



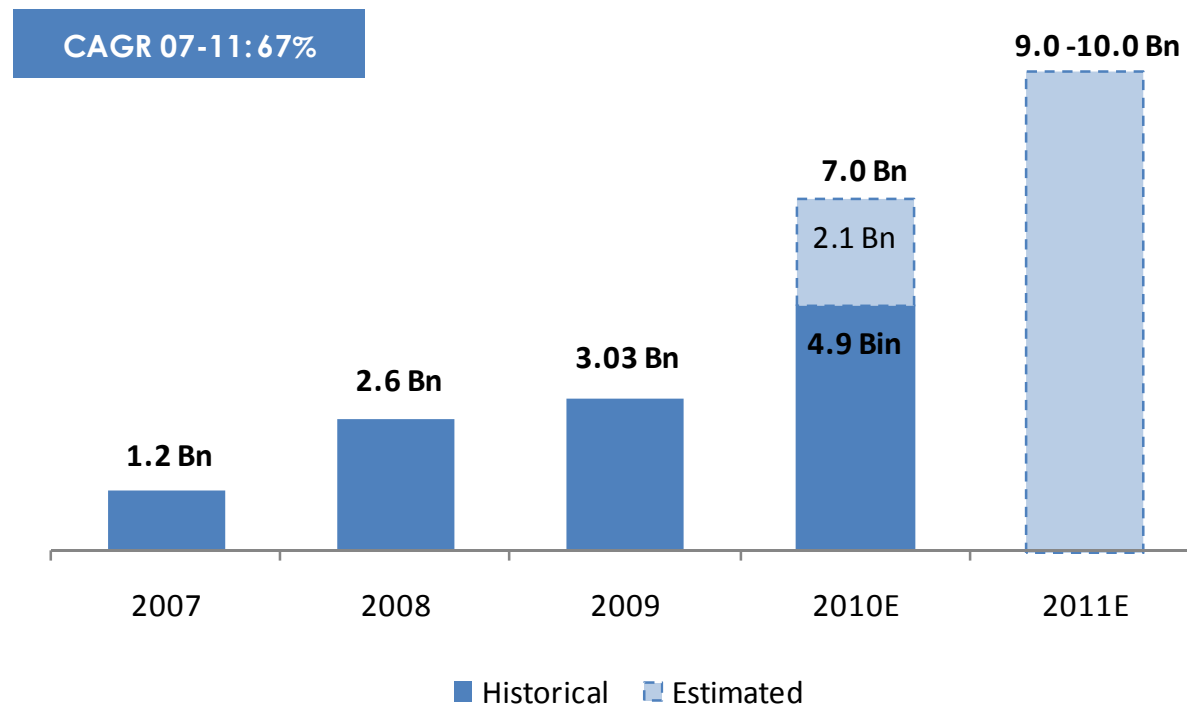
## 3Q10 & 9M10 Results Conference Call November, 2010

## Recent Highlights



### ✓ Guidance for launches in 2011

✓ We are officially announcing the Company's guidance for launches in 2011, which will be comprised in the range R\$9.0 billion – R\$10.0 billion, up by 36% against the mid-range for 2010 guidance of R\$6.5 billion – R\$7.5 billion.



## Recent Highlights



### ✓ New securitization of receivables

- ✓ Through its subsidiary PDG Companhia Securitizadora, PDG Realty carried out another two issuances of certificates of real estate receivables (CRIs), thus reaching some R\$891 million in such deals since its first issue taken place in July 2009.
- ✓ Considering the issuance of R\$791 million done in 2010, we are ranked second in the ranking published by the Orbis System that monitors securitization transactions in Brazil, with 13.8% market share.

PDG SECURITIZADORA	3rd Series – 2nd Issue	3rd Series – 3rd Issue
Volume:	111,000,000.00	405,000,000.00*
Maturity:	36 Months	96 Months
Yield:	9.80%	107%
Principal Adjustment:	TR	CDI
Composition of Collateral:	Non-delivered receivables	Non-delivered receivables
Nature of Collateral:	Residential	Commercial and Residential
		*including Hot Issue and Green Shoe

### ✓ Share Split

- ✓ At the Extraordinary General Meeting held on November 4, 2010, the split of all common shares issued by PDG Realty was approved at the ratio of 1:2.
- ✓ Accordingly, each common share was split into 2 (two) common shares, with no changes to the Company's capital value, which is now broken down into 1,106,242,174 common shares (Depositary Shares continue to represent 2 (two) common shares after the split).

## Recent Highlights



### ✓TGLT Listing

- ✓On November 4th, 2010, TGLT completed its initial public offering of shares on the Buenos Aires Stock Exchange, including the issue of Global Depositary Receipts traded in the United States, each representing 5 shares.
- ✓As a result of the issue of new shares, TGLT will receive, in domestic currency, an amount corresponding to some US\$55 million. These proceeds enable TGLT to implement its current business plan.
- ✓Before the IPO, PDG increased its share to 41.54% with the transfer of interest in projects carried out in partnership with TGLT. After the offering, PDG now holds 27.18% of TGLT's capital.

### ✓Term Sheet with Marriott International

- ✓On November 16th, 2010, we signed a term sheet with Marriott International, Inc., by means of our subsidiary Agre Empreendimentos Imobiliários S.A., for hotel developments in Brazil.
- ✓The Term Sheet provides that the parties will develop up to 50 hotels in Brazil, on land already arranged or to be arranged. The engagement approach of both parties, construction and project management will be negotiated individually.
- ✓Some of the highlights of the agreement are the following:
  - In the partnership with Marriott, AGRE/PDG will work as the Developer of up to 50 FAIRFIELD hotels in Brazil in the next 5 years;
  - Marriott will bring investors to buy the hotels (turnkey);
  - Both parties have mutual exclusivity in the deal;
  - The partnership already includes launches for 2011.

## Recent Highlights



### ✓PDG Realty stands out in Institutional Investor Awards 2010

## Institutional Investor

- ✓**LEADERBOARD LATAM:** 2<sup>nd</sup> place
- ✓**CEO REAL ESTATE:** José Antonio Grabowsky – 1<sup>st</sup> place
- ✓**CFO REAL ESTATE:** Michel Wurman – 1<sup>st</sup> place
- ✓**TOP 3 IR COMPANIES REAL ESTATE "BUY SIDE":** PDG Realty – 1<sup>st</sup> place
- ✓**TOP 3 IR COMPANIES REAL ESTATE "SELL SIDE":** PDG Realty– 1<sup>st</sup> place
- ✓**TOP 3 IR PROFESSIONALS REAL ESTATE "BUY SIDE":** Michel Wurman– 1<sup>st</sup> place
- ✓**TOP 3 IR PROFESSIONALS REAL ESTATE "SELL SIDE":** Gustavo Janer– 3<sup>rd</sup> place

# Operational and Financial Performance 3Q10 & 9M10



## 3Q10 & 9M10\* OPERATING HIGHLIGHTS

- ✓ NET CONTRACTED SALES (PRO RATA PDG REALTY) OF R\$1.852 BILLION IN 3Q10 AND R\$4.764 BILLION IN 9M10;
- ✓ LAUNCHES (PRO RATA) REACHED R\$2.040 BILLION IN 3Q10 AND R\$4.895 BILLION IN 9M10;
- ✓ CONTRACTED SALES OVER TOTAL SUPPLY (SOS) CAME TO 33% IN 3Q10;
- ✓ 70% OF THE MID RANGE OF THE GUIDANCE OF LAUNCHES FOR 2010 WAS ALREADY ACHIEVED BY THE CLOSE OF 3Q10;
- ✓ LAUNCHES SPREAD ACROSS 25 CITIES AND 9 STATES, COVERING ALL REGIONS OF THE COUNTRY;
- ✓ FROM THE UNITS LAUNCHED IN THE LOW INCOME SEGMENT, 63% ARE ELIGIBLE FOR THE “MINHA CASA, MINHA VIDA” HOUSING PROGRAM.

## 3Q10 & 9M10\* FINANCIAL HIGHLIGHTS

- ✓ NET REVENUES CAME TO R\$1.553 BILLION IN 3Q10, UP BY 61% AGAINST 3Q09;
- ✓ ADJUSTED EBITDA STOOD AT R\$415 MILLION IN 3Q10 WITH 27% MARGIN, A 31% INCREASE OVER 3Q09;
- ✓ ADJUSTED NET INCOME REACHED R\$262 MILLION IN 3Q10, WITH NET MARGIN OF 17% AND 6% GROWTH OVER 3Q09;
- ✓ ANNUALIZED ROE REACHED 19% IN 3Q10.

(\*) The operating and financial data herein disclosed for the preceding quarters relating to 2009 and the first quarter of 2010 were calculated on a pro forma basis, including 100% of AGRE's operating and financial results, as if the company's merger into PDG had already been carried out on the related dates. We also note that these data are not audited

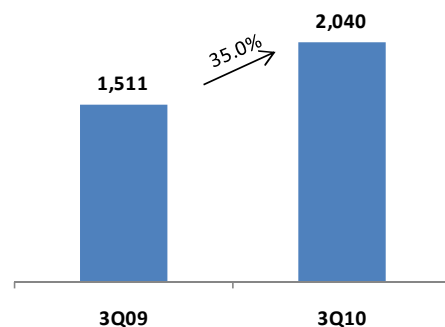


# Operational Performance 3Q10 & 9M10 Launches

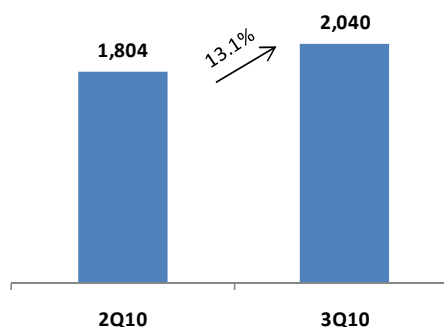


- ✓ Launched PSV (PDG Realty's pro rata stake) came to R\$2.040 billion (total PSV of R\$2.769 billion) in 3Q10, distributed across 67 projects;
- ✓ We launched 70% of the mid range of total guidance for 2010 (R\$6.5 billion – R\$7.5 billion);
- ✓ 63% of launches were concentrated in the low income segment (units up to R\$ 250 thousand) and 19% in the mid income segment (units up to R\$500 thousand);
- ✓ Launches were distributed across 25 cities and 9 states in the 3Q10, covering all regions of the country.

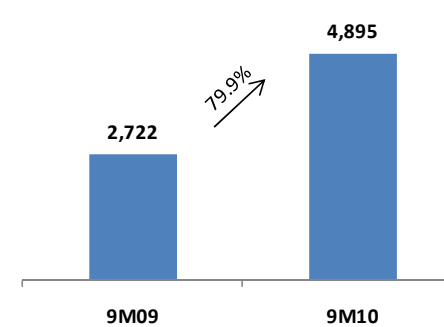
Launched PSV PDG Realty – R\$ million



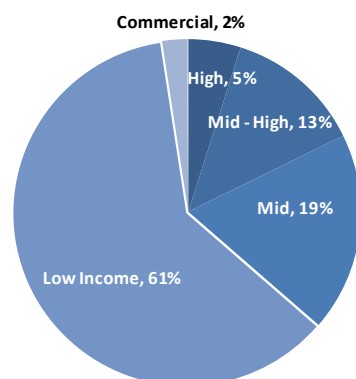
Launched PSV PDG Realty – R\$ million



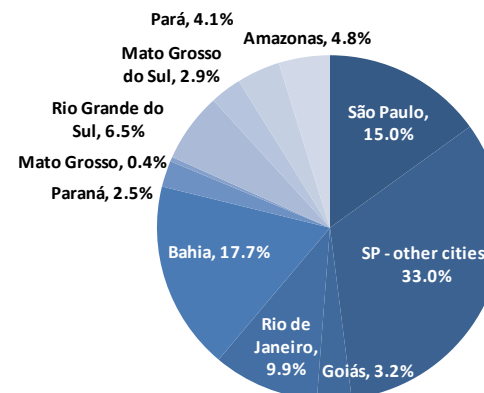
Launched PSV PDG Realty – R\$ million



Segmentation of 3Q10 Launches



Geographic Breakdown of 3Q10 Launches

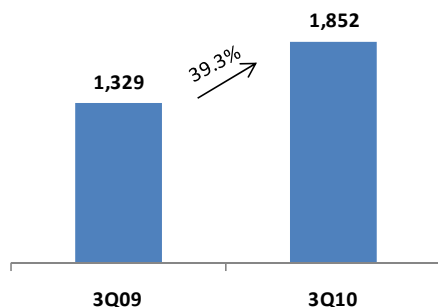


# Operational Performance 3Q10 & 9M10 Sales

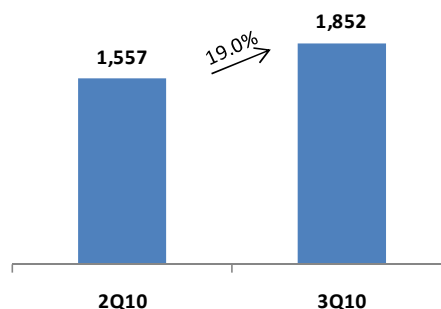


- ✓ Contracted sales (PDG Realty's pro rata stake) reached R\$1.852 billion in 3Q10 (up by 39% against 3Q09 and 59% against 9M09), with total contracted sales of R\$2.155 billion;
- ✓ Contracted sales over total supply (SOS) came to 33% in the quarter;
- ✓ The Company sold R\$949 million from 3Q10 launches and R\$902 million from launches in previous quarters.

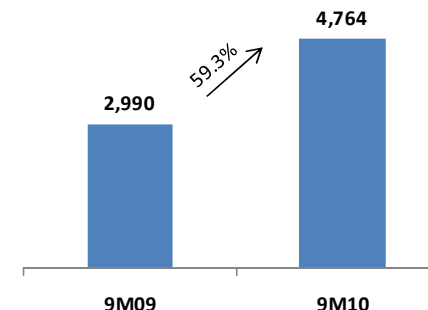
Contracted Sales PDG Realty – R\$ million



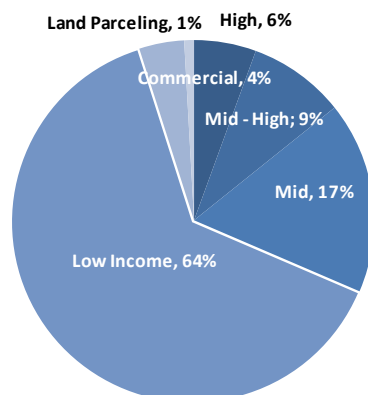
Contracted Sales PDG Realty – R\$ million



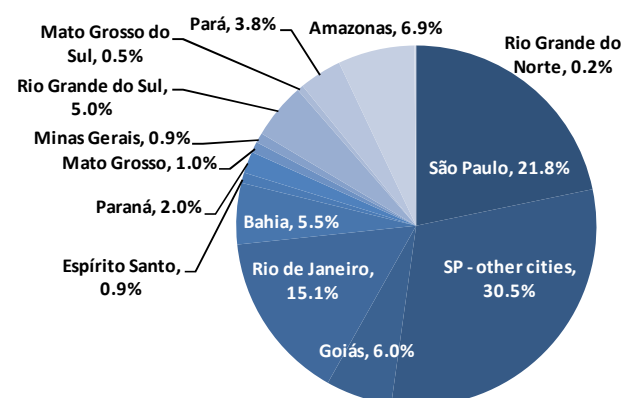
Contracted Sales PDG Realty – R\$ million



Segmentation of Contracted Sales 3Q10



Geographic Breakdown of Contracted Sales 3Q10



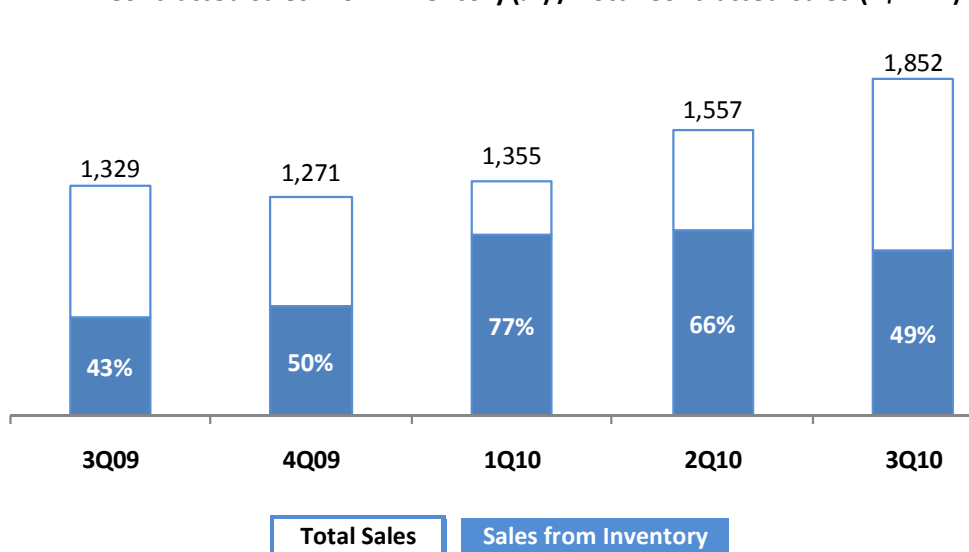


# Operational Performance 3Q10 & 9M10 Sales

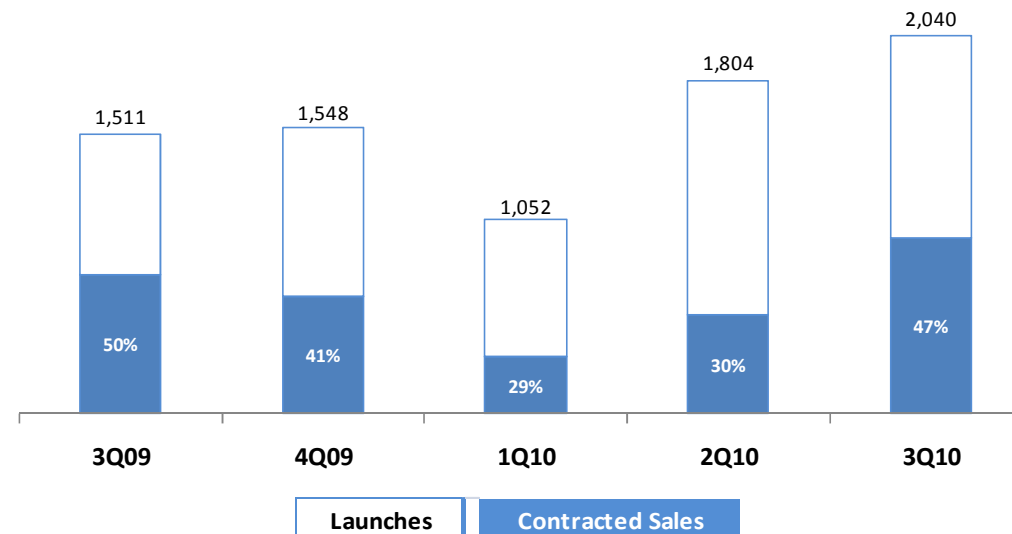


✓The graph below shows sales from inventory as a percentage of total contracted sales in the quarter.

Contracted Sales from Inventory (%) / Total Contracted Sales (R\$ mln)




Contracted Sales from same quarter launch (%) / Launched pro rata PSV (R\$mIn)



## Operational Performance 3Q10 & 9M10 Landbank



- ✓ PDG Realty's consolidated landbank stood at R\$30.0 billion at the close of 3Q10, distributed across 585 projects and 190 thousand units.
- ✓ The table below shows the breakdown of PDG Realty's landbank by residential units (excluding commercial units and land parceling).
- ✓ We highlight the large concentration of units under R\$500 thousand, eligible for the "Minha Casa, Minha Vida" program and financing through the Brazilian Housing Financing System (SFH), which account for 76% of total landbank.

Unit Price	Residential units	%	VGVDG (R\$ mln)	%	VGVDG (R\$ mln)	%	Average Unit Price (R\$)	Main Source of Funding
up to R\$ 100 th	35,690	23%	3,201	11%	3,210	9%	89,943	
from R\$ 100 th to R\$ 130 th	34,835	22%	3,583	13%	3,930	11%	112,817	
from R\$ 130 th to R\$ 250 th	41,323	27%	6,432	23%	7,670	21%	185,609	SFH
from R\$ 250 th to R\$ 500th	29,250	19%	8,447	30%	10,883	30%	372,085	SFH
over R\$ 500 th	14,473	9%	6,833	24%	10,822	30%	747,737	Market Rates
<b>Total</b>	<b>155,571</b>		<b>28,497</b>		<b>36,515</b>			

# Operational Performance 3Q10 & 9M10

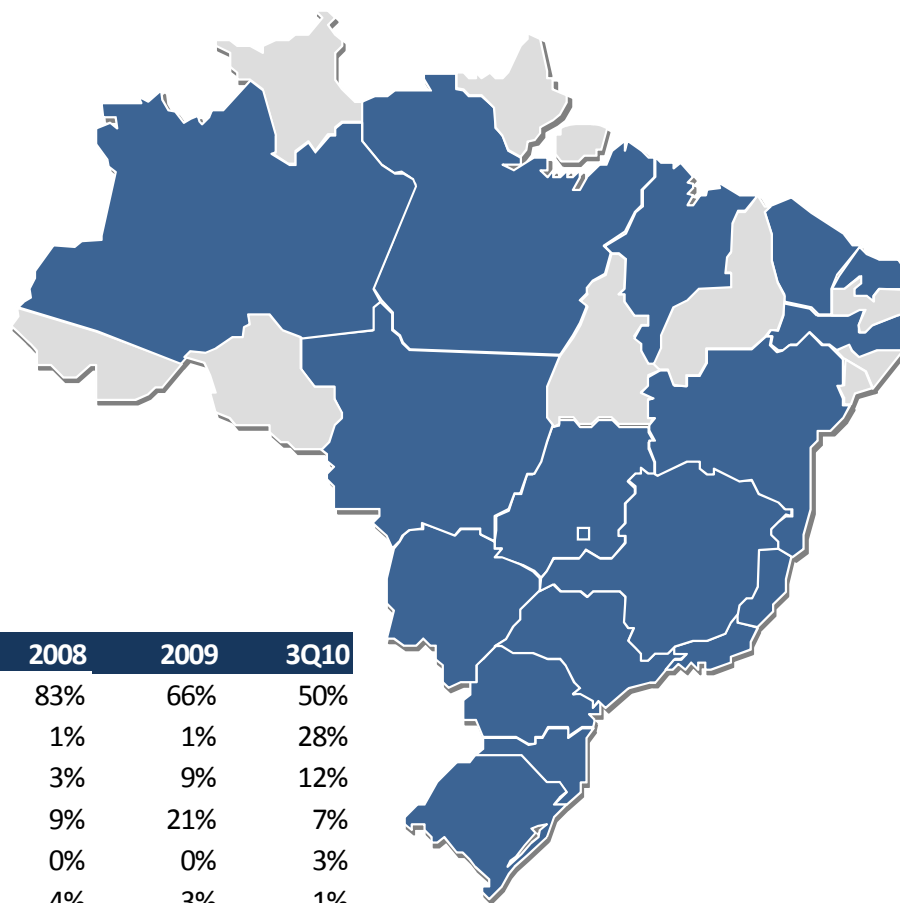
## Landbank



✓The landbank of PDG Realty is spread over 16 states and 106 cities, besides the Federal District (Brasília) and Argentina, as shown in the map below (distribution of PSV in the landbank):

Geographic Distribution	
State	(%)
SP - Other Cities	27.1%
BA	22.7%
SP	9.8%
RS	8.2%
RJ	6.8%
MG	6.1%
PE	3.7%
PR	3.1%
GO	2.6%
AM	2.4%
Brasília - DF	1.9%
RN	1.1%
MT	1.1%
PA	0.7%
MS	0.9%
Argentina	0.9%
ES	0.3%
CE	0.3%
SC	0.3%
MA	0.2%
<b>TOTAL (R\$)</b>	<b>30.0 Bn</b>

Breakdown evolution	2007	2008	2009	3Q10
<b>Southeast</b>	95%	83%	66%	50%
<b>Northeast</b>	2%	1%	1%	28%
<b>South</b>	3%	3%	9%	12%
<b>Middle West Region</b>	0%	9%	21%	7%
<b>North</b>	0%	0%	0%	3%
<b>Argentina</b>	0%	4%	3%	1%
<b>Total (R\$ billion)</b>	<b>5.7</b>	<b>6.2</b>	<b>10.3</b>	<b>30.0</b>

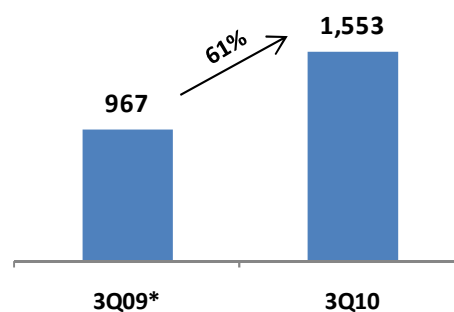


# Financial Performance 3Q10 & 9M10

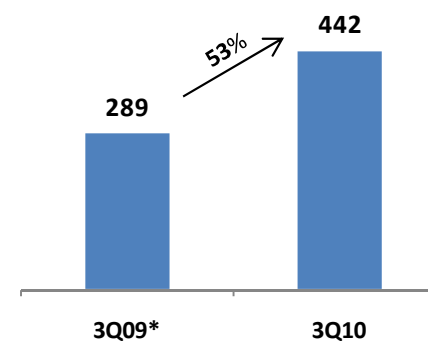


- ✓ Following is the evolution of key financial indicators in 3Q10 compared to 3Q09:
- ✓ We would like to highlight the accretion of R\$ 108 mm of gains of capital in the reported 3Q09 figures due to Agre's acquisition.

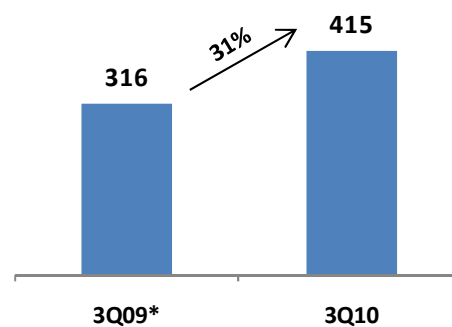
Net Revenues - R\$ mln



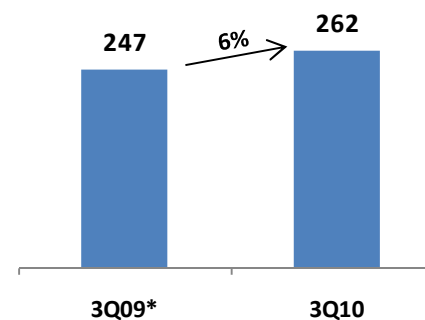
Gross Profit - R\$ mln



Adjusted EBITDA - R\$ mln



Adjusted Net Income - R\$ mln



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# Financial Performance 3Q10 & 9M10



✓ Comparison of SG&A expenses

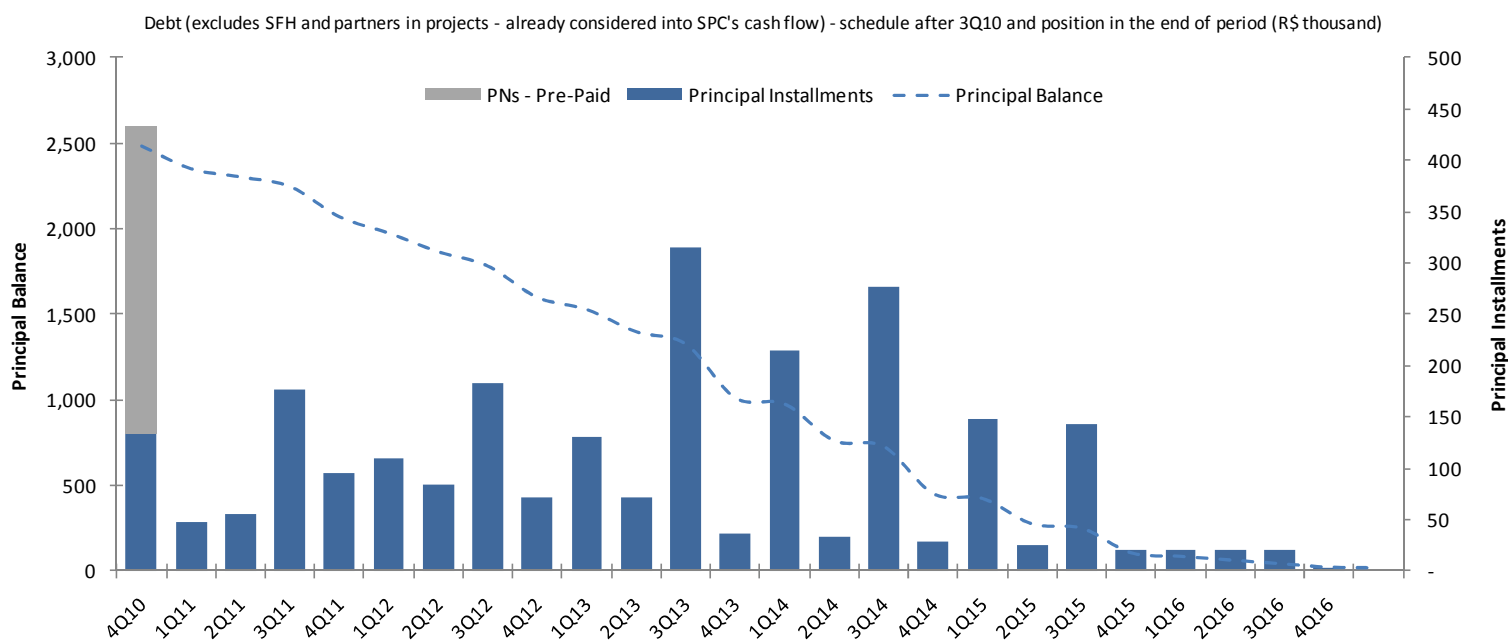
R\$ mln	3Q10	3Q09	9M10	9M09
Sales Expenses (R\$ mln)	77,4	52,1	209,0	143,6
G&A Expenses (R\$ mln) <sup>(1)</sup>	58,7	72,0	202,4	207,3
<b>G&amp;A + Sales Expenses</b>	<b>136,2</b>	<b>124,1</b>	<b>411,4</b>	<b>350,9</b>
Sales Expenses / Launches	3,8%	4,3%	4,3%	5,3%
G&A Expenses / Launches	2,9%	5,9%	4,1%	7,6%
<b>G&amp;A + Sales Expenses / Launches</b>	<b>6,7%</b>	<b>10,2%</b>	<b>8,4%</b>	<b>12,9%</b>
Sales Expenses / Contracted Sales	4,2%	4,2%	4,4%	4,8%
G&A Expenses / Contracted Sales	3,2%	5,8%	4,2%	6,9%
<b>G&amp;A + Sales Expenses / Contracted Sales</b>	<b>7,4%</b>	<b>9,9%</b>	<b>8,6%</b>	<b>11,7%</b>
Sales Expenses / Gross Revenue	4,9%	5,2%	5,1%	5,5%
G&A Expenses / Gross Revenue	3,7%	7,2%	4,9%	7,9%
<b>G&amp;A + Sales Expenses / Gross Revenue</b>	<b>8,5%</b>	<b>12,3%</b>	<b>9,9%</b>	<b>13,3%</b>

**(1) adjusted by stock options plan provision**

## Financial Performance 3Q10 & 9M10



✓Following is the schedule of debt amortization, excluding the Construction Financing (SFH) debts. The prepayment of the debentures of subsidiary Klabin Segall, indicated in the chart below, was performed with resources from working capital through CCB, funding for projects with constructing already advanced already through the SFH and issuance of CRI.



Consolidated per Index	
<b>Total:</b>	<b>4,786,414</b>
CDI	38.73%
TR	59.63%
Others	1.64%
<b>Duration:</b>	<b>23 months</b>

Debt Ratios (R\$ thousand)	3Q10
Cash and Cash equivalents	1,892,259
Indebtness	(4,786,414)
<b>Net Debt</b>	<b>2,894,155</b>
Equity	5,893,694
<b>Debt to Equity</b>	<b>81.2%</b>
<b>Net debt to Equity</b>	<b>49.1%</b>



## Contacts:



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