

São Paulo, March 30th, 2018: PDG Realty S.A. (PDGR3) – Under Court-supervised Reorganization - announces **today** its results for the fourth quarter of 2019. Founded in 2003, PDG develops projects for different segments and publics, operating in the development, construction and sale of residential and commercial units, as well as land plots.

Highlights:

- ❖ Net Operating Revenue amounted to R\$ 64.2 million in 4Q19, compared to a negative revenue of R\$107.4 million in 4Q18. In 2019 Net Operating Revenue totaled R\$300.2 million, 41% higher than the R\$ 180.9 million Revenue recorded in 2018. (page 20)
- ❖ G&A expenses follow a downward trend, registering a 66% fall QoQ and a 50% reduction YoY. (page 16)
- ❖ In 2019, R\$175 million was amortized in extraconcursal debts and interest. (page 17)
- ❖ Amortization of debts subjected to the Recovery Plan reached R\$280 million up to 4Q19. (page 19)
- ❖ In August we re-established the construction activities of the 'Palm Beach' project, expected to be finished in May 2020. Located in Manaus and destined for middle-high income residents. (page 5)

Conference Call

Tuesday, March 31st, 2019

➤ **Portuguese**

11:00 a.m. (Brasília)

10:00 a.m. (NY)

Tel.: (+55 11) 3193-1080

(+55 11) 2820-4080

Replay: (+55 11) 3193-1012 | Code: 7529736#

➤ **English (Simultaneous translation)**

10:00 a.m. (NY)

11:00 a.m. (Brasília)

Tel.: +1 (800) 492-3904

+1 (646) 828-8246

Replay: (11) 3193-1012 | Code: 0206125#

**Investor
Relations:**

(+55 11) 2110-4400
www.pdg.com.br/ri
ri@pdg.com.br

Subsequent Events :

Covid-19 Pandemic – Main Actions - Workforce

1^a Part – early march:

- ❖ Internal communications with the practices for prevention recommended by the Health Ministry;
- ❖ Intensification of office cleaning;
- ❖ Providing Alcohol Gel in several locations in the office, bathrooms and meeting rooms;
- ❖ Providing masks for employees who offer personal assistance for clients.

2^a Part – second half of March:

- ❖ March, 16 – management decision to place 100% of its employees in home office (goal until march, 20);
- ❖ March, 17 – first home office test (small group);
- ❖ March, 18 – the second part of employees in home office (50% of employees);
- ❖ March, 19 – (i) 100% of employees in home office; (ii) provide of remote access manuals and videoconference meetings;
- ❖ Daily monitoring of all employees to identify any confirmed or suspected cases of contamination (No cases identified so far).

Covid-19 Pandemic – Main Actions - Workforce

GUIDELINE 1: MAXIMUM CASH RETENTION

- ❖ Review of monthly payments, with possible renegotiations - cash preservation;
- ❖ Daily monitoring of the default rate - still without major variations;
- ❖ Adoption of the benefits generated by Provisional Measure 927 (FGTS and Sistema S);

GUIDELINE 2: MAINTENANCE OF JOBS FOR OPERATIONAL RESUMPTION

- ❖ Schedule of vacation and bank of hours for a group of employees;
- ❖ Evaluation and planning for the eventual implementation of flexible working hours.

❖	Message from Management	4
❖	Operating and Financial Indicators	7
❖	Operating Performance – Sales	8
❖	Operating Performance – Cancellations and Resale	9
❖	Operating Performance – Sales Speed (SoS)	10
❖	Operating Performance – Inventory	11
❖	Operating Performance – Landbank	13
❖	Operating Performance – Historical Data	13
❖	Operating Performance – Occupancy Permits	14
❖	Operating Performance – Mortgage Transfers	14
❖	Financial Performance	15
❖	Income Statement and Balance Sheet	20

Initial Message

During the first quarter of 2019, the Company focused its efforts on the conclusion of its Strategic Planning. In this regard, in addition to planning the return of launches, PDG sought to identify opportunities to diversify its business, aiming to generate additional recurring revenues to increase cash inflow.

Still in the first quarter, we obtained the occupancy permit for the 'Mais Viver Campinas' project, with 444 units and a PSV of R\$63.3 million.

As well, in the third quarter we re-established the construction activities of the 'Palm Beach' project, located in Manaus – AM.

During 4Q19 the Company's management continued working on the implementation of its business resumption plan.

Recently, with the expansion of COVID-19 pandemic, which brought turbulence to the markets and risks to population health, the Company decided, among other measures, to keep all of its employees working from their own homes. This measure aims to preserve the health of our team, following the recommendations of the Health Ministry.

The Company's management will continue to closely monitor developments in the current situation and working to preserve its operations and employees, even in the face of a more uncertain environment.

In this difficult time for the whole country and the world, our focus will continue to seek to preserve the health of our employees, also with actions aimed at maintaining jobs and the continuity of our operation, always attentive and aligned with the strategies and support of the government.

Operating Results

During 4Q19 gross sales totaled R\$57 million, 47% below 4Q18. In the 2019 gross sales totaled R\$237 million, a reduction of 29% year over year. The reduction in sales volume was mainly due to the change in sales policy since 2Q19 when the Company returned to focus on sales of units that generate free cash inflow (unencumbered units).

During 4Q19 cancelations totaled R\$75 million, 67% above 4Q18. YTD the equivalent of R\$193 million were canceled, in line with the amount recorded in 2018. These figures emphasize the Company's strategy of effectively reducing its cancellation Backlog to release assets and generate liquidity. It's important to highlight that the Backlog continues to be constantly reduced, representing the correct and effective sales strategy adopted by the Company, based on a careful credit analysis policy and a concomitant process of ending contracts with financial agents.

Due to the reduction in gross sales and to the increase in cancellations, net sales were R\$18 million negative in 4Q19. However, in 2019 net sales were R\$44 million positive.

General and administrative expenses recorded a significant drop of 66% QoQ, mainly due to the decrease in expenses with third party services. G&A was reduced by 50% YoY, in line with Company's goal of constantly adjusting its structure and increasing its operational efficiency.

During 4Q19, 280 units were transferred, equivalent to a PSV of R\$30 million. During 2019, 1,213 units were transferred, representing a PSV of R\$160 million, through a fast and strictly aligned process to our commercial strategy, focused on generating free cash inflow.

Company's gross debt increased by R\$35 million (2%) during 4Q19, due to R\$107 million of interests incurred, deducted from the R\$32 million in amortizations and R\$40 million related to the deconsolidation of subsidiaries. During the 2019 interests payments and amortizations amounted to R\$175 million.

Concerning the Debts subjected to the Recovery Plan, it was reduced by R\$11 million during 4Q19 mainly due to recalculation of charges.

During 2019 were amortized R\$30 million in debts subjected to the Recovery Plan. Considering the Capital Increase, the payments made to creditors of classes I, II and IV and the payments in assets, the Company already amortized R\$280 million in debts subjected to the Recovery Plan.

Final Message

It's inevitable to mention that our Company is today the result of many successes but also difficulties experienced. We always chose to face these difficulties as opportunities to strengthen, believing that even in the face of an adverse scenario in the short term, it will be positive in the long term.

We believe once again that the World, our Country and our Company will have the strength and resilience to overcome this obstacle that is being imposed by the Pandemic, therefore, we will leave once more strengthened and believers in the recovery of our economy and our Company.

This serious crisis is giving us the opportunity to learn a new way of working, delegating, trusting and, above all, realizing the importance of relationships between people.

In this way, we reinforce the confidence in our employees, partners, suppliers and customers, and we're convinced that this will be another challenge that, together, we will overcome as soon as possible.

Operating and Financial Indicators

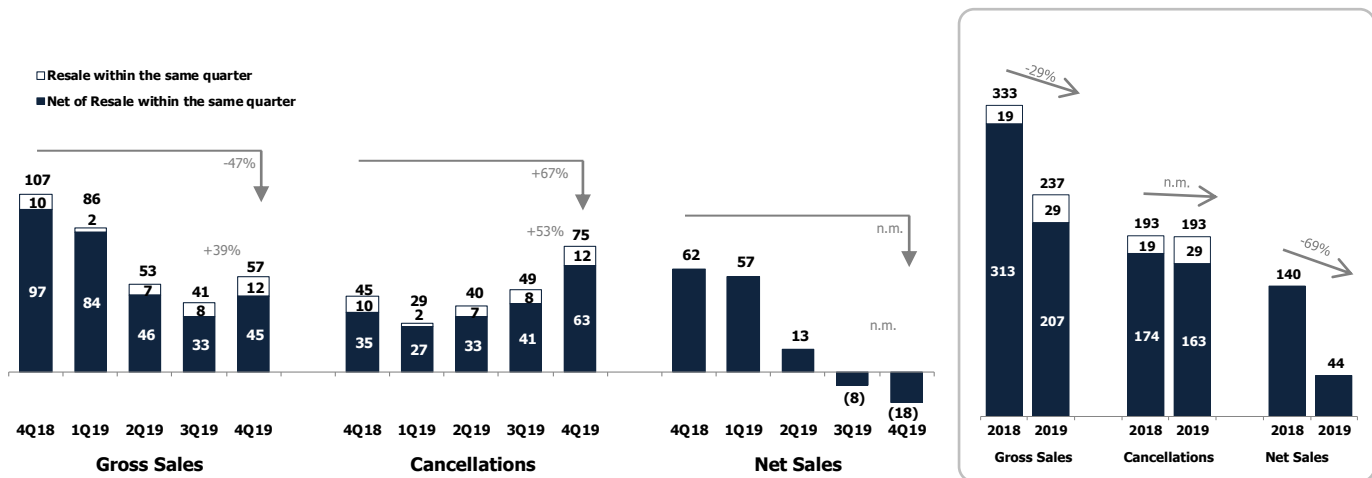
❖ The Company's main results and indicators regarding 4Q19 and 2019 are the following:

Sales and Inventory	4Q19	4Q18	4Q19 vs. 4Q18	2019	2018	2019 vs. 2018	4Q19 (IFRS)	2019 (IFRS)
Gross Sales %PDG - R\$ million	57	107	-46.8%	237	333	-28.9%	57	237
Net Sales %PDG - R\$ million	(18)	62	n.m.	44	140	-68.5%	(18)	44
# of Net Sold Units %PDG	62	200	-69.0%	401	549	-27.0%	62	401
Inventory at Market Value %PDG - R\$ million	1,862	1,891	-1.6%	1,862	1,891	-1.6%	1,862	1,862
Operational Result ⁽¹⁾	4Q19	4Q18	4Q19 vs. 4Q18	2019	2018	2019 vs. 2018		
Net Operational Revenues - R\$ million	64	(107)	n.m.	300	213	40.6%		
Gross Profits (Losses) - R\$ million	8	137	-93.8%	17	33	-47.4%		
Gross Margin - %	13.2	n.a.	n.m.	5.7	15.2	-9,5 p.p		
Adjusted Gross Margin - %	31.8	n.a.	n.m.	20.1	18.4	1,7 p.p		
EBITDA Margin - %	(22.6)	(66.7)	-66.1%	(63.1)	(125.5)	-49.7%		
Net Earnings (Losses) - R\$ million	(287)	(130)	n.m.	(900)	(839)	7.3%		
Net Margin - %	n.a.	n.a.	n.m.	n.a.	n.a.	n.m.		
Backlog Results (REF) ⁽¹⁾	4Q19	4Q18	4Q19 vs. 4Q18					
Gross Revenues (REF) - R\$ million	487	420	16.0%					
COGS - R\$ million	(394)	(343)	14.9%					
Gross Profit - R\$ million	93	77	20.8%					
Gross Backlog Margin - %	19.1	18.3	0,8 p.p					
Balance Sheet ⁽¹⁾	4Q19	4Q18	4Q19 vs. 4Q18					
Cash and Cash Equivalents - R\$ million	118	138	-14.5%					
Net Debt - R\$ million	2,877	2,639	9.0%					
Shareholders Equity - R\$ million	(4,923)	(3,999)	23.1%					
Net Debt (ex. SFH) / Shareholder Equity (%)	n.a.	n.a.	n.m.					
Total Assets - R\$ million	1,935	2,476	-21.9%					

Operating Performance – Sales

- ❖ During 4Q19 gross sales reached R\$57 million, 47% lower than 4Q18 and 39% higher than 3Q19. In 2019 gross sales totaled R\$237 million, 29% lower than 2018. The decrease in gross sales observed during the last three quarters was mainly due to the change in the Company's sales strategy, which is now focusing on the sales of units that generate immediate free cash inflow.
- ❖ Cash sales reached R\$7.2 million in 4Q19, accounting for 13% of the period's gross sales. In 2019, cash sales totaled R\$33.0 million, 14% of the period's gross sales.
- ❖ Cancellations reached R\$75 million in 4Q19, 67% higher than 4Q18 and 53% higher than 3Q19. In 2019 cancellations reached R\$193 million, in line with the amount recorded in 2018. These figures emphasize the Company's strategy of effectively reducing its cancellation Backlog to release assets and generate liquidity.
- ❖ During 4Q19 net sales were R\$18 million negative. In 2019 net sales totaled R\$44 million, 69% lower than 2018.

Sales Performance – PSV %PDG in R\$ million



Operating Performance – Cancellations and Resale

- ❖ Of the total 4Q19 cancellations, 59% corresponded to projects with more than 60% of its units sold, reflecting the sales strategy adopted of prioritizing cancellations of units with good market liquidity, which should represent a higher resale speed.
- ❖ During the 4Q19, cancellations of concluded projects corresponded to 60%. Actually these units are available to be resold, generating immediate cash inflow.

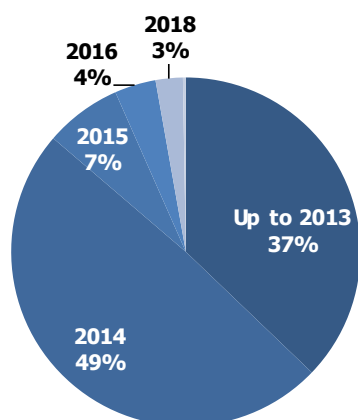
Cancellations in 4Q19 by Percentage of Resale and Year of Delivery

Percentage Sold	Delivered		Undelivered		Total	
	Units	PSV	Units	PSV	Units	PSV
20% or less	1	0.3	20	30.2	21	30.5
21% to 40%	-	-	-	-	-	-
41% to 60%	-	-	-	-	-	-
61% to 80%	-	-	-	-	-	-
81% to 99%	149	44.6	-	-	149	44.6
TOTAL	150	44.9	20	30.2	170	75.1

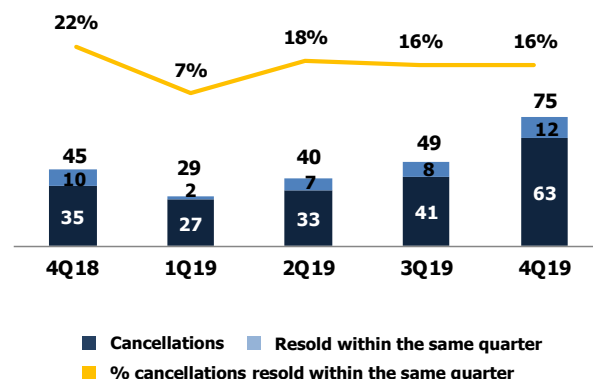
↓ 60%
↓ 59%

- ❖ Considering the cancellations per period of sale, 86% of the cancellations that occurred in 4Q19 were from units sold until 2014, under a less careful credit analysis process, therefore with a higher probability of been canceled.
- ❖ Of the R\$75 million canceled in 4Q19, R\$12 million (16%) were resold in the same quarter.

Cancellations by Year of Sale – %PSV – 4Q19



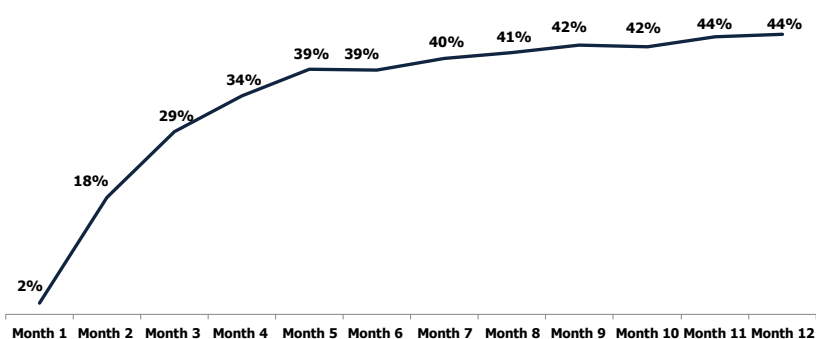
Cancellations and Resale Evolution – R\$ million



Operating Performance – Cancellations and Resale

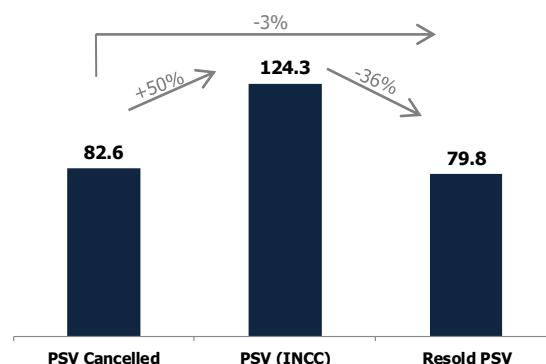
- ❖ On average 44% of canceled units are resold in up to 12 months.
- ❖ In the last 12 months, resale PSV has been on average 3% lower than the PSV from the original sale

Average Resale Curve – units



Resale Price

Accrued in the last 12 months – R\$ million



Operating Performance – Sales Speed (SoS)

- ❖ Looking at the quarterly sales over supply (SoS) in terms of inventory units effectively available, the ratio reached 3% in 4Q19.
- ❖ PDG's sales team accounted for 83% of 4Q19 gross sales and 62% of 12M19 gross sales.

Sales Speed (SoS) – R\$ million

	1Q19	2Q19	3Q19	4Q19	2019
Initial Inventory	1,891	1,806	1,793	1,827	1,891
(-) Net Sales	57	13	8	18	44
Gross Sales ⁽¹⁾	86	53	41	57	237
Cancellations ⁽¹⁾	29	40	49	75	193
(+) Adjustments⁽²⁾	-	28	-	16	14
Final Inventory	1,806	1,793	1,827	1,862	1,862
Quarterly Sales Speed (SoS) - Gross Sales	5%	3%	2%	3%	13%
Quarterly Sales Speed (SoS) - Net Sales	3%	1%	n.a.	n.a.	2%

(1) Gross sales and cancellations include resales within the same quarter.

(2) The positive adjustment of R\$16 million in 4Q19 is mainly due to the monetary correction in inventory units.

Operating Performance – Sales over Supply by Region

- ❖ In 4Q19 the sales over supply by region (except Commercial) decreased by 3 p.p compared to the same period of last year. This decrease was mainly due to the change in the Company's sales policy, which is focusing again on the sales of units that generate immediate free cash inflow.
- ❖ The best SoS were recorded in the Midwest and North regions (36% and 14%, respectively).

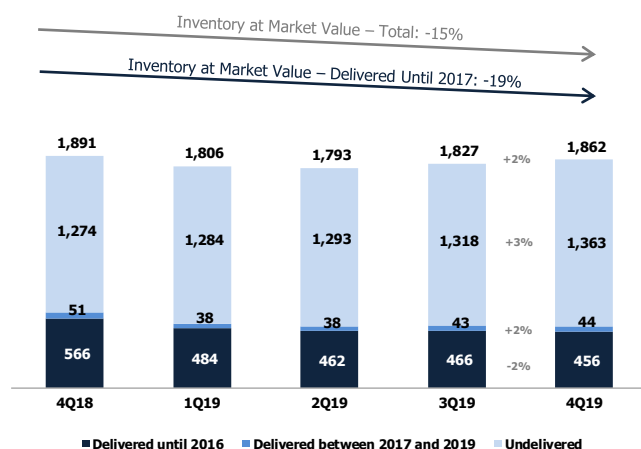
Sales over Supply (SoS) by Region

Region (ex-Commercial)	PSV - Gross Sales				
	1Q19	2Q19	3Q19	4Q19	
SÃO PAULO	3%	4%	3%	5%	SoS SP and RJ: 3%
RIO DE JANEIRO	1%	2%	1%	0%	
MG/ES	7%	3%	10%	4%	SoS(ex-SP and RJ): 8%
NORTH	12%	10%	8%	14%	
NORTHEAST	8%	1%	3%	1%	
SOUTH	7%	14%	4%	9%	
MIDWEST	58%	43%	41%	36%	
TOTAL (EX-COMMERCIAL)	7%	5%	4%	5%	
COMMERCIAL	0%	0%	0%	0%	
TOTAL	5%	3%	2%	3%	

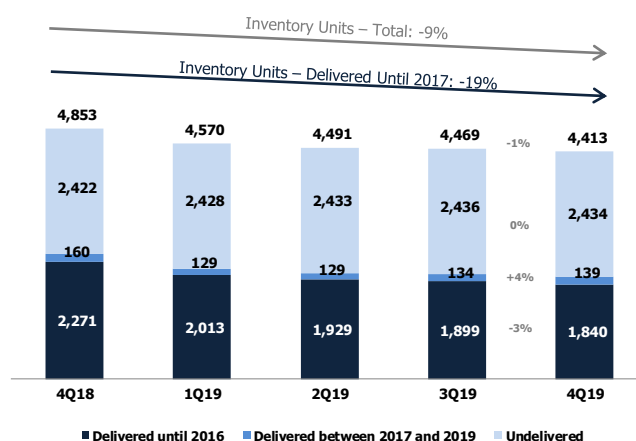
Operating Performance – Inventory

- ❖ Total inventory at market value closed 4Q19 in R\$1,862 million, 2% higher than the previous quarter. When compared to 4Q18, inventory at market value fell by 15%.
- ❖ Total inventory units decreased by 1%, from 4,469 in 4Q18 to 4,413 in 4Q19. In the last 12 months, total inventory units recorded a decrease of 9%.
- ❖ Considering only those units delivered until the end of 2016, inventory PSV fell by 19% QoQ, and the number of units fell by 19%.

Inventory at Market Value – R\$ million



Inventory Units



Operating Performance – Inventory

- In the 4Q19 the inventory located in São Paulo and Rio de Janeiro corresponds to 60% of the Company's total inventory, excluding commercial units. Considering the residential units available, 43% is concentrated in projects that have more than 60% of its units sold, hence with better market liquidity.

Inventory by Percentage of Sales and Region

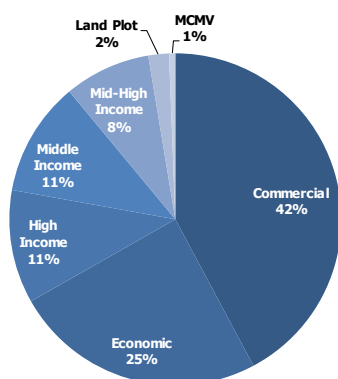
Region	PSV in R\$ million								
	Up to 60%		From 61 to 80%		From 81 to 99%		Total		%
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	
SÃO PAULO	236	207.0	396	62.7	547	124.3	1,179	394.0	36%
RIO DE JANEIRO	213	203.5	59	28.7	127	23.6	399	255.8	24%
MG/ES	-	-	-	-	21	3.5	21	3.5	0%
NORTH	134	54.8	113	90.0	230	67.7	477	212.5	20%
NORTHEAST	493	143.6	-	-	94	49.9	587	193.6	18%
SOUTH	-	-	-	-	28	8.4	28	8.4	1%
MIDWEST	-	-	-	-	44	6.8	44	6.8	1%
% Total (Ex- Commercial)		57%		17%		26%			100%
TOTAL (Ex-Commercial)	1,076	608.9	568	181.4	1,091	284.3	2,735	1,074.6	58%
COMMERCIAL	1,524	727.4	95	40.8	59	19.1	1,678	787.3	42%
TOTAL	2,600	1,336.3	663	222.3	1,150	303.4	4,413	1,861.9	100%
% Total		72%		12%		16%			100%

Inventory by Percentage of Sales and Year of Delivery

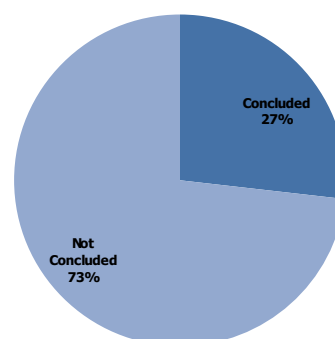
Percentage Sold	Built		2018 Delivery		Total	
	Units	PSV	Units	PSV	Units	PSV
20% or less	21	2.9	532	261.2	553	264.1
21% to 40%	2	1.6	708	449.5	710	451.2
41% to 60%	410	128.5	927	492.5	1,337	621.0
61% to 80%	396	62.7	267	159.5	663	222.3
81% to 99%	1,150	303.4	-	-	1,150	303.4
TOTAL	1,979	499.1	2,434	1,362.8	4,413	1,861.9

- Company's inventory presents the following characteristics: (i) 29% of the total inventory (including commercial units) is concentrated in projects that are more than 60% sold; (ii) 55% is concentrated in residential products (excluding Brazil's social housing program - Minha Casa, Minha Vida - land development and commercial units).
- Concerning the concluded inventory (R\$499.1 million): (i) 73% of PSV is concentrated in projects located in São Paulo and Rio de Janeiro and (ii) 73% of PSV is concentrated in projects that have between 61% and 99% of their units sold.

Inventory by Product – % PSV



Inventory by Status of Conclusion – % PSV



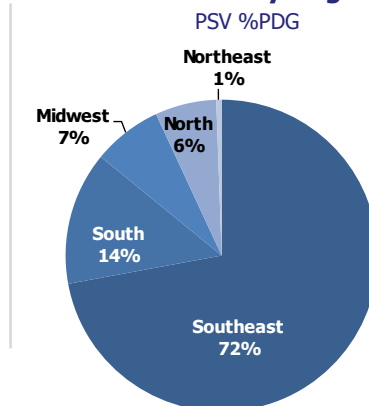
Operating Performance – Landbank

- ❖ During 4Q19 there was no purchase or sale of terrains. Landbank closed the quarter with potential PSV of R\$8.2 billion (%PDG), equivalent to 17,569 units.
- ❖ The landbank that do not match the Company's strategy is in process of being canceled or sold, improving cost reduction and in the monetization of assets for the Company's deleveraging process.

Landbank – Units and PSV

Product	Units (%PDG)	%	PSV PDG (R\$ mm)	%	Average Price (R\$)
High Income	-	0%	1,208.7	15%	-
Mid-High Income	42	0%	29.6	0%	704,048
Middle Income	1,576	9%	545.6	7%	346,162
Economic	11,151	63%	4,577.9	56%	410,531
Residential	12,769	73%	6,361.7	78%	498,209
Commercial	-	0%	-	0%	-
Land Plot	4,800	27%	1,803.7	22%	375,776
Total	17,569		8,165.5		464,760

Landbank by Region



Operating Performance – Historical Data

- ❖ At the end of 4Q19 the Company had 17 unfinished projects, equivalent to 4,096 units (PDG's share), 256 of which (6%) related to the Brazilian housing program 'Minha Casa Minha Vida' and 3,840 (94%) related to residential (excluding MCMV), commercial and landplot units.

	# Projects	# Total Units	# PDG Units
Launches⁽¹⁾	714	160,526	155,046
Finished⁽²⁾	697	156,378	150,950
Ongoing⁽³⁾	17	4,148	4,096

(1) Historical launches until December 2019 - net of cancellations

(2) Projects with Occupancy Permit or Sold until December 2019

(3) Ongoing projects until December 2019

Finished Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	426	96,692	95,337
MCMV	271	59,686	55,613
Total	697	156,378	150,950

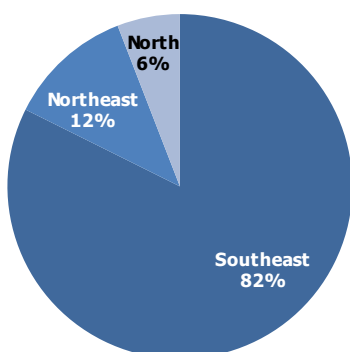
Ongoing Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	16	3,892	3,840
MCMV	1	256	256
Total	17	4,148	4,096

Obs.: Only projects under PDG management.

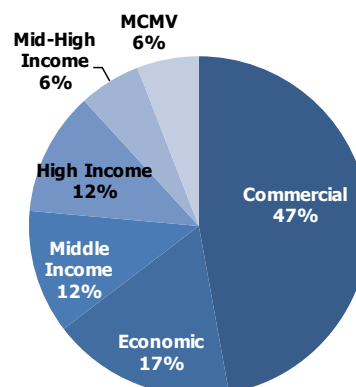
Operating Performance – Historical Data

- Of the 17 unfinished projects, 82% are located in the Southeast region and 47% are residential (excluding MCMV, landplot, and commercial units).

Breakdown by Region – % PSV



Breakdown by Product – % PSV



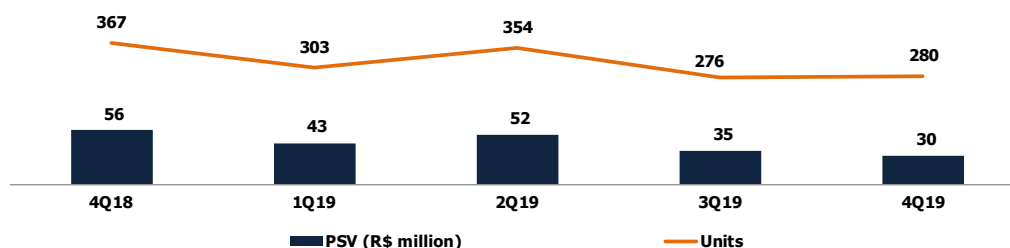
Operating Performance – Occupancy Permits

- During the fourth quarter, no occupancy permits were obtained by the Company.

2019 Deliveries - Occupancy Permits							
Project	Occupancy Permit	Region	Product	Total PSV (R\$ mn)	PDG PSV (R\$ mn)	PDG Units	Average Price (R\$ thous)
Projects Managed by PDG							
TOTAL PDG 1Q19	-	-	-	-	-	-	-
MAIS VIVER CAMPINAS	2Q19	São Paulo - Countryside	Land Plot	63.3	63.3	444	142.6
TOTAL PDG 2Q19	1	-	-	63.3	63.3	444	-
TOTAL PDG 3Q19	-	-	-	-	-	-	-
TOTAL PDG 4Q19	-	-	-	-	-	-	-
TOTAL PDG 2019	1	-	-	63.3	63.3	444	-

Operating Performance – Mortgage Transfers

- During 4Q18, 280 units were transferred, equivalent to a PSV of R\$30 million, a 24% decrease in PSV when compared to 4Q18. This reduction was mainly due to the lower amount of sales during the quarter.
- In the 2019 1,213 units were transferred, equivalent to a PSV of R\$160 million, a 13% fall in the number of units and a 33% fall in PSV over 2018.



Gross Margin

- ❖ In the fourth quarter gross loss amounted to R\$8 million, therefore, the gross margin was 13.2% and the adjusted gross margin was 31.8%
- ❖ During 2019 the Company recorded a gross profit of R\$17 million, with a gross margin of 5.7% and an adjusted gross margin of 20.1%.

R\$ million in IFRS

GROSS MARGIN	QUARTER			YTD		
	4Q19	4Q18	(%) Var.	2019	2018	(%) Var.
Net Revenues	64	(107)	n.m.	300	213	41%
Cost	(56)	244	n.m.	(283)	(181)	56%
Gross Profit (Loss)	8	137	-94%	17	32	-47%
(+) Capitalized Interest	13.2%	n.a.	n.m.	5.7%	15.2%	(10)
Adjusted Profit	12	(22)	n.m.	43	7	n.m.
Gross Margin	20	115	-83%	60	39	54%
Adjusted Gross Margin	31.8%	n.a.	n.m.	20.1%	0.0%	1.7 pp

Backlog Result (REF)

- ❖ By the end of the quarter, the backlog margin was 19.1%, a 1.1 p.p increase when compared to the 3Q19.
- ❖ The schedule for the appropriation of gross income REF in the Company's result is 57.6% in 2020 and 42.4% in 2021.

R\$ million in IFRS

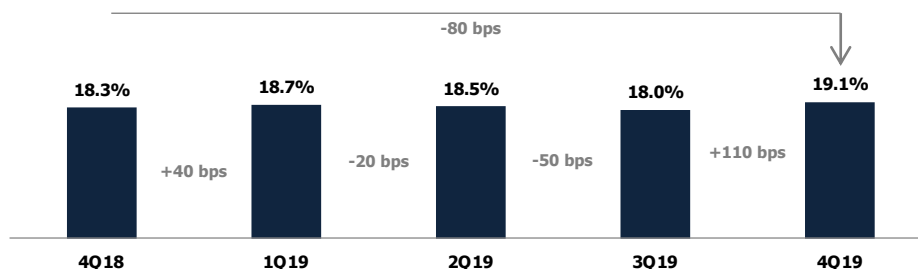
Backlog Results (REF)	4Q19	3Q19
Gross Revenues	496	508
(-) Taxes *	(9)	(9)
Net Revenues - REF	487	499
(-) COGS	(394)	(409)
Gross Profit - REF	93	90
Gross Backlog Margin	19.1%	18.0%
Capitalized Interest	10	10
Adjusted Gross margin **	17.0%	16.0%

* PIS and Cofins Estimate

** Backlog margin differs from reported margin in that it does not include capitalized interest effect, future guarantees and goodwill amortization.

Backlog result recognition schedule	2020	2021
	57.6%	42.4%

Backlog Margin Trends (REF)



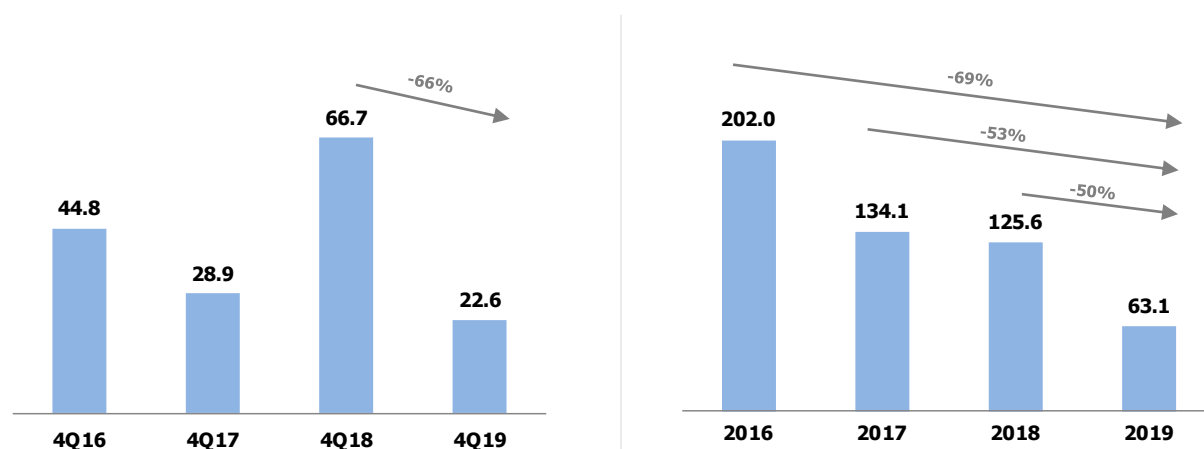
Selling, General and Administrative Expenses (SG&A)

- ❖ In 4Q19 G&A expenses decreased by 66% QoQ and 50% YoY, mainly due to the decrease in expenses with third party services
- ❖ Commercial expenses were increased by 71% QoQ. In the 12M19, commercial expenses increased by 32% mainly due to expenditure with inventory units (e.g. property taxes and condominium), in addition to the increase in advertising expenses in electronic media.
- ❖ In this way, the general and administrative expenses added to commercial expenses (SG&A) recorded 38% QoQ, and a 29% drop YoY.
- ❖ The Company will remain focusing on the continuous reduction of costs seeking constantly to increase the efficiency of its operation.

R\$ million in IFRS

GENERAL, ADMINISTRATIVE E COMMERCIAL EXPENSES	QUARTER			YTD		
	4Q19	4Q18	(%) Var.	2019	2018	(%) Var.
Total Commercial Expenses	29.4	17.2	71%	57.5	43.7	32%
Salaries and Benefits	15.2	17.7	-14%	44.1	52.4	-16%
Third Party Services	4.9	45.3	-89%	13.1	63.4	-79%
Other Admin. Expenses	2.5	3.7	-32%	5.9	9.7	-39%
Other Admin. Expenses	22.6	66.7	-66%	63.1	125.5	-50%
Total G&A	52.0	83.9	-38%	120.6	169.2	-29%

Evolution of General and Administrative Expenses



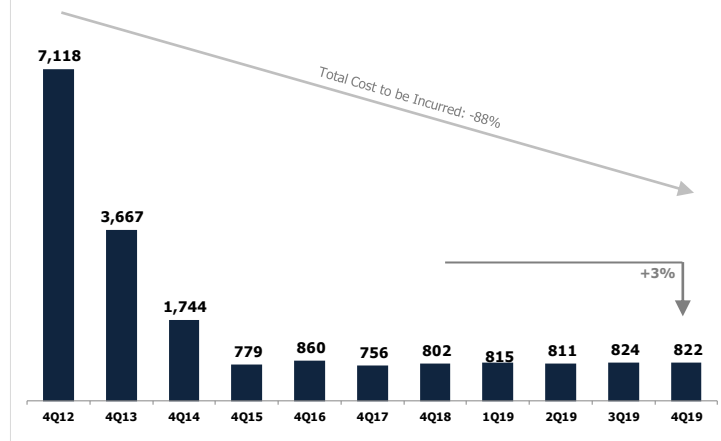
On and Off Balance Sheet Receivables and Cost to be Incurred

- ❖ We ended 4Q19 with total net receivables of R\$621 million, 14% lower than the previous quarter. This decrease was mainly due to the receivements and the negative net sales recorded during 4Q19.
- ❖ The cost to be incurred decreased by R\$2 million on 4Q19 over 3Q19. Since late 2012, the total cost to be incurred, which was R\$7.1 billion, an 88% drop.

Accounts Receivable

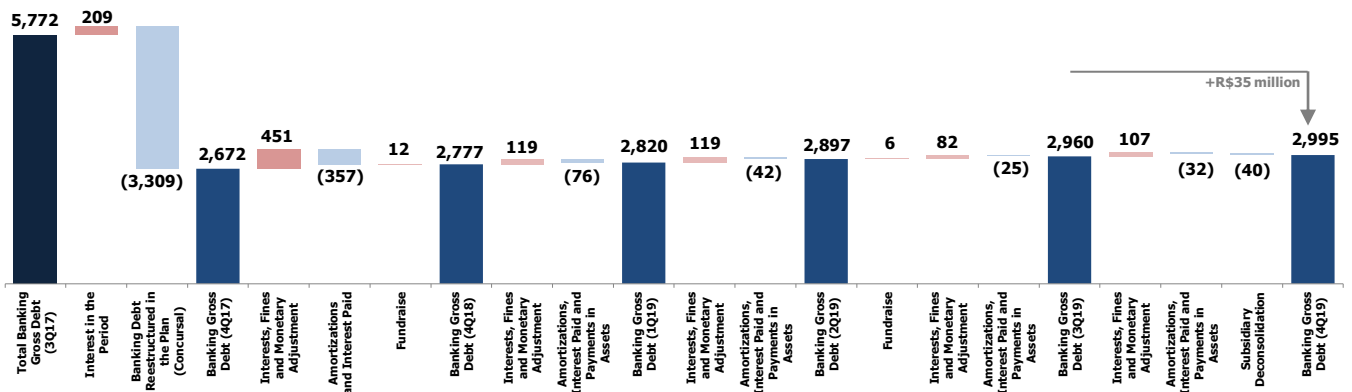
ON AND OFF BALANCE RECEIVABLES (R\$ MN)	4Q19	3Q19	(%) Var.
<small>R\$ million in IFRS</small>			
Receivables (on balance)	283	389	-27%
Gross Backlog Revenues - REF	496	508	-2%
Advances from Clients - sales installments	(60)	(60)	0%
Advances from Clients - physical barter from launches	(98)	(115)	-15%
Total Receivables (a)	621	722	-14%
Cost to be Incurred - Sold Units	(390)	(405)	-4%
Cost to be Incurred - Inventory Units	(432)	(419)	3%
Total Costs to be Incurred (b)	(822)	(824)	0%
Total Net Receivables (a+b)	(201)	(102)	97%
Short Term	195	291	-33%
Long Term	87	98	-11%
Total Receivables (on balance)	282	389	-28%
Constructed units	256	362	-29%
Units under constructions	365	360	1%
Total Receivables	621	722	-14%

Costs to be Incurred – R\$ million



Indebtedness (Extraconcursal)

- ❖ The Company's gross debt increased by R\$35 million (2%) from 3Q19 to 4Q19, due to R\$107 million of interests incurred in the period, deducted from the R\$32 million in amortizations and R\$40 million related to the deconsolidation of subsidiaries.
- ❖ During 2019 amortizations and interest payments of debt totaled R\$ 175 million.



Indebtedness (Extraconcursal)

- ❖ Considering the R\$14 million decrease in Cash and Cash Equivalents, net debt increased by R\$49 million (2%) in 4Q19.
- ❖ The SFH debt was reduced by R\$45 million (-6%) during 4Q19, mainly due to the deconsolidation of debts related to subsidiaries involved in litigation process.

R\$ million in IFRS

INDEBTEDNESS	4Q19	3Q19	(%) Var.
Cash	118	132	-11%
SFH	729	774	-6%
Debentures	168	158	6%
CCB/CRI	214	204	5%
Construction Financing	1,111	1,136	-2%
Working Capital, SFI and Promissory Notes	350	349	0%
Finep/Finame	7	7	0%
Debentures	406	388	5%
CCB/CRI	1,120	1,079	4%
Obligation for the issuance of CCB and CCI	1	1	0%
Corporate Debt	1,884	1,824	3%
Gross Debt	2,995	2,960	1%
Net Debt	2,877	2,828	2%
Net Debt (ex. Construction Financing)	1,766	1,692	4%
Shareholders Equity ⁽¹⁾	(4,923)	(4,622)	7%
Net Debt (ex. SFH)/ Equity	n.a.	n.a.	n.m.

(1) Includes non-controlling equity

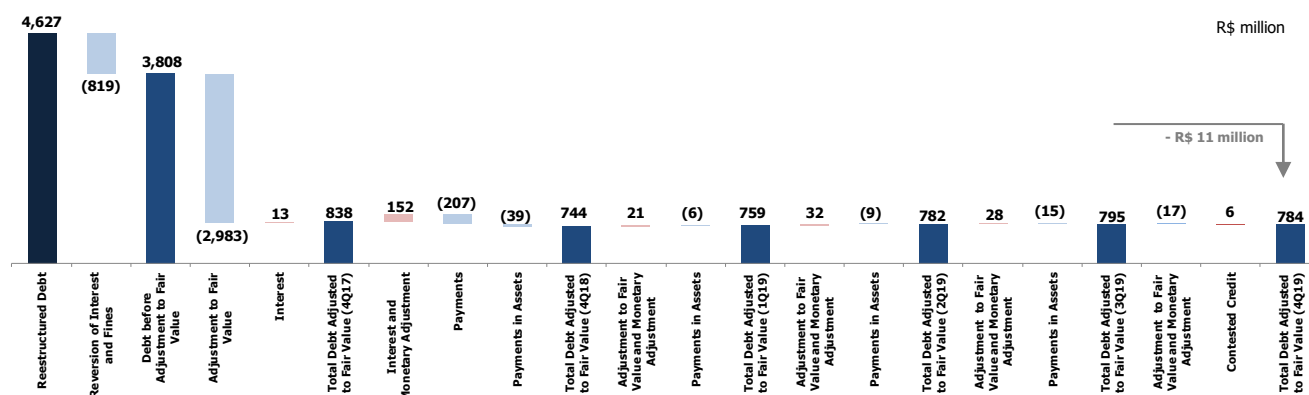
Net Debt Variation

R\$ million in IFRS

NET DEBT VARIATION (R\$ MN)	2013	2014	2015	2016	2017	2018	1T19	2T19	3T19	4T19	2019
Cash and Cash Equivalents	1,353	1,092	604	201	213	138	138	139	132	118	118
Cash Variation	(468)	(261)	(488)	(403)	12	(75)	-	1	(7)	(14)	(20)
Gross Debt	8,367	7,869	6,155	5,319	2,672	2,777	2,820	2,897	2,960	2,995	2,995
Construction Financing	5,215	4,517	2,719	1,643	1,050	1,086	1,092	1,127	1,136	1,111	1,111
Corporate Debt	3,152	3,352	3,436	3,676	1,622	1,691	1,728	1,770	1,824	1,884	1,884
Gross Debt Variation	602	(498)	(1,714)	(836)	(2,647)	105	43	77	63	35	218
Net Debt Variation	(1,070)	237	1,226	433	2,659	(180)	(43)	(76)	(70)	(49)	(238)

Debt Subjected to the Recovery Plan (Concursal)

- ❖ In 4Q19 Debts subjected to the Recovery Plan decreased by R\$11 million mainly due to recalculation of charges.
- ❖ During 2019 were amortized R\$30 million in debts subjected to the Recovery Plan.
- ❖ Considering the Capital Increase, the payments made to creditors of classes I, II and IV and the payments in assets, the Company already amortized R\$281 million in debts subjected to the Recovery Plan.



Obs.: The methodology used to calculate the Fair Value and therefore the Total Debt Adjusted to Fair Value, is explained in Note 13 of the Financial Statements.

Financial Results

- ❖ The Company's Financial Loss decreased by 19% QoQ and 0.4%% YoY.

FINANCIAL RESULTS (R\$ MN)	QUARTER			YTD		
	4Q19	4Q18	(%) Var.	2019	2018	(%) Var.
	R\$ million in IFRS					
Investment Income	0.8	2.0	-60%	3.8	8.9	-57%
Interest and fines	(8.9)	49.0	n.m.	8.5	154.2	-94%
Other financial revenue	(15.5)	(1.0)	n.m.	1.9	(43.6)	n.m.
Total financial revenues	(23.6)	50.0	n.m.	14.2	119.5	-88%
Interest	(55.7)	(132.0)	-58%	(452.5)	(465.4)	-3%
Bank Expenses	(0.2)	-	n.m.	(0.8)	(0.8)	0%
Other	(53.4)	(83.0)	-36%	(56.9)	(142.0)	-60%
Gross Financial Expenses	(109.3)	(215.0)	-49%	(510.2)	(608.2)	-16%
Capitalized Interest on Inventory	8.7	11.0	-21%	32.4	23.3	39%
Total Financial Expenses	(100.6)	(204.0)	-51%	(477.8)	(584.9)	-18%
Total Financial Result	(124.2)	(154.0)	-19%	(463.6)	(465.4)	0%

Income Statements

Quarters and years ended on December 31st, 2019 and 2018

INCOME STATEMENTS (R\$ '000) - IFRS	QUARTER			YTD		
	4Q19	4Q18	(%) Var.	2019	2018	(%) Var.
Operating Gross Revenue						
Real Estate Sales	70,406	(153,844)	n.m.	293,773	180,388	63%
Other Operating Revenues	525	42,594	-99%	41,385	54,395	-24%
(-) Revenues Deduction	(6,716)	3,808	n.m.	(34,936)	(21,328)	64%
Operating Net Revenue	64,215	(107,442)	n.m.	300,222	213,455	41%
Cost of Sold Units	(43,786)	221,766	n.m.	(239,963)	(174,185)	38%
Interest Expenses	(11,982)	22,312	n.m.	(43,154)	(6,767)	n.m.
Cost of sold properties	(55,768)	244,078	n.m.	(283,117)	(180,952)	56%
Gross Income (loss)	8,447	136,636	-94%	17,105	32,503	-47%
Gross margin	13.2%	n.a.	n.m.	5.7%	15.2%	-9.5 pp
Adjusted gross margin ⁽¹⁾	31.8%	n.a.	n.m.	20.1%	18.4%	1.7 pp
Operating Revenues (expenses):						
Equity Income	190	(3,818)	n.m.	1,502	(5,132)	n.m.
General and Administrative	(22,597)	(66,702)	-66%	(63,126)	(125,549)	-50%
Commercial	(29,437)	(17,286)	70%	(57,452)	(43,739)	31%
Taxes	(1,219)	(409)	n.m.	(6,445)	(4,403)	46%
Depreciation & Amortization	(761)	(10,389)	-93%	(3,653)	(67,531)	-95%
Other	(152,191)	(13,229)	n.m.	(344,386)	(190,388)	81%
Financial Result	(124,114)	(154,236)	-20%	(463,555)	(465,352)	0%
Total operating revenues (expenses)	(330,129)	(266,069)	24%	(937,115)	(902,094)	4%
Income before taxes	(321,682)	(129,433)	n.m.	(920,010)	(869,591)	6%
Income Taxes and Social Contribution	29,603	7,806	n.m.	10,159	23,576	-57%
Income before minority stake	(292,079)	(121,627)	n.m.	(909,851)	(846,015)	8%
Minority interest	4,642	(8,299)	n.m.	9,805	7,105	38%
Net Income (loss)	(287,437)	(129,926)	n.m.	(900,046)	(838,910)	7%
Net margin	n.a.	n.a.	n.m.	n.a.	n.a.	n.m.

(1) Adjusted by interest expenses in cost of sold units and recognition of goodwill

EBITDA	QUARTER			YTD		
	4Q19	4Q18	(%) Var.	2019	2018	(%) Var.
Income (loss) before taxes	(321,682)	(129,433)	n.m.	(920,010)	(869,591)	6%
(-/+) Financial Result	124,114	154,236	-20%	463,555	465,352	0%
(+) Depreciation and Amortization	761	10,389	-93%	3,653	67,531	-95%
(+) Interest Expenses - Cost of Sold Units	11,982	(22,312)	n.m.	43,154	6,767	n.m.
(-/+) Equity Income result	(190)	3,818	n.m.	(1,502)	5,132	n.m.
EBITDA	(185,015)	16,698	n.m.	(411,150)	(324,809)	27%
EBITDA Margin	n.a.	n.a.	n.m.	n.a.	n.a.	n.m.

Consolidated Balance Sheet - ASSETS



On December 31st 2018 and 2018

ASSET (R\$ '000)	2019	2018	(%) Var.
Current Assets			
Cash, cash equivalents and short-term investments	118,326	138,241	-14%
Accounts receivable	195,435	330,526	-41%
Properties held for sale	1,162,667	1,422,421	-18%
Accounts with related parties	7,788	7,523	4%
Taxes to recover	10,134	18,287	-45%
Deferred taxes	-	4,806	-100%
Total Current Assets	1,494,350	1,921,804	-22%
Noncurrent Assets			
Long-Term			
Accounts receivable	87,486	130,807	-33%
Properties held for sale	172,957	224,652	-23%
Taxes to recover	17,499	14,403	21%
Accounts with related parties	53,992	46,978	15%
Accounts with related parties	60,042	78,064	-23%
Total Long-Term Assets	391,976	494,904	-21%
Permanent Assets			
Investments	44,986	53,320	-16%
Property and Equipment	1,265	259	n.m.
Intangible	2,307	5,341	-57%
Total Permanent Assets	48,558	58,920	-18%
Total Noncurrent Assets	440,534	553,824	-20%
Total Assets	1,934,884	2,475,628	-22%

Consolidated Balance Sheet - LIABILITIES



On September 30th 2018, and June 30th 2018

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ '000)	2019	2018	(%) Var.
Current			
Loans and financings	1,085,911	1,139,486	-5%
Debentures	574,068	467,820	23%
Obligation for the issuance of CCB & CCI	1,333,445	1,169,407	14%
Co-obligation for the issuance of CRI	1,304	1,304	0%
Suppliers	125,210	147,620	-15%
Payable obligations subject to the Reorganization Plan	24,750	19,941	24%
Property acquisition obligations	714	11,482	-94%
Advances from clients	131,828	332,635	-60%
Tax and labor obligations	22,961	37,519	-39%
Deferred taxes	17,865	8,166	n.m.
Income and social contribution taxes	10,342	8,502	22%
Accounts with related parties	8,062	7,013	15%
Other provisions for contingencies	21,230	142,193	-85%
Other Obligations	379,292	90,173	n.m.
Total Current	3,736,982	3,583,261	4%
Long-Term			
Payable obligations subject to the Reorganization Plan	759,274	724,831	5%
Property acquisition obligations	21,564	11,329	90%
Advances from clients	26,197	31,530	-17%
Taxes and contributions payable	7,595	6,401	19%
Accounts with related parties			
Deferred taxes	978,626	1,011,939	-3%
Other provisions for contingencies	942,963	708,299	33%
Other Obligations	322,578	330,554	-2%
Total Long-Term	3,121,289	2,891,847	8%
Shareholders' equity			
Subscribed capital	4,992,033	4,992,033	0%
Capital reserve	1,236,743	1,236,743	0%
Accumulated losses	(11,092,484)	(10,192,438)	9%
Minority interest	(59,679)	(35,818)	67%
Total Shareholders' equity	(4,923,387)	(3,999,480)	23%
Total liabilities and shareholders' equity	1,934,884	2,475,628	-22%