GVT (Holding) S.A.
(Publicly-held Company)

Quarterly Financial Information ended March 31, 2010

(A free translation of the original report in Portuguese as published in Brazil containing Quarterly Financial Information prepared in accordance with accounting practices adopted in Brazil)

GVT (Holding) S.A.

(Publicly-held Company)

Notes to the Quarterly Financial Information

March 31, 2010

Contents

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Review report of independent accountants

To
The Board of Directors and Shareholders
GVT (Holding) S.A.
Curitiba - PR

1. We have reviewed the stand-alone and consolidated accounting information included in the Quarterly Financial Information of GVT (Holding) S.A. for the quarter ended on March 31, 2010, comprising the balance sheet, the statements of income, cash flows and changes in shareholders' equity, the Management report and notes to the Quarterly Financial Information, which are the responsibility of its Management.

2. Our review was performed in accordance with auditing standards established by the Brazilian Institute of Independent Auditors - IBRACON and the Federal Accounting Council, which comprised mainly: (a) inquiries and discussions with the management responsible for the accounting, financial and operating areas of the Company regarding the criteria adopted in the preparation of the Quarterly Financial Information; and (b) review of post-balance sheet information and events, which may have a material effect on the financial and operational position of the Company.

3. Based on our review, we are not aware of any material changes that should be made to the aforementioned Quarterly Financial Information for it to be in accordance with the accounting practices adopted in Brazil and the regulations issued by the Brazilian Exchange Commission (CVM), specifically applicable to Quarterly Financial Information.

4. As described in note 2, during 2009, CVM approved several accounting pronouncements, interpretations and guidance, which were released by Accounting Pronouncements Committee (CPC). As permitted by CVM Resolution 603/09, Management opted to present its Quarterly Financial Information in accordance with accounting practices adopted in Brazil up until December 31, 2009, not applying these new accounting pronouncements, which have mandatory application for the fiscal year 2010. As required by the above mentioned CVM Resolution nº 603/09, the Company disclosed this fact in note 2 of the Quarterly Financial Information and described the main upcoming changes that could impact its year-ending financial statements, as well as it clarified the reasons not to disclose the estimation of the possible effects in the Company shareholder's equity and statements of income, as required by this Resolution.

Curitiba, April 22, 2010

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GVT (Holding) S.A.

(Publicly-held Company)

Balance sheets

March 31, 2010 and December 31, 2009

(In thousands of Reais)

Assets	Note	Parent Company March 2010	Parent Company December 2009	Consolidated March 2010	Consolidated December 2009
Current assets					
Cash and cash equivalents	5	501	140,231	283,996	700,346
Trade accounts receivable	6	-	-	448,779	439,674
Recoverable taxes	7	1,878	13	109,707	59,383
Deferred income and social contribution taxes	7	6,420	10,936	48,812	43,119
Related parties	10	105,581	91,150	-	-
Prepaid expenses		-	-	4,482	3,921
Other assets	9	2	313	15,508	13,727
		114,382	242,643	911,284	1,260,170
Noncurrent assets					
Long-term assets					
Recoverable taxes	7	-	-	50,312	46,257
Deferred income and social contribution taxes	7	1,906	3,246	160,655	123,764
Collateral account - Meridiana Cayman	8	13,934	13,771	13,934	13,771
Advance for future capital increase	10	138,936	1,000	-	-
Related parties	10	443,041	433,141	-	-
Other assets	9	137	87	78,295	70,437
		597,954	451,245	303,196	254,229
Investments	12	1,455,471	1,439,682	-	-
Goodwill	12	-	-	14,771	14,771
Property and equipment	11	-	-	2,057,715	2,007,666
Intangible assets	13	-	-	202,818	194,272
Deferred charges		-	-	2,011	2,203
		2,053,425	1,890,927	2,580,511	2,473,141
		2,167,807	2,133,570	3,491,795	3,733,311

Liabilities	Note	Parent Company March 2010	Parent Company December 2009	Consolidated March 2010	Consolidated December 2009
Current liabilities					
Accounts payable to suppliers		305	291	247,108	241,592
Loans and financing	14	-	-	36,384	67,119
Accrued expenses and payroll		2,779	1,290	163,341	91,251
Interconnection payable ("DETRAF")		-	-	49,068	43,599
Deferred value added tax ("ICMS")	17	-	-	47,192	45,559
Contingencies	16	-	-	2,825	3,269
Other payables		-	-	2,420	3,760
		3,084	1,581	548,338	496,149
Noncurrent liabilities					
Loans and financing	14	-	-	471,677	786,408
Deferred value added tax ("ICMS")	17	-	-	149,848	156,111
Contingencies	16	-	-	17,953	16,274
Collateral account - Meridiana Cayman	8	13,934	13,771	13,934	13,771
Interconnection payable ("DETRAF")	9	-	-	65,297	56,439
Deferred income	19	-	-	24,243	36,694
Other payables	18	-	-	49,716	53,247
		13,934	13,771	792,668	1,118,944
Shareholders' equity					
Capital		1,510,258	1,510,239	1,510,258	1,510,239
Capital reserves		930,993	930,993	930,993	930,993
Stock options granted		126,569	126,569	126,569	126,569
Equity valuation adjustments		119	-	119	-
Accumulated losses		(417,150)	(449,583)	(417,150)	(449,583)
		2,150,789	2,118,218	2,150,789	2,118,218
		2,167,807	2,133,570	3,491,795	3,733,311

See the accompanying notes to the Quarterly Financial Information.

GVT (Holding) S.A.

(Publicly-held Company)

Statements of income

Three-month periods ended March 31, 2010 and 2009

(In thousands of Reais, except for the net income per share)

		Parent Company		Consolidated	
	Note	March 2010	March 2009	March 2010	March 2009
Gross revenues					
Telecommunication services rendered		-	-	829,189	604,927
Sales taxes and deductions		-	-	(315,743)	(228,783)
Net revenues		-	-	513,446	376,144
Costs of services rendered		-	-	(260,265)	(199,094)
Gross profit		-	-	253,181	177,050
Operating income (expenses)		41,059	29,934	(199,793)	(131,443)
Selling expenses		-	-	(93,983)	(77,174)
Administrative and general expenses		(607)	(8,747)	(53,465)	(47,498)
Exchange (losses) gains		11,695	(6,099)	(26,944)	3,729
Financial income	21	14,315	20,056	16,445	19,232
Financial expenses	21	(14)	(26)	(43,175)	(28,217)
Equity in net income of subsidiary	12	15,670	24,750	-	-
Other revenues (expenses) operating		-	-	1,329	(1,515)
Net operating income before employees' profit sharing		41,059	29,934	53,388	45,607
Employees' profit sharing		-	-	(3,680)	(1,889)
Net operating income before income and social contribution taxes		41,059	29,934	49,708	43,718
Current income and social contribution taxes	7	(2,769)	(4,654)	(59,860)	(9,444)
Deferred income and social contribution taxes (loss) gain	7	(5,857)	725	42,585	(8,269)
Net income for the period		32,433	26,005	32,433	26,005
Net income per share - R$		0.24	0.20		
Number of shares at period-end	20	137,246,117	128,338,646		

See the accompanying notes to the Quarterly Financial Information.

GVT (Holding) S.A.

(Publicly-held Company)

Statements of changes in shareholders' equity

Three-month period ended March 31, 2010 and year ended December 31,2009

(in thousands of Reais)

		Capital reserves				
	Capital	Premium on shares subscription	Stock options granted	Equity valuation adjustments	Accumulated losses	Total
Balances at January 1, 2009	1,374,699	930,993	76,154	(6,379)	(583,418)	1,792,049
Capital increase (*)	135,540	-	-	-	-	135,540
Stock options granted - 2008	-	-	50,415	-	-	50,415
Foreign subsidiary translation gain	-	-	-	8,634	-	8,634
Realization of foreign subsidiary translation gain	-	-	-	(2,255)	2,255	-
Net income for the year	-	-	-	-	131,580	131,580
Balances at December 31, 2009	1,510,239	930,993	126,569	-	(449,583)	2,118,218
Capital increase (*)	19	-	-	-	-	19
Foreign subsidiary translation gain	-	-	-	119	-	119
Net income for the period	-	-	-	-	32,433	32,433
Balances at March 31, 2010	1,510,258	930,993	126,569	119	(417,150)	2,150,789

(*) Regarding the exercise or the options granted and vested.

See the accompanying notes to the Quarterly Financial Information.

GVT (Holding) S.A.

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Statements of cash flows - indirect method

Three-month periods ended March 31, 2010 and 2009

(In thousands of Reais)

	Parent company		Consolidated	
	March 2010	**March 2009**	**March 2010**	**March 2009**
Cash flows from operating activities				
Net income for the period	32,433	26,005	32,433	26,005
Adjustments for:				
Depreciation and amortization	-	-	101,708	80,832
Exchange variation on loans and financing	-	-	30,137	(3,734)
Equity in net income of subsidiary	(15,670)	(24,750)	-	-
Deferred income tax and social contribution	5,857	(725)	(42,585)	8,269
Financial charges	-	-	26,848	20,629
Stock options granted	-	8,297	-	8,297
Profit on sale of fixes assets	-	-	12,480	1,501
Changes in assets and liabilities				
Increase in trade accounts receivable	-	-	(9,105)	(12,762)
(Increase) decrease in recoverable taxes - current and noncurrent	(1,865)	1,595	(54,379)	(6,220)
Increase in other assets - current and noncurrent	(24,071)	(13,685)	(10,200)	(5,970)
Increase (decrease) in accounts payable to suppliers	14	38	5,516	(32,499)
Increase in accrued expenses and payroll	1,489	3,060	72,090	9,576
Increase in interconnection payable ("DETRAF") - current and noncurrent	-	-	14,327	2,061
(Decrease) increase in deferred value added tax ("ICMS") - current and noncurrent	-	-	(4,630)	9,373
Increase in provision for contingencies - current and noncurrent	-	-	1,235	417
Decrease in deferred income	-	-	(12,451)	(754)
Decrease in other accounts payable - current and noncurrent	-	-	(4,871)	(4,085)
Net cash (used in) provided by operating activities	(1,813)	(165)	158,553	100,936
Cash flows from investing activities				
Purchases of property, equipment and intangibles	-	-	(172,591)	(105,304)
Increase in advance for future capital increase	(137,936)	-	-	-
Net cash used in investing activities	(137,936)	-	(172,591)	(105,304)
Cash flows from financing activities				
Capital increase	19	436	19	436
Interest payment on loans and financing	-	-	(13,968)	(7,701)
Payment of loans and financing	-	-	(388,363)	(11,078)
Net cash provided by (used in) financing activities	19	436	(402,312)	(18,343)
(Decrease) increase in cash and cash equivalents	(139,730)	271	(416,350)	(22,711)
Changes in cash and cash equivalents				
Cash and cash equivalents at the beginning of period	140,231	10,753	700,346	497,470
Cash and cash equivalents at the end of period	501	11,024	283,996	474,759
	(139,730)	271	(416,350)	(22,711)
Income tax and social contribution paid	2,310	-	50,356	3,516

See the accompanying notes to the Quarterly Financial Information.

GVT (Holding) S.A.

(Publicly-held Company)

Notes to the Quarterly Financial Information

March 31, 2010

(In thousands of Reais)

1 Operations

The Company's corporate purpose is managing interests of companies that provide telecommunication services, voice and data transmission, media and other related activities. On September 30, 1999, its subsidiary Global Village Telecom Ltda. ("GVT Ltda.") obtained from Agência Nacional de Telecomunicações – ANATEL (National Telecommunications Agency), the right to provide fixed telephony services in the Region II of the General Authorizations Plan. The Company obtained from ANATEL the license to operate local and long-distance services in all the regions Brazil. GVT Ltda is operating in 89 cities throughout Brazilian national territory. In November 2006, GVT Ltda. received the remaining licenses of the fixed telecommunications service program ("Serviço Telefônico Fixo Comutado" – STFC) for all the regions in Brazil (for which it already had authorization to provide services only to some regions). With this addition, the Company has STFC authorization to provide services in the entire national territory. GVT Ltda. also holds a license to provide multimedia communication services.

POP Internet Ltda. (indirect subsidiary) is a free internet service and content provider. The Company competes with other free internet service providers and with several other paid internet service providers in the dial-up market, as well as broadband service providers.

Innoweb Ltda. (indirect subsidiary) provides voice services based on VoIP technology, which enables phone calls over the internet at lower costs when compared to standard telecommunications, using dedicated circuits. Currently, the service is provided under the additional SCM license obtained from ANATEL through authorization term 31/2006 dated April 7, 2006.

On February 22, 2007, GVT (Holding) S.A. completed its initial public offering of shares (IPO) starting to integrate the segment called *Novo Mercado* of the *Bolsa de Valores, Mercadorias e Futuros S.A.* (BM&FBOVESPA).

On December 13, 2007, GVT (Holding) S.A. acquired the Company Meridiana Cayman, located at the Cayman Islands. Meridiana Cayman was the indirect controller of 100% of the capital of Geodex Communications do Brasil S.A ("Geodex"). Geodex initiated its operations in 2000 in the telecommunications market, offering long distance backbone, mainly to the carrier segment, with a network of more than 11,000 km (unaudited) of fiber optics with the SDH (Synchronous Digital Hierarchy) and DWDM (Dense Wavelength Division Multiplexing) technologies, covering the Brazilian South to Northeast areas.

In continuation of the acquisition process described above, the Company built a plan for extinguishment and merger of the companies Meridiana Cayman, Meridiana Empreendimentos e Participações S.A. ("Meridiana Empreendimentos"), Geodex and Mokong Telecomunicações e Participações S.A. ("Mokong"). The process involves six stages: (1) transfer of the quotas of Meridiana Cayman to GVT Ltda., (2) extinguishment of Meridiana Cayman with the assumption of its rights and obligations by GVT Ltda., including the shares of Meridiana Empreendimentos and loans; (3) extinguishment of Mokong, (4) merger of Geodex into Meridiana Empreendimentos, (5) merger of Meridiana Empreendimentos into GVT Ltda., and (6) return of Geodex's multimedia communication service (SCM) license to the National Telecommunications Agency (ANATEL).

Stages (1) and (2) had been carried out by December 31, 2008. Stage (3) had been carried out by March 31, 2009. Stages (4) and (5) had been carried out by September 30, 2009. Stage (6) was filed with the ANATEL in October 6, 2009 and waits for approval.

On November 13, 2009 a Material Fact was released informing that Vivendi S.A. ("Vivendi") had entered into an agreement with the controlling shareholders of GVT (Holding) S.A. (Swarth Group and GVT Holland), what resulted in the acquisition of 38,422,666 shares at a price of R$56.00 per share. In this Material Fact, it was informed that Vivendi had: (a) purchased directly from other shareholders, 10,286,631 shares of GVT (Holding) S.A., and (b) entered into purchase options with third parties, acquiring thereby the right to purchase 25,134,327 shares of GVT Holding S.A. Thus, Vivendi, on November 13, 2009, acquired rights to over 50% of the share capital of the Company, becoming, on that date, its new controlling shareholder. On March 31, 2009, Vivendi had a total of 119.455.953 or 87.03% of the Company's total shares.

On January 8, 2010, a Material Fact was published confirming that Vivendi was going to make a mandatory public tender offer for: (i) cancelling the registration of GVT (Holding) S.A. as publicly-held Company and delisting from the Novo Mercado of BM&FBovespa; and (ii) complying with applicable rules, extend the offer to minority shareholders at the price paid to former controlling shareholders. This public tender offer has been registered on CVM and is scheduled to occur on April 27, 2010. The tender offer is not being made and will not be made, directly or indirectly, in or into the United States of America.

2 Presentation of the Quarterly Financial Information

The individual and consolidated Quarterly Financial Information have been prepared in accordance with accounting practices adopted in Brazil, which include corporate law (Law 6,404/76 as amended), standards, guidelines and interpretations of the Accounting Pronouncements Committee (CPC), and the rules of the Brazilian Securities and Exchange Commission (CVM).

As permitted by CVM Resolution 603/09, Management opted to present the Company's Quarterly Financial Information in accordance with the accounting practices adopted in Brazil as at December 31, 2009.

Management believes that the main standards, guidelines and interpretations issued by the CPC applicable for the year ending 2010 that may impact the Company's Financial Statements are CPC 27 – Property, Plant and Equipment and ICPC 10 – Interpretation about the adoption of Property, Plant and Equipment and Investment Property related to the accounting pronouncements CPC 27, 28, 37 and 43. Nevertheless, due to the fact that such analysis are still in process, for example, the assessment by third parties specialists regarding the useful life and residual value of property and equipment items, it was not possible for Management to estimate the impacts of such accounting pronouncements in the Company's shareholder's equity and statements of income.

The authorization for the issuance of this Quarterly Financial Information was given by the Board of Directors on April 22, 2010.

3 Description of significant accounting policies

3.1 Description of significant accounting practices

Statement of income

Income is recognized as earned.

Revenues are recognized when services are rendered. Revenues from unbilled services rendered are estimated and recognized on an accrual basis. Revenues originating from installation services are recognized at the moment of customers' service activation. Revenues are not recognized if there are significant uncertainties as to its realization.

Accounting estimates

The preparation of the Quarterly Financial Information in accordance with accounting practices adopted in Brazil requires that Management uses its judgment in determining and recording accounting estimates. Assets and liabilities subject to these estimates and assumptions include the carrying amount of property and equipment, intangible assets, deferred charges, allowance for doubtful accounts, deferred income tax assets, provision for contingencies, and financial instruments valuation. The settlement of transactions involving these estimates may result in amounts that vary from the estimates due to the imprecision inherent to the process of their determination. The Company reviews the estimates and assumptions at least quarterly.

Financial instruments

Non-derivative financial instruments include financial applications, accounts receivable and other receivables, including cash and cash equivalents, loans and financing, as well as accounts payable and other debts.

Non-derivative financial instruments are initially recognized at their fair value plus, for instruments that are not recognized at fair value in the statement of income, of any directly attributable transaction costs. After their initial recognition, non-derivative financial instruments are recognized, as described below:

Derivative instruments and hedging activities

Initially, derivatives are recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value. Changes to the initial measurements are recorded in operations, except when the derivative is designated as an instrument to hedge cash flow. Although the Company uses derivatives with purpose of protection, it did not apply hedge accounting, during the period ended March 31, 2010.

Held to maturity instruments

They are non-derivative financial assets with fixed or determinable payments and maturities set for which the Company has the positive intention and ability to hold to maturity; these are classified as held to maturity. Investments held to maturity are measured at their amortized cost using the effective interest rate, less any reduction in its recoverable amount. On March 31, 2010 the Company had no financial instruments classified as held to maturity instruments.

Available for sale instruments

The Company's investments in equity instruments and certain assets related to debt instruments are classified as available for sale. Subsequent to initial recognition, they are measured at fair value and its fluctuations, except for reductions in their recoverable amount, and the differences of these instruments in foreign currencies are recognized directly in shareholders’ equity, net of tax effects. When an investment is written off/liquidated, the cumulative gain or loss in shareholders’ equity is recognized in income. On March 31, 2010 the Company had no financial instruments classified as available for sale.

Financial instruments at fair value in income

An instrument is classified at fair value through profit or loss if held for trading, or designated as such upon initial recognition. Financial instruments are designated at fair value in income if the Company manages these investments and makes decisions to buy and sell based on their fair value according to the investment strategy and risk management, documented by the Company. After initial recognition, direct attributable transaction costs are recognized in income when incurred. Financial instruments at fair value through income are measured at fair value, and its fluctuations are recognized in income.

Other

Other non-derivative financial instruments are measured at amortized cost using the effective interest rate method, reduced by any reductions in the recoverable amount.

Foreign currency

Management has defined that its functional currency is the Brazilian Real in accordance with the rules established in CPC 02 - Effects of the Changes in Exchange Rates and Translation of Financial Statements, approved by CVM Resolution 534.

Transactions in foreign currency, i.e. all transactions that are not carried out in the functional currency, are translated at the exchange rate on the dates of each transaction. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate at the balance sheet date. Profits and losses from variation in the exchange rates on the monetary assets and liabilities are recognized in the statement of income. Non-monetary assets and liabilities acquired or contracted in foreign currency are translated based on the exchange rates on the dates of the transactions or on the dates of valuation at fair value when this is used. The profits and losses arising from changes in foreign investments are recognized directly in shareholders' equity under cumulative translation adjustments and recognized in the statement of income when these investments are fully or partially liquidated, since Management concluded that the U.S. dollar is the functional currency of these investments. The financial information of foreign indirect subsidiaries are adjusted to accounting practices in Brazil and, subsequently, translated to the local functional currency at the exchange rate at the balance sheet date.

Current and noncurrent assets

Trade accounts receivable

Relates to amounts originated from the telecommunication services, measured at the moment the services were rendered, whether billed or not at the balance sheet date, including taxes payable by the Company, less withholding taxes, which are considered tax credits.

The allowance for doubtful accounts was calculated at an amount considered adequate by Management to cover any losses in the realization of credits.

Investments (parent Company)

Investments in subsidiaries were valued using the equity method of accounting. Goodwill and negative goodwill are presented net in a specific account.

Exchange differences on foreign investments are recognized in the account of cumulative translation adjustments in shareholders' equity.

Property and equipment

Property and equipment are recorded at the cost of acquisition, formation or construction, including interest and other financial charges capitalized. Depreciation is calculated using the straight-line method at rates described in Note 11, which takes into account the estimated useful lives of the assets.
Other expenditures are capitalized only when there is an increase in the economic benefits of an item of property and equipment. All other expenditures are recognized in income as an expense when incurred.

Leases

- Finance leases

  Certain lease agreements substantially transfer to the Company the risks and benefits inherent to the ownership of an asset. These agreements are defined as finance lease agreements and the assets are recognized at the lesser of their fair value or at the present value of the minimum lease payments established in contract. The items recognized as assets are depreciated according to the rates of depreciation applicable to each group of assets in accordance with Note 11. The financial charges arising from the finance lease agreements are charged to operations over the term of the agreement, based on the amortized cost and effective interest rate methods.

- Operating leases

  Payments made on an operating lease agreement are recognized as expenses in the statement of income in accordance with the straight line method over the term of the lease agreement.

Intangible assets (including goodwill)

Intangible assets are comprised of the assets acquired from third parties, including through a business combination, and those internally generated by the Company. The following criteria are applied:

- Acquired from third parties through the business combination: Goodwill on acquisitions involving business combinations.

- Intangible assets acquired from third parties: stated at the total cost of acquisition, less amortization costs.

- Internally generated intangible assets: recognized as assets only in the development stage, provided that the following criteria are met:

  - Technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - Intention to complete the intangible asset and to use it;
  - Ability to use the intangible asset;

- Existence of future economic benefits;
- Availability of financial and technical resources for conclusion of the intangible asset; and
- Ability to reliably measure the expenditures attributable to the intangible asset during its development.

The items recognized as intangible assets are amortized in accordance with the amortization rates applicable to each group of assets as per note 13.

Intangible assets with indefinite useful lives and goodwill for future profitability are not amortized and have their recoverable amount tested annually.

Deferred charges

Deferred charges refer to the Company's pre-operating expenses. They are amortized using the straight line method over a period of 5 years.

The Company elected to maintain the 2007 balance of deferred charges until they are fully realized through amortization or write-off in the statement of income.

Impairment

The recoverable value of property and equipment, intangible assets with definite useful life and deferred charges is tested for impairment at least annually if there are indications of loss in value. The recoverable value of goodwill and intangible assets with indefinite useful life is tested for impairment annually, regardless of whether or not there are indications of loss in value.

Current and noncurrent liabilities

Current and noncurrent liabilities are stated at their known amounts or estimated values plus, when applicable, the corresponding charges and monetary and/or exchange variations incurred up to the balance sheet date. When applicable, current and noncurrent liabilities are stated at present value, on a transaction basis, based on the interest rates that reflect the term, the currency and the risk of each transaction. The contra entry of the present value adjustments is recorded against the accounts in the statement of income that gave rise to the aforementioned liability. The difference between the present value and the face value of the liability is charged to the statement of income over the period of the contract, based on the amortized cost and effective interest rate method.

A provision is recognized in the balance sheet when the Company has a legal or constituted obligation as a result of a past event and it is probable that an outlay of economic resources will be required to settle the obligation. Provisions are recorded utilizing the best estimates of the involved risk.

Loans and financing

They represent loan and financing agreements signed with financial institutions and equipment and service suppliers, stated in local and foreign currencies, plus exchange rate variations and financial charges according the contract terms, incurred up to the balance sheet date.

Deferred revenue

Refer to rents received in advance, without right of return, related to infrastructure lease agreements, recognized in the statement of income in accordance with the term of the agreements.

Deferred value added tax payable ("ICMS")

Relates to tax benefits from ICMS obtained in certain states to delay payment deadlines.

The present value adjustment was applied to obligations with deferred ICMS taxes for the state of Paraná and the Federal District (long term). The “FCA” index was used to calculate future value. Liabilities were discounted to present value using the SELIC (Brazilian Central Bank target overnight lending rate), which is the rate that best reflects the nature of the assets and liabilities to which the Company and its subsidiaries are exposed to.

Stock-based compensation

The effects of stock-based compensation plans are calculated based on the criteria described in Note 22 and recognized in shareholders’ equity and the statements of income as stipulated in the contracts.

Income and social contribution taxes

The income and social contribution taxes, both current and deferred, are calculated based on the rates of 15% plus an additional 10% on taxable income over R$ 240 for income tax and 9% on taxable income for social contribution on net income, and consider the compensation of tax losses and negative social contribution bases, limited to 30% of the taxable income.

(In thousands of Reais)

The deferred tax assets arising from tax losses, negative social contribution bases and temporary differences were recorded in accordance with CVM Instruction 371 dated June 27, 2002, and consider historical profitability and the expectations of future taxable income, based on a technical viability study approved by the management bodies.

4 Consolidated Quarterly Financial Information

The consolidated Quarterly Financial Information include the financial information of GVT (Holding) S.A. and its direct and indirect subsidiaries, as listed below:

		Ownership percentage	
	Control	**2010**	**2009**
Global Village Telecom Ltda.	Direct	100%	100%
POP Internet Ltda.	Indirect	100%	100%
Innoweb Ltda.	Indirect	100%	100%
GVT Management	Indirect	100%	100%
GVT Finance LLC	Indirect	100%	100%

The accounting policies have been consistently applied in all the consolidated companies and are consistent with those used in the previous year.

Description of main consolidation procedures

a. Elimination of intercompany asset and liability account balances;

b. Elimination of interests in the capital and retained earnings or accumulated losses of the subsidiaries; and

c. Elimination of intercompany income and expense balances and unearned income arising from intercompany transactions.

(In thousands of Reais)

5 Cash and cash equivalents

	Parent Company		Consolidated	
	March 2010	**December 2009**	**March 2010**	**December 2009**
Cash and cash equivalents	1	86	574	10,529
Short-term investments	500	140,145	283,422	689,817
	501	140,231	283,996	700,346

The short-term investments have high liquidity, are readily convertible into a known amount of cash, and are subject to an insignificant risk of change in value.

On March 31, 2010 these marketable securities refer in the most part to Bank Deposit Certificates and Fixed Income Funds, which vary from 98% to 105% of the CDI (Interbank Deposit Certificate).

6 Trade accounts receivable (consolidated)

	March 2010	**December 2009**
Current:		
Billed	326,893	323,589
Unbilled	162,191	152,473
	489,084	476,062
Less:		
Allowance for doubtful accounts	(40,305)	(36,388)
	448,779	439,674

(In thousands of Reais)

Accounts receivable - Overdue	March 2010	December 2009
1 to 90 days	76,665	76,330
More than 90 days	89,707	88,328
Total	166,372	164,658

The allowance for doubtful accounts is recorded based on the amounts overdue for more than 90 days and the historical loss percentages. The values of credits in negotiation and credits in litigation are individually evaluated.

The write-off of overdue credits is done in accordance with Article 9, paragraph 1, item II of Law 9,430/96.

7 Recoverable and deferred taxes

a. Recoverable taxes

	Parent Company		Consolidated	
	March 2010	December 2009	March 2010	December 2009
ICMS (VAT) (a)	-	-	101,874	101,252
Income and social contribution taxes	1,863	-	55,650	2,962
Withholding income tax at source on short term investments	15	13	1,031	219
Other	-	-	1,464	1,207
	1,878	13	160,019	105,640
Current	1,878	13	109,707	59,383
Noncurrent	-	-	50,312	46,257

(In thousands of Reais)

(a) Refers mainly to credits originating from the acquisition of property and equipment, available for tax compensation at 1/48th per month.

The present value adjustment was applied to noncurrent ICMS credits originating from purchases of property and equipment using the SELIC rate (Brazilian Central Bank target overnight lending rate), which is the index that best reflects the nature of the assets the Company and its subsidiaries are exposed to.

b. Deferred taxes

Deferred income tax and social contribution are recognized to reflect future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their carrying values.

In accordance with CVM Instruction 371, dated June 27, 2002, the Company, based on technical valuations approved by Management on the estimation of future taxable income, recognized tax credits on tax losses and negative social contribution bases of previous fiscal years, for which there is no statutory limitation period and whose compensation is limited to 30% of annual taxable income. The carrying value of the deferred tax assets is reviewed periodically and the projections are revised annually; if there are any relevant factors that may modify the projections, they are reviewed during the year by the Company.
These credits were not recorded for the indirect subsidiaries POP Internet Ltda. and Innoweb Ltda. due to the inexistence of the necessary requirements of past and/or future forecasts of taxable income. On March 31, 2010, these indirect subsidiaries had tax losses and negative social contribution bases in the following amounts:

	Income tax loss carry forwards	**Negative bases for CSLL**
Pop Internet Ltda.	41,825	41,915
Innoweb Ltda.	7,704	7,704
	49,529	49,619

(In thousands of Reais)

The origin of deferred income and social contribution taxes is presented below:

	Parent Company		Consolidated	
	March 2010	**December 2009**	**March 2010**	**December 2009**
Current assets				
Allowance for doubtful accounts	-	-	13,903	12,372
	-	-	13,903	12,372
Noncurrent assets				
Tax loss carry forwards	4,485	5,836	173,302	192,373
Negative social contribution tax base	1,614	2,101	62,614	69,478
Unrealized exchange losses	1,577	6,245	-	-
Other	650	-	11,448	8,248
	8,326	14,182	247,364	270,099
Current liabilities				
Other	-	-	(4,662)	(5,360)
	-	-	(4,662)	(5,360)
Noncurrent liabilities				
Unrealized foreign exchange gains	-	-	(47,138)	(110,228)
	-	-	(47,138)	(110,228)
Total deferred income and social contribution taxes	8,326	14,182	209,467	166,883
Portion classified as current assets	6,420	10,936	48,812	43,119
Portion classified as noncurrent assets	1,906	3,246	160,655	123,764

Management considers that the deferred tax assets arising from temporary differences will be realized in proportion to the final resolution of the contingencies and the events.

(In thousands of Reais)

Based on projected future taxable income, Management expects to recover the consolidated deferred income and social contribution taxes from tax loss carryforwards and negative social contribution within the following years (Consolidated):

2010	33,562
2011	53,806
2012	80,750
2013	67,798
	235,916

The expected recoverability of the deferred income and social contribution taxes is based on projections of future taxable income taking into consideration various business and financial assumptions made at the close of the fiscal year. Accordingly, these estimates may differ substantially from the effective taxable income in the future due to the inherent uncertainties involved in these estimates.

The reconciliation between the tax expense as calculated by the combined statutory rates and the income and social contribution tax expense charged to income is presented below:

	Parent Company		**Consolidated**	
	March 2010	**March 2009**	**March 2010**	**March 2009**
Net income before income and social contribution taxes	41,059	29,934	49,708	43,718
Combined statutory tax rates	(34%)	(34%)	(34%)	(34%)
Income and social contribution taxes calculated at the combined statutory rates	(13,960)	(10,177)	(16,901)	(14,864)
Permanent differences and other:				
Net equity / loss with investments	5,328	8,419	(425)	(1,145)
Adjustments arising from Law 11,638/07				
Share based payment expenses		(2,820)	-	(2,820)
Goodwill amortization	-	-	-	549
Other	6	649	51	567
	(8,626)	(3,929)	(17,275)	(17,713)

(In thousands of Reais)

Income and social contribution taxes gain				
Current	(2,769)	(4,654)	(59,860)	(9,444)
Deferred	(5,857)	725	42,585	(8,269)
	(8,626)	(3,929)	(17,275)	(17,713)
Effective tax rate	(21%)	(13%)	(35%)	(41%)

8 Collateral account – Meridiana Cayman (Parent company and consolidated)

On December 13, 2007, as a result of the acquisition of the subsidiary Company Meridiana Cayman, amount of US$ 10,000 thousand was deposited in a collateral account to cover any contingencies that the Company may come to suffer as a result of the acquired Company's past operations, which will be released in 5 equal annual installments. In January 2009, the first installment of US$ 2,000 thousand was released. On March 31, 2010 the corresponding amount of R$ 13,934, due to the former shareholders, is recorded as a noncurrent liability (R$ 13,771 as of December 31, 2009).

9 Other credits

	Parent Company			Consolidated	
	March 2010	December 2009		March 2010	December 2009
Current					
Advances to suppliers	2	2		4,481	3,789
Advances to employees	-	-		3,370	6,140
Inventories	-	-		1,681	1,479
Others accounts receivable	-	311		5,976	2,319
	2	313		15,508	13,727
Noncurrent					
Judicial deposits	137	87	(a)	77,904	70,059
Other	-	-		391	378
	137	87		78,295	70,437

(In thousands of Reais)

(a) Of this amount, R$ 65,297 on March 31, 2010 (R$ 56,439 on December 31, 2009) is related to a legal dispute between one of the Company's subsidiary, GVT Ltda., and the operators of Personal Mobile Services (SMP), where GVT Ltda. requests a reduction of the amount of VU-M charged by the SMP. On October 15, 2007, GVT Ltda. obtained an injunction to make judicial deposits for the amount equivalent to the difference between the R$ 0.2899 per connection minute (VC1) and the amount charged by the SMP. The amounts that correspond to these judicial deposits have already been recognized as a liability in the "Interconnection payable ("DETRAF")" account against "Cost of services rendered" at the time that the court deposits are recognized.

10 Related party transactions

The principal balances of assets and liabilities and the transactions that affected the statements of income for the period, relative to related party transactions, refer to transactions between the Company and its subsidiaries, key professionals of the Management and other related parties. The balances that were not eliminated in the parent-only corporate balances, held with subsidiaries and fully eliminated in the consolidated balances are:

a) Consolidated companies

		2010			**2009**		
		March			**December**		
		Assets		**Income**	**Assets**		**Income**
Loans receivable		**Current**	**Non current**		**Current**	**Non current**	
GVT Ltda.	(i)	-	46,864	1,047	-	45,817	-
GVT Ltda.	(ii)	105,581	396,177	23,284	91,150	387,324	101,340
		105,581	443,041		91,150	433,141	
AFAC - GVT Ltda.	(iii)	-	138,936		-	1,000	

(In thousands of Reais)

(i) On October 19, 2007, GVT (Holding) S.A. lent to its wholly owned subsidiary, GVT Capital N.V., US$ 22,500 thousand, maturing on June 30, 2011, subject to LIBOR plus 3% interest per year. The funds were used to repay part of the outstanding liabilities of the subsidiary in loans abroad. On December 29, 2009, the loan of GVT (Holding) S.A. to Capital N.V. was given to GVT Ltda. In return, GVT Ltda. issued a promissory note in favor of GVT (Holding) S.A. for US$ 26,313 thousand (equivalent to the original principal of US$ 22,500 thousand plus accrued interest through March 31, 2010). The maturity date and other economic conditions of the loan remained the same. Subsequently, GVT Ltda. converted all its claims (including the given ones) into a shareholding interest in GVT Capital N.V. (see Note 1).

(ii) In 2007, prior to the IPO, GVT (Holding) S.A. converted into shares of its own issue part of the debt of GVT Ltda. with external creditors. Thus GVT Ltda. owes US$ 222,447 thousand directly to the GVT (Holding) S.A., with interest of 12% p.a. and maturing in June of 2011. On March 31, 2010 the outstanding balance of this operation is R$ 501,758 (principal plus interest).

(iii) On February 31, 2010, GVT (Holding) S.A. advanced R$ 137,936 (advances for future capital increases) to its subsidiary GVT Ltda., according to a contract between the parties. GVT (Holding) S.A. has also registered an advance for future capital increases in its indirect subsidiary Innoweb Ltda. in the amount of R$ 1,000.

b) Other related party transactions

Balances of operations with other related parties are:

			2010		2009	
			March		December	
	Transaction		Current liabilities	Income (expenses)	Current liabilities	Income (expenses)
ECI Telecom do Brasil Ltda.	Accounts payable	(iv)	6,957	-	2,012	-

(iv) On January 14, 2008, GVT Ltda. and ECI Telecom do Brasil Ltda. (ECI) entered into an agreement for purchase of equipment. This agreement resulted from a reply to a request for a commercial proposal issued by GVT Ltda. in November of 2007. Total purchases on March 31, 2010 were R$ 11,047. The balance payable to ECI on March 31, 2010 was R$ 6,957. ECI is a Company controlled by the ex-president of the Board of Directors, Mr. Shaul Shani, who was replaced at the Company's extraordinary general meeting on December 10, 2009.

Commercial transactions of contracting services with related parties are conducted under normal market conditions.

c) Key management compensation

The amounts referring to the key management compensation are presented below:

	Parent Company		Consolidated	
	March 2010	**December 2009**	**March 2010**	**December 2009**
Short-term benefits	54	259	1,044	9,430

In addition, the Company has entered into a credit line agreement with Vivendi Group companies, as described in note 14.

(In thousands of Reais)

11 Property and equipment (consolidated)

Aquisition cost	**Annual Deprec. %**	**December 2009**	**Additions**	**Disposals**	**Transfers**	**March 2010**
Switch equipment	8	838,793	23,944	(27)	(1,762)	860,948
Transmission equipment	10	522,764	12,685	(28,937)	(518)	505,994
Infrastructure	10	1,511,356	82,967	(325)	4,099	1,598,097
Installation cost	33	232,050	18,040	-	-	250,090
Buildings	4	40,352	2,849	-	(119)	43,082
Vehicles	20	17,401	2,697	(40)	-	20,058
Furniture and fixtures	10	108,788	6,654	(48)	(2,004)	113,390
Computer - Hardware	20	144,508	3,115	(19)	242	147,846
Other assets	10	11,059	1,510	-	70	12,639
Construction in progress		-	476	-	(8)	468
Advances to suppliers		4,455	2,327	-	-	6,782
		3,431,526	157,264	(29,396)	-	3,559,394

Accumulated depreciation	**December 2009**	**Additions**	**Disposals**	**Transfers**	**March 2010**
Switch equipment	(329,222)	(16,149)	9	-	(345,362)
Transmission equipment	(328,541)	(19,189)	16,714	-	(331,016)
Infrastructure	(459,945)	(36,659)	108	-	(496,496)
Installation cost	(172,519)	(12,800)	-	-	(185,319)
Buildings	(8,277)	(387)	-	-	(8,664)
Vehicles	(5,618)	(957)	40	-	(6,535)
Furniture and fixtures	(39,209)	(2,742)	26	-	(41,925)
Computer - Hardware	(76,557)	(5,360)	19	-	(81,898)
Other assets	(3,972)	(492)	-	-	(4,464)
	(1,423,860)	(94,735)	16,916	-	(1,501,679)
	2,007,666	62,529	(12,480)	-	2,057,715

Impairment

During the quarter ended on March 31, 2010, the Company did not identify the existence of indicators that show certain assets may be above its recoverable amount.

12 Investments (Parent Company)

a. Composition of balances

	Parent Company		Consolidated	
	March 2010	**December 2009**	**March 2010**	**December 2009**
Equity interests in subsidiaries	1,455,471	1,439,682	-	-
Goodwill on acquisition of subsidiaries	-	-	14,771	14,771
Total	1,455,471	1,439,682	14,771	14,771

b. Balances roll forward

b.1 Roll forward of balances of subsidiary Global Village Telecom Ltda.

	March 2010	**December 2009**
Opening balance	1,439,682	111,757
Capital increase	-	1,070,216
Equity in not income (loss) of subsidiary	15,670	249,075
Foreign currency translation of indirect subsidiary	119	8,634
Ending balance	1,455,471	1,439,682

Information on our subsidiary is shown below:

	GVT Ltda.	
	March 2010	**December 2009**
Capital stock	1,781,344	1,781,344
Number of quotas owned (in thousands)	1,780,669	1,780,669
Quotaholders' equity	1,456,023	1,440,228
Ownership percentage at the end of the period/year	100%	100%
Ownership of net quotaholders’ equity	1,455,471	1,439,682
Equity in net income (loss) of subsidiary	15,670	249,075

(In thousands of Reais)

c. Goodwill, net

	March 2010	December 2009
Goodwill on acquisition	64,557	64,557
Negative goodwill on prior acquisition	(43,330)	(43,330)
Accumulated goodwill amortization	(6,456)	(6,456)
	14,771	14,771

The balance of goodwill calculated on the acquisition of the investment is supported by a technical study prepared by the Company, based on the expectation of future profitability of the acquired operation. Goodwill amortization was recorded until the 2008 fiscal year in line with the future profitability projections over a period which will not exceed ten years. Starting in 2009, as a result of the adoption of Law 11,638, goodwill is no longer amortized but tested for impairment annually. As required by Accounting Standard CPC 4 – Intangible Assets, approved by CVM Resolution 553/08, long term technical projection studies were prepared, when the initial registration of these assets was done, supporting future economic benefits from the Company's assets.

The balance of goodwill presented in the consolidated Quarterly Financial Information is reduced by a negative goodwill in the amount of R$ 43,330, which was calculated upon the acquisition of Geodex Communications do Brasil S.A. by Meridiana Empreendimentos e Participações S.A. on August 7, 2007. The negative goodwill was attributed to other economic reasons that did not reduce the assets or future losses, and, therefore, will be amortized only when the investment is sold or by its exhaustion.

On November 4, 2008, GVT Ltda. acquired from its parent company GVT (Holding) S.A. 100% of Meridiana Cayman (a holding Company that indirectly controlled 100% of the shares of Geodex), for the amount of R$ 71,541. The purchase price was determined by an appraisal report prepared by independent auditors, considering the balances existing on October 31, 2008 and using accounting valuation criteria.

As established in a purchase and sale agreement entered into between the companies, the total amount of the acquisition R$ 71,541, will be paid off in November of 2013, with interest calculated at 100% of the CDI. The annual payment of interest is made at the discretion of the purchaser.

(In thousands of Reais)

The acquisition was followed by the extinguishment of Meridiana Cayman with the assumption of its rights and obligations by GVT Ltda., which include the shares of Meridiana Empreendimentos, and the loan of R$ 37,346, which pays interest of CDI plus 3% p.a., and which will mature on October 13, 2011.

13 Intangible assets (consolidated)

Acquisitions cost	**Useful life**	**December 2009**	**Additions**	**March 2010**
Brands and patents	Indefinite	70	-	70
Right of use - ANATEL	10 years	334	-	334
Right of use - IP (internet protocol)	10 years	131,081	-	131,081
Right of use - software	5 years	300,658	15,051	315,709
Right of use - participation quotas	Indefinite	14	-	14
Right of use - PPDUR (radio frequency)	20 years	28,333	276	28,609
		460,490	15,327	475,817

Accumulated amortization	**Useful life**	**Amortization method**	**December 2009**	**Additions**	**March 2010**
Right of use - ANATEL	10 years	Straight-line	(141)	(6)	(147)
Right of use - IP	10 years	Straight-line	(23,472)	(122)	(23,594)
Right of use - software	5 years	Straight-line	(238,587)	(6,296)	(244,883)
Right of use - PPDUR (radio frequency)	20 years	Straight-line	(4,018)	(357)	(4,375)
			(266,218)	(6,781)	(272,999)
			194,272	8,546	202,818

The evaluation of useful life of these assets as indefinite was performed taking into account the assumption that the Company will continue to operate as a going concern.

Certain software are in the development stage and, as their technical viability has been proven in accordance with the criteria of CVM Resolution 553, which approved CPC 04 - Intangible Assets, expenditures in the amount of R$ 3,289 (R$ 14,401 on December 31, 2009) were recognized as intangible assets.

(In thousands of Reais)

14 Loans and financing (consolidated)

Loans and financing accounted for as current and noncurrent liabilities at March 31, 2010 and December 2009, with local and foreign creditors are as follows:

Transaction	Currency / contractual rates	Maturity	Consolidated March 2010	Consolidated December 2009
Loans and financing in local currency				
(FINEM) BNDES	TJLP + 4.5% p.a.	2013	77,228	82,377
(FINEM) BNDES	TJLP + 2.95% p.a.	2017	218,101	218,101
(FINEM) BNDES	TJLP + 2,05% p.a.	2017	33,155	33.155
(FINEM) BNDES	IPCA + 2,95% p.a. + TR	2016	178,829	171,373
Finance leases (note 15)	14,81% p.a 18,74% p.a	2011	748	1,217
			508,061	506,223
Loans and financing in foreign currency				
Senior Notes	Dollar + 12% p.a.	2011	-	347,303
			-	347,303
Total loans and financing			508,061	853,527
Portion classified as current liabilities			(36,384)	(67,119)
Portion classified as noncurrent liabilities			471,677	786,408

(In thousands of Reais)

As of March 31, 2010 the long-term installments had the following payment schedule:

Maturity:

2011	66,358
2012	89,194
2013	89,194
2014	68,691
2015	68,691
2016	68,691
2017	20,858
Total	471,677

Domestic debt: On March 31, 2010, local financing basically reflected the disbursements of Financing for Undertakings (FINEM - BNDES), updated by the Reference Unit of the Long-Term Interest Rate (URTJLP), and leases obtained at an average interest rate of 11.14% p.a. (approximately 129.2% of CDI) with maturities until 2017.

The Company's subsidiary, GVT Ltda., has two existing contracts with BNDES, as follows:

On December 14, 2005, GVT Ltda. executed its first contract with the National Bank for Economic and Social Development (BNDES), with the remaining amount of R$ 77,228 secured by bank guarantees issued by Itaú BBA in the amount of R$ 17,592 and by Votorantim in the amount of R$ 71,402

On December 12, 2008, GVT Ltda. executed its second financing agreement with BNDES, obtaining funds to be invested in the modernization and expansion of its network and coverage. The total amount of the contract is R$ 615,909. The first and second tranches in the amounts of R$ 250,000 and R$ 158,520 were released on December 23, 2008 and June 15, 2009, respectively. As a guarantee for the loan, the GVT Ltda. assigned its receivables in entailment up to a limit of the higher of 20% of the debtors balance of the loan, or the last installment paid of Subcredit "A" monetarily restated by the Expanded Consumer Price Index (IPCA) plus five times the last installment of Subcredits "B" and "C" monetarily restated by long-term interest rate (TJLP). The monthly amount of the so-called Entailed Revenue will observe the maximum amount of R$120,000.

In this operation, the Company assumed, among other commitments, the obligation to maintain as from the first half of 2009 until the end of the contract in 2017 at least three of the following indexes calculated for each financial half-year, based on the consolidated balance sheets of the Company, and all indexes at the full year balance sheet date:

a) A capitalization index (Shareholders' equity / Total Assets): equal to or higher than 0.40;

b) Net financial debt / EBITDA*: equal to or lower than 2.50;

c) Short-term net financial debt / EBITDA*: equal to or lower than 0.45;

d) EBITDA* / Net financial expenses: equal to or higher than 4.00.

* Earnings Before Interest, Taxes, Depreciation and Amortization

At March 31, 2010 the subsidiary was in compliance with all covenants under the local financing agreements.

Foreign financing: On December 31, 2009, the balance in foreign currency is R$ 347,303 (US$ 199,461 thousand), with maturity on September 30, 2011. Interests are paid semiannually at 12% p.a.

On January 29, 2009 the Company announced that it choose to anticipate the redemption of all the Senior Notes issued (and outstanding) by its subsidiary GVT Finance LLC. The full repayment of these Notes occurred on February 26, 2010.

On March 18, 2010 the Company entered into an intercompany contract with the Société d'Investissements et de Gestion - 109, a subsidiary of Vivendi. This contract makes available a credit line of up to € 250,000 thousand (two hundred and fifty million Euros) and each withdraw will have a maturity of five (5) years with interest at EURIBOR plus a spread of 0.35 base rate per annum. Until March 31, 2010 no withdrawals related to credit line have been made by the Company.

15 Leases

The Company had R$ 748 in assets with finance lease contracts included in the fixed assets of the Company and its subsidiaries. The contracts have an average term of 2 years, with clauses for options of renewal, purchase and adjustment for inflation.

(In thousands of Reais)

During the period ended March 31, 2010, the Company recognized as expenses in the statement of income referring to financial leases the amounts of R$ 24 with respect to financial expenses and R$ 430 with respect to depreciation expenses.

The present value of future minimum payments totalizes up to one year R$ 748.

The Company has, in addition, operating leases referring to poles, ducts, backbones, towers, cabinets, switches and administrative buildings, and the average term of these contracts is 8 years.

The future minimum payments for non-cancelable operating leases are as follows:

Up to one year	90,400
From one to five years	385,918

On March, 31, 2009 the Company and its subsidiaries recognized R$ 22,093 as expenses with operating leases.

16 Contingencies (consolidated)

The Company and its subsidiaries are parties to judicial and administrative proceedings in various courts and government agencies, arising from the normal course of operations, involving tax, labor, civil, and other issues.

Management, based on the information provided by its external legal counsel, analysis of pending legal procedures and, for labor and customer (civil) claims, based on its past experience regarding claimed amounts, recorded provisions for an amount considered sufficient to cover probable estimated losses for legal procedures in course, as follows:

(In thousands of Reais)

	March 2010			December 2009
	Provision	**Judicial deposits**	**Net**	**Net**
Civil claims				
PROCON	-	-	-	20
Small claims court	3,610	(1,453)	2,157	2,272
Regular court	6,244	-	6,244	5,819
	9,854	(1,453)	8,401	8,111
Labor				
Employees	1,192	(626)	566	403
Third parties	458	(1,692)	(1,234)	(1,339)
	1,650	(2,318)	(668)	(936)
Tax				
Federal	8,626	-	8,626	8,626
State	1,030	-	1,030	1,125
Municipal	398	-	398	391
	10,054	-	10,054	10,142
Other	2,991	-	2,991	2,226
	24,549	(3,771)	20,778	19,543
Portion classified as current liabilities			2,825	3,269
Portion classified as noncurrent liabilities			17,953	16,274

(In thousands of Reais)

Roll forward of balances in the fiscal year:

	2010				
	Opening balance	**Additions**	**Usage**	**Reversals**	**Ending balance**
Civil claims					
PROCON	20	-	-	(20)	-
Small claims court	3,725	1,318	(794)	(639)	3,610
Regular court	5,819	1,119	(486)	(208)	6,244
	9,564	2,437	(1,280)	(867)	9,854
Labor					
Employees	1,029	318	(155)	-	1,192
Third parties	353	131	(26)	-	458
	1,382	449	(181)	-	1,650
Tax					
Federal	8,626	-	-	-	8,626
State	1,125	-	-	(95)	1,030
Municipal	391	7	-	-	398
	10,142	7	-	(95)	10,054
Other	2,226	765	-	-	2,991
	23,314	3,658	(1,461)	(962)	24,549
Court deposits	(3,771)	-	-	-	(3,771)
	19,543	3,658	(1,461)	(962)	20,778

On March 31, 2010 there are other proceedings assessed by the Company’s legal counsel as being of a possible or remote risk of loss, in the total amount of R$ 658,622 for which no provision was recorded according to accounting practices adopted in Brazil.

Civil claims

The civil claims include several civil suits, that on March 31, 2010, included 3,192 suits brought against the Company by customers (1,809 claims in the small claims courts and 1,383 claims in the regular courts).

Additionally, the Company received notifications from PROCON alleging noncompliance with the SAC (call center) regulations, which represented a total risk of approximately R$ 1,880 on March 31, 2010.

Other than the claims related to consumer complaints, the majority of the civil claims are related to disputes between the Company and former employees and service providers with respect to the interpretation of contractual clauses or complaints of the Company regarding the quality of the services executed or provided. There is no provision for any of the questions against former employees, since the Company understands that, in accordance with the assessment of the Management and of its external lawyers, the chance of success in the claims is greater than the chance of failure (possible loss).

There are also class actions, generally brought by the Government Attorney's Office or by NGOs, and the goal is to defend group interests (such as consumer or labor rights). The decisions presented by the courts in these cases may grant rights to groups of people (even without their consent). In many situations, the definition of the group that will benefit from an eventual favorable decision is only made after the final decision. Therefore, the amounts for these claims cannot be reasonably estimated. On March 31, 2010 there were 67 class action suits against the Company (11 related to taxes, 49 related to regulatory issues and consumer rights and 7 related to labor issues) and the Company has not recorded any provision for these contingencies.

On March 31, 2010, the total updated value of the civil lawsuits brought against the Company was R$ 82,790, for which a total of R$ 9,854 was recorded as a provision (probable loss).

Labor claims

They include several labor suits that, on March 31, 2010, included 1,026 labor claims against the Company of which 192 had been brought by ex-employees. Of the remaining labor claims, a total of 834 were brought by employees of contracted third parties, some of whom were claiming recognition of an employment relationship. None of the labor claims brought against the Company, individually, represents a material contingency for the Company.

On March 31, 2010, the total updated value of the labor claims brought against the Company was R$ 17,750, for which a total of R$ 1,650 was recorded as a provision.

Tax proceedings

Tax proceedings include a number of tax bills and on March 31, 2010, they represented a restated amount of R$ 482,520, for which a total of R$ 10,054 was recorded as a provision, which is considered sufficient to cover probable losses from these lawsuits.

The most significant outstanding tax proceedings are described individually below:

- *ICMS/Agreement 69, CONFAZ* (National Council of Fiscal Policy - Association of Brazilian State tax authorities) issued Agreement 69, which regulates the collection of ICMS on many services that are not telecommunications services, including the monthly telephone subscription. In light of this agreement, the Company received tax assessments related to items of Agreement 69 in almost all the states where it provides services. Defenses or appeals were filed against these tax assessments. The administrative proceedings are, in general, awaiting a final decision by the administrative authorities and may still be submitted to the appreciation of the courts, and the amount already in litigation is approximately R$ 140,010 (an amount which includes principal, fines and interest through March 31, 2010). Provisions were not recorded for these litigations, as, based on the opinion of the Management of its external legal counsel, the Company understands that the chance of success of these litigations is greater than the chance of loss (possible loss). There are also ongoing proceedings in this respect with the courts in a number of states. In the event the decisions regarding these proceedings are unfavorable to the Company and it has to pay ICMS on the products as per Agreement 69, in addition to bearing the onus of the respective payments for the previous tax assessments, future margins can be decreased.

- *ICMS/other proceedings.* The Company is challenging other tax assessments referring to ICMS credits (in addition to Agreement 69) in the amount of R$ 98,830 (principal, fines and interest though March 31, 2010). A provision in the amount of R$ 1,030 was recorded to cover proceedings where the chance of success is less than the chance of loss (probable loss) according to the Management and the Company’s external counsel. According to the Management and the external legal counsel, the chance of success for the remaining proceedings is greater than the chance of loss (possible loss), therefore, a provision has not been recorded.

- *ICMS/Internet Services*. The Company maintains that value-added services, such as internet services, are exempt from ICMS, while the tax authorities maintain that ICMS should be levied on value-added services, since they are telecommunication services. Those proceedings involve an aggregate amount of about R$ 109,130. According to the Management and the external legal counsel, the chance of success for the remaining proceedings is greater than the chance of loss therefore, a provision has not been recorded (possible loss).

- *Ex-tariff proceedings (Tax assessments and court suit)*. In April 2001, the Company took advantage of the benefit of CAMEX Resolution 6 (ex-tariff), which was revoked a month later by the Federal Government through CAMEX Resolution 13, increasing the import tax from 4% to 28%. Through an injunction, the Company assured clearing through customs with payment at the rate of 4%. The injunction was revoked and the Company appealed this decision. The restated amount at risk on March 31, 2010 is approximately R$ 10,670. According to the Management and the external legal counsel, the chance of success for the majority of these lawsuits is greater than the chance of loss (possible loss), therefore, a provision has not been recorded.

- *IPI – FAU*. A tax assessment was filed against the Company in the state of Rio Grande do Sul for supposed differences in collection of excise tax (IPI). The Federal Revenue Department understood that the Company did not pay IPI at the time of “exit” from its establishment of the equipment known as “FAU”, which is installed in the residence or establishment of customers as a receiver for signals of non-cable telephone lines and which is not sold or leased to the customer, but constitutes one of the elements of the Company’s network, and which continues to be its property. The tax authorities understand that at the time of “exit” of the asset there is a hypothetical profit margin of 20% (by analogy with paid satellite TV), and that the FAUs have “entries” and “exits” from the Company’s establishment with different rates. The Company appealed and the proceedings are with the Taxpayers’ Council, the restated amount as of March 31, 2010, including fines and interest, is approximately R$ 8,730. According to the Management and the external legal counsel, the chance of success for the majority of these lawsuits is greater than the chance of loss (possible loss).

Other/Regulatory lawsuits

On March 31, 2010, the Company and its subsidiaries were party to 22 legal proceedings, 50 ongoing administrative proceedings and 91 PADOs (Procedures for verification of failures to comply with obligations) in progress with ANATEL, in the total restated amount of R$ 67,630, for which R$ 2,991 was recorded as a provision, which is considered sufficient to cover probable estimated losses from these lawsuits.

The most significant outstanding proceedings are described individually below:

- *Requests for VU-M discount.* A dispute between the Company and operators of Personal Mobile Services (SMP) with respect to the discount level of VU-M (Network interconnection remuneration value) during off-peak hours. The operators of the mobile telephone network argue that this discount should only be granted to local concessionaires and the Company argues that the VU-M discount should also be applied to authorized operators through the principle of isonomy. ANATEL decided that the Company had a right to the discount as of January 2005 and, therefore, that the Company would have to pay the concessionaires of mobile telephone services the amount corresponding to the discount until that date (since February 2003). On March 31, 2010 the amount under discussion was approximately R$ 14,620. The Company believes that it should not pass these discounts on to the mobile operators and, therefore, the Company brought an action against ANATEL and mobile telephone operators, which is in progress in the federal courts. There are also civil lawsuits for collection of these discounts brought by the mobile telephone operators. According to the Management and the external legal counsel, the chance of success for the majority of these lawsuits is greater than the chance of loss (possible loss).

- *Licenses for Antennas/Towers.* A number of city administrations have enacted legislation on the installation of antennas and towers for transmission of telecommunication signals, and these new rules often oblige the companies that hold or use the antennas to relocate them at their own expense, The Company understands that these rules are outside municipal competence and are governed by federal regulations, or contain constitutional and legal breaches. Accordingly, the Company has brought litigation against some municipalities and the government of the Federal District. According to the Management and the Company’s external legal counsel, the chance of success for the majority of these lawsuits is greater than the chance of loss (possible loss).

(In thousands of Reais)

17 Deferred value added tax (consolidated)

Deferred value added tax classified as current and noncurrent liabilities are:

	March 2010	December 2009
Current liabilities		
ICMS – Paraná State	47,192	45,559
Noncurrent liabilities		
ICMS – Paraná State	141,489	147,890
ICMS – Federal District	8,359	8,221
	149,848	156,111

The subsidiary Global Village Telecom Ltda. has the following special tax benefits with some of the states within the concession area:

- **Paraná State -** The Company can defer 80% of its ICMS payments on operations for four years: 20% related to acquisition of equipments and other fixed assets to the plant are being paid monthly and 80% are being deferred by four years between June of 2001 and June of 2005, From July of 2005 until June of 2009 the deferral portion changed from 80% to 70%.

- **Federal District -** Grace period of 15 years for payment of 70% of ICMS due on imports of equipments and other fixed assets for the plant, considering 30% on the acquisition and 70% financed between September of 2000 and August of 2015.

Balances were restated at present value and the “FCA” index is being used as an index to calculate future value which is then brought to present value using the SELIC rate, which is the rate that best reflects the nature of the liabilities to which the Company and its subsidiaries are exposed to.

(In thousands of Reais)

18 Other payables (noncurrent liabilities) (consolidated)

The long term balances of other accounts payable on March 31 consist of the following:

	March 2010	December 2009
Optical fiber swap payable	20,546	21,195
PPDUR provision	28,609	28,333
Withholding taxes on accrued interest on external financing	-	3,164
Others	561	555
	49,716	53,247

Optical Fiber Swap Payable: Refers to 1,672 km of 24 pair optical fiber cables connecting the cities of Uruguaiana and Porto Alegre and Porto Alegre and Curitiba received in accordance to the agreement dated May 4, 2001 between Geodex and Impsat Comunicações Ltda. The original amount of this agreement was R$ 44,121 which was recorded as property and equipment. The realization of this obligation will occur based on the services to be provided during a 17-year term, which started in 2002. Interest is not charged to the remaining balance as per the agreement. The outstanding balance on March 31, 2010 was R$ 23,359, out of which R$ 20,546 was classified under noncurrent liabilities.

PPDUR: The Company has been challenging in court the charge for the Right of Use of Radio Frequencies (PPDUR) charged by ANATEL, which was classified in property and equipment and noncurrent liabilities.

The telecommunications laws and regulations established that the price paid for a Mirror License includes the right to use the frequencies needed to meet with the expansion goals during 20 years with no additional cost. However, ANATEL includes in the bidding process for Mirror-Companies of Region II, a provision establishing that, if the price paid by the winner is less than the price for use of the frequencies, the difference must be paid by the winner. ANATEL charged this difference from the Company in 2003 but the Company obtained an injunction from the Federal Court of Brasilia suspending this collection. Some of the Company’s assets were pledged in this suit, which is awaiting a hearing in the Regional Federal Court of the First Region.

(In thousands of Reais)

19 Deferred income (consolidated)

Deferred income refers, substantially, to the agreement signed in December of 2009, between GVT Ltda. and Telefonica International Wholesale, concerning the irrevocable right of use (IRU) of optical fiber in the amount of R$ 30,000. The contract will be in force from January 2010 to December 2025. The unamortized amount as of March 31, 2010 is R$ 21,450.

20 Shareholders' equity (Parent Company)

a. Capital

On March 31, 2010, the Company's subscribed and paid-up capital was R$ 1,510,258 (R$ 1,510,239 on December 31, 2009), divided into 137,246,117 (137,244,566 on December 31, 2009) common, nominative, book entry shares with no par value, and distributed among the following shareholders:

	March 2010	**December 2009**
Vivendi S.A.	119,455,953	113,160,424
Swarth Investments	-	4,872,033
Minority stockholders	17,790,158	19,212,103
Management members	6	6
	137,246,117	137,244,566

Due to the authorized capital increase, the Company deny the shareholders' preemptive rights or reduce the period for their exercise in the following situations: in the case of issue of shares and convertible debentures or subscription bonuses, the placement of which is made through sale on the stock exchange or by public subscription, or through a stock swap in a takeover bid, in the conditions established by law, within the authorized capital limit.

Moreover, as provided for in the Company's Bylaws, the shareholder's preemption rights may be denied if the Company grants stock options to its executives and employees and other specially appointed participants, provided that such a grant (i) is in compliance with the Bylaws, (ii) falls within the authorized capital limit and (iii) is according to the Stock Option Plan, as approved in the General Meeting.

b. Capital reserve

The Company had recorded as a reserve for premium on subscription of shares a total amount of R$ 930,993. This amount is the result from the issuance of 59,800,000 new shares at the price of (R$ 18.00), compared to the equity value of the share (R$ 2.43) as per the sole paragraph of Article 14 of Law 6,404/1976.

Stock options granted as described in Note 22 are also recorded as capital reserves.

c. Dividends

According to its Bylaws and the Brazilian Corporation Law, the Company must distribute minimum mandatory dividends in each fiscal year ending December 31, provided that funds are available for this distribution. According to the Company's dividend policy, in light of the said Law, it intends to declare and pay each year dividends and/or interest on shareholders' equity in amounts equivalent to a minimum of 25% of its net income, as adjusted, pursuant to the Brazilian Corporations Law and its bylaws. The Company may also pay interest on shareholders' equity, which will be deducted from the minimum mandatory dividend of 25%, in accordance with the terms of the legislation.

The yearly distribution of dividends, including dividends in excess of the minimum mandatory dividend, requires approval by a majority vote of attendees of the Annual General Meeting and will depend on many factors. These factors include the operating results, financial conditions, cash needs, restrictions under the terms and conditions of the Debt Exchange Agreement, future prospects and other factors deemed relevant by the board of directors and shareholders. In accordance with applicable law, the Company may, in the future, determine that it is to its benefit to distribute interest on shareholders' equity, which may be considered as part of its mandatory dividends.

The Company has accumulated losses, therefore, it does do not anticipate being able to pay dividends to shareholders in the short term, including payments of the minimum mandatory dividends.

The Company has not paid dividends since the beginning of its operations due to accumulated losses in the period.

(In thousands of Reais)

21 Financial income (expenses)

	Parent Company		Consolidated	
	March 2010	**March 2009**	**March 2010**	**March 2009**
Financial income				
Interest	12,633	20,056	1,367	1,177
Interest on short term investments	1,682	-	11,070	15,290
Fines	-	-	3,515	2,745
Other	-	-	493	20
	14,315	20,056	16,445	19,232
Financial expenses				
Interest	-	-	(18,464)	(20,747)
Income tax on remittances	-	-	(1,973)	(2,170)
Bank charges	(14)	(26)	(2,438)	(851)
Monetary restatement	-	-	(16,766)	(4,408)
Other	-	-	(3,534)	(41)
	(14)	(26)	(43,175)	(28,217)
	14,301	20,030	(26,730)	(8,985)

22 Stock option plan

Since 2000 stock options have been granted to a number of beneficiaries. These options could be converted into shares of GVT (Holding) NV or Global Village Telecom Ltda. in the event of an IPO of any of these entities. The choice of a Company IPO would be at the Management's discretion. The exercise of the options that were granted was conditioned, cumulatively, on a vesting period (generally of 4 years) as well as the conclusion of the Company's IPO.

As the group's IPO was structured through GVT (Holding) S.A., all the obligations assumed with beneficiaries of options were transferred to this Company. The Annual and Extraordinary General Meeting, held on January 25, 2007, approved the plan for granting call options to selected members of the board, officers and employees of the Company, as well as other members designated by the Board of Directors. This approved plan included not only the beneficiaries of old plans but also new beneficiaries.

The General Shareholders' Meeting held on January 25, 2007 approved a plan of 6,832,034 options, which included 4,746,672 options that were previously granted from 2000 to 2006 as described above. On the IPO date, 3,579,619 options were fully vested.

For the options granted in periods prior to the effectiveness of International Financial Reporting Standards - IFRS 2, on which Standard CPC 10 – Stock-Based Compensation, approved by CVM Resolution 562/08, is based, the value of the options was calculated as the intrinsic value of the options on the date of the IPO. The remaining options granted at the time of the IPO are valued using the Black and Scholes method. The intrinsic value on the date of the IPO calculated for the options granted prior to 2007 approximates the fair value that would be obtained if the Black and Scholes method had been used in the valuation of these options.

The options granted could only be exercised: (i) 180 days after the announcement of the start of the IPO (lock-up period); and (ii) in installments, where generally 25% of the options become available at each anniversary of their granting. The vesting period will be anticipated on the occurrence of certain extraordinary events (bid for takeover, liquidation, merger etc.) or by resolution of the Board of Directors. The exercise price was determined at the time of granting and ranged from R$ 5.25 to R$ 18.00. Grants were made from 2000 until 2009.

On February 22, 2008, the General and Extraordinary Shareholders' Meeting authorized an increase of 4,000,000 in the number of the Company's stock options. Consequently, the plan provided at that moment for the existence of 10,832,034 options to purchase shares of the Company.

For this additional lot of 4,000,000 shares the exercise price is stipulated by the Board of Directors at the time of each grant, but it may not be less than 85% of the average trading price in the 30-day period immediately prior to the aforementioned allocation.

For this additional lot the exercise price of any option granted will be monetarily restated in accordance with the IPCA (Extended Consumer Price Index) published by the Brazilian Institute of Geography and Statistics (IBGE), once a year on the grant anniversary date.

The vesting period for the options in this additional lot lasts from three to four years. The Board of Directors authorized the acceleration of the vesting period to 2 years for certain options if specific financial and strategic objectives of the Company are reached.

On April 24, 2009, the Company agreed with the beneficiaries of its stock option plan that the exercising period for the vested options, approved at the General shareholders' meeting held on January 25, 2007 ("Original Plan"), was increased from 2 to 4 years. After approved, the exercising period for the options included in the original plan changed to 4 years. Consequently, a new fair value calculation took place and the difference between the original value and the new fair value amounted to R$ 5,511, which is going to be recognized in the Company's statement of income for the remaining vesting period.

As determined by the Accounting Pronouncements Committee (CPC) Technical Standard 10, the Company recognized the services rendered in the payment as a result of the acceleration process in the vesting period described previously in the transaction based on shares.

As mentioned on Note 1, on November 13, 2009, it was announced the acquisition of ownership interest of the Company by Vivendi. Company As outlined in the Plan, this event triggered the vesting of options already granted, which were immediately vested at that date. On that occasion, the amount of R$ 16,407 was recognized in expenses as a result of this acceleration.

As of March 31, 2010, 10,469,593 options have been exercised and converted into shares, and 1,300 options are yet to be exercised. In total, 928 beneficiaries received options from GVT (Holding) S.A., 870 of which received options before the IPO.

Out of the 10,832,034 options approved, and the 10,801,059 distributed, 330,166 options were recovered by the company as a result of dismissal of employees.

23 Financial instruments

Since March 2010, the Company, to be in line with the global policies of Vivendi's group for purposes of risk of exposure in foreign currencies, started operating with derivative instruments. As a result of this, the Company has contracted non-deliverable forward (NDF) operations corresponding to 100% of purchases in Euro with due dates of up to 30 days and 80% for purchases exposed to the U.S. dollar with the same terms. On March 31, 2010, the total notional amount of these derivates was US$ 1,733 thousand and Euros 920 thousand, for which the fair value (loss) was recorded in "Suppliers" and "Financial expenses" totaled R$ 35.

(In thousands of Reais)

The table below presents all the contracted financial instrument operations, as well as their respective fair values calculated by the Company's Management.

		Parent Company							
		March 2010				**December 2009**			
	Note	Others	Loans and receivables	Financial instruments at fair value in income	Total	Others	Loans and receivables	Financial instruments at fair value in income	Total
Cash and cash equivalents	5	1	-	-	1	86	-	-	86
Marketable securities	5	500	-	-	500	140,145	-	-	140,145

		Consolidated							
		March 2010				**December 2009**			
	Note	Others	Loans and receivables	Financial instruments at fair value in income	Total	Others	Loans and receivables	Financial instruments at fair value in income	Total
Cash and cash equivalents	5	574	-	-	574	10,529	-	-	10,529
Marketable securities	5	283,422	-	-	283,422	689,817	-	-	689,817
Accounts receivable and other receivables	6	-	448,779	-	448,779	-	439,674	-	439,674
Derivatives payable		35	-	-	35	-	-	-	-
Loans and financing in local currency	14	-	-	508,061	508,061	-	506,224	-	506,224
Loans and financing in foreign currency	14	-	-	-	-	-	347,303	-	347,303

(In thousands of Reais)

Sensitivity analysis of changes in foreign currency

On March 31, 2010, the Company and its subsidiaries did not have loans and financing in foreign currency.

In compliance with CVM Instruction 235/95, the carrying amount and the market values of the financial instruments included in the consolidated balance sheets as of March 31, 2010 are identified as follows:

Description	**Carrying amount**	**Market value**
Cash and cash equivalents	283,996	285,816
Accounts receivable	448,779	448,779
Suppliers	247,108	247,108
Interconnection payable (“DETRAF”)	114,365	114,365
Loans and financing:		
In local currency	508,061	508,061

The Company and its subsidiaries maintain operations with financial instruments. The management of these instruments is done through operational strategies and internal controls to assure liquidity, profitability and security. The Company and its subsidiaries do not invest in speculative applications, derivatives or other risky assets. The results of these operations are consistent with the policies and strategies defined by the Management.

The criteria, assumptions and limitations used in the calculation of market value were:

- Cash and cash equivalents

  Current accounts and short-term investments held at banks have market values similar to the book values.

- Accounts receivable and suppliers

  Accounts receivable have market values similar to the book values due to their short term nature.

- Loans and financing

  The market values of loans and financing were calculated based on their present value calculated through the future cash flows and using interest rates applicable to instruments of a similar nature, terms and risks, or based on the market quotes of these securities.

(In thousands of Reais)

24 Insurance coverage (consolidated)

The Company and its subsidiaries have a policy of contracting insurance coverage for assets subject to risk in amounts considered sufficient to cover any claims, considering the nature of its activities. The risk assumptions adopted, given their nature, are not part of the scope of a review of a Quarterly Financial Information and, accordingly, were not reviewed by our independent auditors.

As of October 10, 2009, renewal date of the Company's Insurance Program, the maximum indemnity of the operating risk policy for a single event is R$ 252,358. The policy liability has a limit of indemnity of R$ 9,000 per event (according to contracted coverage), with an additional 10% by way of damages. The auto insurance was renewed on November 30, 2009 and provides coverage of R$ 550 for property damage and / or injury to third parties with the secondary risk coverage of R$ 450 in the policy of General Civil Liability. It was contracted on November 13, 2009 with a limit of R$ 42,000 for managers civil liability risks.

25 Assets pledged and guarantees provided to third parties (consolidated)

On March 31, 2010, the Company and its subsidiaries had the following assets pledged to third parties and provided the following guarantees:

Maturity	Third party	Conditions	March 2010	December 2009
Indefinite	Labor	Assets pledged in labor claims	86	86
Indefinite	Government	ICMS Rio Grande do Sul, Goiás and Santa Catarina, and ISS Canoas	101,503	101,503
Indefinite	Consumer	Assets pledged in civil claims	150	161
Sundry	Banks	Surety letters	183,592	189,110

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