note 5).

v) Impairment

Management reviews annually the carrying value of assets with the objective of evaluating events or changes in economic and operational circumstances that may indicate impairment or reduction in their recoverable amounts. When such evidences are found, the carrying amount is higher than the recoverable one, so a provision for impairment is set up, adjusting the carrying to the recoverable amount. The goodwill and intangible assets with indefinite useful lives have the recovery of their amounts tested annually, whether there is or not indications of reduction in value.

w) Debenture and share issuance expenses

Transaction costs and premiums on issuance of securities, as well as share issuance expenses are accounted for as a direct reduction of capital raised. In addition, transaction costs and premiums on issuance of debt securities are amortized over the terms of the security and the balance is presented net of issuance expenses.

x) Contingent assets and liabilities and legal obligations

The accounting practices to record and disclose contingent assets and liabilities and legal obligations are as follows: (i) Contingent assets are recognized only when there are general guarantees or final and unappealable favorable court decisions. Contingent assets which depend on probable successful lawsuits are only disclosed in a Note to the quarterly information; and (ii) Contingent liabilities are accrued when losses are considered probable and the involved amounts are reasonably measurable. Contingent liabilities which losses are considered possible are only disclosed in a Note to financial statements, and those which losses are considered remote are not accrued nor disclosed.

y) Statements of cash flows

Statements of cash flows are prepared and presented as per CVM Resolution No. 547, of August 13, 2008, which approved the CPC 03 Statement of Cash Flows.

z) Earnings per share

Earnings per share are calculated based on the number of shares outstanding at the balance sheet dates.

aa) Consolidated quarterly information

The consolidated quarterly information of the Company, which include the quarterly information indicated in Note 8, were prepared in accordance with the applicable consolidation practices and legal provisions. Accordingly, intercompany balances, accounts, income and expenses, and unrealized earnings were eliminated. The jointly-controlled investees are consolidated in proportion to the interest held by the parent company.

4. Cash and cash equivalents and financial investments

	Parent company		*Consolidated*	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Cash and cash equivalents				
Cash and banks	*58,552*	*24,539*	*144,568*	*193,615*
Cash equivalents				
Investment funds	*500,833*	*1,023,246*	*670,458*	*1,107,646*
Securities purchased under agreement to resell	*117,159*	*31,080*	*208,440*	*87,316*
Bank Certificates of Deposits CDBs	*66,696*	*22,222*	*88,731*	*93,480*
Other	*13,295*	*72,916*	*24,568*	*72,936*
Total cash and cash equivalents	***756,535***	***1,174,003***	***1,136,765***	***1,554,993***
Restricted cash in guarantee of loans	*390,824*	*395,483*	*507,858*	*425,563*
Total financial investments	***1,088,807***	***1,544,947***	***1,500,055***	***1,786,941***
Restricted credits (a)	*-*	*-*	*161,761*	*145,057*
Total cash and cash equivalents and financial investments	***1,147,359***	***1,569,486***	***1,806,384***	***2,125,613***

(a) Transfer from clients which the Company expects to receive in up to 90 days.

At June 30, 2010, Bank Deposit Certificates CDBs include earned interest from 98.75% to 105% (March 31, 2010 - 98% to 102.5%) of Interbank Deposit Certificate CDI. Securities purchased under agreement to resell include earned interest from 98% to 104% (March 31, 2010 98.25% to 101.75%) of CDI. Both investments are made in first class financial institutions.

At June 30, the amount related to investment funds is recorded at fair value through income. At June 30, 2010, the investment fund portfolio is composed of securities purchased under agreement to resell, Bank Certificates of Deposit and government securities. Pursuant to CVM Instruction No. 408/04, financial investment in Investment Funds in which the Company has exclusive interest is consolidated.

Fundo de Investimento Arena is a multimarket fund under management and administration of Santander Asset Management and custody of Itau Unibanco. The objective of this fund is to appreciate the value of its quotas by investing the funds of its investment portfolio, which may be composed of financial and/or other operating assets available in the financial and capital markets that yield fixed return. Assets eligible to the portfolio are the following: government bonds, derivative contracts, debentures, CDBs and Bank Receipts of Deposits (RDBs), investment fund quotas of classes accepted by CVM and securities purchased under agreement to resell, according to the rules of the National Monetary Council (CMN). There is no grace period for redemption of quotas, which can be redeemed with a return at any time. The fund s tax treatment is that applicable to long-term investment funds.

Fundo de Investimento Colina is a fixed-income private credit fund under management and administration of Santander Asset Management and custody of Itau Unibanco. The objective of this fund is to provide a return higher than 101% of CDI. The assets eligible to the portfolio are the following: government bonds, derivative contracts, debentures, CDBs and RDBs. The consolidated portfolio can generate exposure to Selic/CDI, fixed rate and price indices. There is no grace period for redemption of quotas, which can be redeemed with a return at any time. The fund's tax treatment is that applicable to long-term investment funds.

Fundo de Investimento Vistta is a fixed-income private credit fund under management and administration of Votorantim Asset Management and custody of Itau Unibanco. The objective of this fund is to provide a return higher than 101% of CDI. The assets eligible to the portfolio are the following: government bonds, derivative contracts, debentures, CDBs and RDBs. The consolidated portfolio can generate exposure to Selic/CDI, fixed rate and price indices. There is no grace period for redemption of quotas, which can be redeemed with a return at any time. The fund's tax treatment is that applicable to long-term investment funds.

The balance sheet of investment funds is as follows:

Assets	***Vistta***	***Colina***	***Arena***
Current	*255,329*	*304,791*	*573,526*
Total assets	***255,329***	***304,791***	***573,526***
Liabilities			
Current	*35*	*45*	*407*
Shareholders equity			
Capital stock	*243,836*	*291,284*	*544,030*
Retained earnings	*1,419*	*898*	*1,058*
Income for the period	*10,039*	*12,564*	*28,031*
Total shareholders equity	***255,294***	***304,746***	***573,119***
Total liabilities and shareholders equity	***255,329***	***304,791***	***573,526***

5. Receivables from clients

	Parent company		*Consolidated*	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Real estate development and sales	*1,714,067*	*1,632,776*	*4,557,660*	*4,105,463*
(-) Adjustment to present value	*(25,505)*	*(31,599)*	*(90,915)*	*(79,587)*
Services and construction	*75,162*	*79,401*	*77,073*	*81,312*
Other receivables	*35,431*	*33,577*	*2,287*	*8,944*
	1,799,155	***1,714,155***	***4,546,105***	***4,116,132***
Current	*1,245,035*	*1,059,185*	*2,470,944*	*2,193,650*
Non-current	*554,120*	*654,970*	*2,075,161*	*1,922,482*

(i) The balance of accounts receivable from units sold and not yet delivered is limited to the portion of revenues accounted for net of the amounts already received.

The balances of advances from clients (development and services), which exceed the revenues recorded in the period, amount to R$ 233,962 in consolidated balance at June 30, 2010 (March 31, 2010 - R$ 222,866), and are classified in Obligations for purchase of land and advances from clients.

Accounts receivable from completed real estate units delivered are in general subject to annual interest of 12% plus IGP-M variation, the financial income being recorded in income as Revenue from real estate development; the interest recognized for the periods ended June 30, 2010 and June 30, 2009 amounted to R$ 15,101 and R$ 27,990, respectively.

An allowance for doubtful accounts is not considered necessary, except for Tenda, since the history of losses on accounts receivable is insignificant. The Company's evaluation of the risk of loss takes into account that these credits refer mostly to developments under construction, where the transfer of the property deed only takes place after the settlement and/or negotiation of the client receivables.

The allowance for doubtful accounts for Tenda totaled R$ 17,985 (consolidated) at June 30, 2010 (March 31, 2010 R$ 17,995), and is considered sufficient by the Company's management to cover the estimated of future losses on the realization of accounts receivable of this subsidiary.

The total reversal value of the adjustment to present value recognized in the real estate development revenue for the period ended June 30, 2010 amounted to R$ 7,686 (parent company) and R$ (3,990) (consolidated), respectively.

Receivables from real estate units not yet finished were measured at present value considering the discount rate determined according to the criterion described in Note 3(u). The net rate applied by the Company and its subsidiaries varied from 5.16% to 7.11% for the quarter ended June 30, 2010.

(ii) On March 31, 2009, the Company carried out a FIDC transaction, which consists of an assignment of a portfolio comprising select residential and commercial real estate receivables arising from Gafisa and its subsidiaries. This portfolio was assigned and transferred to "Gafisa FIDC" which issued Senior and Subordinated quotas. This first issuance of senior quotas was made through an offering restricted to qualified investors. Subordinated quotas were subscribed exclusively by Gafisa. Gafisa FDIC acquired the portfolio of receivables at a discount rate equivalent to the interest rate of finance contracts.

Gafisa was hired by Gafisa FDIC and will be remunerated for performing, among other duties, the conciliation of the receipt of receivables owned by the fund and the collection of past due receivables. The transaction structure provides for the substitution of the Company as collection agent in case of non-fulfillment of the responsibilities described in the collection service contract.

The Company assigned its receivables portfolio amounting to R$ 119,622 to Gafisa FIDC in exchange for cash, at the transfer date, discounted to present value, for R$ 88,664. The following two quota types were issued: Senior and Subordinated. The subordinated quotas were exclusively subscribed by Gafisa S.A., representing approximately 21% of the amount issued, totaling R$ 18,958 (present value). At June 30, 2010 it totaled R$ 16,476 (Note 8). Senior and Subordinated quota receivables are indexed by IGP-M and incur interest at 12% per year.

The Company consolidated Gafisa FIDC in its quarterly information, accordingly, it discloses at June 30, 2010 receivables amounting to R$ 43,802 in the group of accounts of receivables from clients, and R$ 27,326 is reflected in other accounts payable, the balance of subordinated quotas held by the Company being eliminated in this consolidation process.

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(iii) On June 26, 2009, the Company carried out a CCI transaction, which consists of an assignment of a portfolio comprising select residential real estate credits from Gafisa and its subsidiaries. The Company assigned its receivables portfolio amounting to R$ 89,102 in exchange for cash, at the transfer date, discounted to present value, of R$ 69,315, classified into the heading "Other Accounts Payable - Credit Assignments".

8 book CCIs were issued, amounting to R$ 69,315 at the date of issue. These 8 CCIs are backed by Receivables which installments fall due on and up to June 26, 2014 ("CCI-Investor").

CCI-Investor, pursuant to Article 125 of the Brazilian Civil Code, carry general guarantees represented by statutory lien on real estate units, as soon as the following occurs: (i) the suspensive condition included in the registration takes place, in the record of the respective real estate units; (ii) the assignment of receivables from the assignors to SPEs, as provided for in Article 167, item II, (21) of Law No. 6,015, of December 31, 1973; and (iii) the issue of CCI Investor by SPEs, as provided for in Article 18, paragraph 5 of Law No. 10,931/04.

Gafisa was hired and will be remunerated for performing, among other duties, the conciliation of the receipt of receivables, guarantee the CCIs, and the collection of past due receivables. The transaction structure provides for the substitution of Gafisa as collection agent in case of non-fulfillment of the responsibilities described in the collection service contract.

6. Properties for sale

	Parent company		***Consolidated***	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Land, net of adjustment to present value	*307,853*	*360,043*	*701,790*	*745,119*
Property under construction	*354,808*	*302,684*	*947,023*	*842,023*
Completed units	*102,997*	*80,988*	*205,739*	*169,373*
	765,658	***743,715***	***1,854,552***	***1,756,515***
Current portion	*607,847*	*594,153*	*1,446,760*	*1,327,966*
Non-current portion	*157,811*	*149,562*	*407,792*	*428,549*

The Company has undertaken commitments to build units bartered for land, accounted for based on the fair value of the bartered units. At June 30, 2010 the balance of land acquired through barter transactions amounted to R$ 46,783 (parent company) and R$ 103,830 (consolidated).

As mentioned in Note 10, the balance of financial charges at June 30, 2010 amounts to R$ 71,208 (parent company) and R$ 101,896 (consolidated).

The adjustment to present value in the property for sale balance refers to the portion of the contra-entry to the adjustment to present value of Obligations for purchase of land without effect on results (Note 14).

7. Other accounts receivable

	Parent company		*Consolidated*	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Current accounts related to real estate ventures (*) (Note 18)	*401,280*	*54,255*	*122,889*	*14,874*
Advances to suppliers	*4,951*	*4,065*	*51,048*	*58,932*
Credit assignment receivable	*4,093*	*4,093*	*4,087*	*4,087*
Credit financing to be released	*2,804*	*3,292*	*3,678*	*4,166*
Deferred PIS and COFINS	*372*	*227*	*2,707*	*2,475*
Recoverable taxes	*26,508*	*19,851*	*51,226*	*43,882*
Advances for future capital increase	*156,437*	*135,570*	-	-
Loan	*24,400*	*21,493*	-	-
Other	*37,767*	*22,686*	*37,140*	*20,103*
	658,612	*265,532*	*272,775*	*148,519*
Current	*613,186*	*237,464*	*141,740*	*95,436*
Non-current	*45,426*	*28,068*	*131,035*	*53,083*

(*) *The Company participates in the development of real estate ventures with other partners, directly or through related parties, based on the constitution of condominiums and/or consortia. The management structure of these enterprises and the cash management are centralized in the lead partner of the enterprise, which manages the construction schedule and budgets. Thus, the lead partner ensures that the investments of the necessary funds are made and allocated as planned. The sources and use of resources of the venture are reflected in these balances, observing the respective participation percentage, which are not subject to indexation or financial charges and do not have a predetermined maturity date. The average term for the development and completion of the projects in which the resources are invested is between 24 and 30 months. The Company receives a compensation for the management of these ventures**.***

As mentioned in Note 1, on June 29, 2009, Gafisa S.A. and Construtora Tenda S.A. entered into a Private Instrument for Assignment and Transfer of Quotas and Other Covenants, in which Gafisa assigns and transfers to Tenda 41,341,895 quotas of Cotia1 Empreendimento Imobiliário for the net book value of R$ 41,342 (recognized in the heading Current accounts related to real estate venture), payable in 36 monthly installments from March 2010 to March 2013. The value of each installment will be added by interests at 0.6821% per month, and monetary adjustment equivalent to the positive variation of IGPM.

8. Investments in subsidiaries

In January 2007, upon the acquisition of 60% of AUSA, arising from the merger of Catalufa Participações Ltda., a capital increase of R$ 134,029 was approved upon the issuance for public subscription of 6,358,116 common shares. This transaction generated goodwill of R$ 170,941 recorded based on expected future profitability, which was partially amortized exponentially and progressively up to December 31, 2008 to match the estimated profit before taxes of AUSA on accrual basis of accounting.

As mentioned in Note 1, in May 2010 the Company approved the merger of the total amount of shares issued by Shertis Empreendimentos e Participações S.A., which main asset comprises 20% of the capital stock of AUSA. The Merger of Shares has the purpose of making viable the implementation of the Second Phase of the planned investment in the Investment Agreement and other Covenants, signed between the Company and Alphaville Participações S.A. (Alphapar) on October 2, 2006, thus increasing the interest of Gafisa in the capital stock of AUSA to 80%. As a result of the Merger of Shares, Shertis was converted into a wholly-owned subsidiary of Gafisa, with the issue of 9,797,792 new common shares to Alphapar, former shareholder of Shertis for the issue price of R$ 20,283 at carrying value.

The Company has a commitment to purchase the remaining 20% of AUSA's capital stock based on the fair value of AUSA, evaluated at the future acquisition dates, the purchase consideration for which cannot yet be calculated and, consequently, is not recognized. The contract for acquisition provides that the Company undertakes to purchase the remaining 20% of AUSA in 2012 in cash or shares, at the sole discretion of the Company.

On October 26, 2007, the Company acquired 70% of Cipesa, and Gafisa and Cipesa incorporated a new company, Cipesa Empreendimentos Imobiliários Ltda. ("Nova Cipesa"), in which the Company holds a 70% interest and Cipesa has 30%. Gafisa made a contribution in Nova Cipesa of R$ 50,000 in cash and acquired the shares which Cipesa held in Nova Cipesa amounting to R$ 15,000, paid on October 26, 2008. Cipesa is entitled to receive from the Company a variable portion corresponding to 2% of the Total Sales Value (VGV), as defined, of the projects launched by Nova Cipesa through 2014, not to exceed R$ 25,000. Accordingly, the Company's purchase consideration totaled R$ 90,000 and goodwill amounting to R$ 40,686 was recorded, based on expected future profitability.

In November 2007, the Company acquired for R$ 40,000 the remaining interest in certain ventures with Redevco do Brasil Ltda.. As a result of this transaction, the Company recognized negative goodwill of R$ 31,235, based on expected future profitability, which was amortized exponentially and progressively up to June 30, 2010, based on the estimated profit before taxes on net income of these SPEs. In the period ended June 30, 2010, the Company amortized negative goodwill amounting to R$ 1,363 arising from the acquisition of these SPEs (June 30, 2009 – R$ 3,901).

On October 21, 2008, as part of the acquisition of its interest in Tenda, the Company contributed the net assets of Fit Residencial amounting to R$ 411,241, acquiring 60% of the shareholders' equity of Tenda, which at that date presented shareholders' equity book value of R$ 1,036,072, with an investment of R$ 621,643. The sale of the 40% quotas of Fit Residencial to Tenda shareholders in exchange for the Tenda shares generated negative goodwill of R$ 210,402, which is based on expected future results, reflecting the gain on the sale of the interest in Fit Residencial (gain on the exchange of shares). This negative goodwill was amortized over the average construction period (through delivery of the units) of the real estate ventures of Fit Residencial at October 21, 2008, and by the negative effects on realization of certain assets arising from the acquisition of Tenda. In 2009, the total gain on partial sale of Fit Residencial was amortized in the amount of R$ 169,394, of which R$ 105,200 in the period ended June 30, 2009.

On December 30, 2009, the shareholders of Gafisa and Tenda approved the merger by Gafisa of total shares outstanding issued by Tenda. Because of the merger, Tenda became a wholly-owned subsidiary of Gafisa, and its shareholders received shares of Gafisa in exchange for their shares of Tenda at the ratio of 0.205 shares of Gafisa to one share of Tenda. In view of the exchange ratio, 32,889,563 common shares were issued for the total issue price of R$ 448,844.

(a) Ownership interests

(i) Information on investees

Investees	***Interest - %***		***Shareholders equity***		***Net income (loss) for the period***	
6/30/2010	***3/31/2010***	***6/30/2010***	***3/31/2010***	***6/30/2010***	***6/30/2009***	
Tenda	*100*	*100*	*1,168,002*	*1,154,187*	*35,197*	*34,446*
SPE Cotia	*-*	*-*	*-*	*-*	*-*	*272*
AUSA	*60*	*60*	*133,620*	*110,720*	*33,640*	*2,683*
Cipesa Holding	*100*	*100*	*45,307*	*44,021*	*2,561*	*(615)*
Península SPE1 S.A.	*50*	*50*	*(3,102)*	*(3,483)*	*1,018*	*(3,342)*
Península SPE2 S.A.	*50*	*50*	*729*	*656*	*129*	*(15)*
Res. das Palmeiras SPE Ltda.	*100*	*100*	*2,395*	*2,363*	*59*	*(79)*
Gafisa SPE 27 Ltda.	*100*	*100*	*14,086*	*13,941*	*(132)*	*(943)*
Gafisa SPE 28 Ltda.	*100*	*100*	*880*	*683*	*1,712*	*(1,863)*
Gafisa SPE 30 Ltda.	*100*	*100*	*19,116*	*18,041*	*884*	*(474)*
Gafisa SPE 31 Ltda.	*100*	*100*	*26,977*	*26,931*	*63*	*(628)*
Gafisa SPE 35 Ltda.	*100*	*100*	*5,758*	*5,614*	*341*	*(109)*
Gafisa SPE 36 Ltda.	*100*	*100*	*7,100*	*5,869*	*706*	*(1,157)*
Gafisa SPE 37 Ltda.	*100*	*100*	*4,321*	*4,091*	*197*	*(655)*
Gafisa SPE 38 Ltda.	*100*	*100*	*9,228*	*8,507*	*471*	*48*
Gafisa SPE 39 Ltda.	*100*	*100*	*9,212*	*9,024*	*284*	*797*

Gafisa SPE 41 Ltda.	*100*	*100*	*32,729*	*31,938*	*308*	*(5,758)*
Villagio Trust	*50*	*50*	*4,218*	*4,277*	*(61)*	*(692)*
Gafisa SPE 40 Ltda.	*50*	*50*	*6,933*	*6,869*	*(43)*	*(135)*
Gafisa SPE 42 Ltda.	*100*	*100*	*9,975*	*9,946*	*(2,459)*	*5,144*
Gafisa SPE 44 Ltda.	*40*	*40*	*3,581*	*3,584*	*(5)*	*(100)*
Gafisa SPE 45 Ltda.	*100*	*100*	*2,106*	*2,024*	*294*	*(1,207)*
Gafisa SPE 46 Ltda.	*60*	*60*	*2,149*	*2,295*	*(2,074)*	*(180)*
Gafisa SPE 47 Ltda.	*80*	*80*	*16,278*	*16,475*	*(293)*	*(107)*
Gafisa SPE 48 Ltda.	-	-	-	-	-	*1,674*

Investees	***Interest - %***		***Shareholders equity***		***Net income (loss) for the period***	
6/30/2010	***3/31/2010***	***6/30/2010***	***3/31/2010***	***6/30/2010***	***6/30/2009***	
Gafisa SPE 49 Ltda.	*100*	*100*	*297*	*202*	*(7)*	*(3)*
Gafisa SPE 53 Ltda.	*80*	*80*	*6,303*	*6,017*	*379*	*779*
Gafisa SPE 55 Ltda.	*-*	*-*	*-*	*-*	*-*	*2,776*
Gafisa SPE 65 Ltda.	*80*	*80*	*5,274*	*4,276*	*1,549*	*140*
Gafisa SPE 68 Ltda.	*100*	*100*	*(1)*	*(555)*	*-*	*-*
Gafisa SPE 72 Ltda.	*80*	*80*	*1,275*	*121*	*117*	*(1)*
Gafisa SPE 73 Ltda.	*80*	*80*	*2,659*	*3,430*	*(892)*	*(48)*
Gafisa SPE 74 Ltda.	*100*	*100*	*(335)*	*(340)*	*4*	*(11)*
Gafisa SPE 59 Ltda.	*100*	*100*	*(6)*	*(5)*	*(1)*	*(2)*
Gafisa SPE 76 Ltda.	*50*	*50*	*83*	*83*	*(1)*	*-*
Gafisa SPE 79 Ltda.	*100*	*100*	*(16)*	*(16)*	*(13)*	*(2)*
Gafisa SPE 75 Ltda.	*100*	*100*	*(77)*	*(75)*	*(3)*	*(17)*
Gafisa SPE 80 Ltda.	*100*	*100*	*(7)*	*(6)*	*(4)*	*(2)*
Gafisa SPE 85 Ltda.	*80*	*80*	*16,418*	*10,160*	*9,236*	*1,451*
Gafisa SPE 86 Ltda.	*-*	*-*	*-*	*-*	*-*	*(476)*
Gafisa SPE 81 Ltda.	*100*	*100*	*(829)*	*(82)*	*(830)*	*-*
Gafisa SPE 82 Ltda.	*100*	*100*	*1*	*1*	*-*	*-*
Gafisa SPE 83 Ltda.	*100*	*100*	*(11)*	*(7)*	*(7)*	*-*
Gafisa SPE 87 Ltda.	*100*	*100*	*(276)*	*(241)*	*(337)*	*-*
Gafisa SPE 88 Ltda.	*100*	*100*	*16,869*	*6,852*	*631*	*-*
Gafisa SPE 89 Ltda.	*100*	*100*	*43,324*	*39,442*	*6,429*	*(1,072)*
Gafisa SPE 90 Ltda.	*100*	*100*	*2,069*	*(116)*	*2,162*	*-*
Gafisa SPE 84 Ltda.	*100*	*100*	*14,007*	*13,443*	*554*	*-*
Dv Bv SPE S.A.	*50*	*50*	*3,894*	*3,878*	*3,462*	*897*
DV SPE S.A.	*50*	*50*	*1,901*	*1,870*	*34*	*799*
Gafisa SPE 22 Ltda.	*100*	*100*	*6,287*	*6,159*	*285*	*526*
Gafisa SPE 29 Ltda.	*70*	*70*	*610*	*576*	*56*	*(142)*
Gafisa SPE 32 Ltda.	*80*	*80*	*7,990*	*7,000*	*2,156*	*131*
Gafisa SPE 69 Ltda.	*100*	*100*	*1,899*	*1,860*	*(189)*	*(224)*
Gafisa SPE 70 Ltda.	*55*	*55*	*12,933*	*12,685*	*(11)*	*(62)*
Gafisa SPE 71 Ltda.	*80*	*80*	*7,092*	*5,132*	*2,983*	*943*
Gafisa SPE 50 Ltda.	*80*	*80*	*13,854*	*13,664*	*1,756*	*2,750*
Gafisa SPE 51 Ltda.	*-*	*-*	*-*	*-*	*-*	*8,096*
Gafisa SPE 61 Ltda.	*100*	*100*	*(19)*	*(19)*	*(1)*	*(2)*
Tiner Empr. e Part. Ltda.	*45*	*45*	*8,495*	*9,519*	*223*	*(2,371)*

O Bosque Empr. Imob. Ltda.	*60*	*60*	*8,791*	*8,825*	*(70)*	*(679)*
Alta Vistta	*50*	*50*	*94*	*(1,630)*	*3,373*	*953*
Dep. José Lages	*50*	*50*	*1,423*	*1,003*	*879*	*692*
Sitio Jatiuca	*50*	*50*	*12,653*	*12,418*	*492*	*3,997*
Spazio Natura	*50*	*50*	*1,386*	*1,390*	*(7)*	*(1)*
Parque Aguas	*50*	*50*	*12,821*	*8,464*	*3,203*	*568*
Parque Arvores	*50*	*50*	*18,081*	*14,282*	*3,196*	*314*
Dubai Residencial	*50*	*50*	*12,439*	*10,567*	*2,160*	*101*
Cara de Cão	-	-	-	-	-	*2,319*
Costa Maggiore	*50*	*50*	*8,703*	*8,180*	*2,058*	*1,065*
Gafisa SPE 91 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 92 Ltda.	*80*	*80*	*41*	*(239)*	*594*	*(84)*
Gafisa SPE 93 Ltda.	*100*	*100*	*526*	*408*	*313*	-
Gafisa SPE 94 Ltda.	*100*	*100*	*4*	*4*	-	-
Gafisa SPE 95 Ltda.	*100*	*100*	*(15)*	*(15)*	-	-
Gafisa SPE 96 Ltda.	*100*	*100*	*(58)*	*(58)*	-	-
Gafisa SPE 97 Ltda.	*100*	*100*	*6*	*6*	-	-
Gafisa SPE 98 Ltda.	*100*	*100*	*(37)*	*(37)*	-	-
Gafisa SPE 99 Ltda.	*100*	*100*	*(24)*	*(24)*	-	-
Gafisa SPE 100 Ltda.	*70*	*70*	*1,800*	*1,801*	-	-
Gafisa SPE 101 Ltda.	*100*	*100*	*(4)*	*1*	*(5)*	-
Gafisa SPE 102 Ltda.	*80*	*100*	*1*	*1*	-	-
Gafisa SPE 103 Ltda.	*100*	*100*	*(40)*	*(40)*	-	-
Gafisa SPE 104 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 105 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 106 Ltda.	*100*	*100*	*5,215*	*1*	*5,214*	-
Gafisa SPE 107 Ltda.	*100*	*100*	*6,736*	*1*	*6,735*	-

Investees	Interest - %		Shareholders equity		Net income (loss) for the period	
6/30/2010	**3/31/2010**	**6/30/2010**	**3/31/2010**	**6/30/2010**	**6/30/2009**	
Gafisa SPE 108 Ltda.	-	100	-	1	-	-
Gafisa SPE 109 Ltda.	100	100	835	1	(964)	-
Gafisa SPE 110 Ltda.	100	100	1	1	-	-
Gafisa SPE 111 Ltda.	100	100	1	1	-	-
Gafisa SPE 112 Ltda.	100	100	1	1	-	-
Gafisa SPE 113 Ltda.	100	100	1	1	-	-
Gafisa SPE 114 Ltda.	100	-	1	-	-	-
Gafisa SPE 115 Ltda.	100	-	1	-	-	-
Gafisa SPE 116 Ltda.	100	-	1	-	-	-
Gafisa SPE 117 Ltda.	100	-	1	-	-	-
Gafisa SPE 118 Ltda.	100	-	1	-	-	-
City Park Brotas Emp. Imob. Ltda.	50	50	1,801	1,603	194	-
City Park Acupe Emp. Imob. Ltda.	50	50	1,955	1,707	342	-
Patamares 1 Emp. Imob. Ltda	50	50	6,026	6,289	648	-
City Park Exclusive Emp. Imob. Ltda.	50	50	300	371	(88)	-
Manhattan Square Emp. Imob. Coml. 1 SPE Ltda.	50	50	227	(1,441)	1,551	-
Manhattan Square Emp. Imob. Coml. 2 SPE Ltda.	50	50	1,249	1,338	(1)	-
Manhattan Square Emp. Imob. Res. 1 SPE Ltda.	50	50	3,890	(1,369)	5,832	-
Manhattan Square Emp. Imob. Res. 2 SPE Ltda.	50	50	2,627	2,813	(2)	-
Reserva Ecoville	50	50	16,690	14,746	1,843	-
OAS Graça Empreendimentos	50	50	(332)	(302)	(51)	-
Varandas Emp. Imob. Ltda	50	-	1,929	-	1,928	-
Shertis Emp. Part. S.A.	100	-	28,578	-	2,592	-
FIT 13 SPE Emp. Imob. Ltda	50	-	15,456	-	1,171	-
Gafisa FIDC.	100	100	16,476	16,806	-	-

(ii) Recorded balances

Investees	Interest - %		Investments		Equity in earnings (losses)	
	6/30/2010	3/31/2010	6/30/2010	3/31/2010	6/30/2010	6/30/2009

Tenda	*100*	*100*	*1,168,002*	*1,154,187*	*35,197*	*23,303*
SPE Cotia	*-*	*-*	*-*	*-*	*-*	*136*
AUSA	*60*	*60*	*80,172*	*66,432*	*20,184*	*1,920*
Cipesa Holding	*100*	*100*	*45,307*	*44,021*	*2,561*	*(615)*
			1,293,481	***1,264,640***	***57,942***	***24,744***
Península SPE1 S.A.	*50*	*50*	*(1,551)*	*(1,742)*	*509*	*(1,671)*
Península SPE2 S.A.	*50*	*50*	*364*	*328*	*64*	*(8)*
Res. das Palmeiras SPE Ltda.	*100*	*100*	*2,395*	*2,363*	*59*	*(79)*
Gafisa SPE 27 Ltda.	*100*	*100*	*14,086*	*13,941*	*(132)*	*(943)*
Gafisa SPE 28 Ltda.	*100*	*100*	*880*	*683*	*1,712*	*(1,863)*
Gafisa SPE 30 Ltda.	*100*	*100*	*19,116*	*18,041*	*884*	*(474)*
Gafisa SPE 31 Ltda.	*100*	*100*	*26,977*	*26,931*	*63*	*(628)*
Gafisa SPE 35 Ltda.	*100*	*100*	*5,758*	*5,614*	*341*	*(109)*
Gafisa SPE 36 Ltda.	*100*	*100*	*7,100*	*5,869*	*706*	*(1,157)*
Gafisa SPE 37 Ltda.	*100*	*100*	*4,321*	*4,091*	*197*	*(655)*
Gafisa SPE 38 Ltda.	*100*	*100*	*9,228*	*8,507*	*471*	*48*
Gafisa SPE 39 Ltda.	*100*	*100*	*9,212*	*9,024*	*284*	*797*
Gafisa SPE 41 Ltda.	*100*	*100*	*32,729*	*31,938*	*308*	*(5,758)*
Villagio Trust	*50*	*50*	*2,109*	*2,138*	*(31)*	*(346)*
Gafisa SPE 40 Ltda.	*50*	*50*	*3,467*	*3,434*	*(22)*	*(213)*

Investees	*Interest - %*		*Investments*		*Equity in earnings (losses)*	
	6/30/2010	*3/31/2010*	*6/30/2010*	*3/31/2010*	*6/30/2010*	*6/30/2009*
Gafisa SPE 42 Ltda.	*100*	*100*	*9,975*	*9,946*	*(2,459)*	*2,574*
Gafisa SPE 44 Ltda.	*40*	*40*	*1,432*	*1,433*	*(2)*	*(40)*
Gafisa SPE 45 Ltda.	*100*	*100*	*2,106*	*2,024*	*294*	*(151)*
Gafisa SPE 46 Ltda.	*60*	*60*	*1,289*	*1,377*	*(1,245)*	*(251)*
Gafisa SPE 47 Ltda.	*80*	*80*	*13,022*	*13,180*	*(234)*	*(86)*
Gafisa SPE 48 Ltda.	*-*	*-*	*-*	*-*	*-*	*993*
Gafisa SPE 49 Ltda.	*100*	*100*	*297*	*202*	*(7)*	*(3)*
Gafisa SPE 53 Ltda.	*80*	*80*	*5,042*	*4,813*	*303*	*262*
Gafisa SPE 55 Ltda.	*-*	*-*	*-*	*-*	*-*	*2,776*
Gafisa SPE 65 Ltda.	*80*	*80*	*4,219*	*3,421*	*1,239*	*(185)*
Gafisa SPE 68 Ltda.	*100*	*100*	*(1)*	*(1)*	*-*	*-*
Gafisa SPE 72 Ltda.	*80*	*80*	*1,020*	*96*	*93*	*(540)*
Gafisa SPE 73 Ltda.	*80*	*80*	*2,127*	*2,744*	*(713)*	*(492)*
Gafisa SPE 74 Ltda.	*100*	*100*	*(335)*	*(340)*	*4*	*(11)*
Gafisa SPE 59 Ltda.	*100*	*100*	*(6)*	*(6)*	*-*	*(2)*
Gafisa SPE 76 Ltda.	*50*	*50*	*42*	*42*	*-*	*-*
Gafisa SPE 79 Ltda.	*100*	*100*	*(16)*	*(16)*	*(13)*	*(2)*
Gafisa SPE 75 Ltda.	*100*	*100*	*(77)*	*(75)*	*(3)*	*(17)*
Gafisa SPE 80 Ltda.	*100*	*100*	*(7)*	*(6)*	*(4)*	*(2)*
Gafisa SPE 85 Ltda.	*80*	*80*	*13,134*	*8,128*	*7,389*	*961*
Gafisa SPE 86 Ltda.	*-*	*-*	*-*	*-*	*-*	*(197)*
Gafisa SPE 81 Ltda.	*100*	*100*	*(829)*	*(82)*	*(830)*	*-*
Gafisa SPE 82 Ltda.	*100*	*100*	*1*	*1*	*-*	*-*
Gafisa SPE 83 Ltda.	*100*	*100*	*(11)*	*(7)*	*(7)*	*-*
Gafisa SPE 87 Ltda.	*100*	*100*	*(276)*	*(241)*	*(337)*	*-*
Gafisa SPE 88 Ltda.	*100*	*100*	*16,869*	*6,852*	*631*	*-*
Gafisa SPE 89 Ltda.	*100*	*100*	*43,324*	*39,442*	*6,429*	*(1,072)*
Gafisa SPE 90 Ltda.	*100*	*100*	*2,069*	*(116)*	*2,162*	*-*
Gafisa SPE 84 Ltda.	*100*	*100*	*14,007*	*13,443*	*554*	*-*
Dv Bv SPE S.A.	*50*	*50*	*1,947*	*1,939*	*1,731*	*449*
DV SPE S.A.	*50*	*50*	*951*	*935*	*17*	*399*
Gafisa SPE 22 Ltda.	*100*	*100*	*6,287*	*6,159*	*285*	*526*
Gafisa SPE 29 Ltda.	*70*	*70*	*427*	*403*	*39*	*(100)*
Gafisa SPE 32 Ltda.	*80*	*80*	*6,392*	*5,600*	*1,725*	*105*
Gafisa SPE 69 Ltda.	*100*	*100*	*1,899*	*1,860*	*(189)*	*(224)*
Gafisa SPE 70 Ltda.	*55*	*55*	*7,113*	*6,976*	*(6)*	*(34)*

Gafisa SPE 71 Ltda.	*80*	*80*	*5,675*	*4,106*	*2,386*	*522*
Gafisa SPE 50 Ltda.	*80*	*80*	*11,083*	*10,911*	*1,405*	*2,012*
Gafisa SPE 51 Ltda.	*-*	*-*	*-*	*-*	*-*	*7,411*
Gafisa SPE 61 Ltda.	*100*	*100*	*(19)*	*(19)*	*(1)*	*(2)*
Tiner Empr. e Part. Ltda.	*45*	*45*	*3,824*	*4,283*	*100*	*(1,678)*
O Bosque Empr. Imob. Ltda.	*60*	*60*	*5,275*	*5,295*	*(42)*	*339*
Alta Vistta	*50*	*50*	*47*	*(815)*	*1,687*	*477*
Dep. José Lages	*50*	*50*	*712*	*502*	*440*	*272*
Sitio Jatiuca	*50*	*50*	*6,327*	*6,209*	*247*	*1,998*
Spazio Natura	*50*	*50*	*693*	*695*	*(4)*	*-*
Parque Aguas	*50*	*50*	*6,410*	*4,232*	*1,602*	*285*
Parque Arvores	*50*	*50*	*9,039*	*7,141*	*1,545*	*161*
Dubai Residencial	*50*	*50*	*6,220*	*5,284*	*1,247*	*51*
Cara de Cão	*-*	*-*	*-*	*-*	*-*	*4,139*
Costa Maggiore	*50*	*50*	*4,352*	*4,090*	*1,081*	*(449)*
Gafisa SPE 91 Ltda.	*100*	*100*	*1*	*1*	*-*	*-*
Gafisa SPE 92 Ltda.	*80*	*80*	*33*	*(191)*	*475*	*(82)*
Gafisa SPE 93 Ltda.	*100*	*100*	*526*	*408*	*313*	*-*
Gafisa SPE 94 Ltda.	*100*	*100*	*4*	*4*	*-*	*-*
Gafisa SPE 95 Ltda.	*100*	*100*	*(15)*	*(15)*	*-*	*-*
Gafisa SPE 96 Ltda.	*100*	*100*	*(58)*	*(58)*	*-*	*-*
Gafisa SPE 97 Ltda.	*100*	*100*	*6*	*6*	*-*	*-*
Gafisa SPE 98 Ltda.	*100*	*100*	*(37)*	*(37)*	*-*	*-*
Gafisa SPE 99 Ltda.	*100*	*100*	*(24)*	*(24)*	*-*	*-*
Gafisa SPE 100 Ltda.	*70*	*70*	*1,260*	*1,260*	*-*	*-*
Gafisa SPE 101 Ltda.	*100*	*100*	*(4)*	*1*	*(5)*	*-*
Gafisa SPE 102 Ltda.	*80*	*100*	*1*	*1*	*-*	*-*

	Interest - %		**Investments**		**Equity in earnings (losses)**	
Investees	***6/30/2010***	***3/31/2010***	***6/30/2010***	***3/31/2010***	***6/30/2010***	***6/30/2009***
Gafisa SPE 103 Ltda.	*100*	*100*	*(40)*	*(40)*	-	-
Gafisa SPE 104 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 105 Ltda	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 106 Ltda.	*100*	*100*	*5,215*	*1*	*5,214*	-
Gafisa SPE 107 Ltda.	*100*	*100*	*6,736*	*1*	*6,735*	-
Gafisa SPE 108 Ltda.	-	*100*	-	*1*	-	-
Gafisa SPE 109 Ltda.	*100*	*100*	*835*	*1*	*(964)*	-
Gafisa SPE 110 Ltda.	*100*	*100*	*1*	*1*	--	-
Gafisa SPE 111 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 112 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 113 Ltda.	*100*	*100*	*1*	*1*	-	-
Gafisa SPE 114 Ltda.	*100*	-	*1*	-	-	-
Gafisa SPE 115 Ltda.	*100*	-	*1*	-	-	-
Gafisa SPE 116 Ltda.	*100*	-	*1*	-	-	-
Gafisa SPE 117 Ltda.	*100*	-	*1*	-	-	-
Gafisa SPE 118 Ltda.	*100*	-	*1*	-	-	-
City Park Brotas Emp. Imob. Ltda.	*50*	*50*	*900*	*801*	*857*	-
City Park Acupe Emp. Imob. Ltda.	*50*	*50*	*977*	*854*	*647*	-
Patamares 1 Emp. Imob. Ltda	*50*	*50*	*3,013*	*3,145*	*382*	-
City Park Exclusive Emp. Imob. Ltda.	*50*	*50*	*150*	*185*	*47*	-
Manhattan Square Emp. Imob. Coml. 1 SPE Ltda.	*50*	*50*	*113*	*(720)*	*776*	-
Manhattan Square Emp. Imob. Coml. 2 SPE Ltda.	*50*	*50*	*624*	*669*	*87*	-
Manhattan Square Emp. Imob. Res. 1 SPE Ltda.	*50*	*50*	*1,945*	*(685)*	*2,916*	-
Manhattan Square Emp. Imob. Res. 2 SPE Ltda.	*50*	*50*	*1,314*	*1,406*	*91*	-
Reserva Ecoville	*50*	*50*	*8,345*	*7,373*	*1,503*	-
OAS Graça Empreend.	*50*	*50*	*(166)*	*(151)*	*232*	-
Varandas Emp. Imob. Ltda	*50*	-	*965*	-	*964*	-
Shertis Emp. Part. S.A.	*100*	-	*28,578*	-	*2,592*	-
FIT 13 SPE Emp. Imob. Ltda	*50*	-	*7,725*	-	*394*	-
Gafisa FIDC.	*100*	*100*	*16,476*	*16,806*	-	-
			434,672	***344,209***	***57,208***	***8,033***
Provision for loss on investments			*3,472*	*5,386*	-	-

	1,731,625	***1,614,235***	***115,150***	***32,777***
*Other investments **(*)***	*344,706*	*348,840*	-	-
Total investments	***2,076,331***	***1,963,075***	***115,150***	***32,777***

(*) *As a result of the setting up in January 2008 of a special partnership (SCP), the Company started to hold quotas in such partnership that totaled R$ 344,706 at June 30, 2010 (March 31, 2010 R$ 348,840) as described in Note 12.*

(b) Negative goodwill on acquisition of subsidiaries

			6/30/2010	***3/31/2010***
	Cost	***Accumulated amortization***	***Net***	
Negative goodwill				
Redevco	*(31,235)*	*23,190*	*(8,045)*	*(8,203)*

9. Intangible assets

Goodwill on acquisition of subsidiaries

				Consolidated
			06/30/2010	03/31/2010
	Cost	Accumulated amortization	Net	Net
Goodwill				
AUSA	170,941	(18,085)	152,856	152,856
Cipesa	40,686	-	40,686	40,686
Other	5,240	(3,911)	1,329	1,992
	216,867	**(21,997)**	**194,871**	**195,534**
Other intangible assets **(a)**			**16,280**	**12,047**
			211,151	**207,581**

(a) *Refers to expenditures on acquisition and implementation of information systems and software licenses, net of amortization.*

10. Loans and financing

		Parent company		Consolidated	
Type of operation	**Annual interest**	**06/30/2010**	**03/31/2010**	**06/30/2010**	**03/31/2010**
Working capital:					
CCB and other	% a 3.29% + CDI	532,696	518,406	678,377	699,945
		532,696	518,406	678,377	699,945
National Housing System - SFH (a)	+ 6.2 % to 11.4%	293,173	259,815	499,186	445,863
		825,869	778,221	1,177,563	1,145,808
Current portion		642,401	554,995	825,382	735,741
Non-current portion		183,468	223,226	352,181	410,067

Rates

§ CDI Interbank Deposit Certificate.

§ TR Referential Rate.

(a) Funding for working capital SFH and for developments correspond to credit lines from financial institutions.

At June 30, 2010, the Company has resources approved to be released for approximately 72 ventures amounting to R$ 559,786 (parent company) and R$ 1,359,094 (consolidated) that will be used in future periods, at the extent these developments progress physically and financially, according to the Companys project schedule.

Consolidated non-current portion matures as follows:

	Parent company		Consolidated	
	6/30/2010	**3/31/2010**	**6/30/2010**	**3/31/2010**
2011	*147,833*	*195,962*	*229,637*	*290,101*
2012	*32,569*	*24,823*	*90,540*	*84,698*
2013	*3,066*	*2,441*	*32,004*	*35,268*
	183,468	***223,226***	***352,181***	***410,067***

Loans and financing are guaranteed by sureties of the investors, mortgage of the units, assignment of rights, receivables from clients and the proceeds from the sale of our properties (amount of R$ 2,709,989 not audited), which cover the following guarantees: (a) to creditors of the payment related to the purchase of land, (b) to clients who purchase the units related to the delivery of the real estate, and (c) to the creditor for the purchase of interest in real estate ventures.

Additionally, the consolidated balance of accounts pledged in guarantee totals R$ 405,488 at June 30, 2010 (R$ 425,563 at March 31, 2009) (Note 4).

Financial expenses of loans, finance and debentures are capitalized at cost of each venture, according to the use of funds, and appropriated to results based on the criterion adopted for recognizing revenue, or allocated to results if funds are not used, as shown below:

	Parent company		Consolidated	
	06/30/2010	**06/30/2009**	**06/30/2010**	**06/30/2009**
Gross financial charges	*52,388*	*53,207*	*87,740*	*76,388*
Capitalized financial charges	*(18,615)*	*(12,569)*	*(32,900)*	*(25,900)*
Net financial charges	*33,773*	*40,638*	*54,840*	*50,488*
Financial charges included in Properties for sale:				
Opening balance	*69,712*	*75,153*	*94,100*	*91,524*
Capitalized financial charges	*18,615*	*12,569*	*32,900*	*25,900*
Charges appropriated to income	*(17,119)*	*(10,735)*	*(25,104)*	*(20,186)*
Closing balance	*71,208*	*76,987*	*101,896*	*97,238*

11. Debentures

In September 2006, the Company obtained approval for its Second Debenture Issuance Program, which allows it to place up to R$ 500,000 in non-convertible simple subordinated debentures secured by a general guarantee.

In June 2008, the Company obtained approval for its Third Debenture Issuance Program, which allows it to place R$ 1,000,000 in simple debentures with a general guarantee maturing in five years.

In April 2009, the subsidiary Tenda obtained approval for its First Debenture Issuance Program, which allows it to place up to R$ 600,000 in non-convertible simple subordinated debentures, in a single and undivided lot, secured by a floating and additional guarantee, with semi-annual maturities between October 1, 2012 and April 1, 2014. The funds raised through the issuance will be exclusively used in the finance of real estate ventures focused only on the popular segment and that meet the eligibility criteria.

In August 2009, the Company obtained approval for its sixth issuance of non-convertible simple debentures in two series, secured by a general guarantee, maturing in two years and unit face value at the issuance date of R$ 10,000, totaling R$ 250,000.

In December 2009, the Company obtained approval for its seventh issuance of nonconvertible simple debentures in a single and undivided lot, sole series, secured by a floating and additional guarantee, in the total amount of R$ 600,000, maturing in five years.

Under the Second and Third Programs of Gafisa, the Company issued 24,000 and 25,000 series debentures, respectively, corresponding to R$ 240,000 and R$ 250,000, with the below features.

Under the First Program of Tenda, this subsidiary issued only one debenture, a sole series amounting to R$ 600,000, as shown below.

				Parent company		***Consolidated***	
Program/issuances	***Principal***	***Annual remuneration***	***Final maturity***	***06/30/2010***	***03/31/2010***	***06/30/2010***	***03/31/2010***
Second program / First issuance	*240,000*	*CDI + 3.25%*	*September 2011*	*149,049*	*144,482*	*149,049*	*144,482*
Third program / First issuance	*250,000*	*107.20% CDI*	*May 2013*	*252,916*	*257,986*	*252,916*	*257,986*
Sixth issuance	*250,000*	*CDI + 1.5%*	*August 2011*	*260,704*	*253,749*	*260,704*	*253,749*
Seventh issuance	*600,000*	*TR + 8.25%*	*December 2014*	*597,465*	*607,982*	*597,465*	*607,982*
First issuance (Tenda)	*600,000*	*TR + 8%*	*April 2014*	*-*	*-*	*611,474*	*623,593*
				1,260,134	***1,264,199***	***1,871,608***	***1,887,792***
Current portion				*112,134*	*116,199*	*123,608*	*139,792*
Non-current portion, principal				*1,148,000*	*1,148,000*	*1,748,000*	*1,748,000*

Consolidated non-current portions mature as follows:

	Parent company		***Consolidated***	
	6/30/2010	***3/31/2010***	***6/30/2010***	***3/31/2010***

2011	*298,000*	*298,000*	*298,000*	*298,000*
2012	*125,000*	*125,000*	*275,000*	*275,000*
2013	*425,000*	*425,000*	*725,000*	*725,000*
2014	*300,000*	*300,000*	*450,000*	*450,000*
	1,148,000	***1,148,000***	***1,748,000***	***1,748,000***

The Company has restrictive debenture covenants which limit its ability to perform certain actions, such as the issuance of debt, and that could require the early redemption or refinancing of loans if the Company does not fulfill these. The first placement of the Second Program and the first placement of the Third Program have cross-restrictive covenants in which an event of default or early maturity of any debt above R$ 5 million and R$ 10 million, respectively, requires the Company to early amortize the first placement of the Second Program.

On July 21, 2009, the Company renegotiated with the debenture holders the restrictive debenture covenants of the Second Program, and obtained the approval for taking out the covenant that limited the Company's net debt to R$ 1.0 billion and increasing the financial flexibility, changing the calculation of the ratio between net debt and shareholders equity. As a result of these changes, interest repaid by the Company increased from CDI + 2% to 3.25% per year.

The actual ratios and minimum and maximum amounts stipulated by these restrictive covenants at June 30, 2010 and March 31, 2010 are as follows:

	6/30/2010	***3/31/2010***
Second program first placement		
Total debt, less debt of projects, less cash and cash equivalents cannot exceed 75% of shareholders equity plus noncontrolling interests	*-13%*	*-22%*
Total receivables from clients, plus inventory of finished units, required to be over 2.0 times total debt	*2.6 times*	*2.4 times*
Third program first placement		
Total debt, less SFH debt, less cash and cash equivalents cannot exceed 75% of shareholders equity	*21%*	*13%*
Total receivables from clients, plus inventory of finished units, required to be over 2.2 times total debt	*6.5 times*	*8.1 times*
Seventh placement		
EBIT balance is under 1.3 times the net financial expense	*-6 times*	*-4 times*
Total accounts receivable plus inventory of finished units required to be 2.0 over times net debt and debt of projects	*-17.1 times*	*-9.5 times*
Total debt, less debt of projects, less cash and cash equivalents cannot exceed 75% of shareholders equity plus noncontrolling interests	*-13%*	*-22%*

At June 30, 2010, the Company is in compliance with the aforementioned clauses and other non-restrictive clauses.

Expenses for issuance of debentures and actual interest rates are as follows:

Issuance	***Transaction cost***	***Actual interest rate***	***Transaction cost to be appropriated***
Fourth issuance	*3,409*	*13.81%*	*795*
Fifth issuance	*1,179*	*11.66%*	*933*

		Series 1: 12,60%	
Sixth issuance	*819*		*444*
		Series 2: 10,88%	
Seventh issuance	*7,040*	*11.00%*	*6,219*
	12,447		***8,391***

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12. Other accounts payable

	Parent company		Consolidated	
	06/30/2010	*03/31/2010*	*06/30/2010*	*03/31/2010*
Obligation to venture partners (a)	*300,000*	*300,000*	*380,000*	*300,000*
Credit assignments	*100,724*	*103,082*	*104,470*	*114,950*
Acquisition of investments	*3,094*	*-*	*23,327*	*17,412*
Other accounts payable	*40,849*	*18,502*	*101,771*	*24,734*
Rescission disbursement payable and provisions	*-*	*-*	*28,163*	*28,534*
Dividends - payable to investors	*-*	*-*	*14,469*	*4,262*
FIDC obligations	*-*	*-*	*27,326*	*31,640*
Warranty provision	*21,702*	*19,875*	*31,165*	*27,655*
Provision for loss on investments	*3,471*	*5,386*	*-*	*-*
Loan with third parties	*-*	*-*	*28,089*	*27,812*
	469,840	*446,845*	*738,780*	*576,999*
Current portion	*167,684*	*145,347*	*217,569*	*205,465*
Non-current portion	*302,156*	*301,498*	*521,211*	*371,534*

(a) In January 2008, the Company formed an unincorporated venture (SCP), the main objective of which is to hold interests in other real estate development companies. At June 30, 2010, the SCP received contributions of R$ 313,084 (represented by 13,084,000 Class A quotas fully held by the Company and 300,000,000 Class B quotas held by other venture partners). The SCP will preferably use these funds to acquire equity investments and increase the capital of its investees. As the decision to invest or not is made jointly by all quotaholders, the venture is treated as a variable interest entity and the Company deemed to be the primary beneficiary; at June 30, 2010, Obligations to venture partners amounting to R$ 300,000 mature on January 31, 2014. The SCP has a defined term which ends on January 31, 2014 at which time the Company is required to redeem the venture partner's interest. The venture partner receives an annual dividend substantially equivalent to the variation in the Interbank Deposit Certificate (CDI) rate, at June 30, 2010, the amount accrued totaled R$ 11,205. The SCP's charter provides for the compliance with certain covenants by the Company, in its capacity as lead partner, which include the maintenance of minimum indices of net debt and receivables. At June 30, 2010, the SCP and the Company were in compliance with these clauses.

In April 2010, Alphaville Urbanismo S.A. (Company) paid in the capital of a Company, the main objective of which is the holding of interests in other companies, which shall have as main objective the development and carry out of real estate ventures. At June 30, 2010, the Company has subscribed capital and paid-in capital reserve amounting to R$ 161,720 (comprising 81,719,641 common shares held by the Company and 80,000,000 preferred shares held by other shareholders). As a result of this transaction, because of prudence and taking into consideration the rights to which the holders of preferred shares are entitled, such as payment of fixed dividends and redemption, at June 30, 2010, a Payable to Investors account is recognized at R$ 80,000, with final maturity on March 31, 2014. The preferred shares shall pay cumulative fixed dividends, practically equivalent to the variation of the General Market Prices Index (IGP-M) plus 7.25% p.a., taking into consideration that the amount provisioned at June 30, 2010 totaled R$ 3,264. The Company s Bylaws sets out that certain matters shall

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be submitted for the approval from preferred shareholders through vote, such as the rights conferred by such shares, increase or reduction in capital, allocation of profit, set up and use of any profit reserve, and disposal of assets. At June 30, 2010, the Company is in compliance with the above-described clauses.

13. Commitments and provision for contingencies

The Company and its subsidiaries are party in lawsuits and administrative proceedings at several courts and government agencies that arise from the normal course of business, involving tax, labor, civil and other matters. Management, based on information provided by its legal counsel and analysis of the pending claims and, with respect to the labor claims, based on past experience regarding the amounts claimed, recognized a provision in an amount considered sufficient to cover the probable losses arising from claims in progress.

In the period ended June 30, 2010, the changes in the provision for contingencies are summarized as follows:

		2010
	Parent company	***Consolidated***
Balance at March 31, 2010	*82,722*	*124,802*
Additions	*2,737*	*6,562*
Write-offs	*(1,442)*	*(1,897)*
Balance at June 30, 2010	*84,017*	*129,467*
(-) Court-mandated escrow deposits	*(65,601)*	*(70,485)*
	18,416	***58,982***
Current portion	*6,312*	*6,312*
Non-current portion	*12,104*	*52,670*

Tax, labor and civil lawsuits

	Parent company		***Consolidated***	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Civil lawsuits (a)	*80,362*	*79,933*	*95,963*	*95,642*
Tax lawsuits (b)	*347*	*6*	*12,663*	*19,549*

Labor claims	*3,308*	*2,783*	*20,841*	*9,611*
	84,017	***82,722***	***129,467***	***124,802***
(-) Court-mandated escrow deposits	*(65,601)*	*(64,204)*	*(70,485)*	*(65,519)*
Net balance	***18,416***	***18,518***	***58,982***	***59,283***

(a) At June 30, 2010, the provisions for contingent liability related to civil lawsuits include R$ 73,316, related to lawsuits in which the Company is included as successor in foreclosure actions, in which the original debtor is a former shareholder of Gafisa, Cimob Companhia Imobiliária (Cimob), among other companies of the group, on the understanding that the Company should be liable for the debts of Cimob. Some lawsuits, amounting to R$ 8,053, are backed by a guarantee insurance, in addition to a judicial deposit amounting to R$ 63,678, in connection with the blocking of Gafisas bank accounts; and there is also the blocking of Gafisas treasury to guarantee the foreclosure.

The Company is filing appeals against all decisions, as it considers that the inclusion of Gafisa in the lawsuits is legally unreasonable; these appeals aim at releasing amounts and obtaining the recognition that it cannot be held liable for the debt of a company that does not have any relationship with Gafisa. The Company has even obtained favorable decisions in some similar cases, in which it was awarded final and unappealable decisions recognizing the lack of responsibility for the debts of Cimob. The final decision on the Companys appeal, however, cannot be predicted at present.

(b) The subsidiary AUSA is a party in judicial lawsuits and administrative proceedings related to Excise Tax (IPI) and Value-added Tax on Sales and Services (ICMS) on two imports of aircraft in 2001 and 2005, respectively, under leasing agreements without purchase option. The likelihood of loss in the ICMS case is estimated by legal counsel as (i) probable in regard to the principal and interest, and (ii) remote in regard to the fine for noncompliance with ancillary obligations. The amount of the contingency estimated by legal counsel as a probable loss amounts to R$ 10,706 and is recorded in a provision in the financial information at June 30, 2010.

At June 30, 2010, the Company is monitoring other lawsuits and risks, the likelihood of which, based on the position of legal counsel, is possible but not probable, totaling approximately R$ 142,175, calculated based on the estimated loss percentage, that may be incurred by Gafisa, taking into consideration the participation of third parties in the lawsuits for which management believes a provision for loss is not necessary.

(b) Commitment to complete developments

The Company is committed to deliver units to owners of land who exchange land for real estate units developed by the Company.

The Company is also committed to complete units sold and to comply with the requirements of the building regulations and licenses approved by the proper authorities.

As described in Note 4, at June 30, 2010, the Company has resources approved and recorded as financial investments guaranteed which will be released to the extent ventures progresses in the total amount of R$ 390,824 (parent company) and R$ 507,858 (consolidated) to meet these commitments.

14. Obligations for purchase of land and advances from clients

	Parent company		*Consolidated*	
	06/30/2010	***03/31/2010***	***06/30/2010***	***03/31/2010***
Obligations for purchase of land, net				
of adjustment to present value	*117,749*	*140,374*	*304,371*	*326,815*
Advances from clients				
Development and sales	*91,052*	*85,815*	*233,961*	*222,866*
Barter transactions	*46,783*	*45,380*	*103,830*	*82,499*
	255,584	***271,569***	***642,162***	***632,180***
Current portion	*208,200*	*222,749*	*466,078*	*470,986*
Non-current portion	*47,384*	*48,820*	*176,084*	*161,194*

The present value adjustment accreted to Real estate development operating costs for the quarter ended June 30, 2010 amount to R$ (271) (parent company) and R$ (628) (consolidated).

15. Shareholders equity

15.1. Capital

At June 30, 2010, the Company's capital totaled R$ 2,712,899 represented by 429,348,244 nominative common shares without par value, 599,486 of which were held in treasury.

According to the Bylaws, the Company s capital may be increased without need of amending it, upon resolution of the Board of Directors, which shall set the conditions for issuance until the limit of 600,000,000 (six hundred million) common shares.

On April 27, 2010, the distribution of minimum mandatory dividends for 2009 was approved in the amount of R$ 50,716.

On May 27, 2010, the capital increase of R$ 20,283 with the issue of 9,797,792 shares was approved, arising from the merger of the shares of Shertis (Note 1).

In the quarter ended June 30, 2010, the capital increases were approved in the amount of R$ 1,399, related to the stock option plan and the exercise of 214,178 common shares.

The change in the number of shares outstanding (in thousands) was as follows:

	Common shares in thousands
March 31, 2010	*418,736*
Merger of Shertis 20% AUSA	*9,798*
Exercise of stock option	*214*
June 30, 2010	*428,748*

15.2. Stock option plans

(i) Gafisa

A total of six stock option plans are offered by the Company. The first plan was launched in 2000 and is managed by a committee that periodically creates new stock option plans, determining their terms, which, among other things, (i) define the length of service that is required for employees to be eligible to the benefits of the plans, (ii) select the employees that will be entitled to participate, and (iii) establish the purchase prices of the preferred shares to be exercised under the plans.

To be eligible for the plans (plans from 2000 to 2002), participant employees are required to contribute 10% of the value of total benefited options on the date the option is granted and, additionally, for each of the following five years, 18% of the price of the grant per year.

To be eligible for the 2006 and 2007 plans, employees are required to contribute at least 70% of the annual bonus received to exercise the options, under penalty of losing the right to exercise all options of subsequent lots.

The exercise price of the grant is inflation adjusted (IGP-M index), plus annual interest at 3%. The stock option may be exercised in one to five years subsequent to the initial date of the work period established in each of the plans. The shares are usually available to employees over a period of ten years after their contribution.

The Company records the cash receipt against a liability account to the extent the employees make advances for the purchase of the shares during the vesting period. There were no advanced payments in the year ended June 30, 2010.

The Company may decide to issue new shares or transfer the treasury shares to the employees in accordance with the clauses established in the plans. The Company has the right of first refusal on shares issued under the plans in the event of dismissals and retirement. In such cases, the amounts advanced are returned to the employees, in certain circumstances, at amounts that correspond to the greater of the market value of the shares (as established in the rules of the plans) or the amount inflation-indexed (IGP-M) plus annual interest at 3%.

In 2008, the Company issued a new stock option plan. In order to become eligible for the grant, employees are required to contribute from 25% to 80% of their annual net bonus to exercise the options within 30 days from the program date.

On June 26, 2009, the Company issued a new stock option plan for granting 1,300,000 options. In addition, the exchange of the 2,740,000 options of the 2007 and 2008 plans for 1,900,000 options granted under this new stock option plan was approved.

The assumptions adopted for recording the stock option plan for 2009 were the following: expected volatility of 40%, expected share dividends of 1.91%, and risk-free interest rate at

8.99%.

From July 1, 2009, the Company□s management opted for using the Binomial and Monte Carlo models for pricing the options granted in replacement for the Black-Scholes model, because on its understanding these models are capable of including and calculating with a wider range of variables and assumptions comprising the plans of the Company. The effect of this model replacement was brought about prospectively on July 1, 2009, with the recording of income amounting to R$ 3,300 for the period ended June 30, 2010.

On December 17, 2009, the Company issued a new stock option plan for granting 140,000 options. In addition, the exchange of the 512,280 options of the 2007 plan was approved for 402,500 options granted under this new stock option plan.

The changes in the number of stock options and corresponding weighted average exercise prices are as follows:

	6/30/2010		***3/31/2010***	
	Number of options (*)	***Weighted average exercise price (*)***	***Number of options (*)***	***Weighted average exercise price (*)***
Options outstanding at the beginning of the period	*10,245,394*	*12.18*	*11,860,550*	*13.07*
Options granted	-	-	*7,485,000*	*7.88*
Options exercised	*(604,678)*	*6.28*	*(2,200,112)*	*7.82*
Options exchanged	-	-	*(6,504,560)*	*15.65*
Options expired	*(5,502)*	*15.33*	-	-
Options cancelled	*(184,440)*	*14.59*	*(395,484)*	*16.49*
Options outstanding at the end of the period	***9,450,774***	***13.76***	***10,245,394***	***12.18***
Options exercisable at the end of the period	***2,518,304***	***13.59***	***3,312,924***	***13.37***

(*)Information presented taking into consideration the split of shares approved on February 22, 2010.

The analysis of prices is as follows, taking into consideration the split of shares on February 22, 2010:

	Reais	
	6/30/2010	***3/31/2010***
Exercise price per option at the end of the period	*4.41-22.64*	*4.27-21.70*

Weighted average exercise price at the option grant date	*8.62*	*8.62*
Weighted average market price per share at the grant date	*8.10*	*8.10*
Market price per share at the end of the period	*10.80*	*12.29*

The options granted will confer their holders the right to subscribe the Company's shares, after completing one to five years of employment with the Company (strict conditions on exercise of options), and will expire after ten years from the grant date.

At June 30, 2010, the dilution percentage is 0.06%, corresponding to earnings per share after dilution amounting to R$ 0.1511 (R$ 0.1512 before dilution) (March 31, 2010, dilution at 0.06%).

In the period ended June 30, 2010, the Company recognized the amounts of R$ 3,718 (parent company) and R$ 5,767 (consolidated) in operating expenses. The amounts recognized in the parent company represent the realization of the capital reserve in shareholders equity.

(ii) Tenda

Tenda has a total of three stock option plans, the first two were approved in June 2008, and the other one in April 2009. These plans, limited to the maximum of 5% of total capital shares and approved by the Board of Directors, stipulate the general terms, which, among other things, (i) define the length of service that is required for employees to be eligible to the benefits of the plans, (ii) select the employees that will be entitled to participate, and (iii) establish the purchase prices of the preferred shares to be exercised under the plans.

In the option granted in 2008, when exercising the option the base price will be adjusted according to the market value of shares, based on the average price in the 20 trading sessions prior to the commencement of each annual exercise period. The exercise price is adjusted according to a fixed price, according to the share value in the market, at the time of the two exercise periods for each annual lot. In the options granted in 2009, the vesting price is adjusted by the IGP-M variation, plus interests at 3%. The stock option may be exercised by beneficiaries, who shall partially use their annual bonuses, as awarded, in up to 10 years subsequent to the initial date of the work period established in each of the plans. The shares are usually available to employees over a period of two to five years after their contribution.

	6/30/2010		***3/31/2009***	
	Number of options	***Weighted average exercise price***	***Number of options***	***Weighted average exercise price***
Options outstanding at the beginning of the period	*3,874,534*	*4.64*	*3,956,534*	*7.20*
Options granted	*-*	*-*	*-*	*-*
Options exercised	*(97,212)*	*6.88*	*(82,000)*	*2.65*
Options cancelled	*(422,683)*	*6.99*		