São Paulo, March 29th, 2017: PDG Realty S.A. (PDGR3) – Under Court-supervised Reorganization - announces **today** its results for the fourth quarter and the year of 2016. 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.

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Conference Call

Date:
Wednesday, March 30th, 2017

- **Portuguese**

11:00 a.m. (Brasília)
10:00 a.m. (NY)

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- **English**
(Simultaneous translation)

10:00 a.m. (NY)
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Highlights and Recent Events

- **SFH debt fell by R$182 million** between 3Q16 and 4Q16 **and by R$690 million** in the full year. (page 22)
- **Net financial debt was reduced by R$53 million in 4Q16** over the previous quarter, **and fell by R$433 million in 2016.** (page 22)
- **The Company´s total leverage**, including net financial debt and the cost to be incurred, **fell by R$53 million in 4Q16 over the previous quarter, and was reduced by R$352 million in the full year**. (page 21)
- **General and administrative expenses** maintained their downward trajectory, **closing the quarter 25% down on 4Q15.** In the year as a whole, **G&A fell by 22% when compared to 2015.** (page 18)
- **Selling expenses** closed 2016 **9% down year-on-year**. (page 18)
- In the year as whole, **total financial expenses fell by 3%.** (page 20)
- In 2016, **we obtained occupancy permits for 16 projects with over 5,500 units in total,** decreasing the Company's operational risk. (page 14)

Recent Events:

- The Company concluded, with Vinci Partners, a credit facility in the total amount of R$100 million, which was implemented through two unsecured debenture issues, each of which divided into two series. The first series of the 9th and 10th issue, totaling R$50 million, were paid in 2016. **The second series, in turn, was paid in 2017, also in the amount of R$50 million**. (Page 21)
- In February 2017, **PDG Group filed for court-supervised reorganization, which was granted by the Judge in the beginning of March**. (Pages 4 and 5)

TABLE OF CONTENTS

In 2016 we made important decisions in congruence with the Company's Restructuring Plan initiated in August 2015. Throughout the year, our primary focus was on the debt renegotiation with our largest creditors and on the improvement of the Company's capital structure. Furthermore, we also focused on the decrease of administrative and operating costs.

During the first semester, PDG published a material fact, disclosing to the market the signing of a non-binding debt-restructuring agreement (“Memorandum of Understanding”) with its main creditors (Banco do Brasil, Bradesco, CEF and Itaú Unibanco), which included: (a) the rescheduling of corporate debt over 48 months, with a bullet payment of interests and amortizations; (b) the concession of new loans to cover the Company's G&A expenses, the maturity of which will take place in three years; (c) the possibility of the concession of loans to cover costs and expenses to complete works and to market projects financed by the creditors involved in the agreement; and (d) the rescheduling of the maturity dates of the debt related to the financing of production (SFH Debt) for a period of 12 to 24 months;

In August of 2016, we concluded the renegotiation of the Company’s debt with Banco Votorantim, in the amount of R$565 million, postponing the maturity to 2020, based on the same terms set forth with PDG´s main creditor banks. As a result, taking into account the agreement signed with the other creditors, we renegotiated debts in the approximate amount of R$4.0 billion, equivalent to 74% of the Company’s total debt.

Still within the Memorandum of Understanding, together with Vinci Partners, the Company entered into a credit facility in the total amount of R$100 million, which was implemented through two unsecured debenture issues, each of which divided into two series. The first series of the 9th and 10th issue, totaling R$50 million, were paid in 2016. The second series, in turn, was paid in 2017, also in the amount of R$50 million.

In addition to the renegotiation of debt that took place in the year, several initiatives aimed at the sale of assets and the dismantling of equity interests were taken, following the Restructuring Plan. In this sense, in May 2016, we entered into an agreement to sell our entire equity stake (58%) in REP, for the equivalent to R$34 million in real estate units located in São Paulo, in addition to reducing the Company’s net debt by R$214 million. Also in May 2016, we concluded the sale of 2 projects (D´oro and Arena) for R$10 million, as well as reducing the cost to be incurred by the Company by R$52 million.

In November, as disclosed to the market, we ended our partnership with HM1 in 18 SPEs, of which 3 remained with PDG and 15 with HM1, allowing the Company to use at its own discretion the assets of the remaining projects. As a result of this dismantling, there was a reduction of approximately R$237 million in total leverage (which includes net financial debt and the cost to be incurred) in 4Q16. In addition, through this operation, we reduced the cost to be incurred by R$11 million and its SFH-related debt by R$105 million. Still in November, we concluded the sale of Buona Vita Atibaia, reducing cost to be incurred by R$1.4 million and liabilities by R$8.6 million.

Still among the scope of the measures adopted to continue with the Restructuring Plan, besides the retaining of RK Partners as a financial advisor, we also announced the appointment, in November, of Mr. Vladimir Kundert Ranevsky as the Company's CEO, CFO and Investor Relations Officer.

Despite all efforts undertaken during the year to continue with the Restructuring Plan, the deterioration of the country's economy and of the housing industry over the period, in addition to the existing operating and financial difficulties, had a substantial impact on the Company. On the one hand, we noticed that the deterioration of consumer confidence, the increase of inflation and unemployment, had a direct impact on the demand for real estate properties and on the increase of cancellations. On the other hand, the increase in interest rates and, as a result, the raise of the Company's cost of debt, coupled with the lack of funding, compromised the management and continuation of our real estate developments. All these factors put together, resulted in the interruption of some on-going works, and the accumulation of maintenance fees and property tax (IPTU) debts from finished units, as well as debts with suppliers and the increase in the Company's litigations.

Court-supervised Reorganization

In light of the delicate economic situation of the country, of the housing industry and, primarily, of the Company, the new management, together with its financial advisors, intensified the negotiation rounds with PDG´s main creditors, seeking to balance the capital structure and to unlock the funding lines to continue the development of real projects. In addition, the Company also intensified its efforts in other fronts provided for in the Plan, such as the sale of assets, the unwinding of equity interests, and the decrease in operating and administrative costs.

Despite all efforts and advances achieved, the Company's management and advisors explained that they were unable to find a sustainable, out-of-court solution for the financial crisis currently experienced by the PDG Group, and concluded that the filing of a Court-supervised Reorganization would be the most appropriate initiative to: (i) continue advancing - in an organized way and with predefined terms and procedures - with the coordination of all parties involved in the Restructuring Process; (ii) enable the maintenance of the operational normalcy of the Company's activities; in addition to (iii) preserve the Company's value and cash flow.

Another important step involving the Company's Court-supervised Reorganization was the approval of the Court-supervised Reorganization filing by the judge on 03/02/2017. Among the main measures set forth are:

(i) the appointment of PricewaterhouseCoopers Assessoria Empresarial Ltda. as the Judicial Administrator;

(ii) the suspension of the lawsuits and executions currently pending against PDG, for 180 days;

(iii) the issuance of a notice, pursuant to paragraph 1 of article 52 of the Brazilian Fiscal Responsibility Act (LRF), within 30 days for interested parties to present proof of claim and/or an objection to the claim within the Court-supervised Reorganization Process;

(iv) the presentation of the PDG Group court-supervised reorganization within 60 days.

The filing and approval of the Court-supervised Reorganization request represent essential steps towards the Company's Restructuring Process.

Operating Performance

During 2016, the Company's management made every effort to: (i) reduce commercial and administrative expenses; (ii) prioritize the inflow and preservation of cash through the unwinding of partnerships; and (iii) reduce the Company´s debt.

In line with the goal of adjusting the corporate structure to the size of the Company´s operation, over 2016, our workforce was reduced by 48%, ending 2016 with 887 employees. As a result of this initiative and the austerity measures adopted by the Company's management, the G&A expenses dropped 25% in 4Q16 in relation to 4Q15, and 22% in the year.

Commercial expenses fell by 9% in 2016. This reduction was mainly due to the absence of launches and sales campaigns in 2016.

Gross sales totaled R$334 million in 4Q16, a 9% decrease when compared to 3Q16. In 2016, gross sales reached R$1.5 billion, a 41% reduction in comparison to 2015.

Due to the cash restriction faced by the Company, during 4Q16, the amount of contract cancellations was R$172 million, 54% lower than the amount posted in 3Q16. Over 2016, the amount of contract cancellations reached R$1.1 billion, 42% lower than the contract cancellations in 2015.

As a result of the lower volume of contract cancellations in 4Q16, net sales for the period were R$162 million, 153% higher than in 4Q15. In 2016, net sales totaled R$332 million, a 40% drop in relation to 2015.

In 4Q16, we delivered 1 project and, despite the more restrictive circumstances of cash and credit for financing production, in 2016, we delivered 16 projects, of which 13 were financially managed by PDG, with a total of 5,552 units and PSV of approximately R$1.6 billion (PDG’s share). As a result, in the beginning of 2017 we only had 27 on-going projects.

The real estate credit restriction over the year, in addition to directly impacting the number of units delivered in 2016, has also impacted the volume of transfers, decreasing it by 54% when compared to 2015. Thus, totaling 6,520 units transferred during the year, which is equivalent to a PSV of R$1.3 billion.

Since the end of 2012, total cost to be incurred, which amounted to R$7.1 billion, experienced an 88% drop, reducing the Company's operational risk in a very expressive way. Despite de unwinding of partnerships, the cost to be incurred remained at R$860 by the end of the year. The R$81 million increase in our costs to be incurred between 2015 and 2016, was mainly due to the adjustment of Brazil's Construction Inflation (INCC) and the revision of the works budget that took place in the second semester, whose pace was slowed due to the Company's cash restrictions.

We continued reducing the balance of our construction financing debt (SFH), as a result of the delivery and transfer of real estate developments and the unwinding of partnerships. We managed to reduce the full balance of the SFH debt by R$182 million (16%) between 3Q16 and 4Q16, and by R$690 million (42%) over the last 12 months.

As a result, extended leverage, which takes into account the net debt and the cost to be incurred, decreased R$53 million between 3Q16 and 4Q16 and R$352 million during 2016. We will continue taking all necessary steps to accelerate the cash inflows, focusing on the monetization of assets, the reduction of costs and the adjustment of the Company's liabilities.

The Company remains successful in its deleveraging efforts. In 4Q16, the net debt was reduced by R$53 million, R$11 million of which were related to the unwinding of the partnership with HM1. In the year, the net debt decreased R$433 million.

On September 19th, the Company amortized all 198,905,897 debentures from its 8th issue of simple, share-convertible debentures, for the nominal unit amount of R$0.01, totaling R$1,989,058.97. Due to their maturity, the debentures ceased trading on their amortization date.

The filing and approval of the Court-supervised Reorganization request represent important steps to continue with the Company's Restructuring Process, which will be a crucial to equalize PDGs financial and operational situation. With the Plan, we will seek to negotiate with our creditors and stakeholders an efficient and comprehensive solution for the Company.

The Company’s Management.

Operating and Financial Indicators

- As of the beginning of 2014, we began disclosing our results in IFRS10, as well as proportionally to PDG's interest in each project. All the financial information is disclosed in IFRS10.

Launches	4Q16	4Q15	4Q16 vs. 4Q15	2016	2015	2016 vs. 2015	4Q16 (IFRS)	2016 (IFRS)
Total Launches - R$ million	0	0	n.m.	0	23	n.m.	0	0
PDG % Launches - R$ million	0	0	n.m.	0	23	n.m.	0	0
# of Launched Projects	0	0	n.m.	0	1	n.m.	0	0
# of Launched Units - PDG	0	0	n.m.	0	187	n.m.	0	0
Sales and Inventory	**4Q16**	**4Q15**	**4Q16 vs. 4Q15**	**2016**	**2015**	**2016 vs. 2015**	**4Q16 (IFRS)**	**2016 (IFRS)**
Gross Sales %PDG - R$ million	334	551	-39.4%	1,449	2,466	-41.2%	324	1,391
Net Sales %PDG - R$ million	162	64	n.m.	332	552	-39.9%	154	290
# of Net Sold Units %PDG	604	257	n.m.	1,202	1,882	-36.1%	572	989
Inventory at Market Value %PDG - R$ million	2,263	2,967	-23.7%	2,263	2,967	-23.7%	2,220	2,220
Operational Result [1]	**4Q16**	**4Q15**	**4Q16 vs. 4Q15**	**2016**	**2015**	**2016 vs. 2015**		
Net Operational Revenues - R$ million	72	130	-44.7%	247	1,824	-86.4%		
Gross Profits (Losses) - R$ million	(242)	(217)	11.7%	(726)	(42)	n.m.		
Gross Margin - %	n.a	n.a	n.m.	n.a	n.a	n.m.		
Adjusted Gross Margin - %	n.a	n.a	n.m.	n.a	6.1	n.m.		
EBITDA Margin - %	n.a	n.a	n.m.	n.a	n.a	n.m.		
Net Earnings (Losses) - R$ million	(2,440)	(1,969)	23.9%	(5,308)	(2,764)	92.0%		
Net Margin - %	n.a	n.a	n.m.	n.a	n.a	n.m.		

Backlog Results (REF) [1]	4Q16	4Q15	4Q16 vs. 4Q15
Gross Revenues (REF) - R$ million	677	722	-6.2%
COGS - R$ million	(512)	(497)	3.0%
Gross Profit - R$ million	165	225	-26.7%
Gross Backlog Margin - %	24.4	31.2	-680bps
Balance Sheet [1]	**4Q16**	**4Q15**	**4Q16 vs. 4Q15**
Cash - R$ million	201	604	-66.7%
Net Debt - R$ million	5,118	5,551	-7.8%
Shareholders Equity - R$ million	(3,415)	2,385	n.m.
Net Debt (ex. SFH) / Shareholder Equity (%)	n.a	118.7	n.m.
Total Assets - R$ million	4,651	10,958	-57.6%

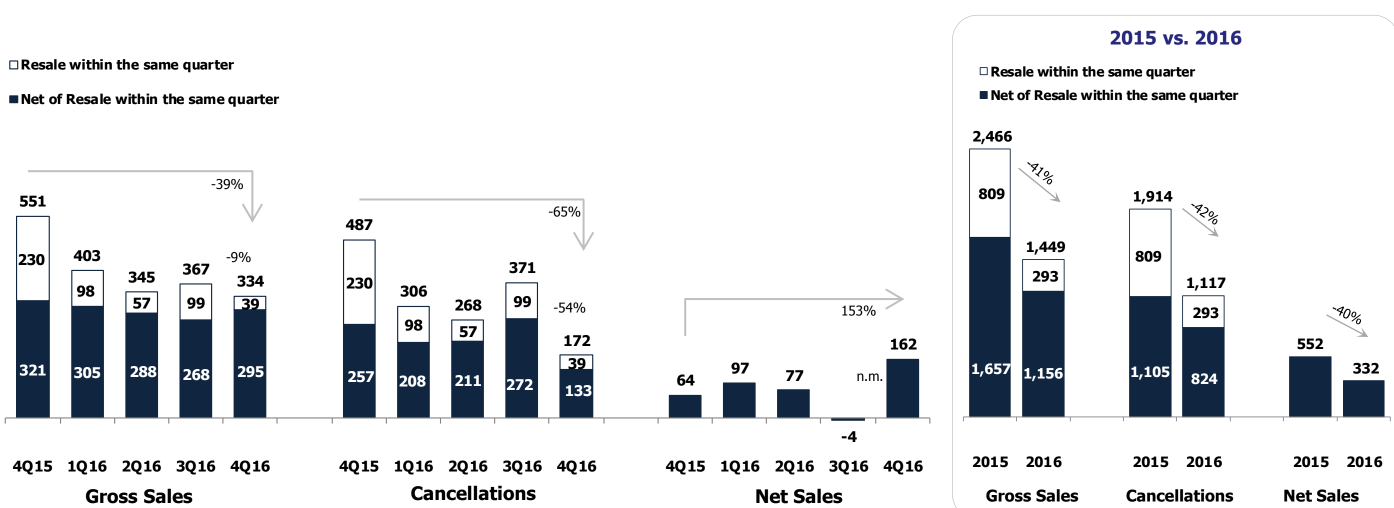
Obs: (1) Financial Results in IFRS 10.
PSV PDG excludes partnerships.

- There were no launches in 2016, all attention is still focused on monetizing assets and reducing the Company's costs and liabilities.

Operating Performance – Sales

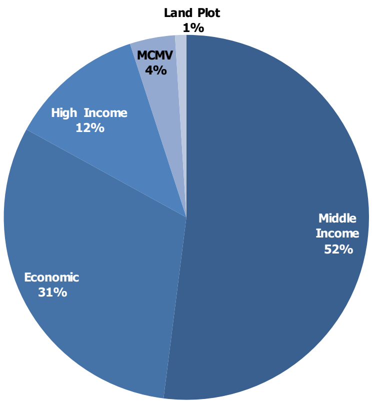
- The Company posted gross sales of R$334 million in 4Q16 (considering resale of cancellations within the same quarter), 9% down on the previous quarter and 39% less than in 4Q15. In 2016, gross sales came to R$1.5 billion, a 41% drop in relation to 2015.
- In this quarter, net sales reached R$162 million, a 153% growth when compared to 4Q15. In 2016, net sales totaled R$332 million, a 40% drop in relation to 2015.
- Cash sales totaled R$64 million in 4Q16, accounting for 19% of period gross sales, and R$286 million in 2016, equivalent to 20% of period gross sales.
- Total cancellations came to R$172 million in 4Q16, 54% down on 3Q16, and 65% down on 4Q15. In 2016, contract cancellations amounted to approximately R$1.1 billion, a 42% decrease in relation to 2015. As we indicated throughout the year, the worsening of borrowing conditions, the scarcity of funding, the increase of current interest rates, and the maintenance of the still depressed economic scenario had a negative impact on cancellations this year, which were not higher only because of the Company's cash restriction, which did not allow the conclusion of all cancellations requested over the year.

Sales Performance – PSV %PDG in R$ million

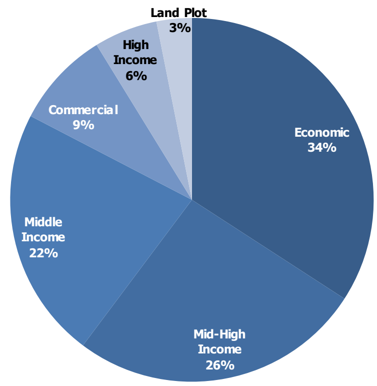


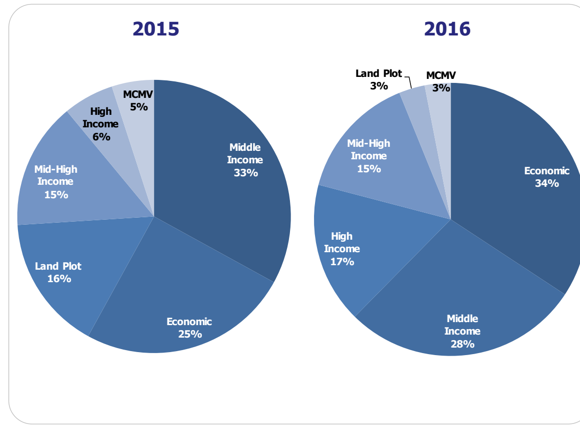
Net sales by Product % PDG – PSV

4Q15



4Q16

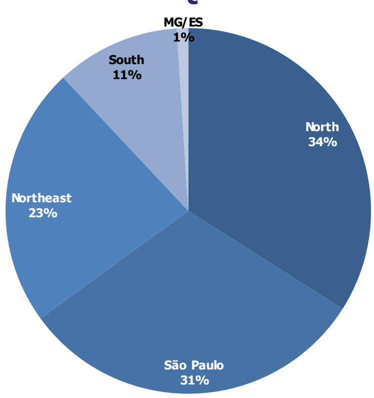




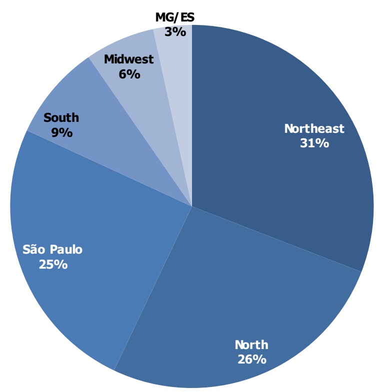
Net sales by Region – % PSV

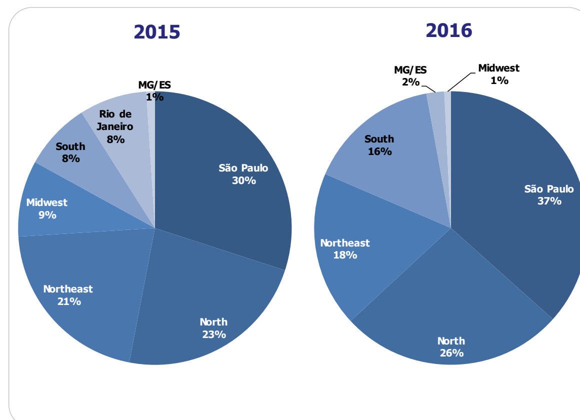
- Given that it recorded negative net sales, Rio de Janeiro is not included in the 4Q15, 4Q16 and 2016 charts.

4Q15



4Q16





Operating Performance – Cancellations and Resale

- Of total 4Q16 cancellations, 93% corresponded to projects with more than 60% of their units sold, a positive indicator underlining the fact that cancellations are continuing to occur in projects with good market liquidity and, therefore, with a higher resale speed.

- In addition, 86% of fourth-quarter cancellations corresponded to projects that had already been concluded. Therefore, the resale of such cancellations will result in the immediate inflow of cash to the Company, by means of transfers with the banks.

Cancellations in 4Q16 by Percentage of Resale and Year of Delivery

Percentage Sold	Concluded		2017 Delivery		2018 Delivery		Post 2018 Delivery		TOTAL	
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	Units	PSV
20% or less	-	-	-	-	-	-	1	0.3	1	0.3
21% to 40%	-	-	-	-	29	6.4	-	-	29	6.4
41% to 60%	-	-	-	-	10	3.1	6	2.1	16	5.2
61% to 80%	104	21.7	3	0.9	3	1.0	-	-	110	23.6
81% to 99%	495	125.7	31	10.8	2	0.3	-	-	528	136.8
TOTAL	**599**	**147.4**	**34**	**11.7**	**44**	**10.8**	**7**	**2.4**	**684**	**172.3**

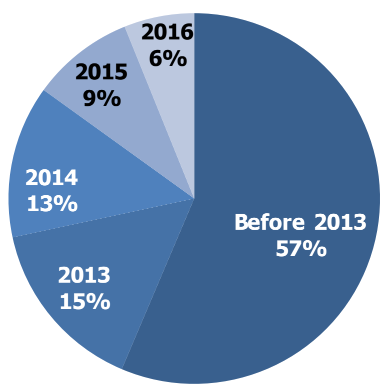
93%

86%

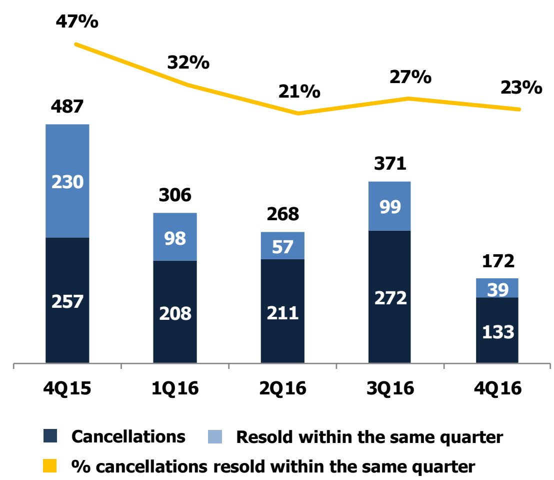
Operating Performance – Cancellations and Resale

- Looking at the breakdown of cancellations by year of sale, we can see that 72% of cancellations in 4Q16 referred to units sold prior to 2014, i.e., when credit analysis criteria were less rigorous, and which, therefore, are more likely to lead to cancellation due to insufficient income.
- Of the R$172 million cancelled in 4Q16, R$39 million (or 23%) were resold in the same quarter, 4 p.p. less than the 27% posted in the previous quarter. In 2016, cancellations worth R$293 million were resold in the same period, accounting for 26% of the period total.

Cancellations by Year of Sale – %PSV - 4Q16

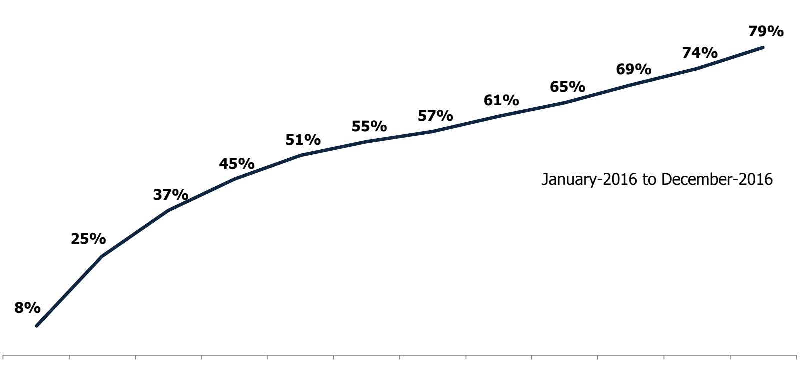


Cancellations and Resale Evolution – R$ million



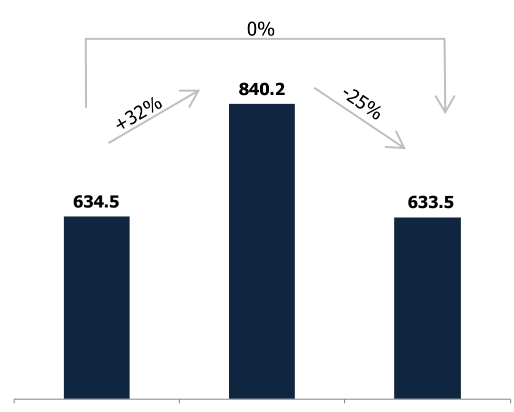
- The graph below shows that the average resale curve recorded an amount under 80%, reaching 79% when accounting for 12 months after the cancellation. This decrease is explained by the deceleration in cancellations as a result of cash restrictions, which prevent the implementation of cancellations to allow units to be resold.
- The decline in resale price in relation to the accumulated inflation, between the original sale and the resale is due to the granting of discounts in order to speed up inventory sales, including discounts on cash sales. In the last 12 months, resale PSV has been in line with the PSV from the original sale.
- In order to ensure that the Company maintains its cancellation resale ratio at the 80% level, we will continue to make efforts with our sales team.

Average Resale Curve – units



Resale Price

Accrued in the last 12 months – R$ million



Operating Performance – Sales Speed (VSO)

- Looking at the quarterly sales speed (VSO) in terms of inventory units effectively available, i.e., gross sales SIR, the ratio reached 12% in 4Q16, 2 p.p. down on 3Q16.
- Net sales VSO stood at 6% in the quarter, 4 p.p. higher than the amount recorded in 4Q15. This increase is explained by the deceleration in the implementation of the cancellations in 4Q16, due to the Company's cash restrictions.
- PDG's sales team continues to record a healthy inventory sales performance, being responsible for 64% of gross sales in 4Q16. In 2016, the team accounted for 67% of the Company's total sales.

Sales Speed (VSO) – R$ million

	1Q16	2Q16	3Q16	4Q16	2016
Initial Inventory	**2,967**	**2,778**	**2,695**	**2,720**	**2,967**
(-) Cancellations	**0**	**0**	**39**	**0**	**39**
=Effective Inventory	**2,967**	**2,778**	**2,656**	**2,720**	**2,928**
(+) Launches	**0**	**0**	**0**	**0**	**0**
(-) Net Sales	**97**	**77**	**-4**	**162**	**332**
Gross Sales (1)	403	345	367	334	1,449
Cancellations (1)	306	268	371	172	1,117
(+) Adjustments (2)	**-92**	**-6**	**60**	**-295**	**-333**
Final Inventory	**2,778**	**2,695**	**2,720**	**2,263**	**2,263**
Quarterly Sales Speed (VSO) (Gross Sales)	**14%**	**12%**	**14%**	**12%**	**49%**
Quarterly Sales Speed (VSO) (Net Sales)	**3%**	**3%**	**n.a.**	**6%**	**11%**

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

(2) The negative adjustment of R$295 million in 4Q16 is mainly due to discounts on sales and the dismantling of equity interests.

Operating Performance – Sales Speed (VSO)

- Analyzing sales speed (VSO) speed by region, we can see that those regions outside São Paulo and Rio de Janeiro have been recording a healthy performance, with an average VSO of 27% in 4Q16, versus the São Paulo and Rio average of 9%. It is worth noting that the commercial units were deliberately separated from the residential ones, given their different sales dynamics.
- In addition to the difficult scenario facing the sector and the economy as a whole, period sales were jeopardized for yet another quarter by the absence of sales campaigns and marketing initiatives.

Sales Speed (VSO) by Region

Region (ex-Commercial)	VSO - Gross Sales					
	4Q15	1Q16	2Q16	3Q16	4Q16	
SÃO PAULO	19%	15%	16%	14%	10%	**VSO SP and RJ 9%**
RIO DE JANEIRO	30%	16%	14%	13%	6%	
MG/ES	13%	22%	17%	21%	50%	**VSO (ex-SP and RJ) 27%**
NORTH	23%	18%	17%	21%	26%	
NORTHEAST	27%	21%	18%	30%	27%	
SOUTH	29%	33%	25%	32%	28%	
MIDWEST	30%	24%	15%	15%	26%	
TOTAL (EX-COMMERCIAL)	**23%**	**18%**	**16%**	**18%**	**16%**	
COMMERCIAL	2%	1%	1%	2%	3%	
TOTAL	**19%**	**14%**	**14%**	**14%**	**12%**	

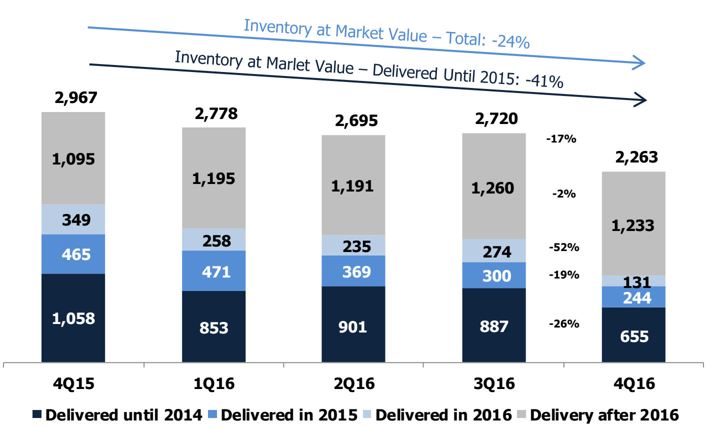
Operating Performance – Inventory

- Total inventory at market value closed 4Q16 in R$2,263 million, a 17% drop when compared to the end of 3Q16. In comparison with 4Q15, inventory at market value fell by 24%. This reduction is mainly explained by the net sales of R$332 million over 2016, in addition to the unwinding of partnerships (e.g.: HM1), the sale of some SPEs and the price adjustments made during this year.

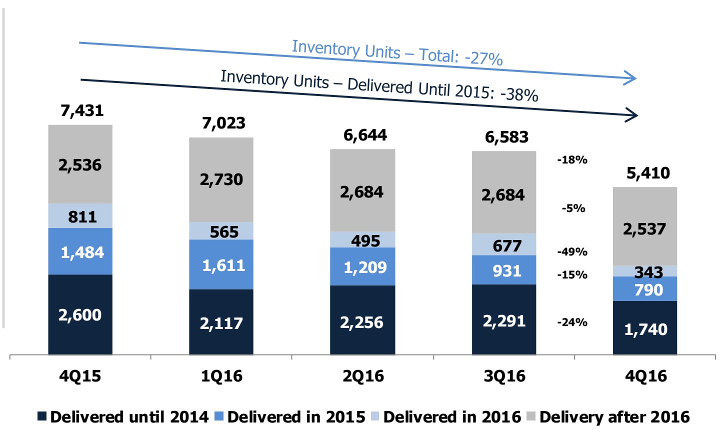
- Total inventory units fell by 18% from 6,583 in 3Q16 to 5,410 in 4Q16. In the last 12 months, total inventory units recorded a decline of 27%.

- If we consider only those units delivered until the end of 2015, inventory PSV fell by 41% between 4Q15 and 4Q16 and the number of units by 38%, reflecting the Company's successful efforts to monetize its immediate cash generation, which has a direct impact on the acceleration of the Company's deleveraging.

Inventory at Market Value – R$ million



Inventory Units



- Inventory in the states of São Paulo and Rio de Janeiro currently corresponds to 60% of the Company's total inventory, excluding commercial units. However, as a result of the slowdown in sales, these regions (SP and RJ) had a sales speed (VSO) lower than in the other regions, reflecting the downturn in real estate sales in the Company's main markets.

- Approximately 65% of inventory, excluding commercial units, is concentrated in projects that present excellent liquidity, with sales of more than 60%, which may help accelerate the Company's sales when the industry and the economic environment improve

Inventory by Percentage of Sales and Region

PSV in R$ million

Region	Up to 60%		From 61 to 80%		From 81 to 99%		Total			
	Unit	PSV	Unit	PSV	Unit	PSV	Unit	PSV	%	
SÃO PAULO	241	196.7	411	121.7	842	282.2	**1,494**	**600.6**	**40%**	**60%**
RIO DE JANEIRO	204	176.2	49	21.8	311	111.0	**564**	**309.0**	**20%**	
MG/ES	-	-	-	-	33	5.5	**33**	**5.5**	**0%**	
NORTH	105	39.5	108	77.4	357	125.5	**570**	**242.4**	**16%**	
NORTHEAST	412	113.9	-	-	170	97.7	**582**	**211.6**	**14%**	
SOUTH	1	1.3	48	17.6	88	34.6	**137**	**53.5**	**4%**	
MIDWEST	-	-	197	39.7	199	43.6	**396**	**83.3**	**6%**	
% Total (Ex- Commercial)		**35%**		**19%**		**46%**			**100%**	
TOTAL (Ex-Commercial)	**963**	**527.6**	**813**	**278.2**	**2,000**	**700.1**	**3,776**	**1,505.9**	**67%**	
COMMERCIAL	1,202	572.6	92	35.4	340	149.1	**1,634**	**757.1**	**33%**	**99% SP and RJ**
TOTAL	**2,165**	**1,100.2**	**905**	**313.6**	**2,340**	**849.2**	**5,410**	**2,263.0**	**100%**	
% Total		**49%**		**14%**		**37%**			**100%**	

65%

Inventory by Percentage of Sales and Year of Delivery

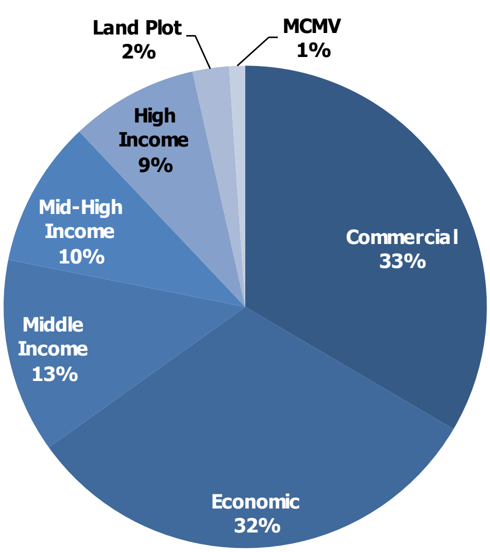
Percentage Sold	Built		2017 Delivery		2018 Delivery		Post 2018 Delivery		Total		% Total
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	Units	PSV	
20% or less	193	118.1	-	-	-	-	505	259.3	698	377.4	17%
21% to 40%	-	-	-	-	412	113.9	21	66.1	433	180.0	8%
41% to 60%	13	3.8	-	-	733	389.4	288	149.6	1,034	542.8	24%
61% to 80%	609	162.5	139	51.9	49	21.8	108	77.4	905	313.6	14%
81% to 99%	2,058	745.7	150	62.6	40	10.6	92	30.3	2,340	849.2	37%
TOTAL	**2,873**	**1,030.1**	**289**	**114.5**	**1,234**	**535.7**	**1,014**	**582.7**	**5,410**	**2,263.0**	**100%**

88% **51%**

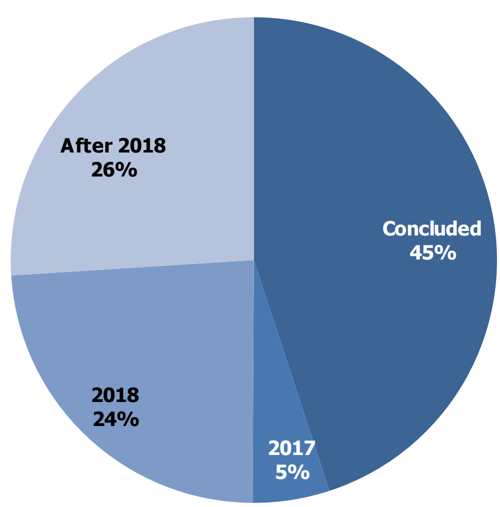
- Overall, the Company's inventory has good market liquidity, which may be confirmed by the following: (i) 51% of the total inventory (including commercial units) is concentrated in projects that are more than 60% sold; (ii) 64% is concentrated in residential products (excluding Brazil's social housing program - Minha Casa, Minha Vida - land development and commercial units); and (iii) 45% has already been concluded (thereby generating immediate cash inflow), 70% of which is located in São Paulo and Rio de Janeiro.

- Of the concluded inventory (45%), 88% is concentrated in projects that are more than 60% sold: (i) 16% between 61% and 80% sold and; (ii) 72% between 81% and 99% sold.

Inventory by Product – % PSV



Inventory by Delivery Schedule – % PSV



Operating Performance – Landbank

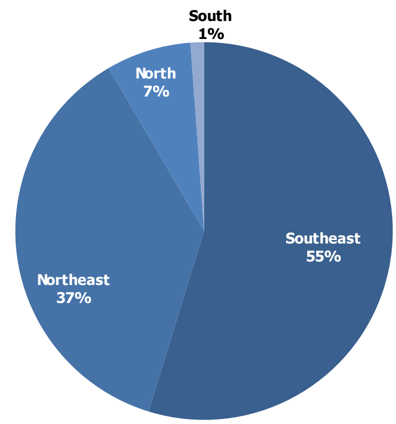
- The land bank closed 4Q16 with a potential PSV of R$4.7 billion (PDG's share), equivalent to 11,319 units
- As a result of sales and cancellations, the land bank fell by 19%, therefore reflecting a reduction in the amount of R$1.1 billion in potential PSV (PDG's share) in relation to 3Q16.
- The land bank that is not compatible with the Company's strategy are in the process of being canceled and sold, helping accelerate cost reductions and monetizing assets for the Company's deleveraging process.

Landbank – Units and PSV

Product	Units (%PDG)	%	PSV PDG (R$ mn)	%	PSV (R$ mn)	%	Average Price (R$)
High Income	270	2.4%	333.7	7.1%	333.7	6.7%	1,235,822.2
Mid-High Income	1,466	13.0%	1,374.1	29.2%	1,374.1	27.6%	937,294.5
Middle Income	1,267	11.2%	614.7	13.1%	892.8	17.9%	485,185.1
Economic	4,898	43.3%	1,300.1	27.6%	1,300.1	26.1%	265,430.1
Residential	**7,901**	**69.8%**	**3,622.6**	**77.0%**	**3,900.7**	**78.3%**	**458,498.9**
Commercial	**-**	**0.0%**	**-**	**0.0%**	**-**	**0.0%**	**-**
Land Plot	**3,418**	**30.2%**	**1,083.3**	**23.0%**	**1,083.3**	**21.7%**	**316,925.7**
Total	**11,319**	**0**	**4,705.9**	**0**	**4,984.0**	**-**	**415,748.0**

Landbank by Region

PSV %PDG



Operating Performance – De-risking Panel

- In 4Q16, we obtained occupancy permits for 1 project managed by PDG, representing 245 units and total PSV of R$54 million. We obtained no occupancy permit for projects managed by partners in 4Q16. In 2016, we obtained occupancy permits for 16 projects with 5,552 units and PSV of R$1.6 billion (PDG's share).

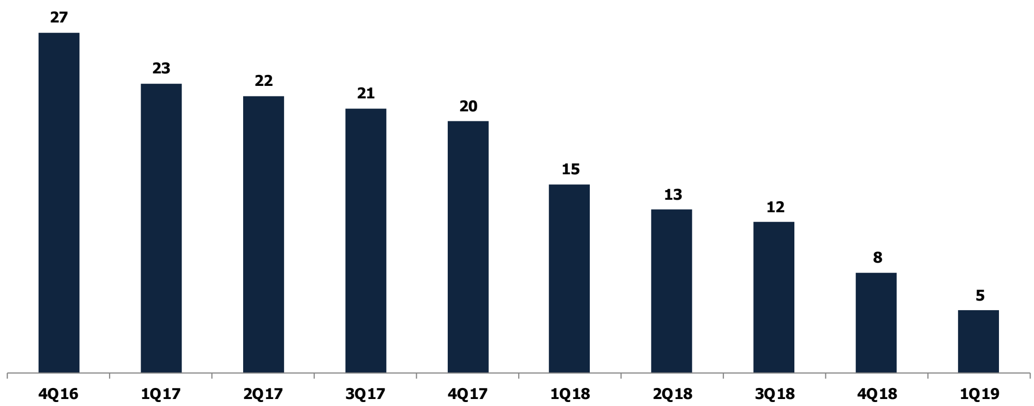
Occupancy Permits – 2016

2016 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							
RESIDENCIAL BOSQUES DA ITALIA	1Q16	São Paulo (Countryside)	Economic	78.2	78.2	504	155.2
CITTÀ MARIS I	1Q16	Pará	MCMV	68.4	68.4	940	72.7
TOTAL PDG 1Q16	**2**			**146.6**	**146.6**	**1,444**	**-**
MARINO RESIDENCIAL	2Q16	Rio de Janeiro	Mid-High Income	48.8	43.9	55	799.1
RESERVA TAGUATINGA (JK)	2Q16	Distrito Federal	Economic	289.5	289.5	1,396	207.3
JARDIM BELA VIDA II	2Q16	Pará	MCMV	38.2	38.2	392	97.5
VILLE RUBI	2Q16	Minas Gerais	MCMV	46.9	46.9	252	186.0
CENARIO LARANJEIRAS	2Q16	Rio de Janeiro	High Income	82.0	82.0	60	1,366.8
TOTAL PDG 2Q16	**5**			**505.4**	**500.5**	**2,155**	**-**
SLOPER CORPORATE	3Q16	Rio de Janeiro	Commercial	97.8	97.8	32	3,056.3
CONDOMÍNIO RESIDENCIAL PLATNO	3Q16	Salvador	Middle Income	274.2	274.2	482	568.9
FOCUS TIJUCA	3Q16	Rio de Janeiro	Mid-High Income	74.4	74.4	88	845.6
CONDOMINIO RESIDENCIAL LUDCO	3Q16	Salvador	Mid-High Income	268.9	268.9	427	629.7
SPAZIO OURO VERDE	3Q16	São Paulo (Countryside)	Land Plot	23.3	23.3	187	124.8
TOTAL PDG 3Q16	**5**			**738.6**	**738.6**	**1,216**	**-**
GRAND FAMILY CLUB	4Q16	Rio de Janeiro	Economic	54.0	54.0	245	220.6
TOTAL PDG 4Q16	**1**			**54.0**	**54.0**	**245**	**-**
TOTAL PDG 2016	**13**	**-**	**-**	**1,444.6**	**1,439.7**	**5,060**	**-**
Projects Managed by Partners							
TOTAL PARTNERS 1Q16	**0**	**-**	**-**	**0.0**	**0.0**	**0**	**-**
VILA NOVA SABARÁ - PRAÇA MARAJOARA	2Q16	São Paulo	Middle Income	99.7	49.8	102	488.7
RIVER SIDE	2Q16	Manaus	Economic	155.3	124.2	283	439.0
TOTAL PARTNERS 2Q16	**2**	**-**	**-**	**255.0**	**174.1**	**385**	**-**
PLATINUM TOWER	3Q16	São Paulo (Countryside)	Commercial	20.0	20.0	107	186.6
TOTAL PARTNERS 3Q16	**1**	**-**	**-**	**20.0**	**20.0**	**107**	**-**
TOTAL PARTNERS 4Q16	**0**	**-**	**-**	**0.0**	**0.0**	**0**	**-**
TOTAL PARTNERS 2016	**3**	**-**	**-**	**275.0**	**194.1**	**492**	**-**
TOTAL 2016	**16**	**-**	**-**	**1719.6**	**1633.8**	**5,552**	**-**

Operating Performance – De-risking Panel

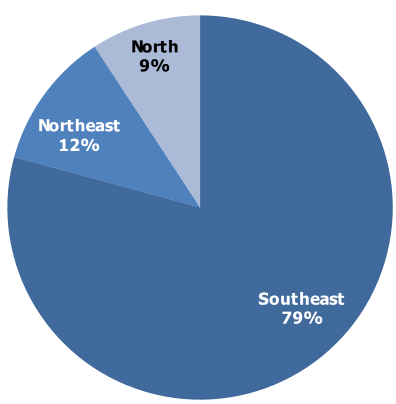
Projects in Progress – Occupancy Permit Schedule

- Taking into account the dismantling of 1 ongoing project from the 15 that remained with HM1, the sale of Buona Vita Atibaia and the delivery of 1 project in 4Q16, the Company closed the quarter with 27 ongoing projects, 79% of which is located in the Southeast and 70% of which is residential projects (excluding MCMV, land development and commercial units).

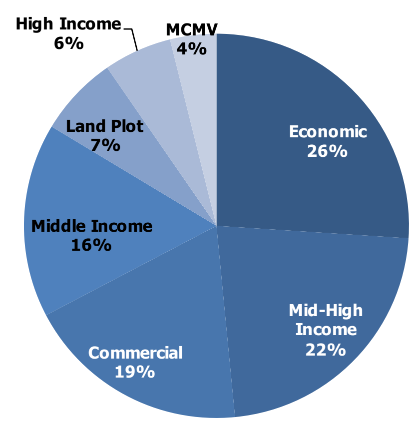


Obs.: projects under construction in the end of each quarter. Projects under PDG's management only.

Breakdown by Region – % PSV



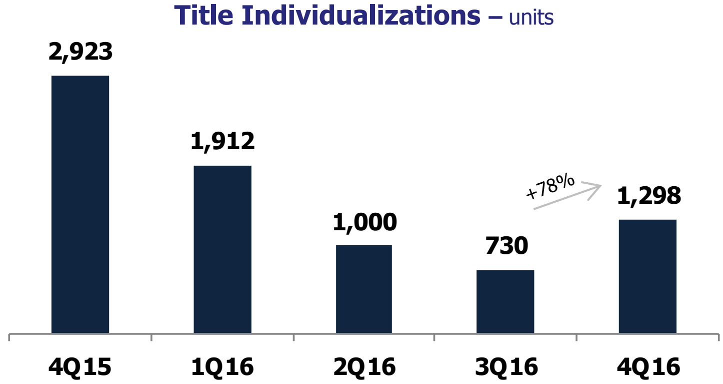
Breakdown by Product – % PSV



Operating Performance – Title Individualizations

- We individualized 1,298 units in 4Q16, a 78% increase in relation to the previous quarter. In 2016, 4,940 units were individualized.

Title Individualizations – units



Obs.: projects under PDG management only.

Operating Performance – Historical Data

- At the end of 4Q16, the Company had 27 projects in progress, equivalent to 7,391 units (PDG's share), 412 of which (6%) related to the Minha Casa Minha Vida program and 6,979 (94%) related to residential (excluding MCMV), commercial and land development units.

	# Projects	# Total Units	# PDG Units
Launches(1)	714	160,526	155,046
Finished(2)	687	152,853	147,655
Ongoing(3)	27	7,673	7,391

(1) Historical launches until December 2016 - net of cancellations
(2) Projects with Occupancy Permit until December 2016
(3) Ongoing projects until December 2016

Finished Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	417	93,323	92,198
MCMV	270	59,530	55,457
Total	687	152,853	147,655

Ongoing Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	25	7,261	6,979
MCMV	2	412	412
Total	27	7,673	7,391

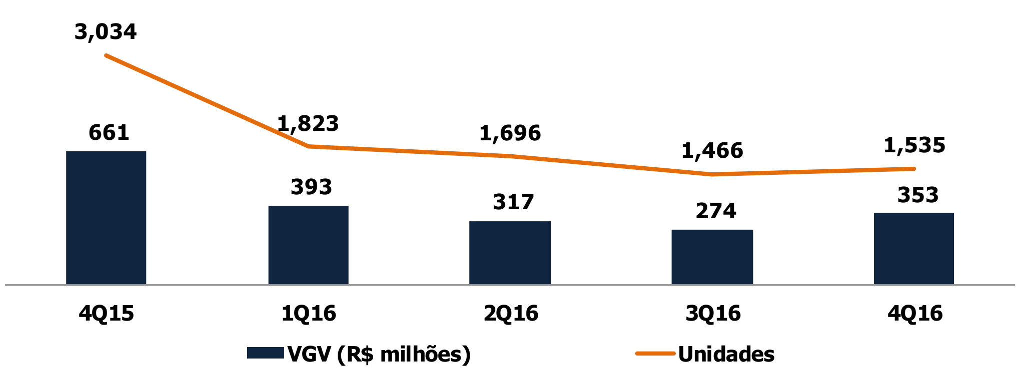
Obs.: Projects under PDG management.

Operating Performance – Mortgage Transfers

- In 4Q16, 1,535 units were transferred, equivalent to a PSV of R$353 million. In 2016, transfers totaled 6,520 units, with a total PSV of R$1,337 million.

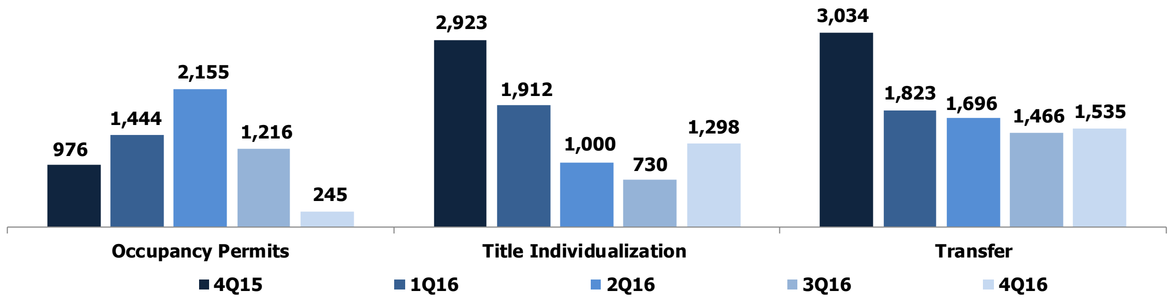
- Due to the funding restriction from banks, the deterioration of the economic scenario in Brazil and the diminishing of credit (increase in interest rates and decrease in the Brazilian Savings Deposit Fund (SBPE)), the smaller amount of deliveries posted over the last quarters, and the smaller sales volume, the number of units transferred remained virtually stable over the year.

Transfers by Quarter – PSV and units



Operating Performance – Mortgage Transfers

Mortgage Transfer Cycle – units



Financial Performance

Gross Margin

- In 2016, the gross margin continued to reflect the pressure from discounts, especially in regard to advanced payments and cash sales. In addition, the revenue drop in the period, due to the slowdown in sales, also contributed to the deterioration of the margin.

R$ million in IFRS

Gross Margin	4Q16	4Q15	(%) Var.	2016	2015	(%) Var.
Net Revenues	72	130	-45%	247	1,824	-86%
Cost	(314)	(347)	-10%	(973)	(1,866)	-48%
Gross Profit (Loss)	(242)	(217)	12%	(726)	(42)	n.m.
(+) Capitalized Interest	30	23	30%	87	153	-43%
Adjusted Profit	(212)	(194)	9%	(639)	111	n.m.
Gross Margin	**n.a.**	**n.a.**	**n.m.**	**n.a.**	**n.a.**	**n.m.**
Adjusted Gross Margin	**n.a.**	**n.a.**	**n.m.**	**n.a.**	**6.1%**	**n.m.**

Backlog Result (REF)

- The 4Q16 gross backlog margin registered a decrease when compared with the previous quarters. In 4Q16, the gross backlog margin was 24.4%, 1.7 p.p. lower than in 3Q16 and 6.8p.p. down year-on-year.
- The backlog recognition schedule is estimated at 29.8% in 2017, 53.8% in 2018 and 16.4% from 2019 on

R$ million in IFRS

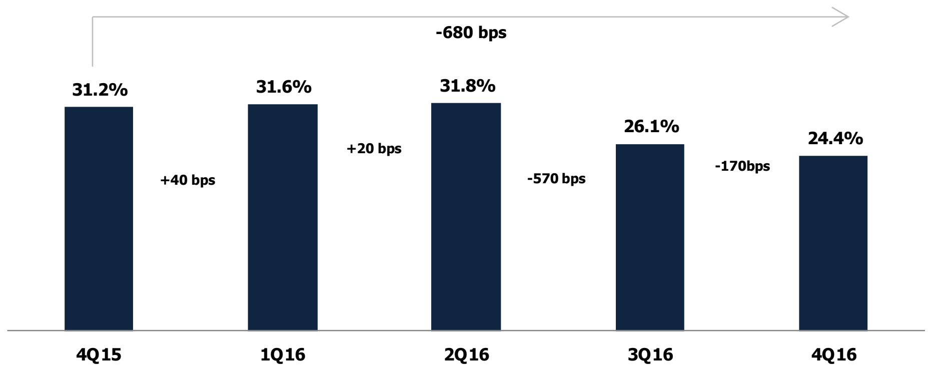
Backlog Results (REF)	4Q16	3Q16	4Q15
Gross Revenues	690	716	736
(-)Taxes *	(13)	(14)	(14)
Net Revenues - REF	677	702	722
(-) COGS	(512)	(519)	(497)
Gross Profit - REF	165	183	225
Gross Backlog Margin	***24.4%***	***26.1%***	***31.2%***
Capitalized Interest	48	57	115
Agre Goodwill	2	6	27
Adjusted Gross margin **	***17.0%***	***17.1%***	***11.5%***

* 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	2017	2018	2019
	29.8%	**53.8%**	**16.4%**

Backlog Margin Trends (REF)



Backlog Result – Pre and Post 2012

- Projects launched after 2012, with an average gross margin of 26.6%, already represent 95% of total gross backlog profit and have been gradually accounting for an even larger share as projects launched before 2013 are delivered.

R$ million in IFRS

Backlog Results (REF) (Pre and Post 2012 Projects)	Pre 2012	After 2012	4Q16
Net Revenues - REF	86	591	677
(-) COGS	(78)	(434)	(512)
Gross Profit - REF	8	157	165
Gross Backlog Margin	***9.3%***	***26.6%***	***24.4%***
Capitalized Interest	48	-	48
Agre Goodwill	2	-	2
Adjusted Gross margin	***-48.8%***	***26.6%***	***17.0%***

Selling, General and Administrative Expenses (SG&A)

- Reducing costs remains one of the Company's main priorities, in order to continue with the deleveraging process and adjust its structure to the size of its operations, G&A expenses closed the quarter 25% down on 4Q15 and 22% down in relation to 2015.

- Selling expenses in the quarter increased by 74% over 4Q15, while in 2016 they recorded a 9% decline over 2015.

- SG&A expenses closed the quarter 11% higher than 4Q15, in the year it fell by 17% over 2015.

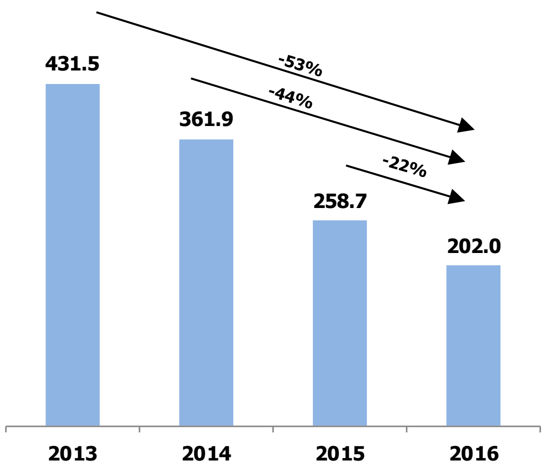
R$ million

Commercial Expenses	IFRS 10			IFRS 10		
	4Q16	4Q15	Var. %	2016	2015	Var. %
Total Commercial Expenses	**59.3**	**34.1**	**74%**	**142.7**	**156.7**	**-9%**
G&A Expenses	**4Q16**	**4Q15**	**Var. %**	**2016**	**2015**	**Var. %**
Salaries and Benefits	21.6	30.1	-28%	108.9	141.1	-23%
Profit Sharing	6.3	5.3	19%	24.4	12.7	92%
Third Party Services	9.0	15.1	-40%	37.4	57.7	-35%
Other Admin. Expenses	7.9	9.2	-14%	31.3	47.2	-34%
Total G&A	**44.8**	**59.7**	**-25%**	**202.0**	**258.7**	**-22%**
Total SG&A	**104.1**	**93.8**	**11%**	**344.7**	**415.4**	**-17%**

Financial Performance

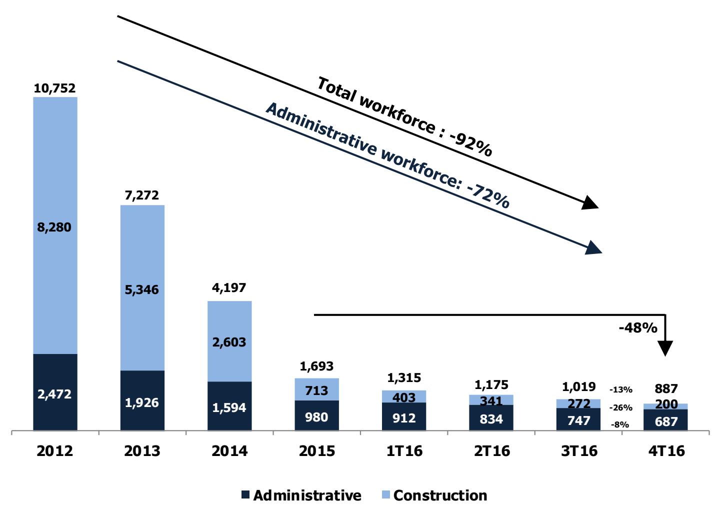
General and Administrative Expenses (G&A)

- G&A expenses maintained their downward trajectory, recording a 22% reduction in 2016 over 2015. When compared to 2014, G&A expenses decreased 44%, and 53% in relation to 2013.



Headcount

- We continued to make the necessary adjustments to adapt our structure to the size of our operations. In 4Q16, we reduced our total workforce by 13% over the previous quarter. In 2016, our workforce decreased 48% in relation to 2015



On and Off Balance Sheet Receivables

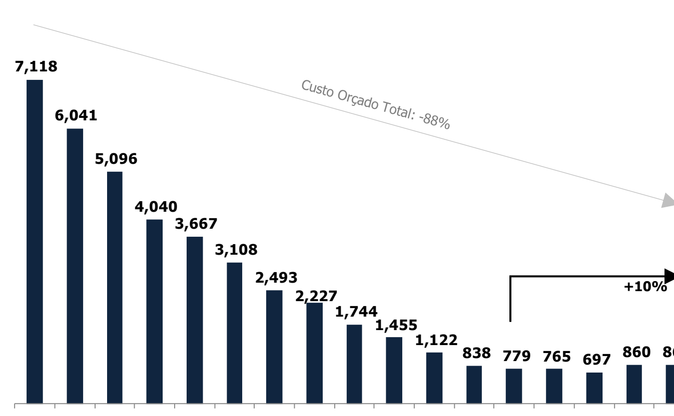
- We closed 4Q16 with total net receivables of R$2.5 billion, 37% down on the previous quarter.
- In 4Q16, we made non-recurring adjustments of R$1.1 billion in account receivables, primarily due to the increase in the allowance for doubtful accounts, the discount for assignments, and the unwinding of partnerships.
- The total cost to be incurred ended the 4Q16 at R$860 million. Since the end of 2012, the total cost to be incurred, R$7.1 billion at the time, has fallen by 88%, substantially reducing the Company's operational risk. The 10% upturn in relation to 4Q15 was chiefly due to the correction of Brazil's National Construction Cost Index (INCC), the revision of the works budget in 2H16, the works having slowed due to the Company's cash restrictions.

Accounts Receivable

R$ million in IFRS

On and Off Balance Receivables (R$ mn)	4Q16	3Q16	(%) Var.
Receivables *(on balance)*	2,023	3,440	-41%
Gross Backlog Revenues - REF	690	716	-4%
Advances from Clients - sales installments	(112)	(110)	2%
Advances from Clients - physical barter from launches	(107)	(100)	7%
Total Receivables (a)	**2,494**	**3,946**	**-37%**
Cost to be Incurred - Sold Units	(512)	(519)	-1%
Cost to be Incurred - Inventory Units	(348)	(341)	2%
Total Costs to be Incurred (b)	**(860)**	**(860)**	**0%**
Total Net Receivables (a+b)	**1,634**	**3,086**	**-47%**
ST	**1,250**	**1,667**	**-25%**
LT	**773**	**1,773**	**-56%**
Total *Receivables (on balance)*	**2,023**	**3,440**	**-41%**

Costs to be Incurred – R$ million



Financial Result

- Financial expenses totaled R$287 million in 4Q16, 41% higher than in 3Q16 and 7% higher on 4Q15. In 2016, financial expenses came to R$932 million, 3% down on 2015.

R$ million

Financial Results (R$ mn)	IFRS 10			IFRS 10		
	4Q16	4Q15	Var. %	2016	2015	Var. %
Investment Income	7.4	19.4	-62%	35.8	93.9	-62%
Debentures - fair value	-	-	0%	-	2.0	-100%
Interest and fines	13.1	23.0	-43%	70.0	146.2	-52%
Other financial revenue	4.5	25.2	-82%	15.6	45.7	-66%
Total financial revenues	**25.0**	**67.6**	**-63%**	**121.4**	**287.8**	**-58%**
Interest	(239.9)	(265.9)	-10%	(897.4)	(1,045.2)	-14%
Bank Expenses	(0.4)	(0.9)	-56%	(2.5)	(3.6)	-31%
Other	(11.0)	(20.5)	-46%	(38.9)	(63.2)	-38%
Gross Financial Expenses	**(251.3)**	**(287.3)**	**-13%**	**(938.8)**	**(1,112.0)**	**-16%**
Capitalized Interest on Inventory	(35.7)	20.0	n.m.	6.4	152.7	-96%
Total Financial Expenses	**(287.0)**	**(267.3)**	**7%**	**(932.4)**	**(959.3)**	**-3%**
Total Financial Result	**(262.0)**	**(199.7)**	**31%**	**(811.0)**	**(671.5)**	**21%**

Indebtedness

In 2016, despite the exceptionally challenging environment for the Company, we recorded important progress with the debt restructuring:

- In May 2016, we entered into an agreement to sell our entire equity stake (58%) in REP, for the equivalent to R$34 million in real estate properties located in São Paulo, in addition to reducing the Company's net debt by R$214 million. Also in May 2016, we concluded the sale of 2 projects (D´oro and Arena) for R$10 million, which also reduced the cost to be incurred by the Company by R$52 million.

- Still in May 2016, PDG published a material fact, disclosing to the market the execution with its main creditors (Banco do Brasil, Bradesco, CEF and Itaú Unibanco) of a non-binding debt-restructuring agreement ("Memorandum of Understanding") which included: (a) the rescheduling of corporate debt over 48 months, with a bullet payment of interests and amortizations; (b) the concession of new loans to cover the Company's G&A expenses, the maturity of which will take place in three years; (c) the possibility of the concession of loans to cover costs and expenses to complete works and to market projects financed by the creditors involved in the agreement; and (d) the rescheduling of the maturity dates of the debt related to the financing to production for a period of 12 to 24 months.

- In regard to the Company's G&A expenses financing contract (G&A Financing) entered into with the main creditor banks, R$102 million were freed, helping to ensure PDG's operational regularity.

- In August of 2016, we concluded the renegotiation of the Company's debt with Banco Votorantim, in the amount of R$565 million, postponing the maturity to 2020, based on the same terms of the corporate debt set forth with the above-mentioned creditor banks. As a result, all in all, the Company renegotiated approximately R$4.0 billion of its gross debt, equivalent to 74% of total debt in the period.

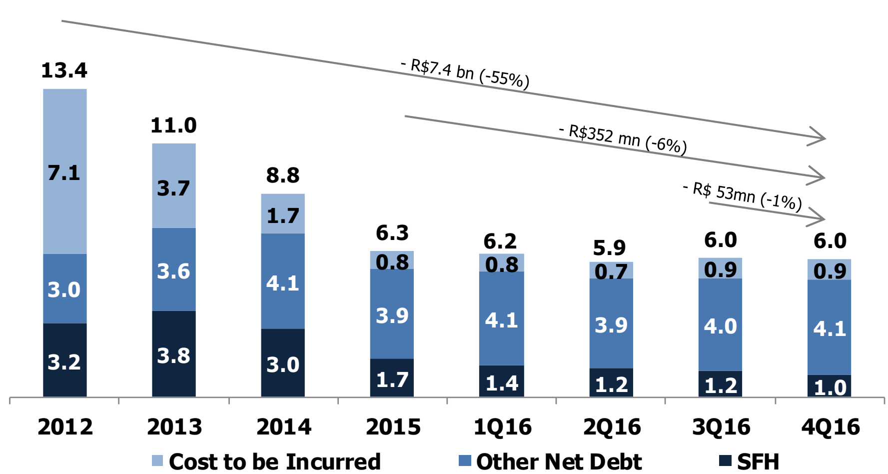
- The Company concluded, with Vinci Partners, a credit facility in the total amount of R$100 million, which was implemented through two unsecured debenture issues, each of which divided into two series. The first series of the 9th and 10th issue, totaling R$50 million, were paid in 2016. The second series, in turn, was paid in 2017, also in the amount of R$50 million.

- In November 2016, as disclosed to the market, we unwound our partnership with HM1 in 18 SPEs, of which 15 remained with HM1 and 3 SPEs with PDG, allowing the Company to use at its own discretion the assets of the remaining projects. As a result of this unwinding, there was a reduction of approximately R$237 million on the extended debt in 4Q16. In addition, through this operation, we reduced the cost to be incurred by the Company by R$11 million and by R$105 million its SFH-related debt

Net Debt + Cost to be Incurred – R$ billion

- Under the "extended leverage" concept, taking into account the cost to be incurred to complete the on-going projects, leverage has been falling since the end of 2012, recording a 55% change, or R$7.4 billion, also reducing operational complexity and the execution risk of our assets

- In 4Q16, extended leverage fell by R$53 million, taking into account the deconsolidation of the cost to be incurred of the projects sold in 4Q16. In 2016, extended leverage was decreased by R$352 million.



Obs.: For comparison purposes, other net debt of 2012, 2013, 2014 have been adjusted with the inclusion of the Redeemable Preferred Shares, amounting to R$300 million.

Net Debt

- Construction financing debt (SFH) continues to fall due to the delivery of projects, the transfer of mortgages, and the unwinding of partnerships involving on-going projects in this quarter. In 4Q16, the total balance of this line fell R$182 million (16%) in relation to 3Q16. In 2016, the SFH line fell by R$690 million (42%).

R$ million in IFRS

Indebtedness	4Q16	3Q16	(%) Var.
Cash	**201**	**235**	**-14%**
SFH	970	1,152	-16%
Debentures	141	141	0%
CCB/CRI	532	574	-7%
Construction Financing	**1,643**	**1,867**	**-12%**
Working Capital, SFI and Promissory Notes	330	324	2%
Finep/Finame	101	101	0%
Debentures	1,440	1,387	4%
CCB/CRI	1,781	1,702	5%
Obligation for the issuance of CCB and CCI	24	25	-4%
Corporate Debt	**3,676**	**3,539**	**4%**
Gross Debt	**5,319**	**5,406**	**-2%**
Net Debt	**5,118**	**5,171**	**-1%**
Net Debt (ex. SFH)	**3,475**	**3,304**	**5%**
Shareholders Equity *(1)*	**- 3,415**	**- 838**	**n.m.**
Net Debt (ex. SFH)/ Equity	**n.a.**	**n.a.**	**n.m.**

***(1)* Includes non-controlling equity**

Net Debt Variation

- Albeit in a slower fashion, the Company continues to carry out its deleveraging efforts. In 4Q16, the net debt was reduced by R$53 million, R$11 million of which were related to the unwinding of the partnership with HM1.

- In 2016, net debt fell by R$433 million. In total, since 2014, net debt was reduced by R$1.9 billion.

R$ million in IFRS

Net Debt Variation (R$ mn)	2013	2014	1T15	2T15	3T15	4T15	2015	1Q16	2Q16	3Q16	4Q16
Cash and Cash Equivalents	**1,353**	**1,092**	**881**	**1,198**	**508**	**604**	**604**	**373**	**271**	**235**	**201**
Cash Variation	(468)	(261)	(211)	317	(690)	96	(488)	(231)	(102)	(36)	(34)
Gross Debt	**8,367**	**7,869**	**7,248**	**6,985**	**6,463**	**6,155**	**6,155**	**5,813**	**5,441**	**5,406**	**5,319**
Construction Financing	5,215	4,517	4,047	3,765	3,052	2,719	2,719	2,317	1,979	1,867	1,643
Corporate Debt	3,152	3,352	3,201	3,220	3,411	3,436	3,436	3,496	3,462	3,539	3,676
Gross Debt Variation	602	(498)	(621)	(263)	(522)	(308)	(1,714)	(342)	(372)	(35)	(87)
Net Debt Variation	**(1,070)**	**237**	**410**	**580**	**(168)**	**404**	**1,226**	**111**	**270**	**(1)**	**53**
Adjustments	**(86)**	**-**	**-**	**(502)**	**300**	**-**	**(202)**	**-**	**(214)**	**-**	**(11)**
Mark to market of PDGR D81 (warrant)	(86)	-	-	(2)	-	-	(2)	-	-	-	-
Sale of Equity Stake in REP	-	-	-	-	-	-	-	-	(214)	-	-
Capital Increase	-	-	-	(500)	-	-	(500)	-	-	-	-
Redemption of APRs and Promissory Notes issuance	-	-	-	-	-	-	-	-	-	-	(11)
	-	-	-	-	300	-	300	-	-	-	-
Net Debt Variation (+adjustments)	**(1,156)**	**237**	**410**	**78**	**132**	**404**	**1,024**	**111**	**56**	**(1)**	**42**

Quarters and Years ended on December 31th 2016 and 2015

Income Statements (R$ '000) - IFRS	4Q16	4Q15	(%) Var.	2016	2015	Var. %
Operating Gross Revenue						
Real Estate sales	64,863	131,955	-51%	270,826	1,848,083	-85%
Other Operating Revenues	6,432	31,297	-80%	57,804	125,214	-54%
(-) Revenues Deduction	569	(33,042)	n.m.	(81,401)	(148,996)	-45%
Operating Net Revenue	**71,864**	**130,210**	**-45%**	**247,229**	**1,824,301**	**-86%**
Cost of Sold Units	(284,416)	(324,771)	-12%	(885,788)	(1,713,328)	-48%
Interest Expenses	(29,864)	(22,583)	32%	(87,193)	(153,028)	-43%
Cost of sold properties	**(314,280)**	**(347,354)**	**-10%**	**(972,981)**	**(1,866,356)**	**-48%**
Gross Income (loss)	**(242,416)**	**(217,144)**	**12%**	**(725,752)**	**(42,055)**	**n.m.**
Gross margin	***n.a.***	***n.a.***	**n.m.**	***n.a.***	***n.a.***	**n.m.**
Adjusted gross margin (1)	***n.a.***	***n.a.***	**n.m.**	***n.a.***	***6.1%***	**n.m.**
Operating Revenues (expenses):						
Equity Income	764	13,496	-90%	578	113,380	-100%
General and Administrative	(44,775)	(59,742)	-25%	(202,013)	(258,747)	-22%
Commercial	(59,347)	(34,091)	74%	(142,685)	(156,713)	-9%
Taxes	(7,526)	(3,111)	n.m.	(15,050)	(11,561)	30%
Depreciation & Amortization	(30,589)	(371,771)	-92%	(88,302)	(412,194)	-79%
Other	(1,933,105)	(1,204,793)	60%	(3,448,078)	(1,360,730)	n.m.
Financial Result	(261,956)	(199,668)	31%	(810,991)	(671,561)	21%
Total operating revenues (expenses)	**(2,336,534)**	**(1,859,680)**	**26%**	**(4,706,541)**	**(2,758,126)**	**71%**
Income before taxes	**(2,578,950)**	**(2,076,824)**	**24%**	**(5,432,293)**	**(2,800,181)**	**94%**
Income Taxes and Social Contribution	38,310	39,580	-3%	1,351	(42,301)	n.m.
Income before minority stake	**(2,540,640)**	**(2,037,244)**	**25%**	**(5,430,942)**	**(2,842,482)**	**91%**
Minority interest	100,849	68,306	48%	123,125	78,100	58%
Net Income (loss)	**(2,439,791)**	**(1,968,938)**	**24%**	**(5,307,817)**	**(2,764,382)**	**92%**
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	4Q16	4Q15	(%) Var.	2016	2015	Var. %
Income (loss) before taxes	(2,578,950)	(2,076,824)	24%	(5,432,293)	(2,800,181)	94%
(-/+) Financial Result	261,956	199,668	31%	810,991	671,561	21%
(+) Depreciation and Amortization	30,589	371,771	-92%	88,302	412,194	-79%
(+) Stock Option Plan	6,272	5,268	19%	24,366	12,730	91%
(+) Interest Expenses - Cost of Sold Units	29,864	22,583	32%	87,193	153,028	-43%
(-/+) Equity Income result	(764)	(13,496)	-94%	(578)	(113,380)	-99%
EBITDA	**(2,251,033)**	**(1,491,030)**	**51%**	**(4,422,019)**	**(1,664,048)**	**n.m**
EBITDA Margin	***n.a***	***n.a***	**n.m**	***n.a***	***n.a***	**n.m**

Consolidated Balance Sheet - ASSETS

On December 31th 2016 and 2015

ASSET (R$ '000)	2016	2015	(%) Var.
Current Assets			
Cash, cash equivalents and short-term investments	200,973	604,093	-67%
Accounts receivable	1,249,963	2,227,031	-44%
Properties held for sale	1,166,612	1,722,545	-32%
Prepaid expenses	7,763	9,137	-15%
Accounts with related parties	24,564	77,673	-68%
Taxes to recover	44,117	87,691	-50%
Deferred income and social contribuition taxes	10,214	-	n.m.
Others	-	120,030	-100%
Total Current Assets	**2,704,206**	**4,848,200**	**-44%**
Noncurrent Assets			
Long-Term			
Accounts receivable	772,702	3,264,276	-76%
Properties held for sale	706,102	1,798,701	-61%
Deferred Taxes	-	2,457	-100%
Accounts with related parties	60,165	185,975	-68%
Others	223,503	2,350	n.m
Total Long-Term Assets	**1,762,472**	**5,253,759**	**-66%**
Permanent Assets			
Investments	49,012	218,479	-78%
Investment Properties	-	473,465	-100%
Property and Equipament	27,640	36,219	-24%
Intangible	107,684	127,923	-16%
Total Permanent Assets	**184,336**	**856,086**	**-78%**
Total Noncurrent Assets	**1,946,808**	**6,109,845**	**-68%**
Total Assets	**4,651,014**	**10,958,045**	**-58%**

Consolidated Balance Sheet - LIABILITIES

On December 31th 2016 and 2015

LIABILITIES AND SHAREHOLDERS' EQUITY (R$ '000)	2016	2015	(%) Var.
Current			
Loans and financings	1,013,591	1,735,042	-42%
Debentures	1,546,357	958,829	61%
Obligation for the issuance of CCB & CCI	1,811,544	2,460,204	-26%
Co-obligation for the issuance of CRI	24,411	31,460	-22%
Suppliers	251,319	230,490	9%
Property acquisition obligations	85,825	174,774	-51%
Advances from clients	188,928	156,641	21%
Taxes and contributions payable	185,557	215,260	-14%
Deferred taxes	45,483	56,399	-19%
Income and social contribution taxes	97,562	76,288	28%
Accounts with related parties	5,798	9,135	-37%
Other Provisions	388,585	190,870	n.m.
Other Obligations	162,472	224,240	-28%
Total Current	**5,807,432**	**6,519,632**	**-11%**
Long-Term			
Loans and financings	387,571	924,278	-58%
Debentures	34,609	-	n.m
Obligation for the issuance of CCB & CCI	501,040	45,165	n.m
Property acquisition obligations	34,701	101,708	-66%
Advances from clients	72,368	147,514	-51%
Taxes and contributions payable	24,667	-	n.m
Deferred taxes	44,919	219,372	-80%
Other Provision	771,313	408,634	n.m.
Other	386,896	207,177	87%
Total Long-Term	**2,258,084**	**2,053,848**	**10%**
Shareholders' equity			
Subscribed capital	4,917,843	4,917,843	0%
Capital reserve	1,236,706	1,235,345	0%
Accumulated losses	(9,526,750)	(4,218,933)	n.m
Minority interest	**(42,301)**	**450,310**	**n.m**
Total Shareholders' equity	**(3,414,502)**	**2,384,565**	**n.m**
Total liabilities and shareholders' equity	**4,651,014**	**10,958,045**	**-58%**