FUCHS STUART
Form 4
July 08, 2011

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person *
FUCHS STUART

(Last) (First) (Middle)

500 W. SUPERIOR ST., APT. 1903

(Street)

CHICAGO, IL 60610

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
PROVECTUS PHARMACEUTICALS INC [PVCT]

3. Date of Earliest Transaction (Month/Day/Year)
07/06/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)		Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (right to buy)	$ 1.04	07/06/2011		A		50,000		07/06/2011	07/06/2021	Common Stock	50,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FUCHS STUART 500 W. SUPERIOR ST., APT. 1903 CHICAGO, IL 60610	X			

Signatures

/s/Stuart Fuchs	07/08/2011
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. 1px solid #000000">**-22.5%(333.2)(527.1)-36.8%**

Decrease of 22.5% in net financial expenses in comparison with 4Q09.

Vivo's net financial expenses in 4Q10 decreased by R$ 32.1 million in the comparison with 4Q09. This decrease is mainly due to a lower debt level and lower debt service cost. The factors which mostly contributed to such decrease were the payment of the 3G licenses to Anatel (fully settled in Oct/09) and the breakdown of the debt, which is supported, basically, on structured transactions with development banks. Additionally, we recorded an increase in the financial revenue in 4Q10, due to the higher average volume of cash invested.

Vivo's net financial expenses increased by R$ 46.8 million in the comparison of 4Q10 over 3Q10. This increase is mainly due to the expenses with PIS/COFINS on financial revenues, arising out of the allocation of the JSCP (Interest on the Own Capital) of Vivo S.A. and Vivo Part, the higher expenses with adjustments of tax contingencies and the adjustment to present value of the ICMS tax payable, accounts payable and accounts receivable.

NET PROFIT

Net Profit of R$ 864.2 million in 4Q10.

The consolidated Net Profit of R$ 864.2 million in 4Q10 is four times higher (325.1%) in comparison with 4Q09 and 43.6% higher in relation to 3Q10, reflecting better operational performance, lower depreciation expenses and better financial result. In the year-to-date, the amount of R$ 1,893.8 million, a historic record, represents a growth of 115.7%. The positive results recorded in the last quarters evidence the consistent management of all the factors making up the result.

Evolution of the Net Profit

Dividends and Interest on the Own Capital.

The Company's Management proposed the payment of a dividend of R$ 5.732990078 per share, under equal conditions for common and preferred shares, in the total net amount of R$ 2,290,846,090.02.

Such dividends, declared based on the 2010 closing balance sheet to the holders of common and preferred shares, include interest on the own capital, pursuant to article 9 of Law 9249/95, in the amount of R$ 220,000,000.00, with 15% income tax with held at source, resulting in net interest of R$ 187,000,000.00, approved at a meeting of the Board of Directors held on December 17, 2010 and dividends in the amount of R$ 2,103,846,090.02. The proposal for payment of dividends shall be submitted to the General Shareholders Meeting in 2011, for approval.

The payment of the amounts of JCSP and Dividends that were approved and not yet paid shall be effected until December 21, 2011.

Since its creation, in 2003, the Company has been investing to be the best mobile operator in the Brazilian market and has been achieving positive results in the last three years. Thus, the Company proposed to distribute all of the 2010 net profit and its expansion reserves resulting in a payout of a hundred and twenty-seven percent over the 2010 net profit less legal reserves.

INDEBTEDNESS

LOANS AND FINANCING - VIVO

	CURRENCY					
Lenders (R$ million)	**R$**	**URTJLP ***	**UMBND ****	**US$**	**Yen**	**Total**
Structured Operations(1)	672.2	1,142.0	1.5	614.8	-	2,430.5
Debentures	1,446.5	-	-	-	-	1,446.5

Resolution 2770(***)	-	-	-	-	29.6	29.6
Others	-	-	-	0.2	-	0.2
Adjust "Law 11.638/07"	**3.7**	**-**	**-**	**6.6**	**-**	**10.3**
Issue Costs	**(3.2)**	**-**	**-**	**-**	**-**	**(3.2)**
Total	**2,119.2**	**1,142.0**	**1.5**	**621.6**	**29.6**	**3,913.9**
Exchange rate used	1.000000	1.974080	0.032718	1.666200	0.020500	
Payment Schedule						
2011	336.8	322.0	1.5	25.7	29.6	715.6
As from 2011	1,782.4	820.0	-	595.9	-	3,198.3
Total	**2,119.2**	**1,142.0**	**1.5**	**621.6**	**29.6**	**3,913.9**

NET DEBT - VIVO

		Consolidated	
	Dec 31, 10	**Sep 30, 10**	**Dec 31, 09**
Short Term	715.6	811.1	954.7
Long Term	3,198.3	3,473.4	4,169.8
Total debt	**3,913.9**	**4,284.5**	**5,124.5**
Cash and cash equivalents	(2,196.6)	(1,889.0)	(1,309.9)
Derivatives	26.2	16.3	10.6
Net Debt	**1,743.5**	**2,411.8**	**3,825.2**

(1) - Structured operations along with development banks for investments: National Bank for Economic and Social Development (BNDES), Bank of the Northeast (BNB) and European Bank of Investments (BEI).
(*) BNDES long term interest rate unit
(**) UMBND - prepared by the BNDES, it is a basket of foreign currencies unit, US dollar predominant, considered as US$ and its wholly-owned subsidiaries.
** Resolution that refers to funding in foreign currency effected by Banks outside Brazil and internally transferred to the Company in the same currency.
*** Law that deals with funding in foreign currency effected by the company with Banks outside Brazil.

82% of the debt is on long term.

The Company closed 4Q10 with a gross debt of R$ 3,913.9 million, of which 16.7% is denominated in foreign currency. The exchange exposure of the debt is 100% covered by hedge transactions. The net debt recorded R$1,743.5 million in December 2010.

Reduction of the net debt by 27.7% in the quarter.

In relation to 4Q09, the decrease of 54.4% in the net debt is due to the strong cash generation, that could support payment of CAPEX, dividends and JSCP in the year, besides lower debt service cost due to lower effective interest rate. In 4Q10, more than R$ 72.0 million of the credit facility with the BNDES referring to the Investment Support Program were drawn down. With the previous drawdown, of R$ 99.7 million, we came to a total of R$ 171.7 million of the credit facility of R$ 319.9 million. These funds are being used for the acquisition of national equipment intended for network capacity expansion projects.

In relation to 3Q10, Vivo's net debt decreased by 27.7%, due to the consistent operating cash generation in the period.

***INVESTMENTS* (CAPEX)**

CAPEX - VIVO

R$ million (Consolidated)	4 Q 10	3 Q 10	4 Q 09	Accumulated 2010	2009
Network	731.0	467.7	403.7	1,677.7	1,493.3
Technology / Information System	122.0	90.1	114.6	361.0	346.7
Products and Services, Channels, Administrative and others	143.0	117.4	152.4	450.4	489.5
Total	996.0	675.2	670.7	2,489.1	2,329.5
% Net Revenues	20.5%	14.7%	15.2%	13.7%	14.0%

Vivo Internet Brazil plan expands its 3G coverage and reaches 1,206 municipalities

CAPEX of R$ 996.0 million represents 20.5% of the net revenue in 4Q10. In the constant search for offering the best quality services on the market, Vivo concentrates its investments in expanding the network capacity and improving quality as well as on information technology. In 2010, the total invested was R$ 2,489.1 million, in line with the guidance supplied in early 2010.

Vivo's Board of Directors approved a total Capital Budget of R$ 3,482 million for

Capital Budget Proposal for 2011 of R$ 3,482 million

2011. Such amount contemplates expenditures with frequencies acquired at the Anatel's Auction held in last December 2010. The licenses value was estimated at R$782 million, although the actual amount to be paid and the terms will comply with the rules established in the bidding documents.

The Capital Budget proposal will be submitted to the 2011 General Shareholders' Meeting, for approval.

CASH FLOW

INDIRECT CASH FLOW STATEMENT (CONSOLIDATED)

			Variation R$		Variation R$	Accumulated		Variation R$
(In millions of Brazilian reais)	**4Q10**	**3Q10**	**4Q10X3Q10**	**4Q09**	**4Q10X4Q09**	**2010**	**2009**	**2010X2009**
Cash generation provided by operating activities	1,459.9	1,372.3	87.6	1,139.4	320.5	4,461.4	4,041.5	419.9
Cash applied by investing activities	(443.3)	(392.9)	(50.4)	(452.0)	8.7	(1,562.7)	(2,270.8)	708.1
Cash flow after investing activities	1,016.6	979.4	37.2	687.4	329.2	2,898.7	1,770.7	1,128.0
Cash applied by financing activities	(710.4)	(300.9)	(409.5)	(286.2)	(424.2)	(2,016.5)	(2,695.0)	678.5
Cash flow after financing activities	306.2	678.5	(372.3)	401.2	(95.0)	882.2	(924.3)	1,806.5
Cash and Equivalents at the beginning	1,834.6	1,156.1	678.5	857.4	977.2	1,258.6	2,182.9	(924.3)
Cash and Equivalents at the end	2,140.8	1,834.6	306.2	1,258.6	882.2	2,140.8	1,258.6	882.2

Operating cash generation of R$ 1,459.9 million in 4Q10.

In the comparison with 4Q09, an increase of R$ 329.2 million was recorded in the cash flow generated after investment activities due to the increase of R$ 320.5 million in operating cash generation, which resulted, mainly, from the higher volume of operating cash generated in the period.

In relation to 3Q10, cash after investments increased R$ 37.2 million. Despite the significant increase in cash generation, there was more cash consumption due to the higher volume of investments made in the period.

The cash flow after financing activities decreased by R$ 95 million due to the settlement of debts payable in the period, allied to higher payment of interest on own capital and dividends. In the quarter-to-quarter comparison, the cash flow after financing activities decreased by R$ 372.3 million due, mainly, to the higher consumption of cash for settlement of debts payable in the period, in addition to the payment of interest on the own capital and dividends.

The figures mentioned here are parts of the "Statement of Indirect Cash Flow" presented on page 17.

CAPITAL MARKET

Closing of Telefónica's tender offer for the 50% stake held by PT in Brasilcel.

At September 27, 2010, a relevant fact was disclosed by Telefónica, informing that on that date it acquired 50% of the shares in Brasilcel N.V. previously held by Portugal Telecom, effecting a first payment of 4.5 billion Euros in September 2010 and another payment of 1.0 billion Euros in December 2010. The remaining balance for completing the 7.5 billion Euros shall be paid on October 31, 2011. Portugal Telecom may request this last payment to be advanced to July 29, 2011. In this case, the price of the last installment shall be reduced by approximately 25 million Euros. Consequently, Telefónica became the controlling shareholder of Vivo Participações. At December 21, 2010 Brasilcel N.V. was incorporated by Telefónica S.A. and the documents referring to this operation were received by Vivo in Brazil for register at January 26, 2011.

Simplified shareholding structure after the acquisition by Telefónica. (excluding treasury shares).

Telefônica confirmed in the same relevant fact of September 27 that it would launch a public offering of shares ("OPA") for acquisition of the voting shares of Vivo Participações for the price equivalent to eighty percent (80%) of the price paid by Telefónica to Portugal Telecom per voting common share of Vivo Participações. At February 11, 2011 CVM registered the OPA under registration number CVM/SER/OPA/ALI/2011/002. The complete call notice for tender was published on February 16, 2011 at *Valor Econômico* newspaper and is also available on Company's website www.vivo.com.br/ir with all the information about the current offer.

CAPITAL STOCK OF VIVO PARTICIPAÇÕES S.A. on December 31, 2010						
Shareholders	**Common Shares**		**Preferred Shares**		**TOTAL**	
Telefónica S.A.	52,731,031	38.4%	91,087,513	34.6%	143,818,544	35.9%
Portelcom Participações S.A.	52,116,302	38.0%	24,669,191	9.4%	76,785,493	19.2%
TBS Celular Participações LTDA	17,204,638	12.5%	291,449	0.1%	17,496,087	4.4%
Controlling Shareholder Group	**122,051,971**	**88.9%**	**116,048,153**	**44.1%**	**238,100,124**	**59.4%**
Treasury shares	**0**	**0.0%**	**1,123,725**	**0.4%**	**1,123,725**	**0.3%**
Others shareholders	**15,217,217**	**11.1%**	**146,272,761**	**55.5%**	**161,489,978**	**40.3%**
TOTAL	**137,269,188**	**100.0%**	**263,444,639**	**100.0%**	**400,713,827**	**100.0%**

Stock market performance.

The São Paulo Stock Exchange Index (Ibovespa) closed 4Q10 with 69,305 points, accumulating gains of 1.05% in the year. Vivo's shares were traded in 100% of the trading sessions in the quarter, showing the liquidity of our shares. At December 31, the common shares were priced at R$ 109.00, the preferred shares at R$ 53.30, and the ADRs, traded at the NYSE, at US$ 32.59
At the year end, Vivo's market value was R$ 29 billion.

Corporate Reorganization involving Vivo and Telesp.

The managements of Vivo Participações (Vivo) and of Telecomunicações de São Paulo S.A. – Telesp, communicated at December 27, 2010, in the form and for the purposes of CVM Instructions no. 319/99 and 358/02, that as of such date their respective boards of directors approved a corporate reorganization proposal concerning the merger of Vivo's shares into Telesp's, seeking the unification of the shareholding structure of both companies.

Additionally, the Corporate Reorganization has the purpose of simplifying the current organizational structure of the companies, both publicly held and having their shares listed in the BM&FBOVESPA, and with American Depositary Receipts ("ADRs") traded in the United States of America, thus allowing their respective shareholders to hold shares in one sole company whose shares are listed in Brazilian and international stock exchanges, with more liquidity. Further, the Corporate Reorganization will rationalize the cost structure of the companies and help integrate businesses and generate synergies arising therefrom, having a positive impact on both companies.

The managements of the companies will follow the recommendations contained in CVM Orientation no. 35/08, seeking to contribute to the defense of their respective interests and to ensure that the transaction shall abide by commutative principles. Accordingly, special independent committees were organized both in Vivo and in Telesp for the purpose of negotiating the share exchange ratio and to voice their opinion with respect to the other conditions of the Corporate Reorganization as may be proposed, in order to subsequently submit their recommendations to the boards of directors of the companies.

In addition to a supplementary relevant fact containing more details with respect to the terms and conditions of the Corporate Reorganization which may be agreed to as set forth above, the respective call notices of the special shareholders' meetings of the companies in which the contemplated Corporate Reorganization will be decided shall be timely published.

More details may be obtained from the website: www.vivo.com.br/ir.

Purchase of incremental Spectrum at the auction of the Band H sub-bands

At the auction for the sale of sub-bands of band H and unsold sub-bands, held by the Anatel on December 14 and 15, 2010, Vivo won 23 lots among those offered. Thus, Vivo will increase its capacity to render services in the whole domestic territory and will start operating in the 900 Mhz to 1,800 Mhz frequencies on nationally basis.
The price offered for the 23 lots was R$ 1.02 billion, representing an average premium of 77% on the minimum price provided for in Bid Notice.
The amount to be paid and the usage terms shall abide by the rules set forth in the Bid Notice and imposed by the Anatel.
The final amount of the licenses will be reflected in the Capex for fiscal year 2011.

Subsequent event.

As informed in a notice to the debenture holders on January 14, 2011, the Board of Directors of the Company, at January 13, 2011, approved the full redemption of the debentures of the 1st series, 2nd issue of the Company, totaling 20,000 book-entry type, non-convertible, unsecured debentures, in the face value of R$10 thousand, totaling R$200 million, the conditions of which were approved at the meetings of the Board of Directors of the Company held on April 25, 2005 and on May 13, 2005, and the first renegotiation at March 30, 2009.

The debentures were redeemed at January 31, 2011 and cancelled.

CONSOLIDATED INCOME STATEMENTS - VIVO PARTICIPAÇÕES S.A.

						Accumulated		
R$ million	**4 Q 10**	**3 Q 10**	**Δ%**	**4 Q 09**	**Δ%**	**2010**	**2009**	**Δ%**
Gross Revenues	6,869.1	6,535.1	5.1%	6,203.2	10.7%	25,716.8	23,067.8	11.5%
Gross service revenues	6,172.9	5,840.8	5.7%	5,390.5	14.5%	22,954.8	20,319.5	13.0%
Deductions – Taxes and others	(1,606.0)	(1,533.2)	4.7%	(1,330.9)	20.7%	(6,021.0)	(4,904.3)	22.8%
Gross handset revenues	696.2	694.3	0.3%	812.7	-14.3%	2,762.0	2,748.3	0.5%
Deductions – Taxes and others	(400.1)	(393.8)	1.6%	(457.1)	-12.5%	(1,589.9)	(1,526.4)	4.2%
Net Revenues	**4,863.0**	**4,608.1**	**5.5%**	**4,415.2**	**10.1%**	**18,105.9**	**16,637.1**	**8.8%**
Net service revenues	**4,566.9**	**4,307.6**	**6.0%**	**4,059.6**	**12.5%**	**16,933.8**	**15,415.2**	**9.9%**
Access and Usage	1,949.0	1,889.2	3.2%	1,734.8	12.3%	7,347.1	6,975.3	5.3%
Network usage	1,589.0	1,537.0	3.4%	1,608.9	-1.2%	6,121.6	6,121.8	0.0%
Data Revenues plus VAS	947.5	842.7	12.4%	640.3	48.0%	3,279.2	2,082.1	57.5%
SMS + MMS	325.3	285.6	13.9%	230.1	41.4%	1,110.9	819.1	35.6%
Internet Revenues	504.1	457.0	10.3%	304.7	65.4%	1,752.5	901.0	94.5%
Other Data Revenues plus VAS	118.1	100.1	18.0%	105.5	11.9%	415.8	362.0	14.9%
Other services	81.4	38.7	110.3%	75.6	7.7%	185.9	236.0	-21.2%
Net handset revenues	**296.1**	**300.5**	**-1.5%**	**355.6**	**-16.7%**	**1,172.1**	**1,221.9**	**-4.1%**
Operating Costs	**(3,185.3)**	**(3,070.3)**	**3.7%**	**(3,027.8)**	**5.2%**	**(12,274.1)**	**(11,412.7)**	**7.5%**
Personnel	(383.8)	(281.4)	36.4%	(236.5)	62.3%	(1,175.1)	(867.0)	35.5%
Cost of services rendered	(1,339.6)	(1,328.1)	0.9%	(1,282.5)	4.5%	(5,288.5)	(4,644.9)	13.9%
Leased lines	(89.6)	(90.7)	-1.2%	(80.7)	11.0%	(349.1)	(313.1)	11.5%
Interconnection	(649.8)	(649.2)	0.1%	(699.9)	-7.2%	(2,621.7)	(2,389.0)	9.7%
Rent/Insurance/Condominium fees	(104.3)	(97.0)	7.5%	(79.8)	30.7%	(389.6)	(342.6)	13.7%
Fistel and other taxes and contributions	(301.3)	(280.6)	7.4%	(286.5)	5.2%	(1,151.6)	(986.2)	16.8%

Third-party services	(185.6)	(191.8)	-3.2%	(134.6)	37.9%	(728.4)	(580.0)	25.6%
Others	(9.0)	(18.8)	-52.1%	(1.0)	800.0%	(48.1)	(34.0)	41.5%
Cost of handsets	**(390.6)**	**(431.5)**	**-9.5%**	**(489.2)**	**-20.2%**	**(1,649.3)**	**(2,001.8)**	**-17.6%**
Selling expenses	**(934.2)**	**(907.6)**	**2.9%**	**(894.3)**	**4.5%**	**(3,663.8)**	**(3,431.1)**	**6.8%**
Provisions to the reduction of recovery value of accounts receivable	(54.9)	(36.0)	52.5%	(40.2)	36.6%	(169.6)	(213.2)	-20.5%
Third-party services	(772.5)	(749.7)	3.0%	(704.8)	9.6%	(2,975.5)	(2,600.2)	14.4%
Costumer loyalty and donations	(55.1)	(73.3)	-24.8%	(98.0)	-43.8%	(322.2)	(412.9)	-22.0%
Others	(51.7)	(48.6)	6.4%	(51.3)	0.8%	(196.5)	(204.8)	-4.1%
General & administrative expenses	**(174.6)**	**(165.3)**	**5.6%**	**(149.7)**	**16.6%**	**(638.9)**	**(568.6)**	**12.4%**
Third-party services	(132.0)	(132.2)	-0.2%	(116.2)	13.6%	(501.3)	(449.9)	11.4%
Others	(42.6)	(33.1)	28.7%	(33.5)	27.2%	(137.6)	(118.7)	15.9%
Other operating revenue (expenses), net	**37.5**	**43.6**	**-14.0%**	**24.4**	**53.7%**	**141.5**	**100.7**	**40.5%**
Operating revenue	86.2	86.9	-0.8%	77.4	11.4%	347.6	285.9	21.6%
Operating expenses	(68.8)	(50.3)	36.8%	(53.1)	29.6%	(239.2)	(215.5)	11.0%
Other operating revenue (expenses)	20.1	7.0	n.a.	0.1	n.a.	33.1	30.3	9.2%
EBITDA	**1,677.7**	**1,537.8**	**9.1%**	**1,387.4**	**20.9%**	**5,831.8**	**5,224.4**	**11.6%**
Margin %	34.5%	33.4%	1.1 p.p.	31.4%	3.1 p.p.	32.2%	31.4%	0.8 p.p.
Depreciation and Amortization	(513.8)	(556.1)	-7.6%	(831.0)	-38.2%	(2,781.4)	(3,228.8)	-13.9%
EBIT	**1,163.9**	**981.7**	**18.6%**	**556.4**	**109.2%**	**3,050.4**	**1,995.6**	**52.9%**
Net Financial Income	**(110.3)**	**(63.5)**	**73.7%**	**(142.4)**	**-22.5%**	**(333.2)**	**(527.1)**	**-36.8%**
Financial Revenues	**36.5**	**67.0**	**-45.5%**	**20.1**	**81.6%**	**252.6**	**199.8**	**26.4%**
Income from Financial Transactions	51.8	39.9	29.8%	23.7	118.6%	137.1	170.0	-19.4%
Other financial revenues	21.6	27.1	-20.3%	19.8	9.1%	154.0	72.3	113.0%
(-) Pis and Cofins taxes	(36.9)	0.0	n.a.	(23.4)	57.7%	(38.5)	(42.5)	-9.4%
Financial Expenses	**(146.8)**	**(130.5)**	**12.5%**	**(162.5)**	**-9.7%**	**(585.8)**	**(726.9)**	**-19.4%**
Financial Expenses	(134.1)	(129.8)	3.3%	(145.4)	-7.8%	(554.7)	(741.7)	-25.2%
Monetary and exchange variations	(8.8)	(0.9)	877.8%	(16.0)	-45.0%	(30.1)	30.7	n.a.
Effects "Lei 11.638/07"	(3.9)	0.2	n.a.	(1.1)	254.5%	(1.0)	(15.9)	-93.7%
Taxes	(189.4)	(316.4)	-40.1%	(210.7)	-10.1%	(823.4)	(590.4)	39.5%
Net income before non-controlling shareholders	**864.2**	**601.8**	**43.6%**	**203.3**	**325.1%**	**1,893.8**	**878.1**	**115.7%**
Net Profit attributable to:								
Controlling shareholders	864.2	601.8	43.6%	203.3	325.1%	1,893.8	850.7	122.6%
Non controlling shareholders	0.0	0.0	n.a.	0.0	n.a.	0.0	27.4	n.a.
Total Net Income	**864.2**	**601.8**	**43.6%**	**203.3**	**325.1%**	**1,893.8**	**878.1**	**115.7%**

CONSOLIDATED BALANCE SHEET - VIVO

R$ million			
ASSETS	**Dec 31. 10**	**Dec 31. 09**	**Δ%**
Current Assets	**6,808.3**	**5,963.8**	**14.2%**
Cash and equivalents cash	2,140.8	1,258.6	70.1%

Net accounts receivable	2,821.4	2,546.8	10.8%
Inventory	287.9	423.6	-32.0%
Deferred and recoverable taxes	1,003.4	1,186.2	-15.4%
Deposits and blokages court	138.9	200.9	-30.9%
Derivatives transactions	0.0	14.7	-100.0%
Prepaid Expenses	182.9	162.0	12.9%
Other current assets	233.0	171.0	36.3%
Non- Current Assets	**15,035.5**	**15,219.6**	**-1.2%**
Long Term Assets:			
Temporary cash investments (as collateral)	93.0	90.5	2.8%
Recoverable taxes	1,038.1	968.4	7.2%
Deferred taxes	1,789.7	2,122.4	-15.7%
Deposits and blokages court	1,001.1	609.0	64.4%
Derivatives transactions	108.1	137.1	-21.2%
Prepaid Expenses	17.3	23.4	-26.1%
Other long term assets	1.6	3.1	-48.4%
Plant, property and equipment	6,324.4	6,408.5	-1.3%
Net intangible assets	4,662.2	4,857.2	-4.0%
Total Assets	**21,843.8**	**21,183.4**	**3.1%**
LIABILITIES			
Current Liabilities	**6,883.5**	**6,451.5**	**6.7%**
Personnel, tax and benefits	283.1	161.3	75.5%
Suppliers and Consignment	3,424.6	3,053.6	12.1%
Taxes, fees and contributions	1,005.6	953.4	5.5%
Loans and financing	482.5	688.4	-29.9%
Debentures	233.1	266.3	-12.5%
Interest on own capital and dividends	492.7	322.4	52.8%
Provision	120.1	134.2	-10.5%
Derivatives transactions	43.5	31.0	40.3%
Deferred Revenues	548.5	590.3	-7.1%
Other current liabilities	249.8	250.6	-0.3%
Non-Current Liabilities	**4,820.0**	**5,388.8**	**-10.6%**
Long Term Liabilities:			
Taxes, fees and contributions	1,058.6	736.1	43.8%
Loans and financing	1,984.3	2,306.6	-14.0%
Debentures	1,214.0	1,863.2	-34.8%
Provision	410.4	315.9	29.9%
Derivatives transactions	90.8	131.4	-30.9%
Deferred Revenues	60.6	34.4	76.2%
Other long term liabilities	1.3	1.2	8.3%
Shareholder's Equity	**10,140.3**	**9,343.1**	**8.5%**
Total Liabilities and Shareholder's Equity	**21,843.8**	**21,183.4**	**3.1%**

INDIRECT CASH FLOW STATEMENT (CONSOLIDATED)

In million of R$					
	4 Q 10	**3 Q 10**	**4 Q 09**		

CASH FLOW GENERATED FROM OPERATING ACTIVITIES				**Accum 2010**	**Accum 2009**
Net profit for the period	864.2	601.8	203.3	1,893.8	878.1
Adjustments for reconciliation of the net profit (loss) of the period with funds generated from operating activities					
Depreciation and amortization	513.8	556.1	831.0	2,781.4	3,228.8
Losses in investment	-	-	-	-	2.0
Residual cost of written-off fixed assets	(3.6)	(13.6)	2.4	(19.4)	3.9
Right off and provision reversion to reduction in inventory recoverable amount, net	(5.1)	4.9	10.5	(14.2)	(3.6)
Reversals of provisions for disposal of assets	-	(0.1)	(39.0)	(3.1)	(41.7)
Provisions (reversals) for suppliers	146.5	3.6	6.5	124.5	(12.6)
Losses in forward and swap contracts	47.4	57.2	53.0	69.2	453.8
Provisions (reversals) for taxes and contributions	3.0	7.2	(17.5)	131.5	51.0
Provision (reversal) for post-employment benefit plans	(3.6)	(0.2)	1.5	(4.2)	3.3
Losses in loans, financing and debentures	(33.5)	(38.2)	(38.9)	(14.6)	(340.4)
Monetary variations	8.1	(1.8)	(23.4)	(10.3)	(12.9)
Interest on loans, financing and debentures	87.0	91.8	110.7	374.2	575.5
Provisions (reversals) for the reduction of recovery value of accounts receivable	54.9	36.0	40.2	169.6	213.2
Provisions for legal and administrative contingencies	35.2	33.6	33.4	132.0	134.7
Provisions (reversals) for customer retention program	(35.2)	5.3	-	(18.5)	(52.0)
Provisions for deferred income tax	36.8	141.2	193.0	327.3	348.5
Increase in operating assets					
Accounts receivable	(202.3)	(164.0)	(53.8)	(444.3)	(181.5)
Inventory	98.6	11.9	54.5	150.0	358.7
Deferred and recoverable taxes	285.7	(124.1)	(0.8)	107.2	(79.9)
Prepaid Expenses	105.4	218.9	93.6	(16.9)	11.9
Legal Deposits	(9.1)	(11.2)	(32.2)	(209.3)	(200.6)
Other current and non-current assets	(58.2)	(18.6)	(88.9)	(63.0)	93.1
Reduction in operating liabilities:					
Labor, payroll charges and pension benefits	72.5	45.8	(13.6)	121.7	(24.1)
Suppliers and accounts payable	(218.2)	(192.1)	(88.2)	(673.6)	(714.3)
Taxes, duties and contributions	(30.4)	349.3	99.8	573.0	322.4
Income tax and social contribution payable	(150.7)	(164.8)	(76.3)	(439.3)	(161.1)
Interest on loans, financing and debentures	(129.8)	(68.6)	(148.4)	(453.3)	(774.9)
Provisions for legal and administrative contingencies (payable)	(8.8)	(20.4)	(33.9)	(78.8)	(131.1)
Other current and non-current liabilities	(10.7)	25.4	60.9	(31.2)	93.3
Cash generated from operating activities	1,459.9	1,372.3	1,139.4	4,461.4	4,041.5
CASH FLOW GENERATED FROM INVESTMENT ACTIVITIES					
Additions to property, plant & equipment and intangible assets	(444.5)	(395.3)	(453.6)	(1,569.0)	(2,275.3)
Proceeds from disposal of property, plant & equipment	1.2	2.4	1.6	6.3	4.5
Cash used in investment activities	**(443.3)**	**(392.9)**	**(452.0)**	**(1,562.7)**	**(2,270.8)**

CASH FLOW GENERATED FROM INVESTMENT ACTIVITIES					
Funding from loans, financing and debentures	72.0	-	940.2	543.9	1,952.5
Repayment of loans, financing and debentures	(351.9)	(289.0)	(906.3)	(1,626.8)	(4,291.4)
Receipts (payments) for forward contracts and swaps, net	(32.5)	(11.7)	(24.3)	(41.8)	51.5
Receipts for stock replacement - share fractions	-	-	0.8	-	4.1
Receipts for capital increase by non controlling shareholders	-	-	-	-	8.8
Proceeds from stock grouping	-	-	(0.1)	(0.4)	(1.6)
Payments of dividends and interest on own capital	(398.0)	(0.2)	(296.5)	(891.4)	(418.9)
Cash used in financing activities	**(710.4)**	**(300.9)**	**(286.2)**	**(2,016.5)**	**(2,695.0)**
CASH INCREASE	**306.2**	**678.5**	**401.2**	**882.2**	**(924.3)**
CASH					
Initial balance	1,834.6	1,156.1	857.4	1,258.6	2,182.9
Final balance	2,140.8	1,834.6	1,258.6	2,140.8	1,258.6
	306.2	678.5	401.2	882.2	(924.3)

CONFERENCE CALL – 4Q10

In English

Date: February 24, 2011 (Thursday)
Time: 04:30 p.m. (Brasília time) and 02:30 p.m. (New York time)
Telephone number: **(+1 412) 317-6776**
Conference Call Code: **Vivo**
Webcast: www.vivo.com.br/ir

The conference call audio replay will be available until March 02, 2011 at telephone number +1(412) 317-0088 - code: 447741# or in our website.

VIVO – Investor Relations
Cristiane Barretto Sales
Carlos Raimar Schoeninger
Luis Carlos Plaster

Av Chucri Zaidan, 860 – Morumbi – SP – 04583-110

Telephone: +55 11 7420-1172
e-mail: ir@vivo.com.br

Information available in our website: http://www.vivo.com.br/ir

This press release contains forecasts of future events. Such statements are not statements of historical fact, and merely reflect the expectations of the company's management. The terms "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects", "aims" and similar terms are intended to identify these statements, which obviously involve risks or uncertainties which may or may not be foreseen by the company. Accordingly, the future results of operations of the Company may differ from its current expectations, and the reader should not rely exclusively on the positions taken herein. These forecasts speak only of the date they are made, and the company does not undertake any obligation to update them in light of new information or future developments.

GLOSSARY

Financial Terms:

CAPEX – Capital Expenditure.
Working capital = Operational Current assets – Operational Current liabilities.
Net debt = Gross debt – cash – financial investments – securities – asset from derivative transactions + liability from derivative transactions.
Net Debt / EBITDA – Index which evaluates the Company's ability to pay its debt with the generation of operating cash within a one-year period.
EBIT – Earnings before interest and taxes.
EBITDA – Earnings result before interest. taxes. depreciation and amortization.
Indebtedness = Net Debt / (Net Debt + NE) – Index which measures the Company's financial leverage.
Operating Cash Flow = EBITDA – CAPEX.
IST = Telecommunications Services Index.
EBITDA Margin = EBITDA / Net Operating Revenue.
Allowance for doubtful accounts = A concept in accounting that measures the provision made for accounts receivable overdue for more than 90 days, includes part of clients under negotiation.
SE – Shareholders' Equity.
Subsidy = (net revenue from goods – cost of goods sold + discounts given by suppliers) / gross additions.

Technology and Services

CDMA – (*Code Division Multiple Access*) – Wireless interface technology for cellular networks based on spectral spreading of the radio signal and channel division by code domain.
SMP – Personal Mobile Services.
SMS – Short Message Service – Short text message service for cellular handsets. allowing customers to send and receive alphanumerical messages.
WAP – *Wireless Application Protocol* is an open and standardized protocol started in 1997 which allows

Operating indicators:

Gross additions – Total of customers acquired in the period.
Net additions = Gross Additions – number of customers disconnected.
ARPU (Average Revenue per User) – net revenue from services per month / monthly average of customers in the period.
Postpaid ARPU – ARPU of postpaid service users.
Prepaid ARPU – ARPU of prepaid service users.
Blended ARPU – ARPU of the total customer base (post paid + prepaid).
Entry Barrier – Value of the least expensive phone offered.
Customers – Number of wireless lines in service.
Churn rate = percentage of the disconnections from customer base during the period or the number of customers disconnected in the period / ((customers at the beginning of the period + customers at the end of the period) / 2).
Market share = Company's total number of customers / number of customers in its operating area.
Market share of net additions: participation of estimated net additions in the operating area.
MOU (minutes of use) – monthly average. in minutes. of traffic per customer = (Total number of outbound minutes + incoming minutes) / monthly average of customers in the period.
Postpaid MOU – MOU of postpaid service users.
Prepaid MOU – MOU of prepaid service users.
Market penetration = Company's total number of customers + estimated number of customers of competitors) / each 100 inhabitants in the Company's operating area.
Productivity = number of customers / permanent employees.
Right planning programs – Customer profile adequacy plans
SAC – cost of acquisition per customer = (70%

access to Internet servers through specific equipment. a WAP Gateway at the carrier. and WAP browsers in customers' handsets. WAP supports a specific language (WML) and specific applications (WML *script*). **ZAP** – A service which allows quick wireless access to the Internet through a computer, notebook or palmtop. **GSM** – (Global System for Mobile) – an open digital cellular technology used for transmitting mobile voice and data services. It is a circuit witched system that divides each channel into time-slots.	marketing expenses + costs of the distribution network + handset subsidies + free lease to corporate customers (PJ) + Fistel) / gross additions. **VC** – amount owed by the User, per time unit, for the communication. **VC1** – amount owed by the User, per time unit, for a call made to a STFC Access Code in the internal geographic area of the Registration Area of the call originated. **VC2** – amount owed by the User, per time unit, for a domestic long distance call to a location outside the registration area where the user is located but inside his/her primary area code. **VC3** – amount owed by the User, per time unit, for a domestic long distance call to a location outside the registration area where the user is located and outside his/her primary area code. **VU**-M – amount payable to a SMP Operator, per time unit, for the use of its network (interconnection fee).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 01, 2011

VIVO PARTICIPAÇÕES S.A.

By: /s/ Cristiane Barretto Sales

Cristiane Barretto Sales
Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.