



3Q08 & 9M08 Results Conference Call

November 12th, 2008

PDG Realty



Participants

José Antonio T. Grabowsky
CEO

Michel Wurman
CFO and Investor Relations Officer

João Mallet, CFA
Financial and Investor Relations Manager

Phone Number: + 55 (21) 3504-3800

E-mail: ri@pdgrealty.com.br

Website: www.pdgrealty.com.br/ri

3Q08 & 9M08 Highlights



OPERATIONAL HIGHLIGHTS 3Q08	<ul style="list-style-type: none"> ✓ LAUNCHED <i>PRO RATA</i> PSV REACHED R\$704 MILLION; ✓ <i>PRO RATA</i> CONTRACTED SALES TOTALED R\$448 MILLION; ✓ 48.3% OF THE UNITS LAUNCHED IN 3Q08 HAVE ALREADY BEEN SOLD; ✓ 76.4% OF THE LAUNCHES WHERE IN THE LOW INCOME SEGMENT.
OPERATIONAL HIGHLIGHTS 9M08	<ul style="list-style-type: none"> ✓ 60.3% OF THE UNITS LAUNCHED IN 9M08 HAVE ALREADY BEEN SOLD; ✓ CONTRACTED SALES TOTALED R\$1.39 BILLION; ✓ LAUNCHED <i>PRO RATA</i> PSV REACHED R\$1.87 BILLION, REPRESENTING 69.4% OF THE MID RANGE OF THE 2008 FULL YEAR GUIDANCE.
FINANCIAL HIGHLIGHTS 3Q08 & 9M08	<ul style="list-style-type: none"> ✓ NET REVENUE REACHED R\$338.6 MILLION IN 3Q08 AND R\$862.8 MILLION IN 9M08 , AN INCREASE OF 139% WHEN COMPARED TO 9M07; ✓ EBITDA REACHED R\$94.6 MILLION IN 3Q08 WITH A 27.9% MARGIN. IN 9M08 TOTALED R\$240.8 MILLION WITH A 27.9% MARGIN; ✓ ADJUSTED NET INCOME REACHED R\$69.2 MILLION IN 3Q08 WITH A 20.4% MARGIN. IN 9M08 TOTALED R\$183.8 MILLION WITH A 21.3% MARGIN.
SOLID CASH POSITION AND LOW INVENTORY LEVELS	<ul style="list-style-type: none"> ✓ CONSOLIDATED CASH POSITION OF R\$ 341 MILLION IN 3Q08; ✓ ACCESS TO ADDITIONAL CREDIT LINES OF APPROXIMATELY R\$3 BILLION; ✓ 73.4 % OF LAUNCHED AND NOT SOLD UNITS ARE FROM 2008 LAUNCHES.

Recent Events



✓ Shares Buyback Program:

▪ On October 21st, we initiated our shares buyback program. The program is valid for 365 days and is limited to 8,142,064 common shares, corresponding to 10% of the free-float shares. The acquisitions will be handled by UBS Pactual Corretora de Títulos e Valores Mobiliários S.A.

✓ JV with Dominus Engenharia – Launching of its first project:

▪ In September, the first project under the JV agreement with Dominus Engenharia was launched. “Alameda da Serra” is a commercial project located in Belo Horizonte and has a total PSV of R\$70.6 million (R\$56.5 million pro rata PDG Realty). The project reached 36% of sales in just one week after launching.

✓ Sponsored Depositary Receipts Level 1 Program:

▪ In October we filed before the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários – “CVM”), request for the registration of its Sponsored Depositary Receipts Level 1 Program for trading on the U.S. over-the-counter market of securities backed by common shares issued by PDG Realty.

▪ For this purpose, Citibank DTVM S.A. will act as custodian of the Company's common shares in Brazil, which will back the respective depositary shares, and Citibank, N.A. will act as depositary in the U.S., responsible for the issuance of the respective depositary shares, in the ratio of 1 (one) depositary share per 2 (two) common shares.

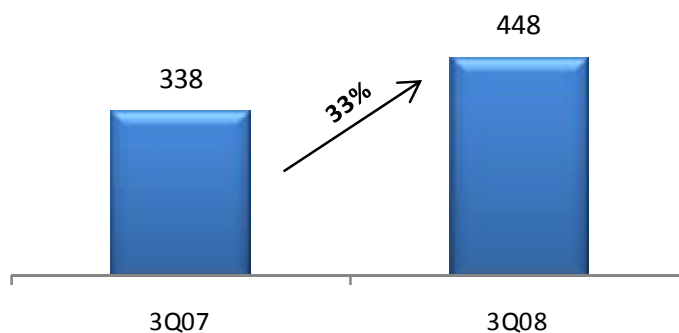
▪ The Company clarifies that the establishment and the registration of the Depositary Receipts Level 1 Program does not involve the issuance of new shares or a public offering of existing shares.

Operational Highlights - Sales

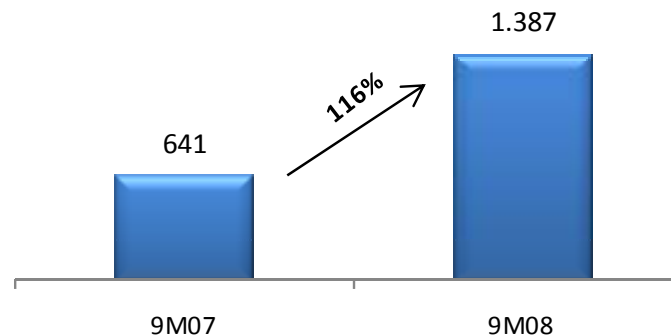


- ✓ Contracted Sales reached R\$2.25 billion in 9M08 (3Q08: R\$685m). PDG Realty's pro rata stake amounted to R\$1.39 billion (3Q08: R\$448m).
- ✓ From the sales of 3Q08, R\$302.9 million came from 3Q08 launchings and R\$144.9 from inventory.

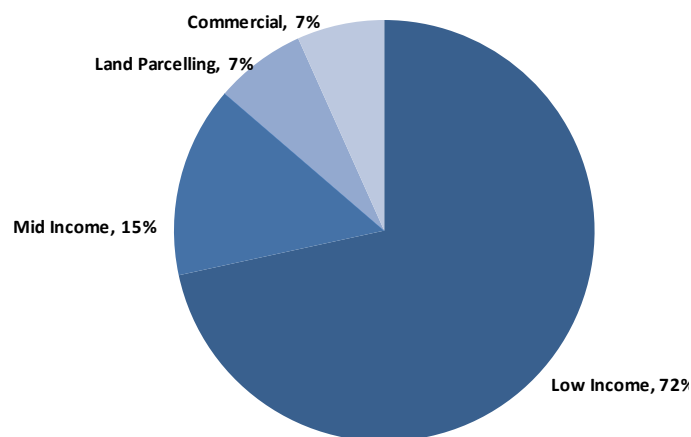
Contracted Sales pro rata (R\$ mln)



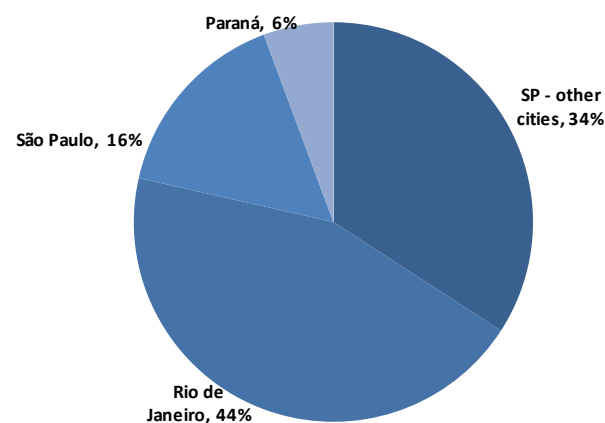
Contracted Sales pro rata (R\$ mln)



Pro rata Contracted Sales 3Q08 - Segments



Pro rata Contracted Sales 3Q08 - Geographic Breakdown



Operational Highlights - Sales



✓The table below shows the main figures for the projects launched in 3Q08, 48% of the units launched were sold in the quarter of launch:

Project	PSV (R\$ mln)	% Total PDG	PSV Pro-rata PDG (R\$ mln)	Units	Units Sold (%)	Sold pro rata PSV	Segment
São Paulo - Capital							
1 Residencial Ravenna	34.0	90.00%	30.6	228	55%	16.9	Low Income
2 Campi dei Fiori	15.6	80.00%	12.5	164	41%	5.2	Low Income
3 Terrazza Marina	33.1	90.00%	29.8	174	34%	10.3	Low Income
4 Residencial Vitória - 1a fase	26.6	90.00%	23.9	243	25%	6.0	Low Income
5 Villa Esperança	9.9	90.00%	8.9	104	13%	1.1	Low Income
6 Refúgio Jaguaré	22.3	90.00%	20.1	97	26%	5.2	Low Income
São Paulo - other cities							
1 Gran Vita Club House	17.2	90.00%	15.5	105	40%	6.2	Low Income
2 Cadiz Residencial	45.0	90.00%	40.5	255	45%	18.4	Low Income
3 Botânico - 1a fase	21.3	90.00%	19.2	116	15%	2.8	Low Income
4 Solaris	25.4	90.00%	22.9	126	10%	2.2	Low Income
5 Ville de Soleil	21.7	90.00%	19.6	117	8%	1.5	Low Income
6 Reserva dos Lagos - 2a fase	34.4	90.00%	31.0	175	28%	8.7	Low Income
7 Pratical Life	56.1	90.00%	50.5	350	33%	16.6	Low Income
8 Bella Città	36.3	90.00%	32.7	184	16%	5.3	Low Income
9 Eco Life Campestre	52.0	77.45%	40.3	228	34%	13.6	Mid
10 Quinta do Golfe	132.6	15.98%	21.2	591	100%	21.2	Land Parcelling
Rio de Janeiro							
1 Arboretto Residencial	31.3	65.00%	20.4	222	21%	4.2	Low Income
2 Avante	26.4	70.00%	18.5	113	57%	10.5	Mid
3 Griffe	29.7	70.00%	20.8	109	78%	16.2	Mid
4 Estrelas	202.0	70.00%	141.4	800	67%	94.5	Low Income
Minas Gerais							
1 Alameda da Serra	70.6	80.00%	56.5	50	36%	20.3	Commercial
Paraná							
1 Reserva das Torres	31.6	58.22%	18.4	223	64%	11.8	Low Income
2 Cenarium	17.7	50.00%	8.9	42	48%	4.2	Mid
23 Total	992.8		703.7	4,816	48%	302.9	

Operational Highlights - Sales



✓Below, we highlight some projects launched with different partners in 3Q08:



ESTRELAS

Partner	CHL
Location	Rio de Janeiro/ RJ
Launch	September/2008
Total PSV	R\$ 202 mln
Units	800
% sales	67%

QUINTA DO GOLFE

Partner	Cipasa
Location	São José do Rio Preto/SP
Launch	September/2008
Total PSV	R\$ 132 mln
Units	591
% sales	100%



Operational Highlights - Sales



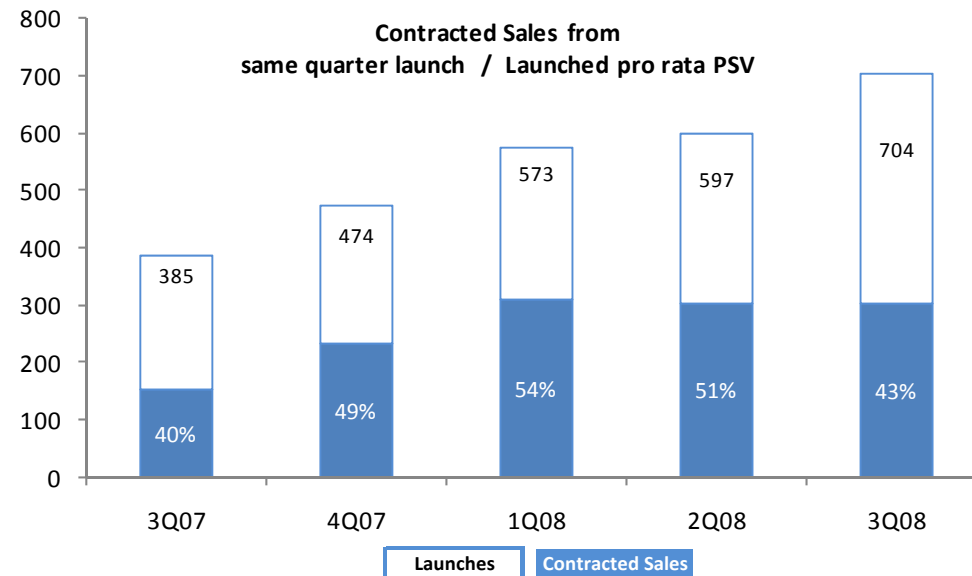
✓The table below shows PDG Realty's historical track record of launches and its respective sales position and aging of the units in inventory. We can notice that 80% of all the units launched so far have been sold and that 73% of the total inventory value comes from units launched in 2008:

Launch	Units Launched	Units Sold	% Sold	% of Total Inventory
2003	296	296	100%	0%
1Q2003	-	-	-	0%
2Q2003	-	-	-	0%
3Q2003	188	188	100%	0%
4Q2003	108	108	100%	0%
2004	882	863	98%	1%
1Q2004	-	-	-	0%
2Q2004	69	56	81%	0%
3Q2004	176	173	98%	0%
4Q2004	637	634	100%	0%
2005	2,731	2,665	98%	0%
1Q2005	26	26	100%	0%
2Q2005	649	596	92%	0%
3Q2005	54	54	100%	0%
4Q2005	2,002	1,989	99%	0%
2006	4,176	3,996	96%	11%
1Q2006	1,032	1,032	100%	0%
2Q2006	418	418	100%	0%
3Q2006	489	464	95%	10%
4Q2006	2,237	2,082	93%	2%
2007	12,860	11,409	89%	15%
1Q2007	1,632	1,441	88%	2%
2Q2007	2,641	2,406	91%	2%
3Q2007	4,758	4,532	95%	2%
4Q2007	3,829	3,030	79%	9%
2008	13,343	8,048	60%	73%
1Q2008	4,006	2,958	74%	16%
2Q2008	4,521	2,768	61%	24%
3Q2008	4,816	2,322	48%	34%
Total	34,288	27,277	80%	

Operational Highlights - Sales



✓The chart below demonstrates the sales speed reached by the developments within its quarter of launch.



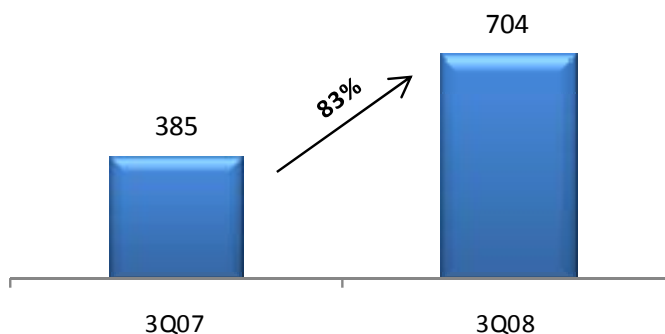
	1Q08	2Q08	3Q08
Beginning Inventory – R\$ mln (a)	579.42	685.33	810.33
Launched PSV PDG Realty – R\$ mln (b)	573.07	597.09	703.67
Contracted Sales PDG Realty – R\$ mln (c)	467.16	472.09	447.89
Final Inventory - R\$ mln	685.33	810.33	1,066.11
Sales (c) / Total Supply (a+b) - %	41%	37%	30%

Operational Highlights - Launches

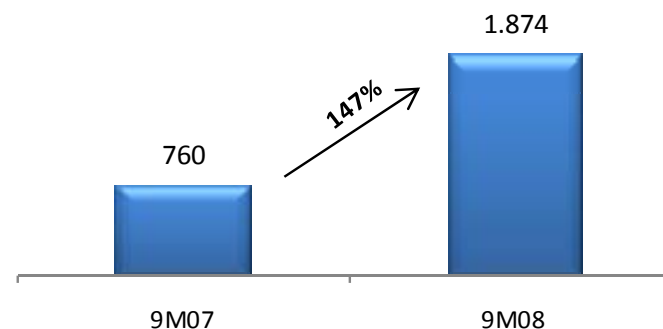


✓ Total Launched PSV reached R\$2.75 billion in 9M08 (3Q08: R\$993 million). PDG Realty stake totaled R\$1.87 billion (3Q08: R\$704m), spread over 62 projects (3Q08: 23 projects).

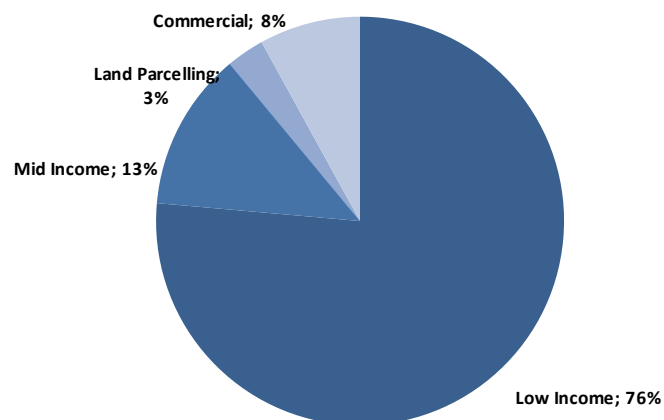
Launched *pro rata* PSV - R\$ mln



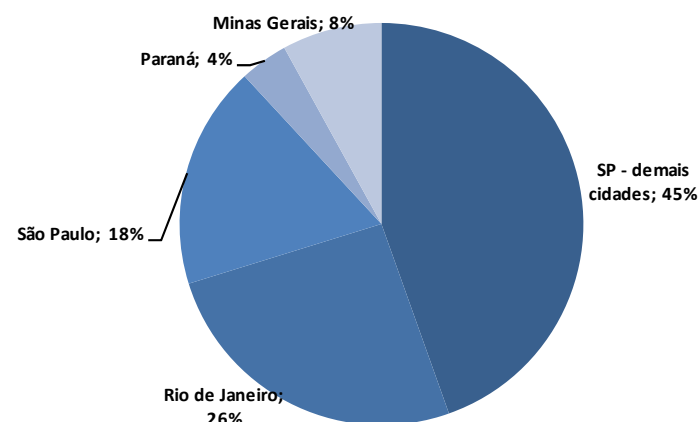
Launched *pro rata* PSV - R\$ mln



PSV *pro rata* Launches 3Q08 - Income Segments



PSV *pro rata* Launches 3Q08 - Geographic Breakdown

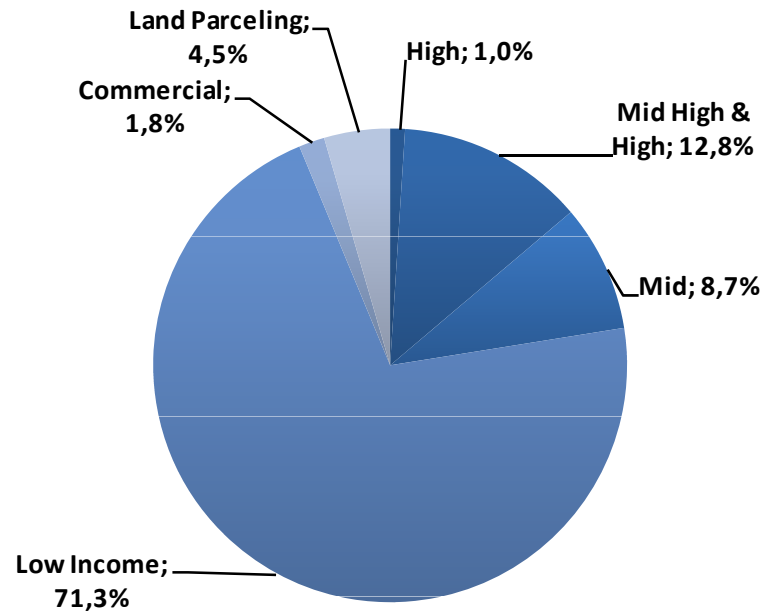


Operational Highlights - Landbank

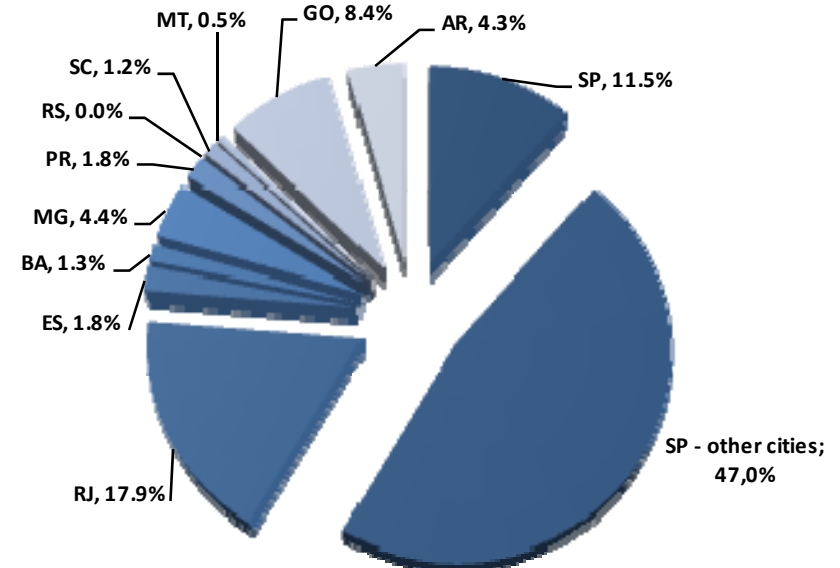


✓ Our current pro rata landbank reaches R\$7.4 billion (distributed across 303 projects), representing a 54% increase when compared to the 3Q07 and a decrease of 13% when compared to 2Q08 (R\$8.5 billion).

Landbank Segmentation - Pro Rata PSV



Landbank Geographic Distribution



Operational Highlights - Landbank



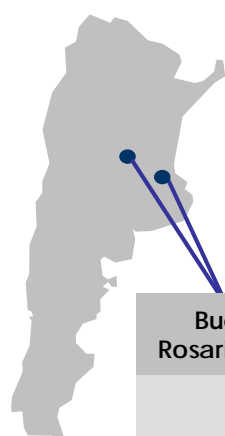
✓ Our current operations reach 55 cities spread in 13 states (and Argentina). The map below presents the breakdown of our landbank by region and partner:

- Current target area encompasses:

- 81.3% of Brazilian GDP ⁽¹⁾
- 69.8% of total population ⁽¹⁾
- 13 states, 55 cities

- In Argentina:

- 7.9mm households
- GDP US\$260 bn in 2007 (country)
- Population 40 mm



Buenos Aires and
Rosario, Argentina: 4.3%



Goiás, Pará, Mato Grosso, Mato Grosso do
Sul and District Capital: 8.9%



Paraná, Santa Catarina, RS do Sul: 3.0%



Bahia: 1.3%



Minas Gerais: 4.4%



Espírito Santo: 1.8%



Rio de Janeiro: 17.9%



São Paulo (capital): 11.5%



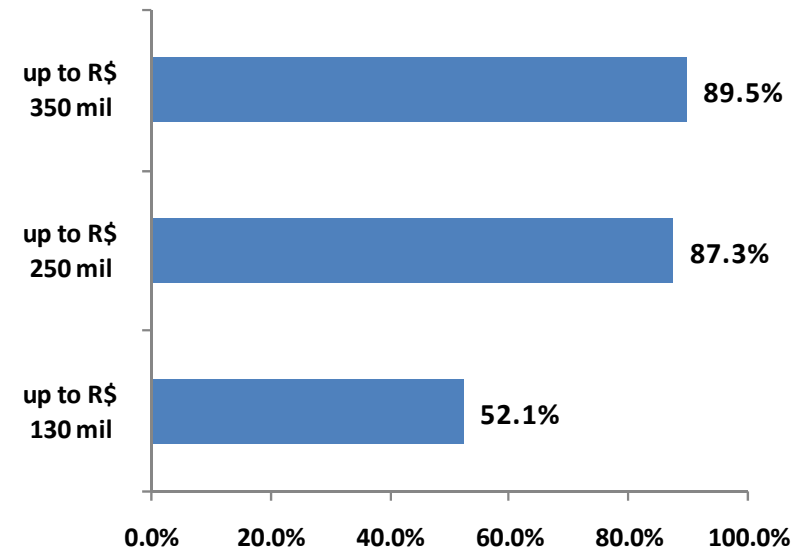
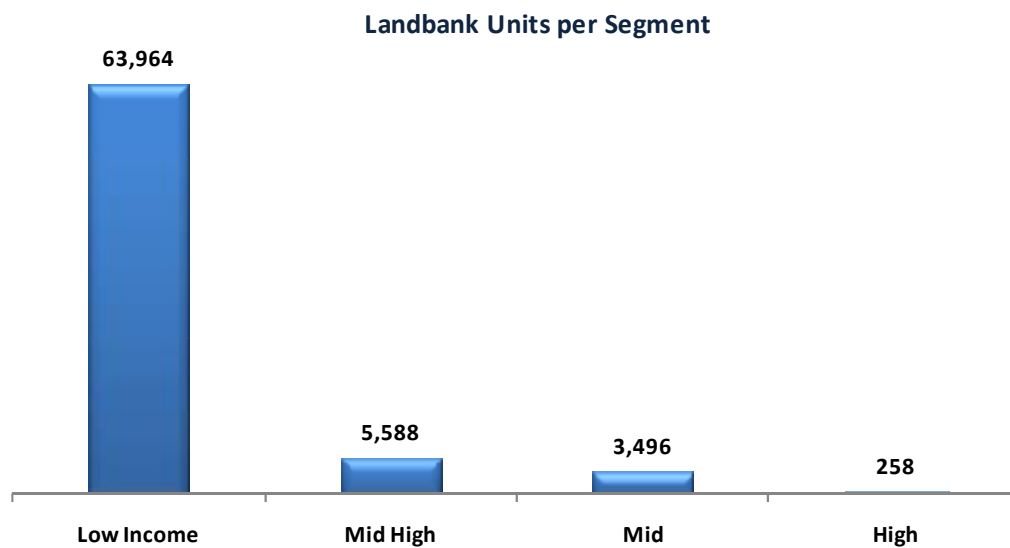
São Paulo (other cities): 47.0%



Operational Highlights - Landbank



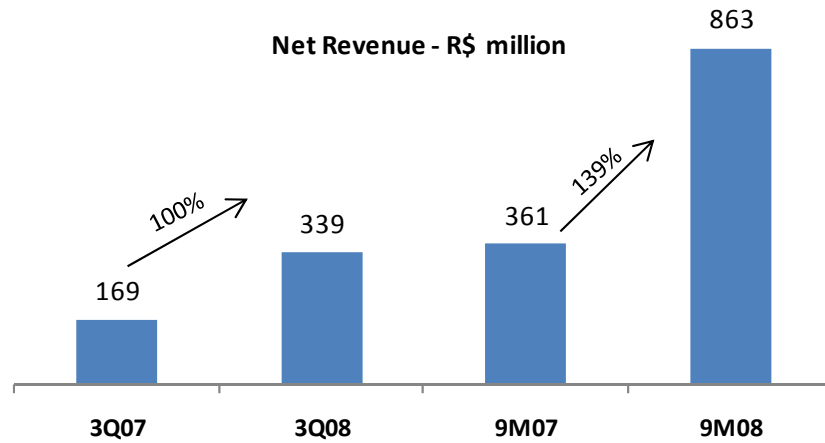
- ✓ The residential landbank (excluding commercial and land parceling units) totals 73 thousand units, with 64 thousand units in the low income segment.
- ✓ Approximately 90% of our residential units are eligible to SFH mortgage funding (units under R\$350k), while 52% of the units are eligible to the “Crédito Associativo” program of Caixa Econômica Federal (units under R\$130k in major cities).



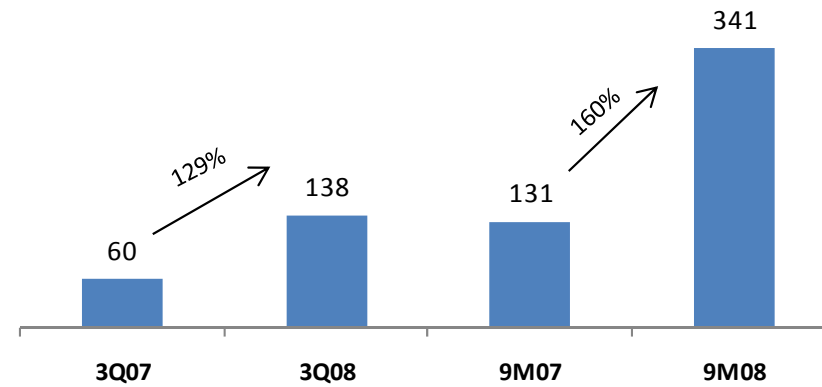
Financial Highlights 3Q08 & 9M08



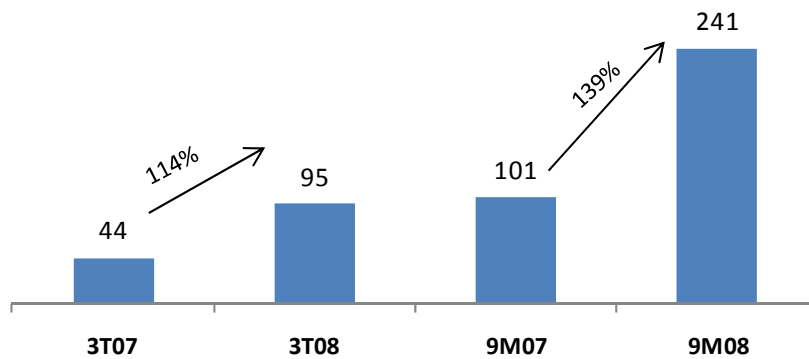
Net Revenue - R\$ million



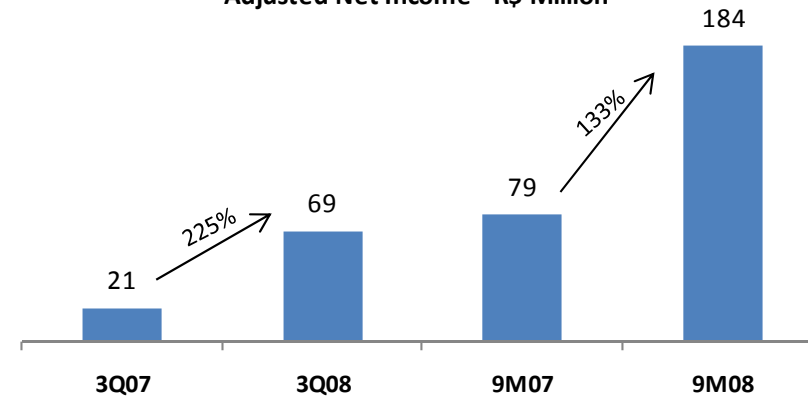
Gross Income - R\$ mln



EBITDA - R\$ mm



Adjusted Net Income - R\$ Million

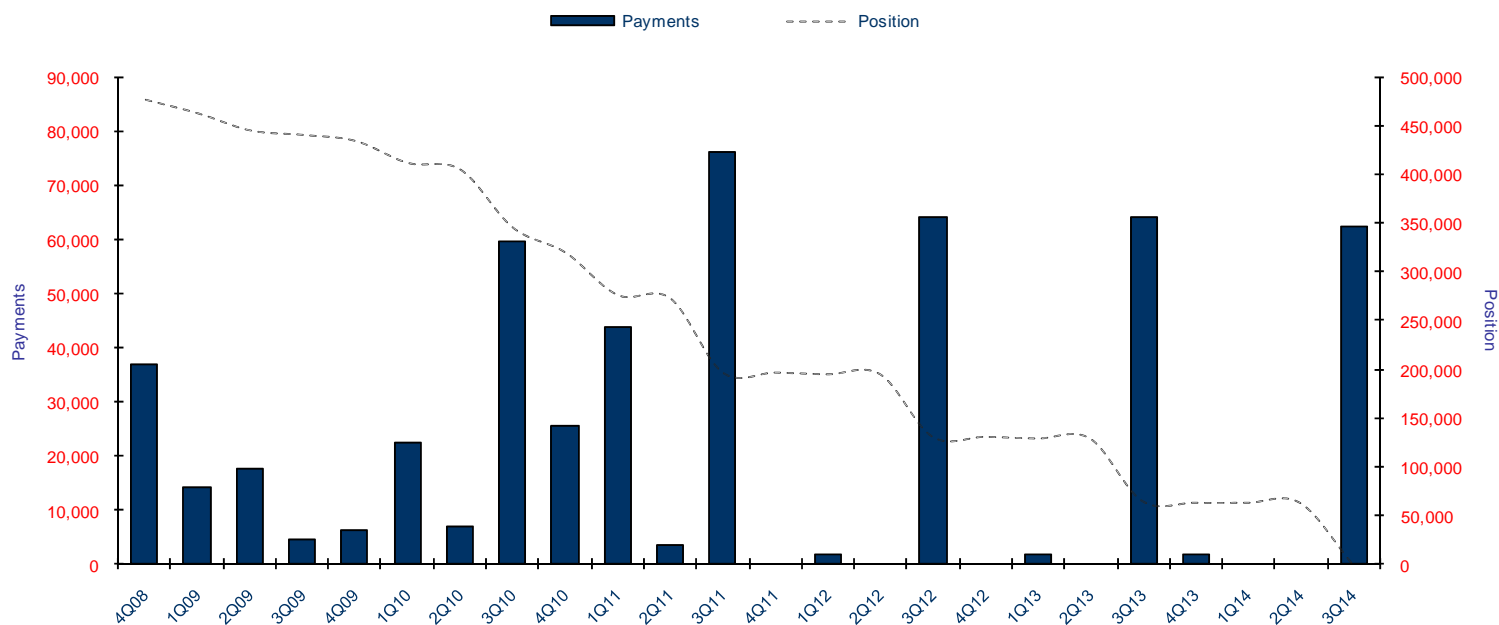


Financial Highlights 3Q08 & 9M08

Indebtedness



Debt (excludes SFH and partners in projects that has already been considered in SPC's cash flow) - Position after 3Q08



Debt Ratios	
Cash and Cash equivalents	341,421
Indebtness	(741,676)
Net Cash	(400,255)
Equity	1,520,511
Debt to Equity	48.8%
Net debt to Equity	26.3%

Final comments:



✓ Final observations and comments: