

July 8, 2005



The **BANK**
of **NEW YORK**

SECURITIES SERVICING
DEPOSITARY RECEIPTS

Corporate Action

ATTENTION: International Research, Sales, Trading and Operations Staff

MANDATORY EXCHANGE

CYRELA BRAZIL REALTY S.A. – 144 A

Country:	BRAZIL
Symbol:	CYRAY
CUSIP Number:	23282C104
Exchange:	PORTAL
Ratio:	1 ADR: 10 ORDINARY SHARES

Please be advised that Cyrela Brazil Realty S.A. has initiated a mandatory conversion (the "Conversion") of all of its outstanding preferred shares ("Preferred Shares") into its common shares ("Common Shares") on a one-for-one basis, to become effective on July 6, 2005.

As a result of the conversion the Depositary amended the 144 A Deposit Agreement to change the definition of shares to "Common Shares".

To learn more about ADRs and issuer programs, please call our marketing desks:

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