

# 4Q11 & 2011 Results Presentation



April, 2012

# Recent Highlights & Events

## 2011 Overview

- ✓ Agre integration process: SAP;
- ✓ Budget cost revision;
- ✓ Accounting of the business combination with Agre ;
- ✓ Reached the launch guidance for 2011;
- ✓ Record volume of contracted sales;
- ✓ Delivery of 32.4 thousand units;
- ✓ Unification of the brands.

## Strategy for 2012 : Internal Efficiency & Cash Flow

- ✓ Positive cash flow generation;
- ✓ Revision of new launching guidance for 2012;
- ✓ Deliver of the delayed units from Agre;
- ✓ Reduce outsourced works;
- ✓ Improve the efficiency of the processes :
  - ✓ Consulting services from INDG;
  - ✓ Creation of a Shared Services Center (CSC);
  - ✓ Integration of the Development Areas;
  - ✓ Marketing efficiency.

## PDG's Administration

- ✓ Board of directors;
- ✓ Corporate Governance: New board members.

# Operating & Financial Highlights

## OPERATING HIGHLIGHTS OF 2011

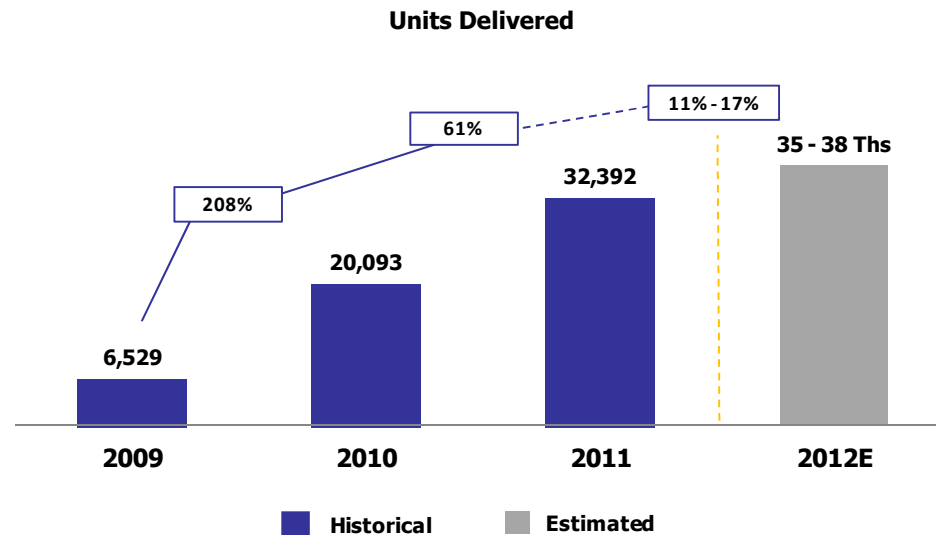
- ✓ ANNUAL LAUNCHES GUIDANCE (R\$ 9.0 – R\$ 10.0 BILLION) WAS REACHED, WITH R\$ 9.008 BILLION IN 2011, REPRESENTING A 29% GROWTH WHEN COMPARED TO 2010;
- ✓ NET CONTRACTED SALES (*PRO RATA* PDG) OF R\$7.48 BILLION IN 2011, REPRESENTING A 15% GROWTH WHEN COMPARED TO 2010;
- ✓ 39% OF LAUNCHES IN 2011 WERE CONCENTRATED IN THE MIDDLE INCOME SEGMENT AND 31% IN THE LOW INCOME SEGMENT;
- ✓ WE DELIVERED 32.4 THOUSAND UNITS IN 2011, REPRESENTING A 61% GROWTH WHEN COMPARED TO 2010.

## FINANCIAL HIGHLIGHTS OF 2011

- ✓ NET REVENUE OF R\$ 6.82 BILLION IN 2011, REPRESENTING A 18% GROWTH WHEN COMPARED TO 2010;
- ✓ ADJUSTED EBITDA OF R\$ 1.57 BILLION IN 2011, REPRESENTING A 6% GROWTH WHEN COMPARED TO 2010, WITH ADJUSTED EBITDA MARGIN OF 23%;
- ✓ ADJUSTED NET INCOME OF R\$783.03 MILLION IN 2011, WITH NET ADJUSTED MARGIN OF 11.5%;
- ✓ ROE IN THE YEAR REACHED 12.7%;
- ✓ NEGATIVE NON-RECURRING IMPACT IN THE 4Q11 QUARTER OF R\$ 222.15 MILLION, DUE TO REVISION OF BUDGETS OF A FEW OUTSOURCED PROJECTS;
- ✓ WE CONCLUDED THE ACCOUNTING OF THE BUSINESS COMBINATION WITH AGRE AND BOOKED A FAIR VALUE OF R\$ 214.5 MILLION IN ASSETS (LAND AND PROJECTS), WITH GOODWILL (EXPECTED FUTURE PROFITABILITY) OF R\$ 203.0 MILLION.

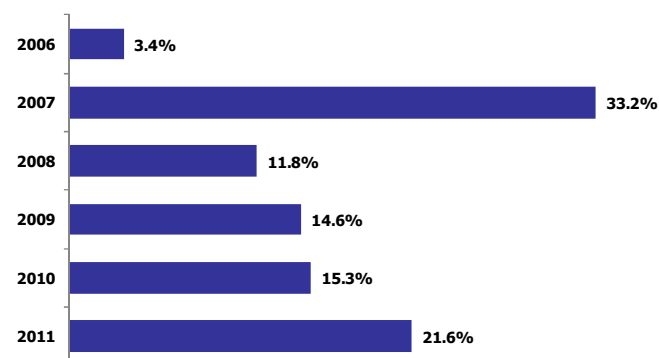
# Units Delivery

- By the end of 2011, 32,4 units were delivered, representing a 61% growth when compared with 2010. Overall, we delivered 146 projects.
- The chart below shows the expected schedule for future deliveries will be presented by unit ranges. Below we present the track record of delivered units and expected timetable of future deliveries through to year-end 2012:




# Landbank

- The consolidated landbank of PDG stood at R\$ 26.9 billion by the close of 4Q11, distributed among 502 projects and 152.9 thousand units.
- The following chart presents a breakdown by PDG PSV for the year of acquisition by the landbank, showing that 48% of our landbank was purchased before 2009.

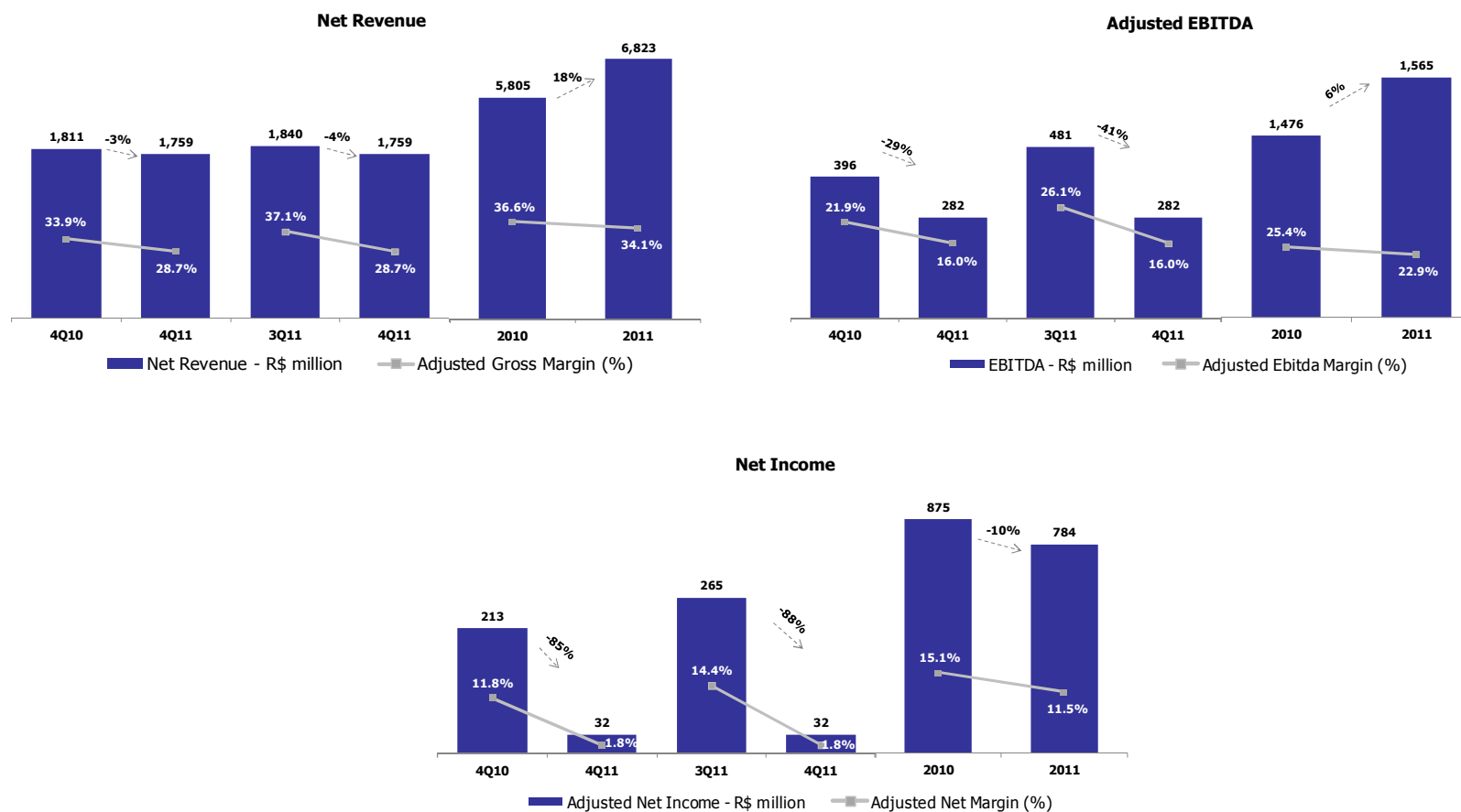


- The table below shows a breakdown of the PDG landbank by residential units (excluding commercial units and land parceling).

Unit Price	Residential units	%	VGW PDG (R\$ mln)	%	VGW (R\$ mln)	%	Average Unit Price (R\$)	Main Source of Funding
up to R\$ 130 th	64,522	49%	6,030	25%	6,571	21%	101,834	
from R\$ 130 th to R\$ 170 th	17,163	13%	2,502	10%	2,629	8%	153,154	
from R\$ 170 th to R\$ 250 th	14,446	11%	2,595	11%	2,873	9%	198,853	SFH
from R\$ 250 th to R\$ 500th	24,664	19%	6,030	25%	8,444	27%	342,379	SFH
over R\$ 500 th	11,994	9%	6,994	29%	11,343	36%	945,724	Market Rates
<b>Total</b>	<b>132,789</b>		<b>24,150</b>		<b>31,859</b>			

# Key Financial Indicators

- The key financial indicators for 4Q11 and 2011 are presented below:



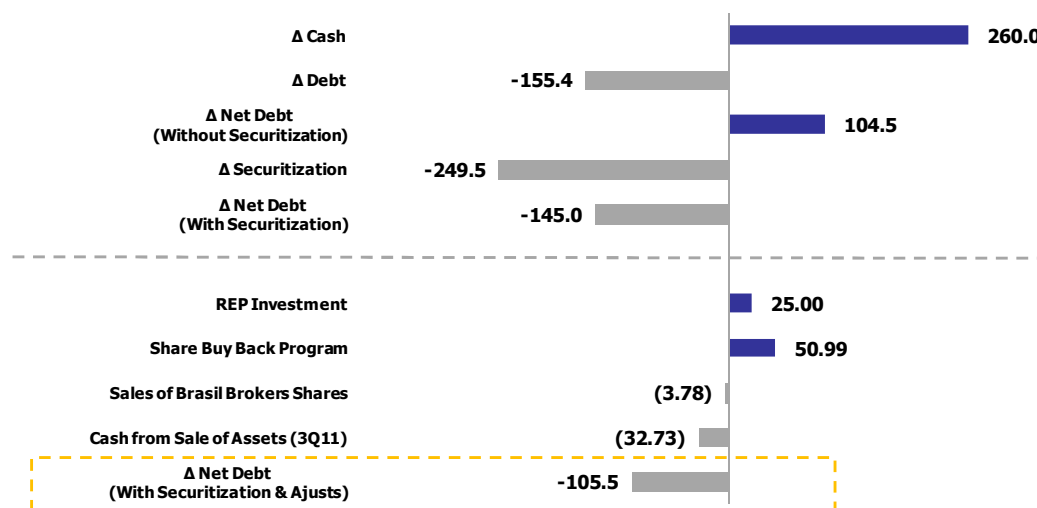
(\*) 2010: pro-forma figures, including Agre.

# Indebtedness

- The following table presents the Company debt ratios at the close of 4Q11:

	4Q11	3Q11
<b>Cash</b>	<b>1,722,263</b>	<b>1,462,302</b>
<b>Debt</b>	<b>5,190,690</b>	<b>5,035,258</b>
<i>SFH Debt</i>	<i>3,718,485</i>	<i>3,512,263</i>
<i>Corporate Debt</i>	<i>1,472,205</i>	<i>1,522,995</i>
<b>Securitization (obligation)</b>	<b>1,464,234</b>	<b>1,214,732</b>
<b>Net debt without securitization</b>	<b>3,468,427</b>	<b>3,572,956</b>
<b>Net debt with securitization</b>	<b>4,932,661</b>	<b>4,787,688</b>
<b>Equity</b>	<b>6,419,822</b>	<b>6,660,463</b>
<b>Net debt to Equity</b>	<b>54.0%</b>	<b>53.6%</b>
<b>Debt to Equity (ex SFH)</b>	<b>-3.9%</b>	<b>0.9%</b>
<b>Debt to Equity (ex securitization)</b>	<b>76.8%</b>	<b>71.9%</b>

- Net Debt Variation (Cash Burn)



# Attachment – Accounting Concepts

- Total goodwill from the business combination : R\$417.76 million;
- Following are the identifiable fair values of Agre on the acquisition date

Fair Value of Identified Assets (R\$ ths)	
Landbank	109,767
Properties under construction	104,719
Total	214,486

- Following are the amounts of the goodwill (expected future profitability) acquired from the Agre business combination:

Expected Future Profitability (R\$ ths)	
Goodwill	202,975

- We recognized under COGS an amount of R\$ 43.8 million relating to amortizations;
- We expect to book R\$ 60.8 million in 2012 and 2013 arising from the appropriation of profits from land and properties under construction, whose fair value was higher than the book value on the acquisition date.



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