



## 1Q09 Results Conference Call

May, 2009

# 1Q09 Highlights



- ✓ 43 THOUSAND UNITS ELEGIBLE TO HOUSING PROGRAM IN LANDBANK;
- ✓ APROXIMATELY 60% OF THE UNITS TO BE LAUNCHED IN 2009 ARE ELEGIBLE TO THE HOUSING PROGRAM;
- ✓ STRATEGIC PLANNING CONTEMPLATES SIGNIFICANT INVESTMENTS TO TARGET THE HOUSING PROGRAM.

## OPERATIONAL HIGHLIGHTS 1Q09

- ✓ CONTRACTED SALES PRO RATA PDG REALTY REACHED R\$420 MILLION;
- ✓ LAUNCHINGS PRO RATA PDG REALTY TOTALED R\$472 MILLION;
- ✓ PDG REALTY SOLD 49% OF THE UNITS LAUNCHED WITHIN THE 1Q09;
- ✓ CONTRACTED SALES OVER TOTAL SUPPLY ("VSO") REACHED 21%;
- ✓ SALES FROM INVENTORY REACHED R\$213 MILLION;
- ✓ 76% OF LAUNCHES AND 79% OF SALES OCCURRED IN THE LOW INCOME SEGMENT.

## FINANCIAL HIGHLIGHTS 1Q09

- ✓ NET REVENUE REACHED R\$312.3 MILLION IN 1Q09, INCREASING 36% WHEN COMPARED TO 1Q08 (non audited);
- ✓ EBITDA REACHED R\$64.6 MILLION IN 1Q09 WITH 21% OF MARGIN, REPRESENTING A 66% INCREASE WHEN COMPARED TO 1Q08;
- ✓ NET INCOME REACHED R\$50.8 MILLION IN 1Q09 WITH 16% MARGIN, REPRESENTING A 67% INCREASE WHEN COMPARED TO 1Q08 (non audited).

## HIGHLIGHTS

- ✓ 2009 LAUNCHES GUIDANCE REVISION:
  - CURRENT GUIDANCE: R\$2.0 BILLION- R\$3.0 BILLION
  - NEW GUIDANCE: R\$2.8 BILLION - R\$3.5 BILLION
- ✓ APROVAL OF ISSUANCE OF UP TO R\$276 MILLION IN CONVERTIBLE DEBENTURES, WITH SUBSCRIPTION GUARANTEES FROM BNDES REACHING R\$155 MILLION.

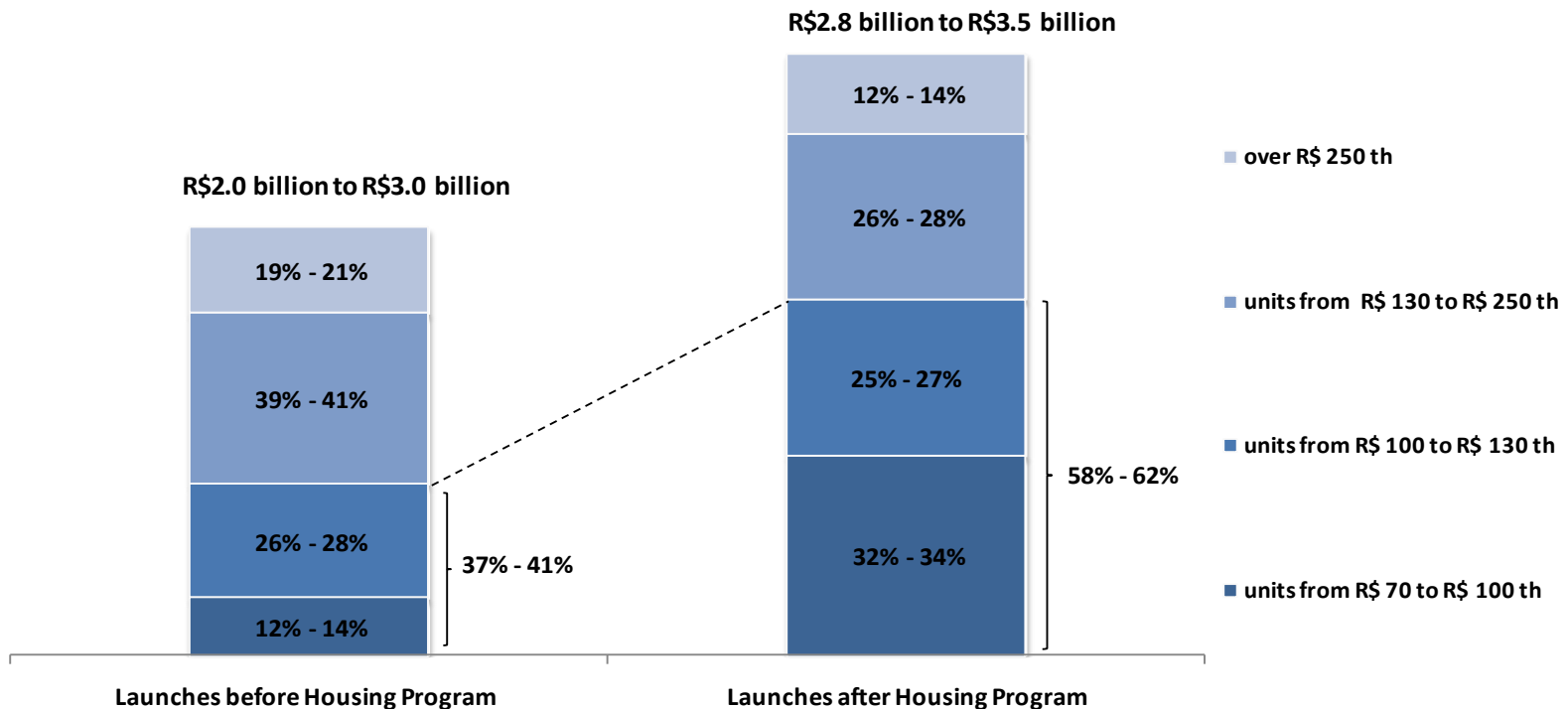
## Recent Events



### ✓ PDG Realty and the housing program :

■ Since the housing program inception, PDG Realty has taken benefit from the new conditions offered to our final clients. Below we show the breakdown of units to be launched within 2009 by price range before and after the housing program:

Breakdown by price range of Launches before and after Guidance revision



## Recent Events



### ✓ Guidance revision for 2009 launches

- In line with the recent improvement in market conditions we are revising our guidance for 2009 launchings from R\$2.0 billion to R\$3.0 billion to the R\$2.8 billion to R\$3.5 billion range.

Current Guidance (R\$ billion)	New Guidance (R\$ billion)
2.0 - 3.0	2.8 - 3.5

### ✓ Convertible Debentures Issuance

- We have recently announced the issuance of convertible debentures with underwriting guarantee of PDG Realty's controlling shareholder and Banco Nacional de Desenvolvimento Econômico e Social (BNDES). Below we highlight the main characteristics of the issuance (further information can be obtained in our IR website).

#### • Main details:

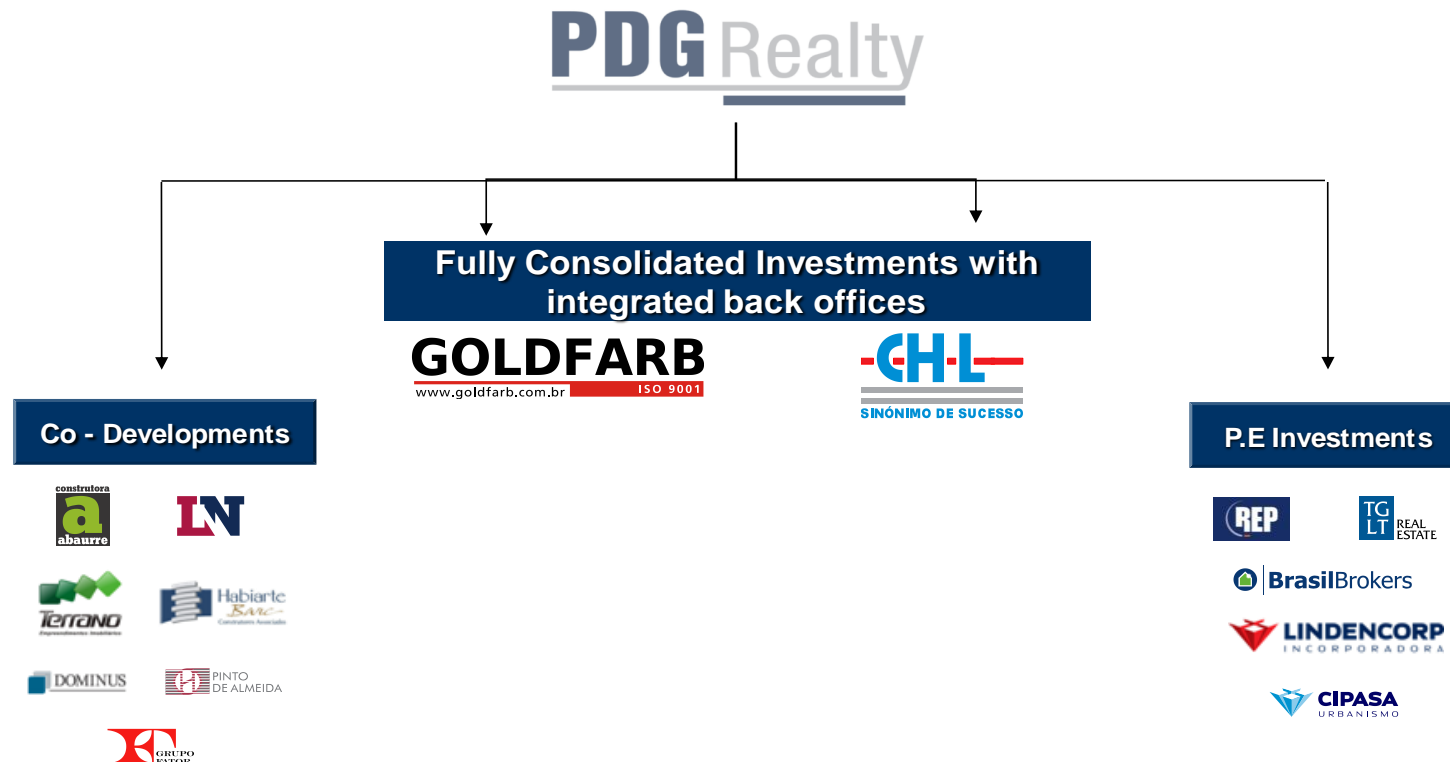
- Issuance Date: April 15th, 2009
- Nominal Unit Value: R\$ 10,000.00
- Quantity: up to 27,600
- Term: 42 months from issuance date
- Maturity: October 15th, 2012
- Conversion Price: R\$17.00
- Rate: CDI + 2% p.a.
- Interest Payment: Semi-annual

## Recent Events



### ✓PDG Realty now controls 100% of it's main investments

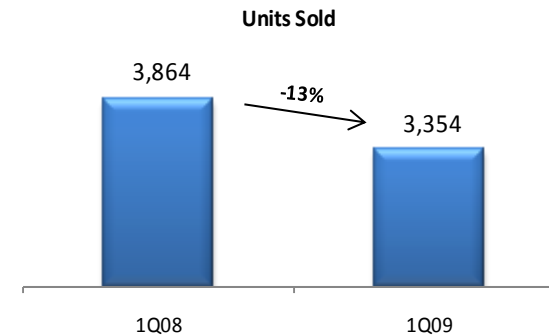
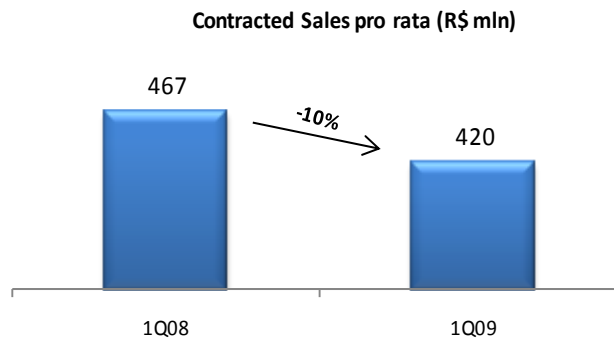
•In April 1st, 2009 we early exercised the option to acquire the remaining 30% stake in CHL. With this acquisition we now own 100% of our main investments Goldfarb and CHL. Parallel to this movement of consolidation, we are conducting the full integration of our business units so that all companies may be under the same back office and I.T. platform.



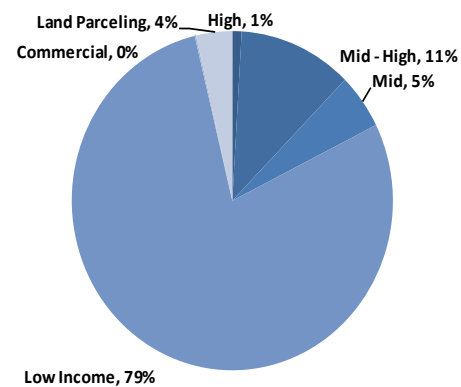
# Operational Highlights - Sales



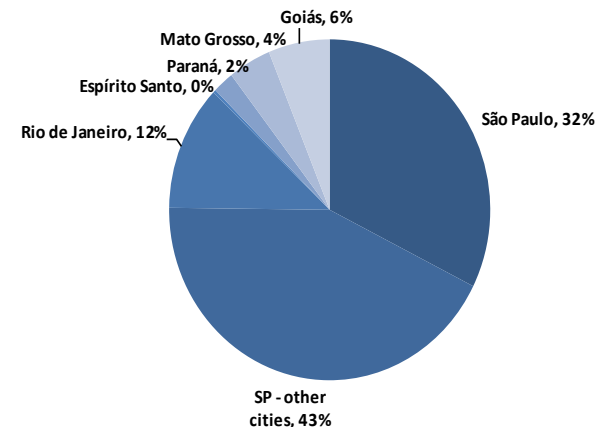
- ✓ Contracted Sales reached R\$521 million in 1Q09 with PDG Realty's pro rata stake totaling R\$420 million.
- ✓ We sold R\$207 million from 1Q09 launchings and R\$213 million from inventories.



**Segmentation of Contracted Sales 1Q09**



**Geographic Breakdown of Contracted Sales 1Q09**

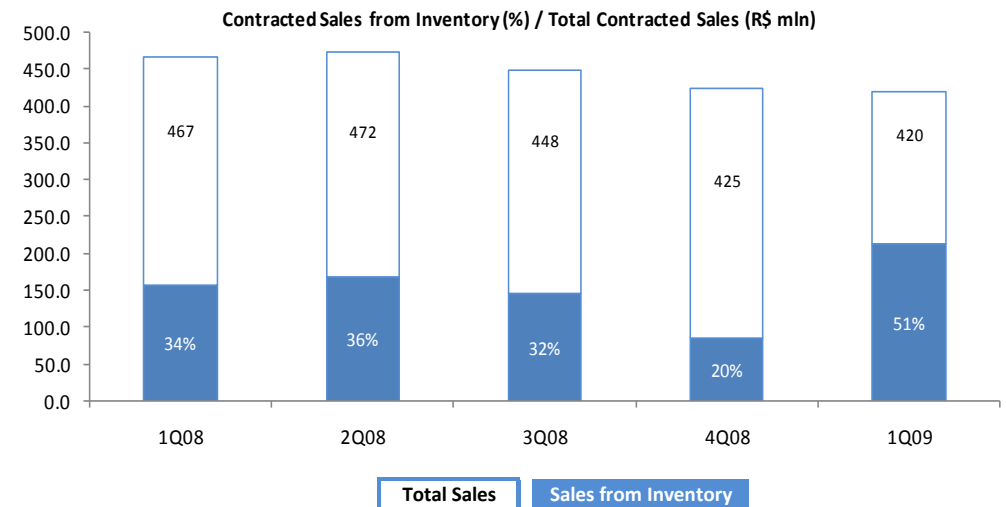
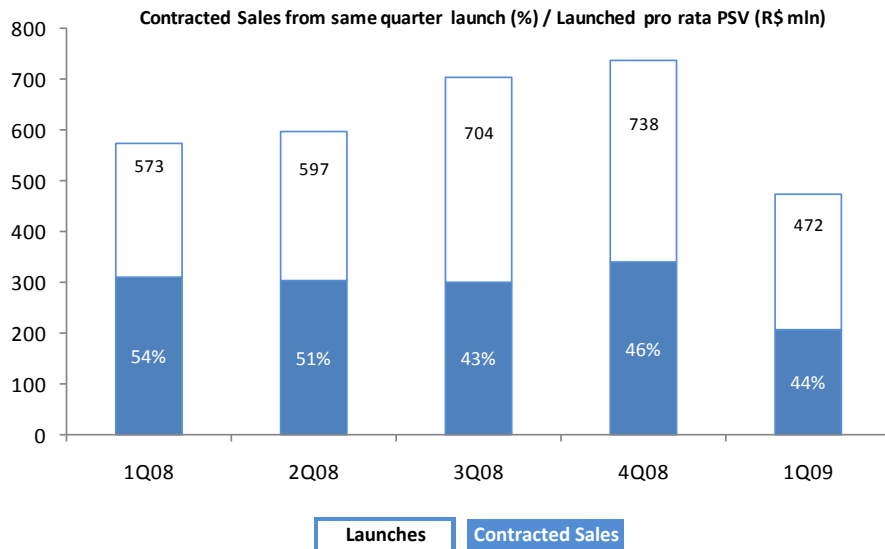




# Operational Highlights - Sales



✓The charts below demonstrate the sales speed reached by the developments within its quarter of launch and the breakdown of PSV from inventory sold in terms (%) of total contracted sales:



# Operational Highlights - Sales



✓The table below shows PDG Realty's historical track record of launches and its respective sales position and aging of units in inventory. We can notice that 78% of all the units launched so far have been sold until the end of the 1Q09 and that approximately 87% of the total inventory value comes from units launched in 2008 and 1Q09.

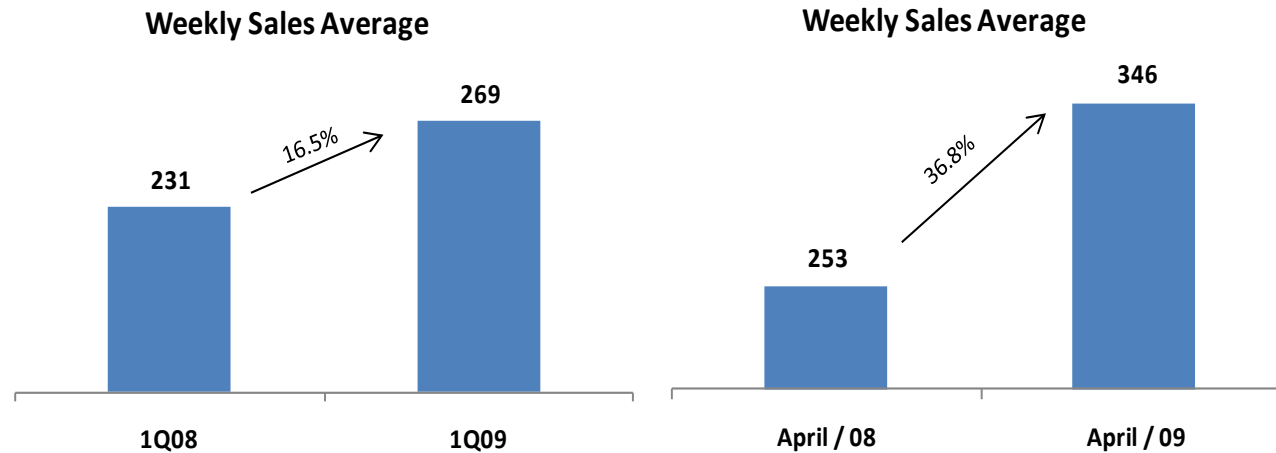
Launch	Units Launched	Units Sold	% Sold	% of Total Inventory
<b>2004</b>	<b>882</b>	<b>876</b>	<b>99%</b>	<b>0.1%</b>
3Q2004	176	175	99%	0.0%
4Q2004	637	636	100%	0.1%
<b>2005</b>	<b>2,731</b>	<b>2,661</b>	<b>97%</b>	<b>0.3%</b>
1Q2005	26	26	100%	0.0%
2Q2005	649	616	95%	0.0%
3Q2005	54	54	100%	0.0%
4Q2005	2002	1965	98%	0.2%
<b>2006</b>	<b>4,173</b>	<b>3,990</b>	<b>96%</b>	<b>1.5%</b>
1Q2006	1032	1032	100%	0.0%
2Q2006	418	418	100%	0.0%
3Q2006	486	453	93%	0.2%
4Q2006	2237	2087	93%	1.3%
<b>2007</b>	<b>12,820</b>	<b>11,581</b>	<b>90%</b>	<b>11.2%</b>
1Q2007	1591	1455	91%	1.2%
2Q2007	2641	2444	93%	1.6%
3Q2007	4759	4588	96%	1.1%
4Q2007	3829	3094	81%	7.3%
<b>2008</b>	<b>17,910</b>	<b>12,103</b>	<b>68%</b>	<b>69.6%</b>
1Q2008	4006	3043	76%	10.6%
2Q2008	4521	2885	64%	18.5%
3Q2008	4585	3156	69%	18.5%
4Q2008	4798	3019	63%	22.1%
<b>2009</b>	<b>4,204</b>	<b>2,067</b>	<b>49%</b>	<b>17.4%</b>
1Q2009	4204	2067	49%	17.4%
<b>Total</b>	<b>43,016</b>	<b>33,574</b>	<b>78%</b>	



# Operational Highlights - Sales



✓Below we demonstrate our weekly sales of units average including the month of April/2009, which had a positive impact due to the housing program (launched in April 13th, 2009).

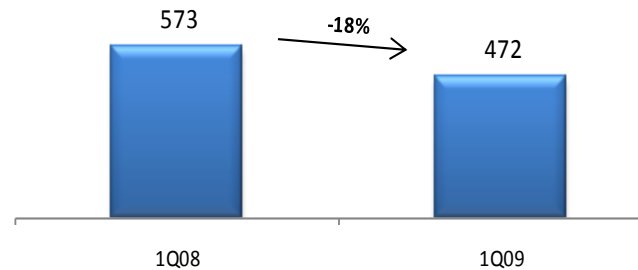


# Operational Highlights - Launches

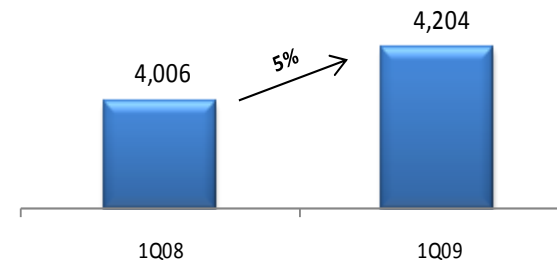


✓ Total Launched PSV reached R\$664 million in 1Q09, with PDG Realty's stake totaling R\$472 million distributed across 24 projects.

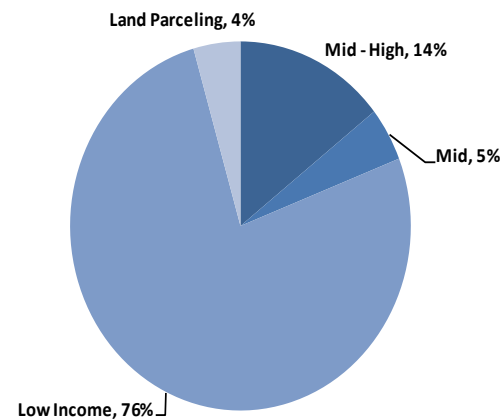
Launched pro rata PSV (R\$ mln)



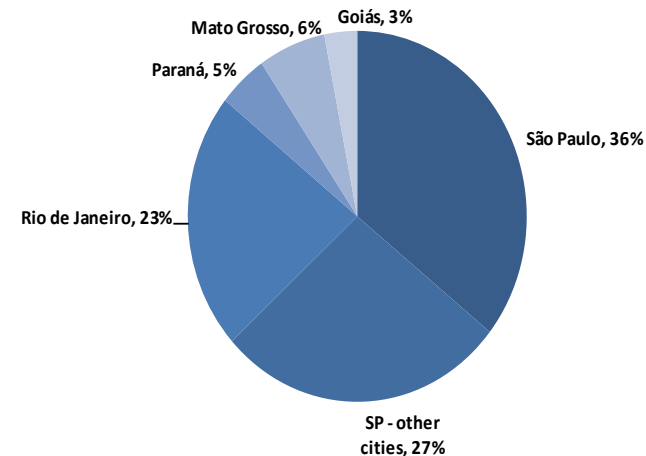
Units Launched



Segments - Launched pro rata PSV 1Q09



Geographic Breakdown of 1Q09 Launches



# Operational Highlights - Launches



✓ Below, we highlight some projects launched with different partners in 1Q09:



## RESIDENCIAL MÔNACO

Company	Goldfarb
Location	Cuiabá/ MT
Launch	February/2009
Total PSV	R\$ 38 mln
Units	376
% sales	93%



## GRIFFE BOTAFOGO

Company	CHL
Location	Rio de Janeiro / RJ
Launch	March/2009
Total PSV	R\$ 30 mln
Units	37
% sales	89%



## ALPHAVILLE NOVA ESPLANADA

Company	Cipasa
Location	Votorantim / São Paulo
Launch	March/2009
Total PSV	R\$ 70 mln
Units	501
% sales	89%

# Operational Highlights - Landbank

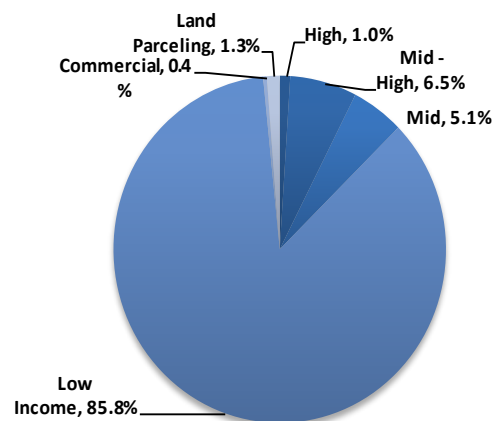


✓ Our current pro rata landbank reaches R\$7.0 billion, (distributed in 211 projects), representing a 13% growth when compared to the 4Q08.

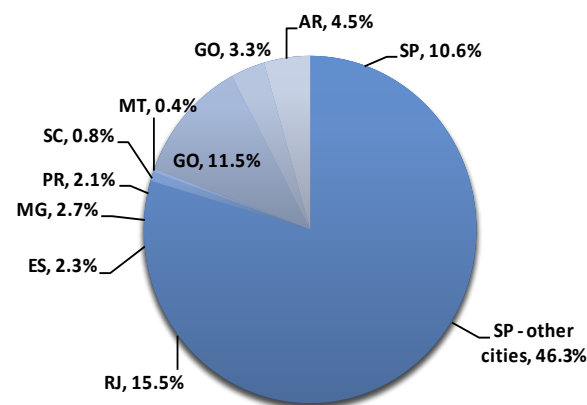
✓ In the chart below, we present the breakdown of the residential units in PDG Realty's landbank by price range. We can notice that 43 thousand units are eligible to the housing program (units up to R\$ 130 th)

	Unit Price	Residential units	%	Main Source of Funding
Low Income Units	up to R\$ 100 th	31,476	46.6%	Credito Associativo + SFH + Housing Package
	from R\$ 100 th to R\$ 130 th	11,463	17.0%	Credito Associativo + SFH + Housing Package
	from R\$ 130 th to R\$ 250 th	19,332	28.6%	SFH
Mid to High Units	from R\$ 250 th to R\$ 500th	2,398	3.6%	SFH
	over R\$ 500 th	2,821	4.2%	Market Rates
		<b>67,490</b>	<b>100.0%</b>	

Landbank Segmentation - Pro Rata PSV



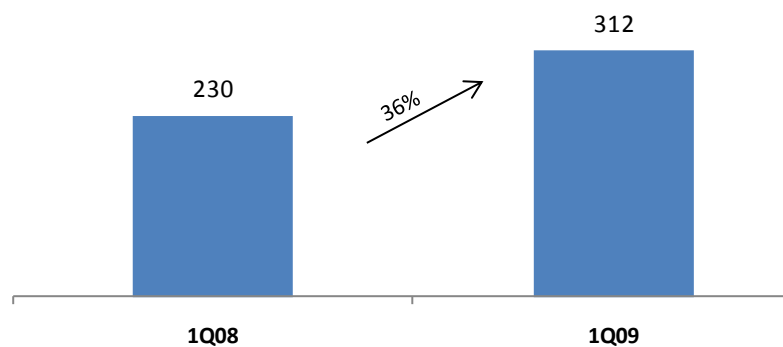
Landbank Geographic Distribution - Pro rata PSV



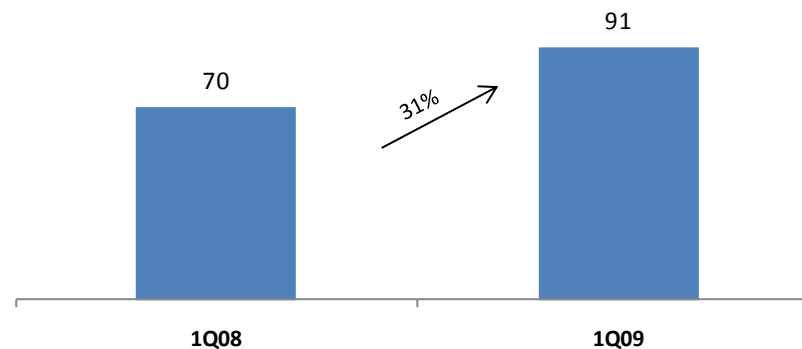
# Financial Highlights 1Q09



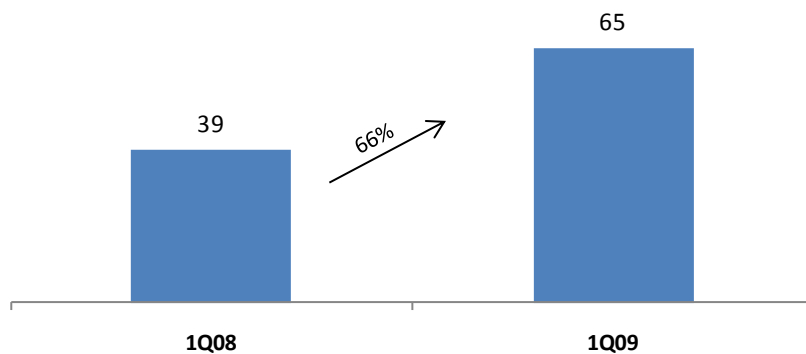
Net Revenues - R\$ mln



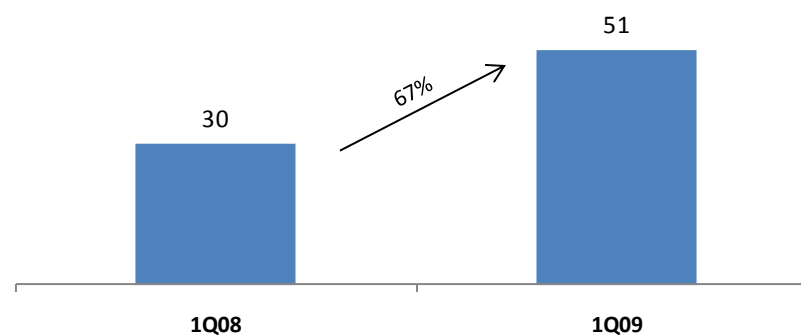
Gross Profit - R\$ mln



EBITDA - R\$ mln



Net Income - R\$ mln



# Financial Highlights 1Q09

## 11,638 law adjustments



### ✓ Net Revenues

Pre 11.638 adjustments		PV		Swaps		Post 11.638 adjustments
305,729	(+)	1,324	(+)	5,215	(=)	312,268

### ✓ Cost of Goods Sold (COGS)

Pre 11.638 adjustments		Capitalized Interest		Swaps		Provisions		Post 11.638 adjustments
(199,616)	(+)	(16,936)	(+)	(4,068)	(+)	(309)	(=)	(220,929)

### ✓ Commercial Expenses

Pre 11.638 adjustments		Capitalized Expenses		Post 11.638 adjustments
(8,964)	(+)	(9,770)	(=)	(18,734)

### ✓ General and Administrative Expenses

Pre 11.638 adjustments		Stock Options Plan		Post 11.638 adjustments
(19,345)	(+)	(2,969)	(=)	(22,314)

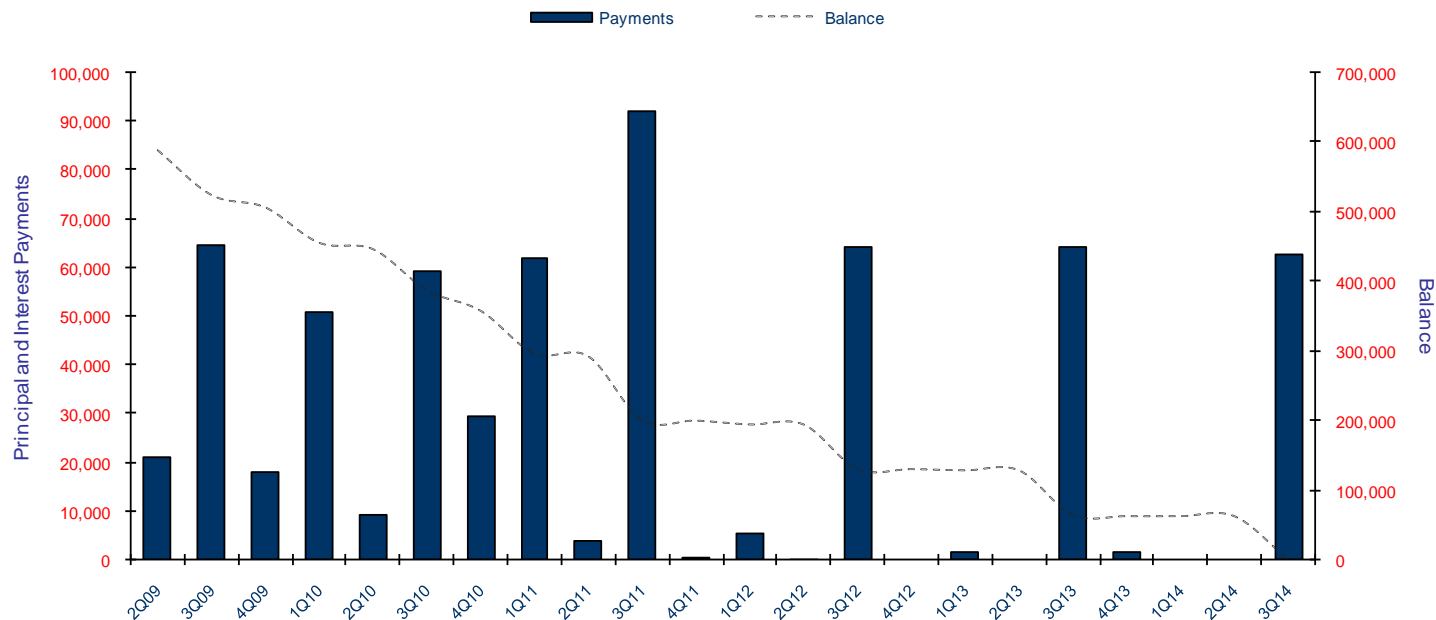


# Financial Highlights 1Q09

## Indebtedness



Debt (excludes SFH and partners in projects - already considered into SPC's cash flow) - schedule after 1Q09 and position in the end of period (R\$ thousand)



Debt Ratios (R\$ thousand)	
Cash and Cash equivalents	187,053
Indebtness	(976,812)
Net Debt	789,759
Equity	1,595,345
<b>Debt to Equity</b>	<b>61.2%</b>
<b>Net debt to Equity</b>	<b>49.5%</b>

# Financial Highlights 1Q09

## Indebtedness



✓ Below we present the Indebtedness breakdown in the end of 1Q09 (R\$ thousand):

### SFH

Position:	359,009
Index:	TR
Interest per year:	10.60%
Creditor:	Others
Duration:	15 months
Coupon:	Monthly
Principal on project's maturity	

### Debentures

Position:	255,314
Index:	CDI
Interest per year:	0.90%
Creditor:	Bradesco BBI
Duration:	46 months
Coupon:	Semi Annual (jan/jul)
Principal in 4 annual payments since july, 2011	

### Consolidated per Creditor

Total:	976,812
Debenture holders	26.14%
Votorantim	10.92%
Unibanco	10.90%
Bradesco	9.53%
ABN Amro	42.51%
Duration:	23 months

### Partnerships in Projects

Position:	7,183
Index:	IGPM / INCC
Interest per year:	12.00%
Creditor:	Partners
Duration:	27 months

### Corporate Debts

Position:	355,306
Index:	CDI
Interest per year:	2.37%
Creditor:	Others
Duration:	16 months

### Consolidated per Index

Total:	976,812
% of CDI	62.51%
TR	36.75%
IGPM / INCC	0.74%
Duration:	23 months

## Contacts:



- ✓ For any additional information, please contact :
- Michel Wurman - CFO and Investor Relations Officer
  - João Mallet, CFA - Investor Relations Manager
  - Gustavo Janer – Financial and Investor Relations Analyst
  - IR Team: [ri@pdgrealty.com.br](mailto:ri@pdgrealty.com.br)
  - Phone: + 5521 3504-3800
  - [www.pdgrealty.com.br](http://www.pdgrealty.com.br)