São Paulo, November 3th, 2017: PDG Realty S.A. (PDGR3) – Under Court-supervised Reorganization - announces **today** its results for the third quarter and nine months of 2017. 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:
Monday, November 6th, 2017

- **Portuguese**

11:00 a.m. (Brasília)
08:00 a.m. (NY)

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- **English (Simultaneous translation)**

08:00 a.m. (NY)
11:00 a.m. (Brasília)

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Password: 8915541#

Highlights:

- **General and administrative expenses** maintained their downward trajectory, closing the quarter **38% down year-on-year**. While the YTD figure fell by 33% over 9M16. (page 16)

- **Selling expenses fell by 92% over 3Q16**. The 9M17 selling expenses recorded a **84% decline over 9M16**. (page 16)

- **Net revenue reached R$15 million in 3Q17,** a notable improvement when compared to the negative R$84 million registered in 3Q16. Accounting for the **9M17, net revenue amounted to R$291 million**, a 66% increase over 9M16. (page 20)

- In this quarter, **net loss decreased 83% over 3Q16**. The 9M17 net loss fell by 61% over 9M16. (page 20)

Recent Events:

- Throughout the third quarter, we made efforts, together with our advisors, to adjust and strengthen the Court Reorganization Plan filled in June 2017. In this sense, after several meetings with our main creditors, a new and Consolidated Plan was filled on September 29th; therefore, completing another important step towards PDG´s restructuring process. (page 3)

- Regarding the Creditor´s Meeting, which will evaluate the consolidated Plan, the Company has decided to schedule its first meeting to November 22nd, 2017. (page 3)

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- Court-supervised Reorganization

Throughout the third quarter, we made efforts, together with our advisors, to adjust and strengthen the Court Reorganization Plan filled in June 2017. In this sense, after several meetings with our main creditors, a new and Consolidated Plan was filled on September 29th; therefore, completing another important step towards PDG´s restructuring process.

The consolidated Plan address the means of reorganization through which we believe it will be possible to sort out the current cash flow mismatch, maintain operational normality, an allow stalled works to resume.

The means of reorganization include: (i) PDG Group´s business resizing; (ii) debt restructuring subject to the Court Reorganization; (iii) raising new funds and (iv) the alienation of assets within the dynamics discussed in the Plan.

Since the filing of the Consolidated Plan, we have been directing efforts towards the Creditor´s Meeting preparation, which has its first meeting scheduled to November 22nd. After the conclusion of this important step, we will follow with the homologation, implementation and execution of the means of reorganization described in the Reorganization Plan.

The Company believes that, with the approval of the Consolidated Plan, it will be possible to equate its operations, equalize its cash flow necessities and resume its activities in a more efficient and sustainable manner.

Regarding the means of reorganization and the business resizing, the company is studying a new business scope, which considers our land bank potential and the current market trends.

- Operating Performance

In the operational scope, we continue to work hard to maintain PDG's structure aligned with the needs of its operation, putting in constant efforts to reduce expenses and preserve cash.

With reference to cash preservation, we maintained the strategy adopted in the second quarter, whereby we started to prioritize the sale of unencumbered units, that is, units that allowed cash to be generated immediately, in addition to prioritizing the sale of units whose resources could be used to pay expenses of the SPE itself.

As a consequence, due to the sales strategy adopted, gross sales amounted to R$37 million in 3Q17, down 41% on 2Q17 and 90% below the amount recorded in 3Q16. Of the R$100.5 million sold as a result of this new strategy during 2Q17 and 3Q17, R$66.6 million relate to the sales of units whose resources can be used to pay the SPE's expenses, and R$33.9 million refer to the sales of units that generated free cash for the Company.

During 3Q17, the amount of cancelled contracts was R$76 million, 33% lower than that recorded in 2Q17 and 80% lower than in 3Q16. Even with the volume of cancelled contracts below that recorded in the last quarters, we continued to prioritize the cancelation of contracts of liquid and unencumbered units, which will generate free cash at the time of resale. Accounting for the 9M17, cancellations reached R$330 million, 65% lower than 9M16.

Therefore, due to the low volume of gross sales and contract cancellations in 3Q17, net sales were R$39 million negative in the period. In the year, net sales were negative in R$149 million.

This quarter, 355 units were transferred, corresponding to a PSV of R$70 million. During 9M17, 1,475 units (or PSV of R$268 million) were transferred. This decreased volume of transferred units resulted mainly from lower deliveries in the period, caused by the decreased pace of ongoing works, added by the smaller sales volume recorded during the quarter.

General and administrative expenses dropped 38% in 3Q17 over 3Q16. In 9M17, expenses were reduced by 33%, in line with the Company's goal of readjusting its operating structure.

Selling expenses decreased 92% in 3Q17 over 3Q16 and 84% when compared to the 9M16. This reduction arose mainly from the lack of launches and sales campaigns, in addition to the reduced sales volume.

In order to enjoy the benefits granted by the Tax Regularization Program (Programa de Regularização Tributária) and the Special Tax Regularization Program (Programa Especial de Regularização Tributária), the Company reassessed its liabilities and undertook the Program during the 2Q17 and 3Q17. Hence, reducing approximately R$104 million in taxes payable during the 3Q17 and over R$300 million since the adherence of the tax programs.

Taking into consideration the strategic and operational scope, we continue to take necessary actions to accelerate cash inflow, focusing on monetizing our assets, reducing costs and resizing our liabilities. These actions have helped the Company´s restructuring program and will continue to be within our main priorities.

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.
- The Company's main results and indicators regarding 3Q17 and 9M17 are the following:

Launches	3Q17	3Q16	3Q17 vs. 3Q16	9M17	9M16	9M17 vs. 9M16	3Q17 (IFRS)	9M17 (IFRS)
Total Launches - R$ million	0	0	n.m.	0	0	n.m.	0	0
PDG % Launches - R$ million	0	0	n.m.	0	0	n.m.	0	0
# of Launched Projects	0	0	n.m.	0	0	n.m.	0	0
# of Launched Units - PDG	0	0	n.m.	0	0	n.m.	0	0
Sales and Inventory	**3Q17**	**3Q16**	**3Q17 vs. 3Q16**	**9M17**	**9M16**	**9M17 vs. 9M16**	**3Q17 (IFRS)**	**9M17 (IFRS)**
Gross Sales %PDG - R$ million	37	367	-89.8%	181	1,115	-83.7%	29	169
Net Sales %PDG - R$ million	(39)	(4)	n.m.	(148)	170	n.m.	(47)	(161)
# of Net Sold Units %PDG	(129)	80	n.m.	(580)	598	n.m.	(148)	(611)
Inventory at Market Value %PDG - R$ million	2,348	2,720	-13.7%	2,348	2,720	-13.7%	2,337	2,337

Operational Result (1)	3Q17	3Q16	3Q17 vs. 3Q16	9M17	9M16	9M17 vs. 9M16
Net Operational Revenues - R$ million	15	(84)	n.m.	291	175	66.5%
Gross Profits (Losses) - R$ million	(15)	(410)	-96.3%	44	(483)	n.m.
Gross Margin - %	n.a.	n.a.	n.m.	15.2	n.a.	n.m.
Adjusted Gross Margin - %	n.a.	n.a.	n.m.	22.1	n.a.	n.m.
EBITDA Margin - %	n.a.	n.a.	n.m.	n.a	n.a.	n.m.
Net Earnings (Losses) - R$ million	(299)	(1,717)	-82.6%	(1,107)	(2,868)	-61.4%
Net Margin - %	n.a.	n.a.	n.m.	n.a	n.a.	n.m.

Backlog Results (REF) (1)	3Q17	3Q16	3Q17 vs. 3Q16
Gross Revenues (REF) - R$ million	474	702	-32.5%
COGS - R$ million	(376)	(519)	-27.6%
Gross Profit - R$ million	98	183	-46.4%
Gross Backlog Margin - %	20.7	26.1	-5.4 p.p
Balance Sheet (1)	**3Q17**	**3Q16**	**3Q17 vs. 3Q16**
Cash and Cash Equivalents - R$ million	225	235	-4.3%
Net Debt - R$ million	5,547	5,171	7.3%
Shareholders Equity - R$ million	(4,486)	(838)	n.m.
Net Debt (ex. SFH) / Shareholder Equity (%)	n.a.	n.a.	n.m.
Total Assets - R$ million	3,917	7,246	-45.9%

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

Operating Performance – Launches

- There were no launches during the first nine months of 2017 and all attention is still focused on structuring and approving the Court-supervised Reorganization Plan.

Operating Performance – Sales

- Aiming to preserve the Company's Cash, the sales strategy was altered since the filing of the Court-supervised plan, whereby we started to prioritize the sale of unencumbered units, that is, units that allow immediately cash generation, in addition to prioritizing the sale of units whose resources could be used to pay expenses of the SPE itself.

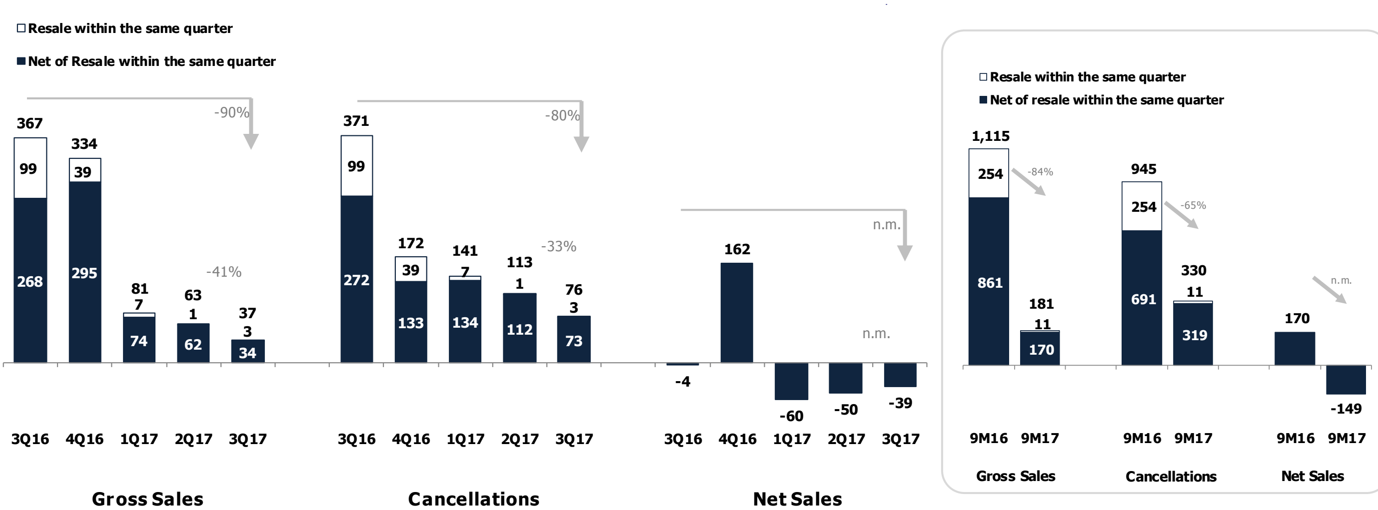
- Taking into account the current sales strategy, this quarter's gross sales (considering resale of cancellations within the same quarter) reached R$37 million, a 41% decrease when compared to 2Q17 and a 90% drop when compared to the 3Q16. Gross sales came to R$181 million in the 9M17, an 84% reduction over the same period last year.

- Cash sales totaled R$10.5 million in 3Q17, accounting for 28% of period gross sales. Taking into consideration the first nine months of the year, cash sales amounted to R$47.0 million, which corresponds to 26% of gross sales registered in the 9M17.

- Total cancellations came to R$76 million in 3Q17, 33% down on 2Q17, and 80% down on 3Q16. During 9M17, cancellations amounted to R$330 million, 65% down on 9M16. Total cancellations were not higher due to the Company's cash restriction policy, which didn't allow the conclusion of all cancellations requested in the period.

- Due to the reduction in gross sales during this quarter, net sales were negative R$39 million in 3Q17. Accounting for the 9M17, net sales were negative in R$149 million.

Sales Performance– PSV %PDG in R$ million



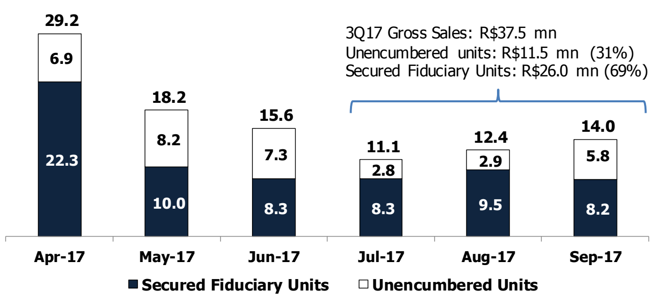
Operating Performance – Sales (Current Strategy)

- As mentioned in the previous item, we implemented a new sales strategy since the filing of the Plan. This strategy aims to preserve the Company's Cash until the approval of the Court Reorganization Plan, establishing the sales focus on unencumbered units and on units whose resources can be used to pay the SPE's own expenses (Secured Fiduciary Sale of Shares).

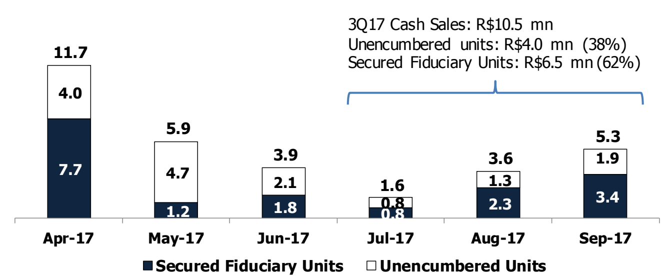
- Of the R$37.5 million sold during 3Q17, R$26.0 million relate to the sales of units whose resources can be used to pay the SPE's expenses, and R$11.5 million refer to the sales of units that generated free cash for the Company.

- Of the R$10.5 million cash sales in 3Q17, R$6.5 million refer to units whose resources can be used to pay the SPE's own expenses, and R$4.0 million in the free cash dynamics.

Gross Sales (New Strategy) – R$ million



Cash Sales (New Strategy) – R$ million



Operating Performance – Cancellations and Resale

- Of total 3Q17 cancellations, 84% corresponded to projects with more than 60% of their units sold, underlining the fact that cancellations are continuing to occur in projects with good market liquidity and, therefore, with a higher resale speed.

- In addition, 80% of third quarter cancellations corresponded to projects that had already been concluded. Therefore, the resale of such cancellations will result in either an immediate inflow of cash to the Company.

Cancellations in 3Q17 by Percentage of Resale and Year of Delivery

PSV in R$ million

Percentage Sold	Concluded		2017 Delivery		2018 Delivery		Post 2018 Delivery		Total	
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	Units	PSV
20% or less	-	-	-	-	-	-	4	0.8	4	0.8
21% to 40%	-	-	-	-	-	-	7	2.3	7	2.3
41% to 60%	-	-	-	-	-	-	27	9.3	27	9.3
61% to 80%	88	18.5	-	-	3	0.8	5	1.7	96	21.0
81% to 99%	139	42.0	-	-	2	0.6	-	-	141	42.6
TOTAL	**227**	**60.5**	**-**	**-**	**5**	**1.4**	**43**	**14.1**	**275**	**76.0**

80%

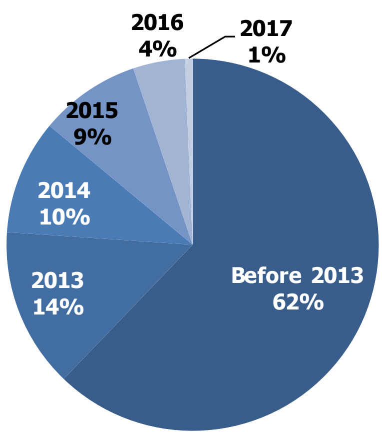
84%

Operating Performance – Cancellations and Resale

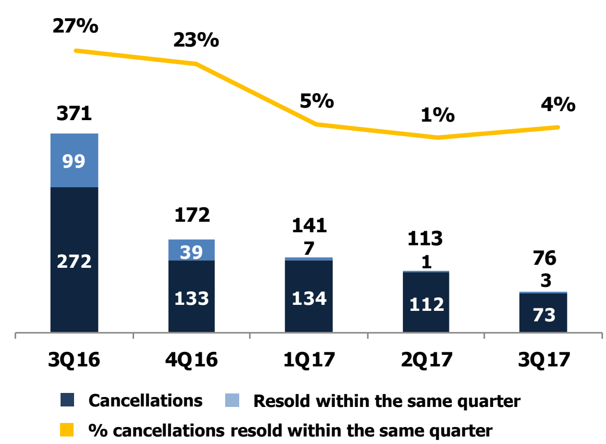
- Looking at the breakdown of cancellations by year of sale, we can see that 76% of cancellations in 3Q17 referred to units sold prior to 2014, i.e., when credit analysis criteria were less rigorous, and which, therefore, are more likely to lead to cancellation due to insufficient income.

- Of the R$76 million cancelled in 3Q17, R$3 million (approximately 4%) were resold in the same quarter, an 300bps increase when compared to the 1% posted in the previous quarter. The reduction of units resold during the 9M17 was mainly due to the new sales strategy adopted.

Cancellations by Year of Sale – %PSV – 3Q17



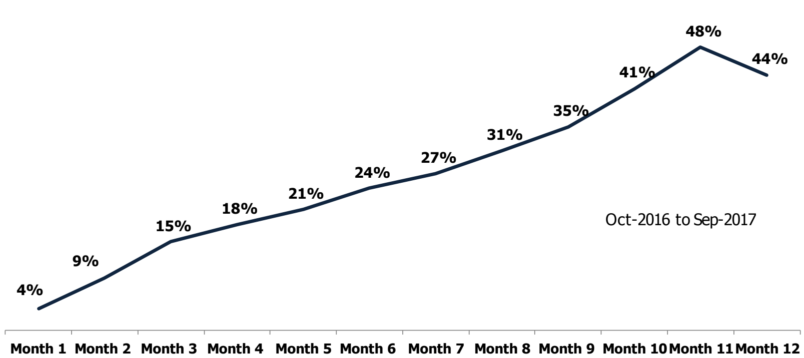
Cancellations and Resale Evolution – R$ million



- The graph below shows that the average resale curve recorded an amount under 50%, reaching 44% when accounting for 12 months after the cancellation. The decrease in the resale curve is explained by the reduction in gross sales in the semester, essentially a consequence of the filing for Court-supervised Reorganization, and the new sales strategy adopted by the Company.

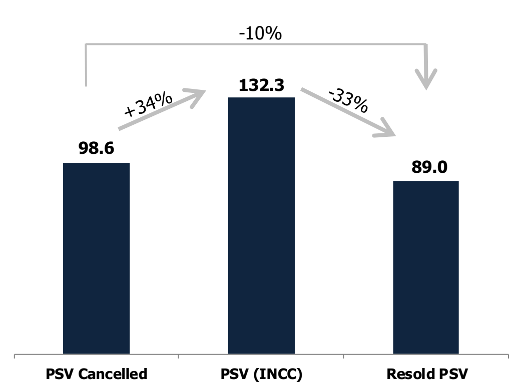
- The decline in resale price in relation to the accumulated inflation, between the original sale and the resale, is due to the granting of discounts, including discounts on cash sales. In the last 12 months, resale PSV has been 10% down on PSV from the original sale.

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, the ratio reached 2% in 3Q17, 1200bps down on 3Q16.
- PDG's sales team was responsible for 89% of gross sales in 3Q17, and for 73% throughout the year.

Sales Speed (VSO) – R$ million

R$ million

	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
Initial Inventory	**2,778**	**2,695**	**2,720**	**2,263**	**2,262**	**2,321**
(-) Cancellations	**0**	**39**	**0**	**0**	**0**	**0**
=Effective Inventory	**2,778**	**2,656**	**2,720**	**2,263**	**2,262**	**2,321**
(+) Launches	**0**	**0**	**0**	**0**	**0**	**0**
(-) Net Sales	**77**	**-4**	**162**	**-60**	**-50**	**-39**
Gross Sales(1)	345	367	334	81	63	37
Cancellations(1)	268	371	172	141	113	76
(+) Adjustments (2)	**-6**	**60**	**-295**	**-61**	**9**	**-12**
Final Inventory	**2,695**	**2,720**	**2,263**	**2,262**	**2,321**	**2,348**
Quarterly Sales Speed (VSO) (Gross Sales)	**12%**	**14%**	**12%**	**4%**	**3%**	**2%**
Quarterly Sales Speed (VSO) (Net Sales)	**3%**	**n.a.**	**6%**	**n.a.**	**n.a.**	**n.a.**

(1) Gross sales and cancellations include resales within the same quarter.
(2) The negative adjustment of R$12 million in 3Q17 is mainly due to the price adjustment of some specific units

Operating Performance – Sales Speed (VSO) by Region

- The 3Q17 registered a low level of sales speed due to the retraction of gross sales, except for the South region, which showed a VSO of 17%, as a consequence of its low level of inventory units.
- It is worth noting that the commercial units were deliberately separated from the residential ones, given their different sales dynamics.

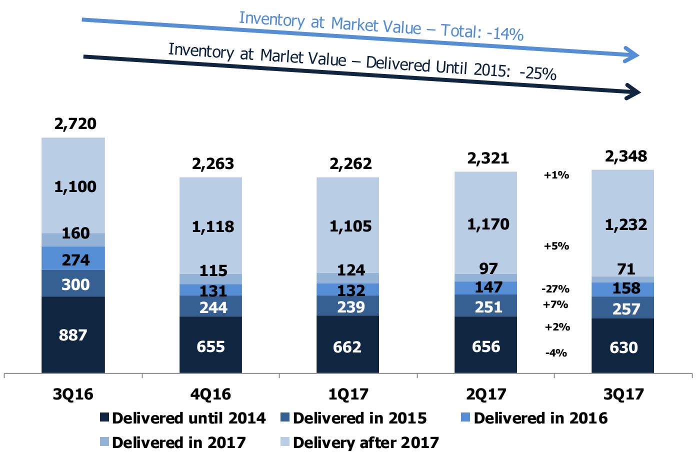
Sales Speed (VSO) by Region

Region (ex-Commercial)	VSO - Gross Sales						
	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	
SÃO PAULO	16%	14%	10%	6%	6%	3%	**VSO SP and RJ 2%**
RIO DE JANEIRO	14%	13%	6%	2%	0%	0%	
MG/ES	17%	21%	50%	5%	3%	0%	**VSO (ex-SP and RJ) 3%**
NORTH	17%	21%	26%	5%	3%	3%	
NORTHEAST	18%	30%	27%	3%	2%	1%	
SOUTH	25%	32%	28%	13%	15%	17%	
MIDWEST	15%	15%	26%	9%	2%	1%	
TOTAL (EX-COMMERCIAL)	**16%**	**18%**	**16%**	**5%**	**4%**	**2%**	
COMMERCIAL	1%	2%	3%	0%	1%	0%	
TOTAL	**12%**	**14%**	**12%**	**4%**	**3%**	**2%**	

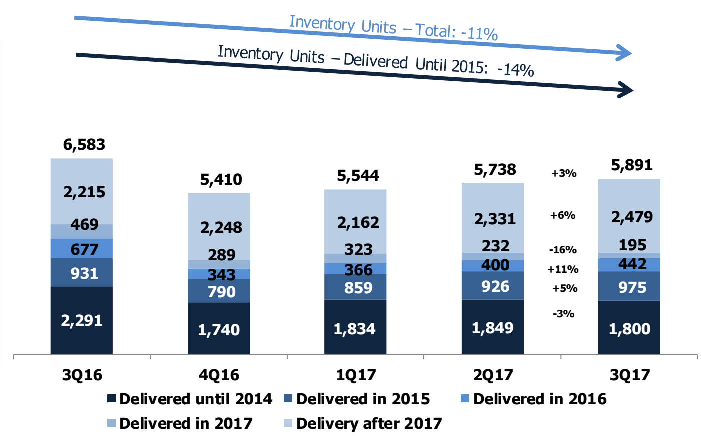
Operating Performance – Inventory

- Total inventory at market value closed 3Q17 in R$2,348 million, 1% higher than the previous quarter. In comparison to 3Q16, inventory at market value fell by 14%.
- Due to the negative net sales this quarter, total inventory units increased by 3% from 5,738 in 2Q17 to 5,891 in 3Q17. In the last 12 months, total inventory units recorded a decline of 11%.
- If we consider only those units delivered until the end of 2015, inventory PSV fell by 25% between 3Q16 and 3Q17 and the number of units by 14%.

Inventory at Market Value – R$ million



Inventory Units



- Inventory in the states of São Paulo and Rio de Janeiro currently corresponds to 54% of the Company's total inventory, excluding commercial units. Considering the residential units available, 63% is concentrated in projects that have more than 60% of their units sold, which may help accelerate the Company´s sales.

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	270	188.9	461	97.0	732	242.2	**1,463**	**528.1**	**34%**	**54%**
RIO DE JANEIRO	245	195.4	57	25.8	260	91.1	**562**	**312.3**	**20%**	
MG/ES	-	-	-	-	48	8.7	**48**	**8.7**	**1%**	
NORTH	114	44.2	446	156.5	306	104.5	**866**	**305.2**	**20%**	
NORTHEAST	473	135.2	-	-	207	121.8	**680**	**257.0**	**16%**	
SOUTH	-	-	-	-	89	33.4	**89**	**33.4**	**2%**	
MIDWEST	-	-	388	82.6	102	21.6	**490**	**104.2**	**7%**	
% Total (Ex- Commercial)		**37%**		**23%**		**40%**			**100%**	
TOTAL (Ex-Commercial)	**1,102**	**563.7**	**1,352**	**361.9**	**1,744**	**623.3**	**4,198**	**1,548.9**	**66%**	
COMMERCIAL	1,232	618.2	314	133.2	147	47.6	**1,693**	**799.0**	**34%**	**99% SP and RJ**
TOTAL	**2,334**	**1,181.9**	**1,666**	**495.1**	**1,891**	**671.0**	**5,891**	**2,347.9**	**100%**	
% Total		**50%**		**21%**		**29%**			**100%**	

63%

Inventory by Percentage of Sales and Year of Delivery

PSV in R$ million

Percentage Sold	Built		2017 Delivery		2018 Delivery		Post 2018 Delivery		Total		% Total
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	Units	PSV	PSV
20% or less	191	108.3	-	-	30	5.5	473	135.2	694	249.0	11%
21% to 40%	13	3.6	-	-	-	-	679	406.7	692	410.3	17%
41% to 60%	15	3.7	-	-	-	-	933	518.9	948	522.6	22%
61% to 80%	1,402	349.3	-	-	95	37.5	169	108.2	1,666	495.1	21%
81% to 99%	1,791	651.0	-	-	100	20.0	-	-	1,891	671.0	29%
TOTAL	**3,412**	**1,115.9**	**-**	**-**	**225**	**63.0**	**2,254**	**1,169.0**	**5,891**	**2,347.9**	**100%**

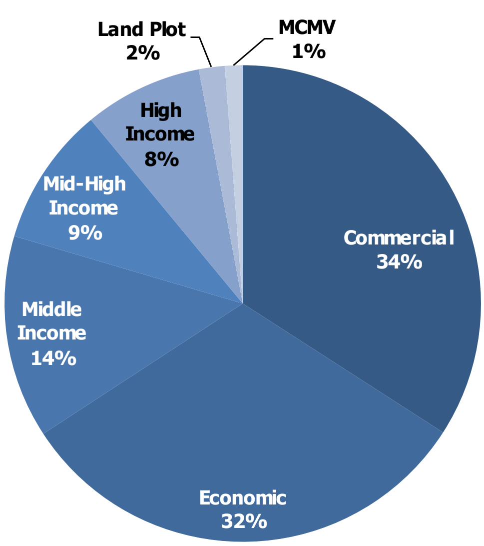
90%

50%

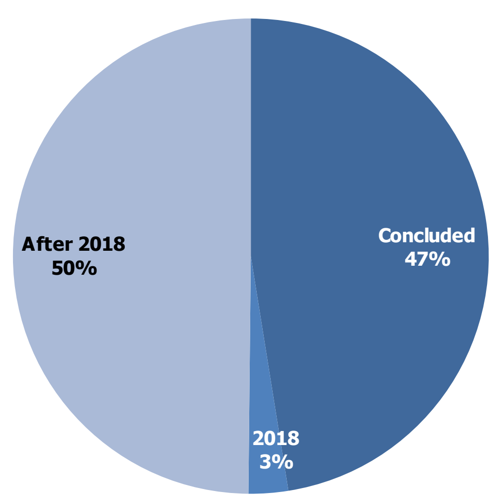
- Overall, the Company's inventory presents the following characteristics: (i) 50% of the total inventory (including commercial units) is concentrated in projects that are more than 60% sold; (ii) 63% is concentrated in residential products (excluding Brazil's social housing program - Minha Casa, Minha Vida - land development and commercial units); and (iii) 47% has already been concluded (thereby generating immediate cash inflow), 62% of which is located in São Paulo and Rio de Janeiro.

- Of the concluded inventory (47%), 90% is concentrated in projects that are more than 60% sold: (i) 31% between 61% and 80% sold and; (ii) 59% between 81% and 99% sold.

Inventory by Product – % PSV



Inventory by Delivery Schedule – % PSV



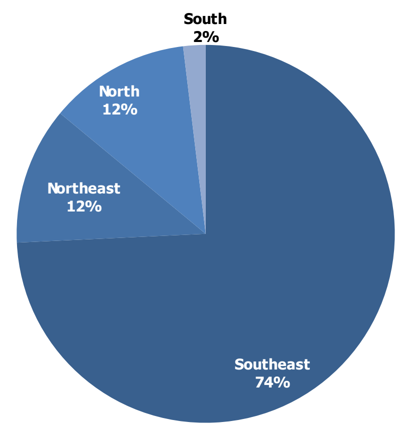
Operating Performance – Land Bank

- The landbank closed 3Q17 with a potential PSV of R$2.8 billion (PDG's share), equivalent to 8,274 units.
- As a result of the sales and cancellations during this quarter, the land bank was reduced by 7 terrains, reflecting a R$1,669 million (37%) reduction in potential PSV when compared to 2Q17.
- The land bank that is not compatible with the Company's strategy is in the process of being canceled and sold, helping accelerate cost reductions and monetizing assets for the Company's deleveraging process.

Land Bank – Units and PSV

Product	Units (%PDG)	%	PSV PDG (R$ mm)	%	PSV (R$ mm)	%	Average Price (R$)
High Income	270	3.3%	333.7	11.8%	333.7	10.7%	1,235,822
Mid-High Income	204	2.5%	171.3	6.0%	171.3	5.5%	839,918
Middle Income	1,093	13.2%	541.8	19.1%	819.9	26.3%	495,747
Economic	3,942	47.6%	1,012.4	35.6%	1,012.4	32.5%	256,801
Residential	**5,509**	**66.6%**	**2,059.2**	**72.5%**	**2,337.3**	**75.0%**	**373,774**
Commercial	**-**	**0.0%**	**-**	**0.0%**	**-**	**0.0%**	**-**
Land Plot	**2,765**	**33.4%**	**780.4**	**27.5%**	**780.4**	**25.0%**	**282,246**
Total	**8,274**		**2,839.7**		**3,117.7**	**-**	**343,189**

Land Bank by Region
PSV %PDG



Operating Performance – De-risking Panel

- Taking into account the ongoing projects, occupancy permits were not obtained during this quarter. When accounting for the 9M17, we obtained 6 occupancy permits, representing R$508 million in PSV (%PDG) and 1,506 units.

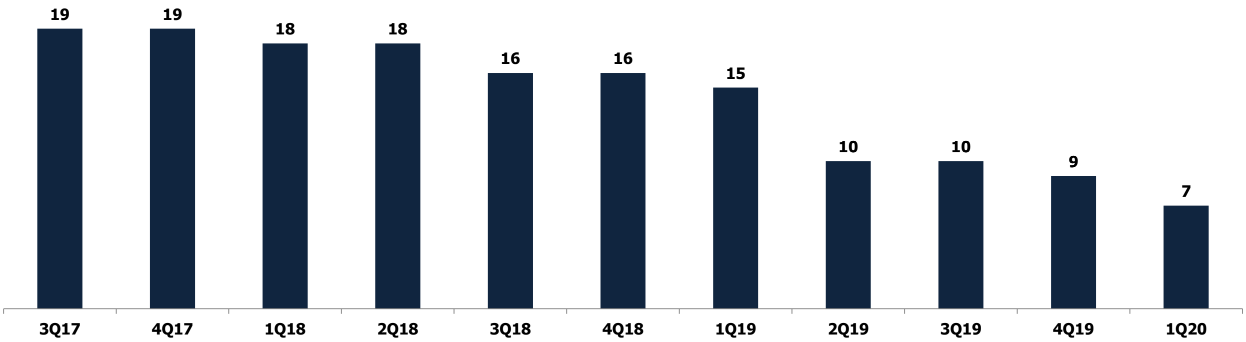
Occupancy Permits – 2017

2017 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							
CONDOMINIO VILLA DO MAR	1Q17	Salvador	Economic	69.4	69.4	284	244.4
PRIX PIRITUBA	1Q17	São Paulo	MCMV	30.2	30.2	156	193.6
MAXI PIRITUBA	1Q17	São Paulo	Economic	68.4	68.4	221	309.3
TOTAL PDG 1Q17	**3**	**-**	**-**	**168.0**	**168.0**	**661**	**-**
BUONA VITA FLORENÇA	2Q17	São Paulo (Countryside)	Land Plot	122.6	122.6	397	308.7
TORRE CENÁRIO	2Q17	Belém	Mid-High Income	99.5	99.5	216	460.8
TOTAL PDG 2Q17	**2**	**-**	**-**	**222.1**	**222.1**	**613**	**-**
TOTAL PDG 3Q17	**0**	**-**	**-**	**0.0**	**0.0**	**0**	**-**
TOTAL PDG 2017	**5**	**-**	**-**	**390.1**	**390.1**	**1,274**	**-**
Projects Managed by Partners							
TOTAL PARTNERS 1Q17	**0**	**-**	**-**	**0.0**	**0.0**	**0**	**-**
RESIDENCIAL PALM BEACH	2Q17	Manaus	Middle Income	137.1	117.9	232	507.8
TOTAL PARTNERS 2Q17	**1**	**-**	**-**	**137.1**	**117.9**	**232**	**-**
TOTAL PARTNERS 3Q17	**0**	**-**	**-**	**0.0**	**0.0**	**0**	**-**
TOTAL PARTNERS 2017	**1**			**137.1**	**117.9**	**232**	**-**
TOTAL 2017	**6**			**527.2**	**508.0**	**1,506**	**-**

Operating Performance – De-risking Panel

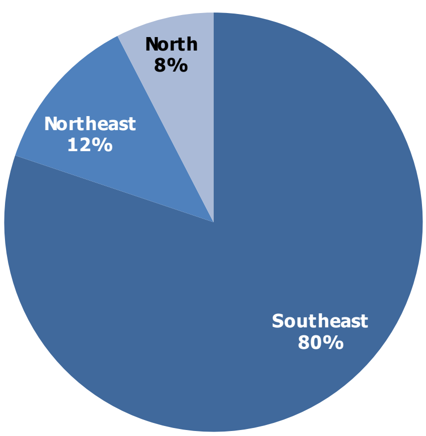
Projects in Progress – Occupancy Permit Schedule

- Considering that occupancy permits were not obtained during the 3Q17, we closed the quarter with 19 ongoing projects. Considering the ongoing projects, 80% are located in the Southeast and 71% are residential projects (excluding MCMV, land development and commercial units).

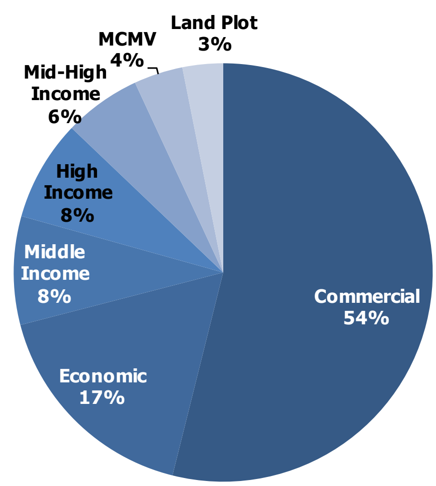


Obs.: projects under construction in the end of each quarter. Projects under PDG's management only.

Breakdown by Region – % PSV



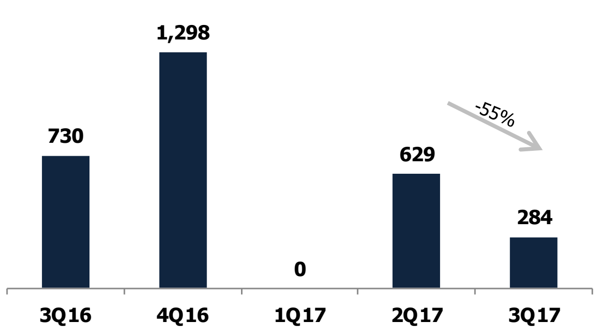
Breakdown by Product – % PSV



Operating Performance – Title Individualizations

- We individualized 284 units in the 3Q17, a 61% decrease when compared to the 3Q16.

Title Individualizations – units



Operating Performance – Historical Data

- At the end of 3Q17, the Company had 19 projects in progress, equivalent to 5,058 units (PDG's share), 256 of which (5%) related to the Minha Casa Minha Vida program and 4,802 (95%) related to residential (excluding MCMV), commercial and land development units.

	# Projects	# Total Units	# PDG Units
Launches[1]	714	160,526	155,046
Finished[2]	695	155,416	149,988
Ongoing[3]	19	5,110	5,058

(1) Historical launches until 2017, September - net of cancellations
(2) Projects with Occupancy Permit or Sold until 2017, September
(3) Ongoing projects until 2017, September

Finished Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	424	95,730	94,375
MCMV	271	59,686	55,613
Total	695	155,416	149,988

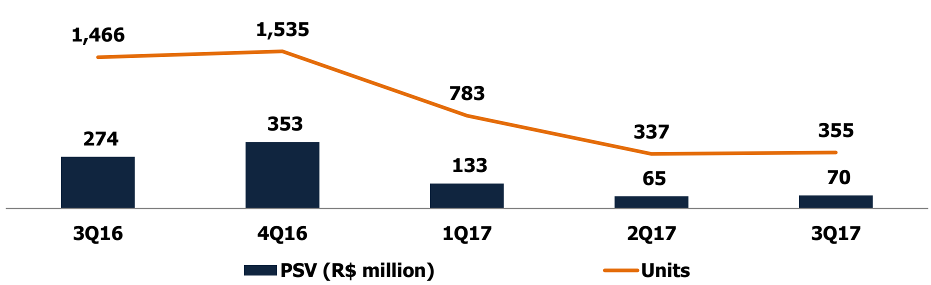
Ongoing Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	18	4,854	4,802
MCMV	1	256	256
Total	19	5,110	5,058

Obs.: Only projects under PDG management.

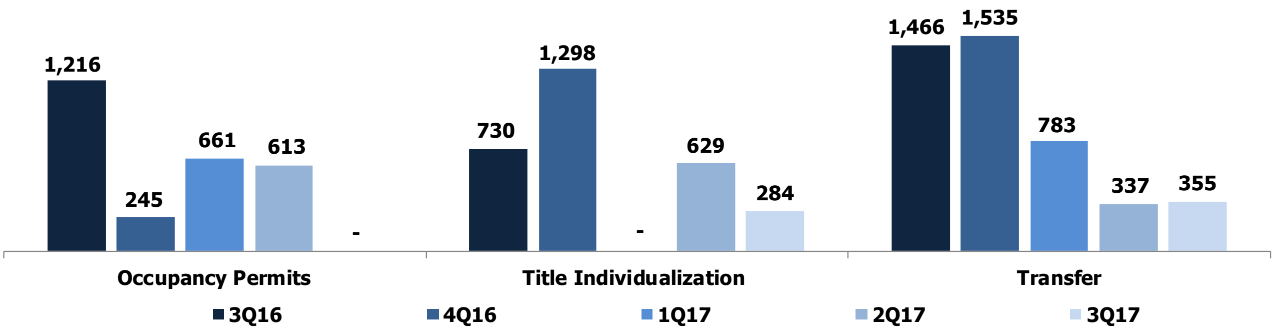
Operating Performance – Mortgage Transfers

- In 3Q17, 355 units were transferred, equivalent to a PSV of R$70 million. The deceleration in the volume of transfer units was mainly due to the fewer deliveries in the period; caused by the reduction in the construction pace. Besides, the 3Q17 also registered a low gross sales figure.
- Considering the 9M17, 1,475 units were transferred, with a total PSV of R$268 million.

Transfers by Quarter – PSV and units



Mortgage Transfer Cycle – units



Financial Performance

Gross Margin

- The deterioration in gross margins during the 3Q17 is owed mainly to the negative net sales and the cancelation of contracts with better margins during this quarter, which prompted revenue reversal to be higher than cost reversal.

R$ million in IFRS

Gross Margin	3Q17	3Q16	(%) Var.	9M17	9M16	(%) Var.
Net Revenues	15	(84)	*n.m.*	291	175	66%
Cost	(30)	(326)	-91%	(247)	(659)	-63%
Gross Profit (Loss)	**(15)**	**(410)**	**-96%**	**44**	**(484)**	***n.m.***
(+) Capitalized Interest	3	12	-75%	20	57	-65%
Adjusted Profit	**(12)**	**(398)**	**-97%**	**64**	**(427)**	***n.m.***
Gross Margin	***n.a***	***n.a***	***n.m.***	**15.1%**	***n.a***	***n.m.***
Adjusted Gross Margin	***n.a***	***n.a***	***n.m.***	**22.0%**	***n.a***	***n.m.***

Backlog Result (REF)

- By the end of the quarter, the backlog margin was 20.7%, a 30bps increase when compared to the 2Q17.

- The backlog recognition schedule is estimated at 27.0% in 2017, 38.7% in 2018 and 34.3% from 2019 on.

R$ million in IFRS

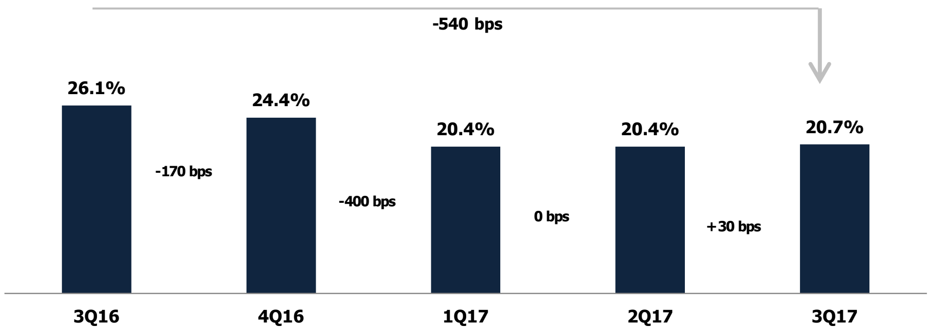
Backlog Results (REF)	3Q17	2Q17	1Q17
Gross Revenues	483	485	494
(-)Taxes *	(9)	(9)	(9)
Net Revenues - REF	474	476	485
(-) COGS	(376)	(379)	(386)
Gross Profit - REF	98	97	99
Gross Backlog Margin	***20.7%***	***20.4%***	***20.4%***
Capitalized Interest	9	9	62
Agre Goodwill	-	-	2
Adjusted Gross margin **	***18.8%***	***18.5%***	***7.2%***

* PIS and Cofins Estimate

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

Backlog result recognition schedule	2017	2018	2019
	27.0%	**38.7%**	**34.3%**

Backlog Margin Trends (REF)



Backlog Result – Pre and Post 2012

- Projects launched after 2012, with an average gross margin of 23.0%, already represent 91% of total gross backlog profit.

R$ million in IFRS

Backlog Results (REF) (Pre and Post 2012 Projects)	Pre 2012	After 2012	3Q17
Net Revenues - REF	87	387	474
(-) COGS	(78)	(298)	(376)
Gross Profit - REF	9	89	98
Gross Backlog Margin	***10.3%***	***23.0%***	***20.7%***
Capitalized Interest	2	7	9
Agre Goodwill	-	-	-
Adjusted Gross margin	***8.0%***	***21.2%***	***18.8%***

Selling, General and Administrative Expenses (SG&A)

- In order to continue with the deleveraging process and adjust its structure to the size of its operations, reducing costs remains one of the Company's main priorities. In this regard, G&A expenses closed the quarter 38% lower than on 3Q16. Furthermore, considering the 9M17, G&A expenses were down 33% when compared to 9M16.

- Selling expenses in the quarter was down 92% over 3Q16 and 84% lower than 9M16.

- SG&A expenses closed the quarter 58% lower than 3Q16 and 51% lower when compared to 9M16.

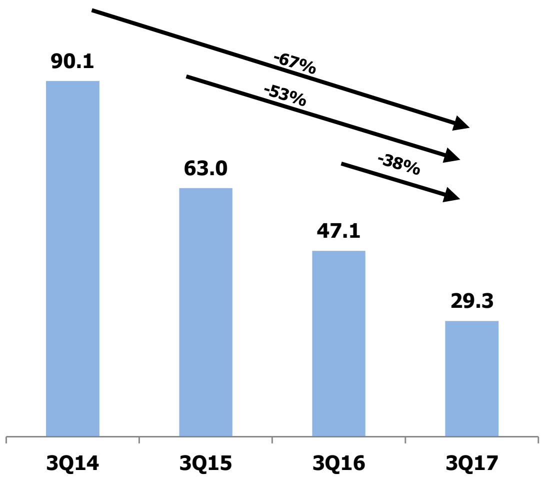
R$ million in IFRS

Commercial Expenses	QUARTER			YTD		
	3Q17	3Q16	(%) Var.	9M17	9M16	(%) Var.
Total Commercial Expenses	**2,2**	**27,5**	**-92%**	**13,2**	**83,3**	**-84%**

G&A Expenses	3Q17	3Q16	Var. %	9M17	9M16	Var. %
Salaries and Benefits	11,4	26,7	-57%	47,5	87,3	-46%
Profit Sharing	0,0	6,3	-100%	0,0	18,1	-100%
Third Party Services	15,4	8,5	81%	48,5	28,3	71%
Other Admin. Expenses	2,5	5,6	-55%	9,2	23,5	-61%
Total G&A	**29,3**	**47,1**	**-38%**	**105,2**	**157,2**	**-33%**
Total SG&A	**31,5**	**74,6**	**-58%**	**118,4**	**240,5**	**-51%**

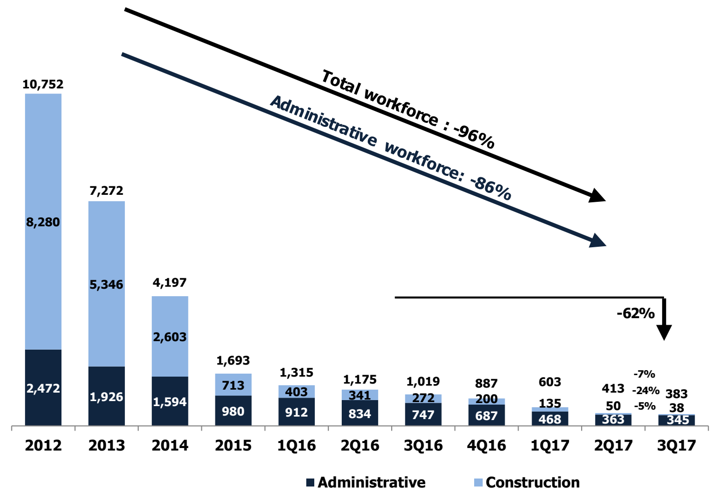
General and Administrative Expenses (G&A)

- G&A expenses maintained their downward trajectory, recording a 38% reduction over the 3Q16. When compared to 3Q15 and 3Q14, G&A expenses fell by 53% and 67%, respectively.



Headcount

- We continued to make the necessary adjustments to adapt our structure to the size of our operations. In 3Q17, we reduced our total workforce by 7% over the previous quarter. When compared to the 3Q16, total workforce fell by 62%.



On and Off Balance Sheet Receivables and Cost to be Incurred

- We closed 3Q17 with total net receivables of R$1.8 billion, 6% down on the previous quarter. The reduction in net receivables can be explained mainly by the negative net sales and the receivables incurred this period.

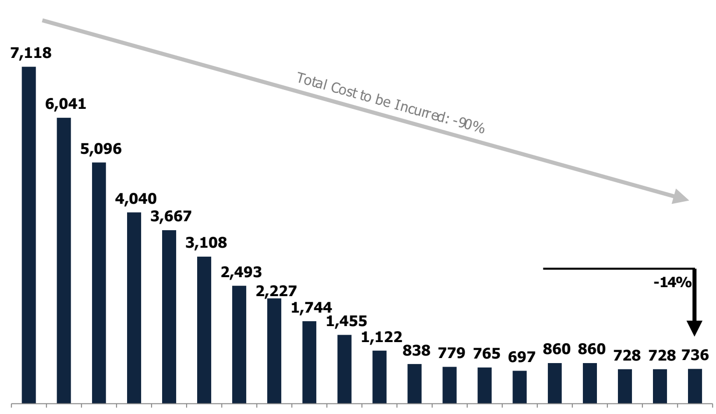
- This quarter the cost to be incurred increased by R$8 million when compared to the 2Q17, reflecting a deceleration of the construction pace and also the increase in the INCC index. Year-on-year, the cost to be incurred decrease by 14%.

Accounts Receivable

R$ million in IFRS

On and Off Balance Receivables (R$ mn)	3Q17	2Q17	(%) Var.
Receivables *(on balance)*	1,478	1,587	-7%
Gross Backlog Revenues - REF	483	485	0%
Advances from Clients - sales installments	(56)	(58)	-3%
Advances from Clients - physical barter from launches	(101)	(100)	1%
Total Receivables (a)	**1,804**	**1,914**	**-6%**
Cost to be Incurred - Sold Units	(376)	(379)	-1%
Cost to be Incurred - Inventory Units	(360)	(349)	3%
Total Costs to be Incurred (b)	**(736)**	**(728)**	**1%**
Total Net Receivables (a+b)	**1,068**	**1,186**	**-10%**
Short Term	**1,063**	**1,166**	**-9%**
Long Term	**415**	**421**	**-1%**
Total *Receivables (on balance)*	**1,478**	**1,587**	**-7%**

Costs to be Incurred – R$ million



Financial Result

- Financial expenses totaled R$208.2 million in the 3Q17, 2% higher than in 3Q16. Accounting for the 9M17, financial expenses amounted to R$741.4 million, or a 15% increase when compared to the 9M16.

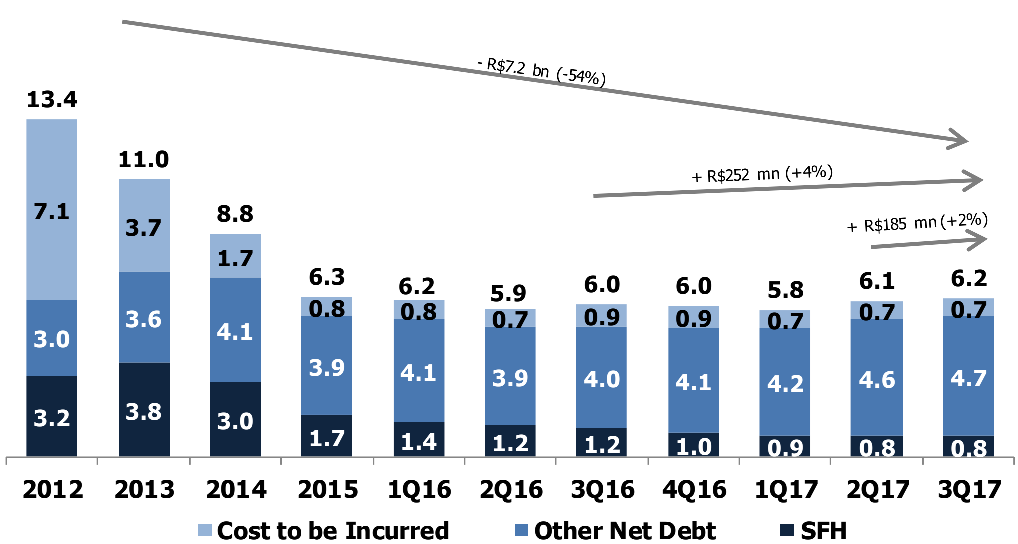
R$ million in IFRS

Financial Results (R$ mn)	QUARTER			YTD		
	3Q17	3Q16	(%) Var.	9M17	9M16	(%) Var.
Investment Income	2,7	8,1	-67%	12,7	28,4	-55%
Interest and fines	5,2	18,8	-72%	5,8	56,9	-90%
Other financial revenue	10,0	4,4	n.m.	12,7	11,1	14%
Total financial revenues	**17,9**	**31,3**	**-43%**	**31,2**	**96,4**	**-68%**
Interest	(270,8)	(211,2)	28%	(787,4)	(657,5)	20%
Bank Expenses	(0,2)	(0,5)	-60%	(0,8)	(2,2)	-64%
Other	55,7	(11,0)	n.m.	23,0	(27,9)	n.m.
Gross Financial Expenses	**(215,3)**	**(222,7)**	**-3%**	**(765,2)**	**(687,6)**	**11%**
Capitalized Interest on Inventory	7,1	19,4	-63%	23,8	42,1	-43%
Total Financial Expenses	**(208,2)**	**(203,3)**	**2%**	**(741,4)**	**(645,5)**	**15%**
Total Financial Result	**(190,3)**	**(172,0)**	**11%**	**(710,2)**	**(549,1)**	**29%**

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 R$7.2 billion (54%) decrease, also reducing operational complexity and the execution risk of our assets.

- Even though we managed to decrease substantially the extended leverage throughout the past few years, the 3Q17 showed a R$185 million increase in extended leverage, reflecting the reduction in the construction pace and the accumulation of interest during the period.



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 debt (National Housing System - SFH) decreased R$15 million between 2Q17 and 3Q17. The slower amortization pace resulted from: (i) a reduction in the speed of transfers and (ii) the redefinition of construction debt (SFH) amortization flow with creditor banks. Such redefinition was necessary after the request for Court Reorganization by the Company.

- In the period between the request for Reorganization and approval of the Plan, amortization won't be carried out for most debts, except for the construction debts (SFH). Therefore, due to the lack of amortization and the interest accrued in the period, net debt increased by 3% in 3Q17 over 2Q17.

R$ million in IFRS

Indebtedness	3Q17	2Q17	(%) Var.
Cash	**225**	**244**	**-8%**
SFH	831	846	-2%
Debentures	163	153	7%
CCB/CRI	653	628	4%
Construction Financing	**1,647**	**1,627**	**1%**
Working Capital, SFI and Promissory Notes	357	348	3%
Finep/Finame	136	133	2%
Debentures	1,772	1,678	6%
CCB/CRI	1,844	1,809	2%
Obligation for the issuance of CCB and CCI	16	19	-16%
Corporate Debt	**4,125**	**3,987**	**3%**
Gross Debt	**5,772**	**5,614**	**3%**
Net Debt	**5,547**	**5,370**	**3%**
Net Debt (ex. Construction Financing)	**3,900**	**3,743**	**4%**
Shareholders Equity *(1)*	**- 4,486**	**- 4,184**	**7%**
Net Debt (ex. SFH)/ Equity	***n.a***	***n.a***	***n.m.***

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

Net Debt Variation

- Due to the accrual of interest and the lack of amortization of existing debts, net debt increased by R$177 million in the 3Q17. Considering the 9M17, the net debt increased by R$429 million.

- In total, since 2014, net debt was reduced by R$1.5 billion.

R$ million in IFRS

Net Debt Variation (R$ mn)	2013	2014	2015	2016	1Q17	2Q17	3Q17
Cash and Cash Equivalents	**1,353**	**1,092**	**604**	**201**	**217**	**244**	**225**
Cash Variation	(468)	(261)	(488)	(403)	16	27	(19)
Gross Debt	**8,367**	**7,869**	**6,155**	**5,319**	**5,308**	**5,614**	**5,772**
Construction Financing	5,215	4,517	2,719	1,643	1,591	1,627	1,647
Corporate Debt	3,152	3,352	3,436	3,676	3,717	3,987	4,125
Gross Debt Variation	602	(498)	(1,714)	(836)	(11)	306	158
Net Debt Variation	**(1,070)**	**237**	**1,226**	**433**	**27**	**(279)**	**(177)**
Adjustments	**(86)**	**-**	**(202)**	**(225)**	**(53)**	**-**	**-**
Mark to market of PDGR D81 (warrant)	(86)	-	(2)	-	-	-	-
Sale of Equity Stake in REP	-	-	-	(214)	-	-	-
Capital Increase	-	-	(500)	-	-	-	-
Dismantling of partnership (Paddock)	-	-	-	(11)	-	-	-
Dismantling of partnership (VBI)	-	-	-	-	(53)	-	-
Redemption of APRs and Promissory Notes issuance	-	-	300	-	-	-	-
Net Debt Variation (+adjustments)	**(1,156)**	**237**	**1,024**	**208**	**(26)**	**(279)**	**(177)**

Quarters and 9 months ended on September, 30th 2017 and 2016

Income Statements (R$ '000) - IFRS	QUARTER			YTD		
	3Q17	3Q16	(%) Var.	9M17	9M16	(%) Var.
Operating Gross Revenue						
Real Estate Sales	(14,772)	(55,565)	-73%	284,286	205,963	38%
Other Operating Revenues	23,007	(1,322)	n.m.	11,031	51,372	-79%
(-) Revenues Deduction	6,990	(27,367)	n.m.	(3,879)	(81,970)	-95%
Operating Net Revenue	**15,225**	**(84,254)**	**n.m.**	**291,438**	**175,365**	**66%**
Cost of Sold Units	(26,977)	(314,404)	-91%	(226,900)	(601,372)	-62%
Interest Expenses	(3,499)	(11,606)	-70%	(20,369)	(57,329)	-64%
Cost of sold properties	**(30,476)**	**(326,010)**	**-91%**	**(247,269)**	**(658,701)**	**-62%**
Gross Income (loss)	**(15,251)**	**(410,264)**	**-96%**	**44,169**	**(483,336)**	**n.m.**
Gross margin	***n.a.***	***n.a.***	**n.m.**	***15.2%***	***n.a.***	**n.m.**
Adjusted gross margin [1]	***n.a.***	***n.a.***	**n.m.**	***22.1%***	***n.a.***	**n.m.**
Operating Revenues (expenses):						
Equity Income	107	(2,965)	n.m.	(793)	(186)	n.m.
General and Administrative	(29,337)	(47,134)	-38%	(105,214)	(157,238)	-33%
Commercial	(2,242)	(27,546)	-92%	(13,219)	(83,338)	-84%
Taxes	(3,245)	(1,446)	n.m.	(15,900)	(7,524)	n.m.
Depreciation & Amortization	(5,597)	(29,693)	-81%	(24,223)	(57,713)	-58%
Other	(85,539)	(1,037,929)	-92%	(484,995)	(1,514,973)	-68%
Financial Result	(190,283)	(171,913)	11%	(710,248)	(549,035)	29%
Total operating revenues (expenses)	**(316,136)**	**(1,318,626)**	**-76%**	**(1,354,592)**	**(2,370,007)**	**-43%**
Income before taxes	**(331,387)**	**(1,728,890)**	**-81%**	**(1,310,423)**	**(2,853,343)**	**-54%**
Income Taxes and Social Contribution	33,213	(5,778)	n.m.	212,561	(36,959)	n.m.
Income before minority stake	**(298,174)**	**(1,734,668)**	**-83%**	**(1,097,862)**	**(2,890,302)**	**-62%**
Minority interest	(988)	17,122	n.m.	(9,432)	22,276	n.m.
Net Income (loss)	**(299,162)**	**(1,717,546)**	**-83%**	**(1,107,294)**	**(2,868,026)**	**-61%**
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	3Q17	3Q16	(%) Var.	9M17	9M16	(%) Var.
Income (loss) before taxes	(331,387)	(1,728,890)	-81%	(1,310,423)	(2,853,343)	-54%
(-/+) Financial Result	190,283	171,913	11%	710,248	549,035	29%
(+) Depreciation and Amortization	5,597	29,693	-81%	24,223	57,713	-58%
(+) Stock Option Plan	17	6,342	-100%	41	18,094	-100%
(+) Interest Expenses - Cost of Sold Units	3,499	11,606	-70%	20,369	57,329	-64%
(-/+) Equity Income result	(107)	2,965	n.m.	793	186	n.m.
EBITDA	**(132,098)**	**(1,506,371)**	**-91%**	**(554,749)**	**(2,170,986)**	**-74%**
EBITDA Margin	***n.a***	***n.a***	**n.m.**	***n.a***	***n.a***	**n.m.**

Consolidated Balance Sheet - ASSETS

On September 30th 2017, and June 30th 2017

ASSET (R$ '000)	3Q17	2Q17	(%) Var.
Current Assets			
Cash, cash equivalents and short-term investments	225,401	243,818	-8%
Accounts receivable	1,063,207	1,165,585	-9%
Properties held for sale	1,299,427	1,260,434	3%
Prepaid expenses	7,239	7,291	-1%
Accounts with related parties	26,436	25,953	2%
Taxes to recover	29,279	22,647	29%
Deferred income and social contribuition taxes	14,612	13,462	9%
Total Current Assets	**2,665,601**	**2,739,190**	**-3%**
Noncurrent Assets			
Long-Term			
Accounts receivable	414,506	421,034	-2%
Properties held for sale	526,084	547,746	-4%
Deferred Taxes	-	-	n.m.
Taxes to recover	10,161	19,860	-49%
Accounts with related parties	72,262	91,915	-21%
Others	125,501	166,218	-24%
Total Long-Term Assets	**1,148,514**	**1,246,773**	**-8%**
Permanent Assets			
Investments	47,785	48,052	-1%
Property and Equipament	14,901	24,403	-39%
Intangible	40,625	45,044	-10%
Total Permanent Assets	**103,311**	**117,499**	**-12%**
Total Noncurrent Assets	**1,251,825**	**1,364,272**	**-8%**
Total Assets	**3,917,426**	**4,103,462**	**-5%**

Consolidated Balance Sheet - LIABILITIES

PDG

On September 30th 2017, and June 30th 2017

LIABILITIES AND SHAREHOLDERS' EQUITY (R$ '000)	3Q17	2Q17	(%) Var.
Current			
Loans and financings	1,324,063	1,327,414	0%
Debentures	1,934,740	1,830,782	6%
Obligation for the issuance of CCB & CCI	2,496,794	2,437,214	2%
Co-obligation for the issuance of CRI	16,106	18,790	-14%
Suppliers	290,238	298,910	-3%
Property acquisition obligations	72,265	70,544	2%
Advances from clients	133,033	134,644	-1%
Taxes and contributions payable	77,267	114,857	-33%
Deferred taxes	30,002	36,908	-19%
Income and social contribution taxes	8,757	11,894	-26%
Accounts with related parties	13,626	10,734	27%
Other Provisions	401,611	391,116	3%
Other Obligations	129,479	128,944	0%
Total Current	**6,927,981**	**6,812,751**	**2%**
Long-Term			
Loans and financings	-	-	n.m.
Debentures	-	-	n.m.
Obligation for the issuance of CCB & CCI	-	-	n.m.
Property acquisition obligations	60,658	59,593	2%
Advances from clients	82,390	81,864	1%
Taxes and contributions payable	2,490	34,463	-93%
Deferred taxes	48,696	55,642	-12%
Other Provision	831,925	802,631	4%
Other	449,629	440,839	2%
Total Long-Term	**1,475,788**	**1,475,032**	**0%**
Shareholders' equity			
Subscribed capital	4,917,843	4,917,843	0%
Capital reserve	1,236,743	1,236,731	0%
Accumulated losses	(10,634,044)	(10,334,882)	3%
Minority interest	**(6,885)**	**(4,013)**	**72%**
Total Shareholders' equity	**(4,486,343)**	**(4,184,321)**	**7%**
Total liabilities and shareholders' equity	**3,917,426**	**4,103,462**	**-5%**