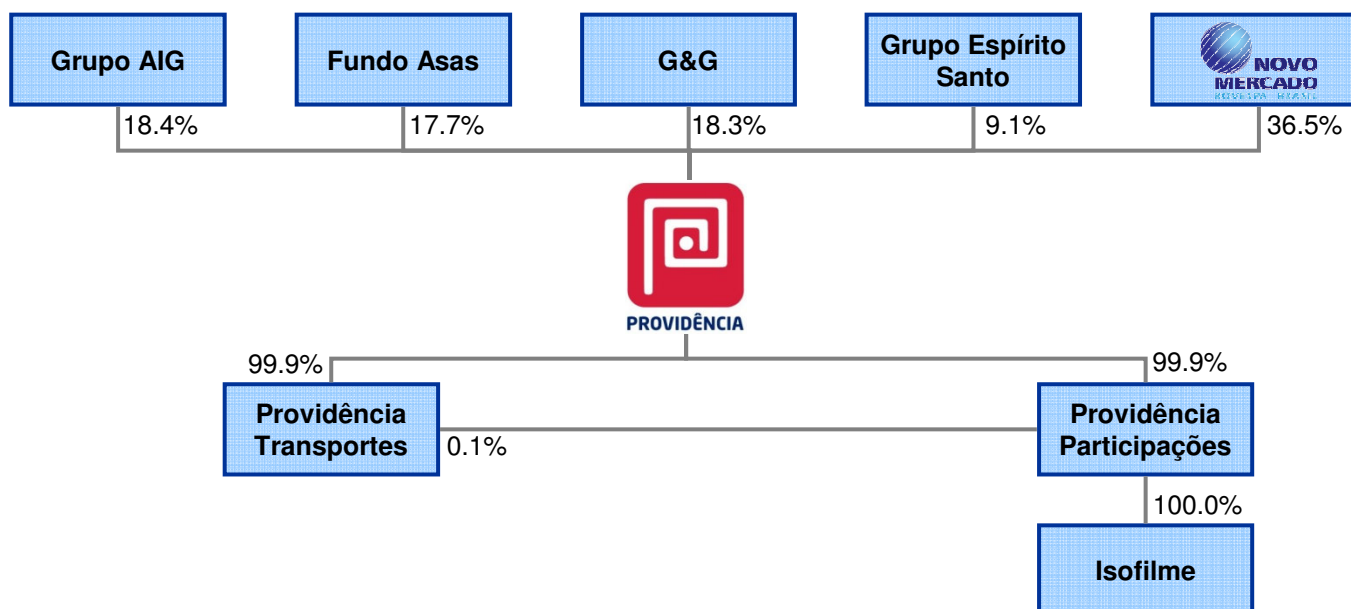






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Ownership Structure



G&G

Independent private equity fund managed by Antônio Kandir, former Planning Minister

Grupo AIG

Approx. US\$7.8 billion in private equity investments in emerging markets. Recent success stories include Gol and Fertilizantes Heringer, among others

Grupo Espírito Santo

Its private equity division is present in Portugal, Spain, France and Brazil with 32 companies in its portfolio

Fundo Asas

Investment fund of Constantino family, founders and controlling shareholders of Gol, which recently acquired Varig



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Overview

Providência operates two business divisions with over 1,000 employees



Nonwovens: 76.1% of Net Revenue in the 9 months of 2007

- ▶ #1 manufacturer of nonwoven in Latin America
- ▶ 56% market share in Brazil (hygiene products)



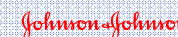
Main End-uses

- ▶ Diapers
- ▶ Feminine hygiene
- ▶ Furniture & bedding
- ▶ Medical disposables

Key Clients

 Kimberly-Clark





PVC: 20.2% of Net Revenue in the 9 months of 2007

- ▶ #3 manufacturer of PVC pipes in Brazil
 - 7% market share



Main End-uses

- ▶ Contractors
- ▶ Infrastructure

Key Clients

- ▶ Construction Companies





RECENT EVENTS

- ▶ In August, 16 the Company concluded the acquisition of Isofilme
- ▶ In September, 30, we closed down the packaging division



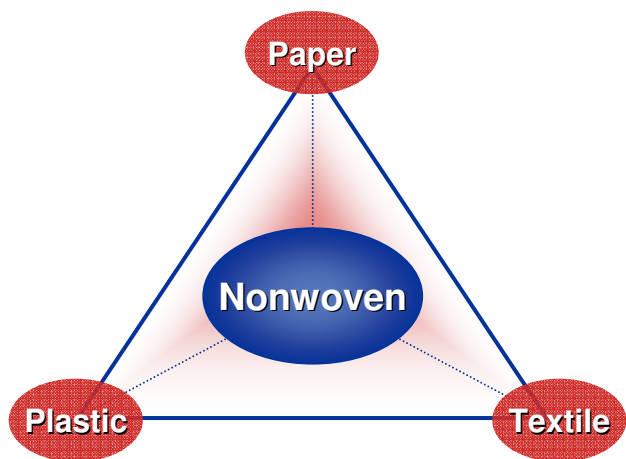
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Our Focus: The Nonwovens Segment

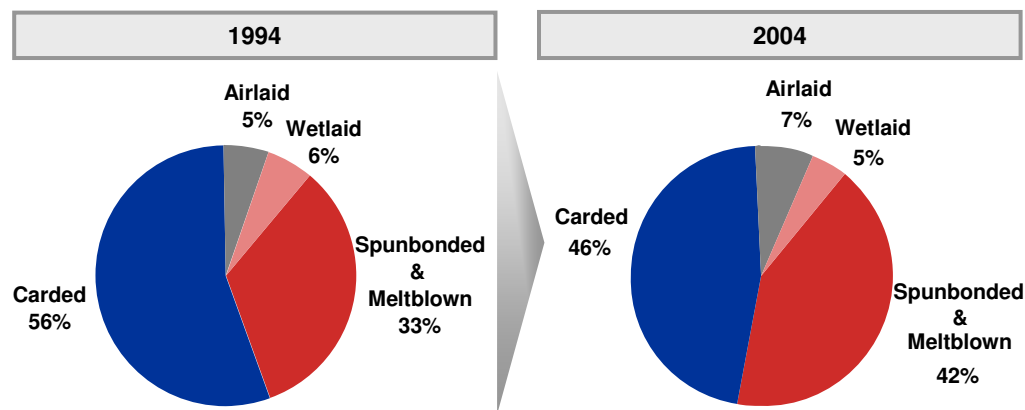
Nonwovens were created in the 50s from the combination of three technologies

What is a Nonwoven Fabric?



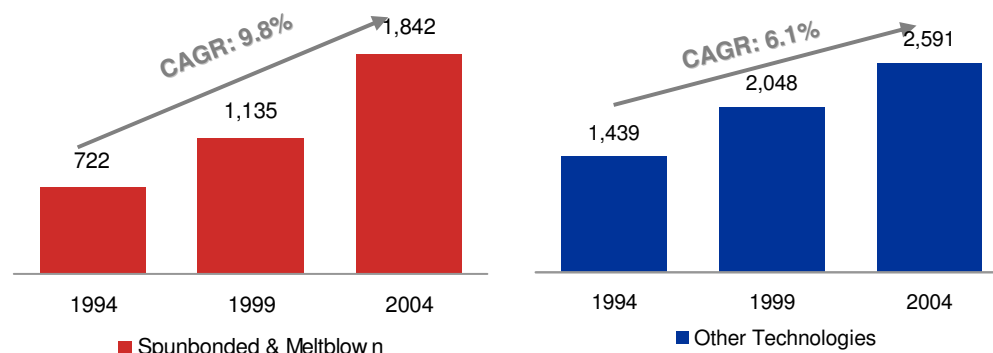
- ▶ Created when paper, textile and chemical technologies were combined to produce new fabrics and products with the attributes of textiles, but at significant lower costs
- ▶ Polypropylene is the main raw material
 - Approximately 87% of nonwovens COGS

Available Technologies



Source: Worldwide Outlook Nonwoven Industry 2004-2009

Nonwovens Global Production by Technology (in '000 tons)



Source: Worldwide Outlook Nonwoven Industry 2004-2009

Providência has the best platform within the winning technology

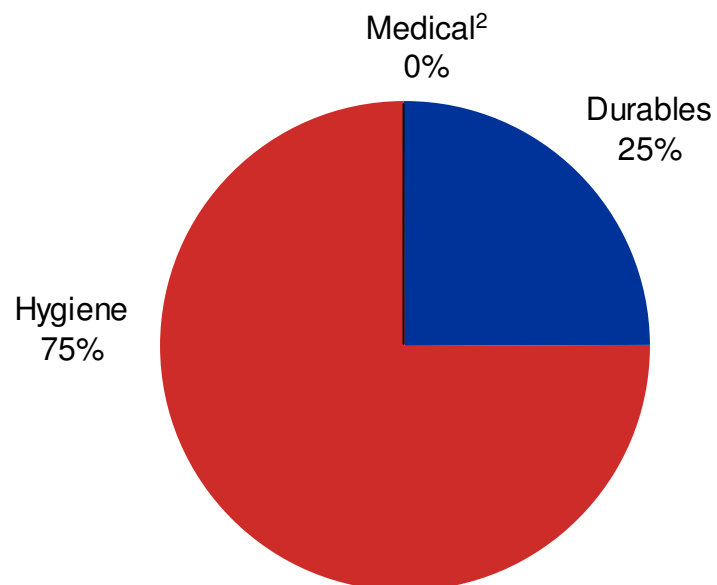


Our Nonwovens Focus: Consumer Goods Industry



Providência is focused on high value-added nonwoven products with high growth potential (hygiene and medical disposables)

Product Mix (% of Nonwovens Net Revenues)¹



Market Segmentation Outlook

	Value-added products	Operating margin	Market size	Expected growth
Medical Disposables	✓✓✓	High	Small	Double digit
Hygiene / Consumer Goods	✓✓	Medium	Large	High single digit
Durables	✓	Low	Medium	Single digit

Note:

1. Proforma for the acquisition of Isofilme

2. Providência is currently building its ninth machine, primarily to the medical segment

Position and Corporate Estrategy

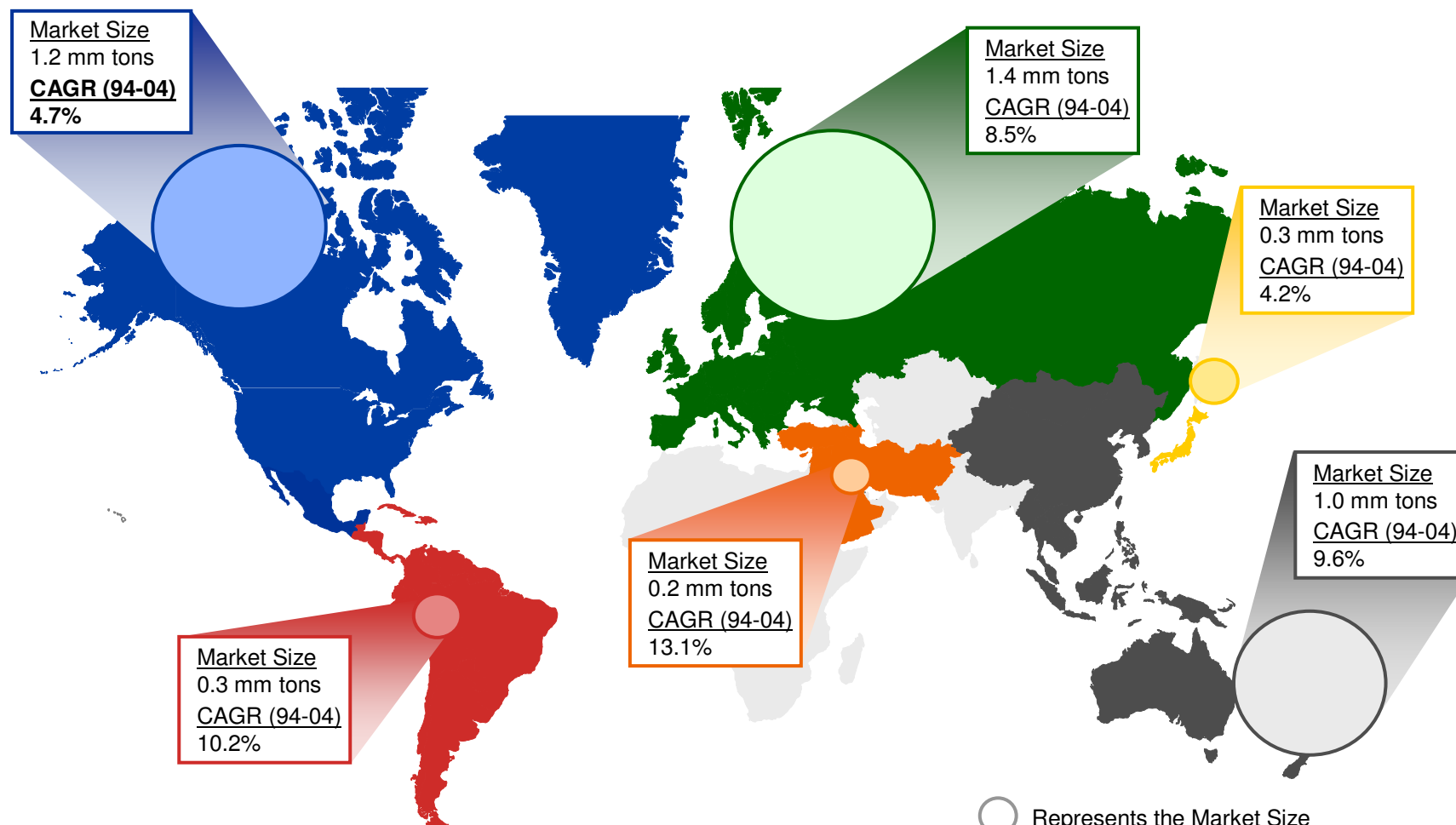




Nonwovens: A Fast Growing Industry Globally...



Providência is focused on the Americas region, benefiting from fast growth (South and Central America) and large market size (NAFTA)



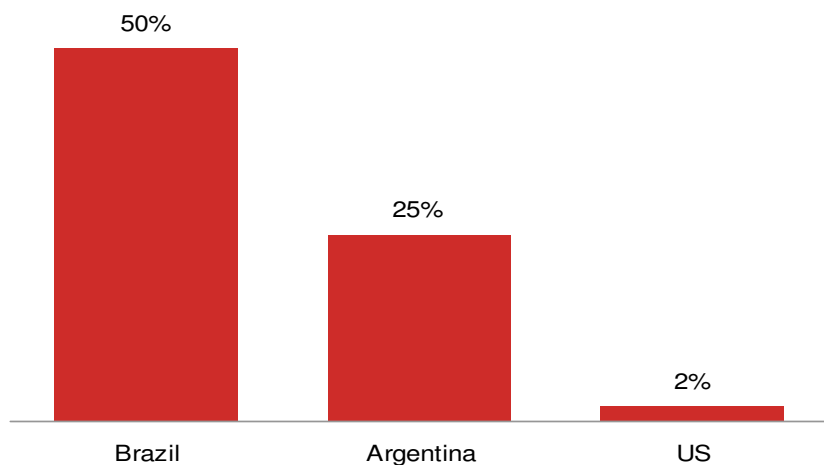


... and Even Stronger Outlook in Brazil (cont'd)



Nonwovens demand can grow an additional 3x as a result of higher usage per diaper

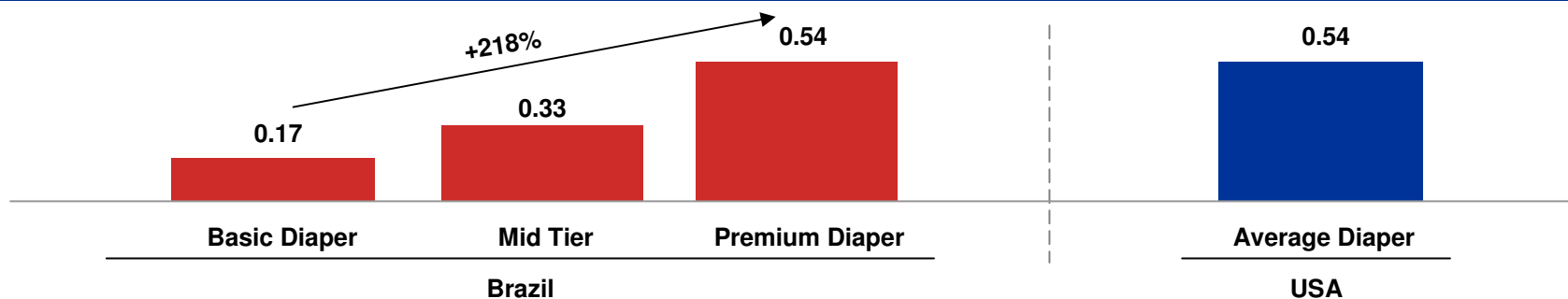
Basic Diaper Penetration



Diaper Spunbonded Components and Key Features

	Basic Diaper	Mid Tier	Premium Diaper
Top Sheet	✓ ✓	✓ ✓	✓ ✓
Barrier leg cuffs	✓	✓ ✓	✓ ✓
Dust sheet	✗	✓	✓ ✓
Side panels	✗	✓	✓ ✓
Back sheet	✗	✗	✓ ✓
Core cover	✗	✗	✓ ✓

Nonwovens Usage Per Diaper (m²/diaper)



...and Providência has the technology to lead this growth

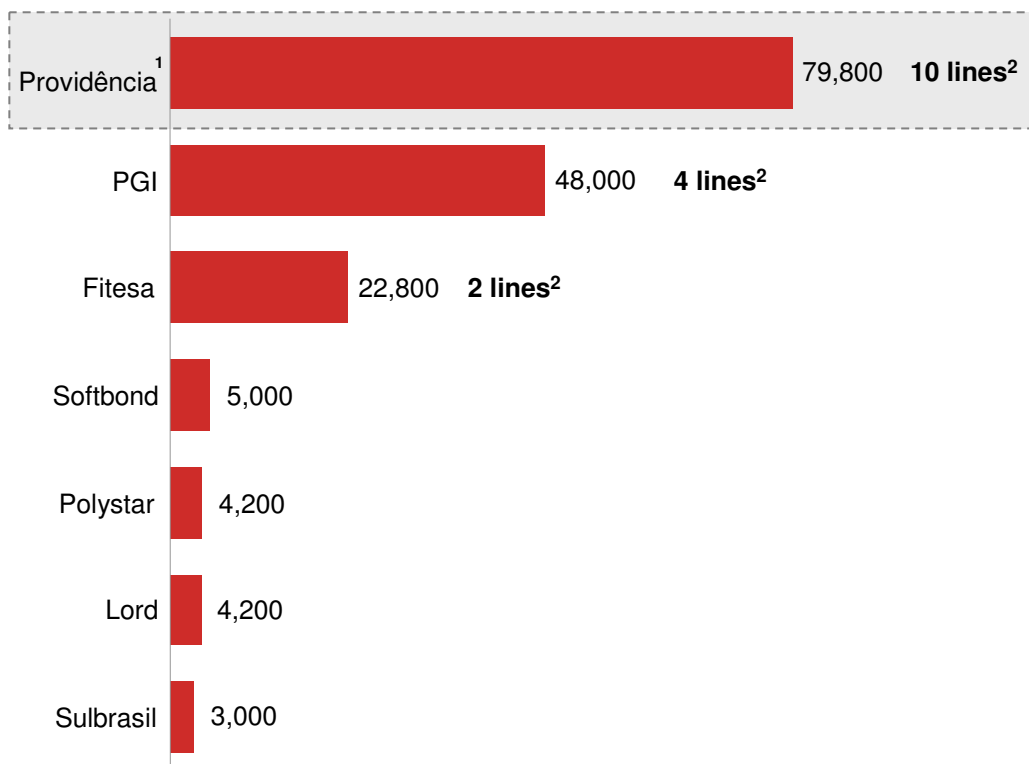


Leading Market Position & High Barriers to Entry



Providência is the leading manufacturer of nonwoven fabrics in South America with more than 1.5x the capacity of the second largest player

South American Main Spunbond Players: Total Capacity (2008E in tons)



High Barriers to Entry

- ▶ Scale to service major clients
- ▶ Typical investment for a new entrant is approximately US\$60 million
- ▶ 24 months of project implementation
- ▶ Certification process with major consumer companies can take up to 18 months to be concluded
- ▶ Know-how and highly specialized workforce

Source: Technomic International

Note:

1. Proforma for the acquisition of Isofilme and for the 9th machine

2. Reicofil 3 or above

The update was made in accordance with given of market and Providência's estimates.

Providência achieved its leading position by adding a new machine every two years since 1988

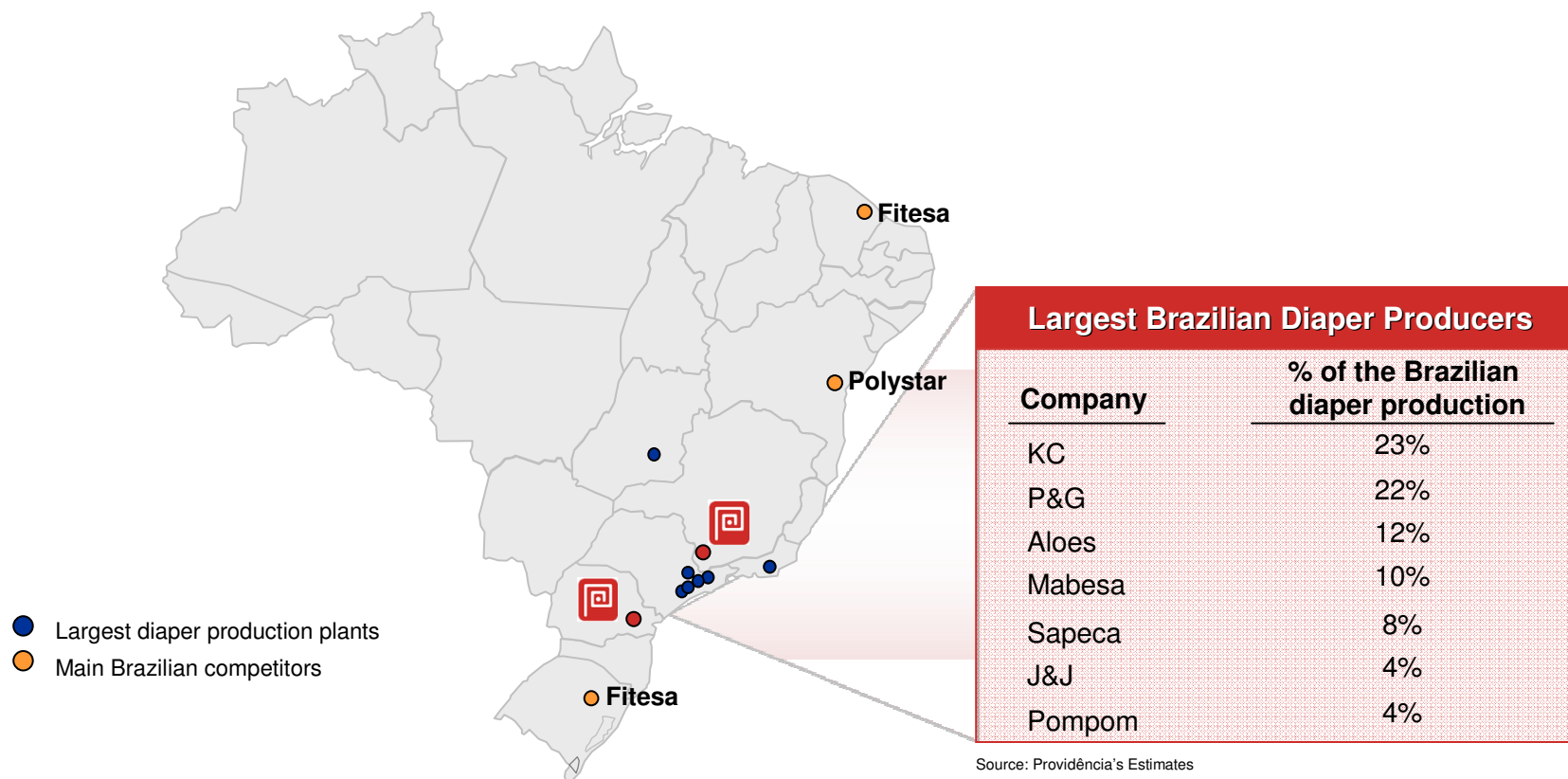


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Strategically Located Plants



Providência's plants are strategically located near the largest Brazilian diaper producers.



In addition, the Company has access to two of the main Brazilian ports which enable the exports to Latin America and the USA



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Nonwovens Growth Strategy



New Products Markets

- **Enter into medical disposable products market**
 - Market prices in medical are higher than those of durables and hygiene
- **Increased investment in product development to strength relationship with customers**
- **Offer new products such as ultra thin products, stretchable products and printed, embossed and breathable laminates**
- **Product development center facilitates cooperative development of products tailored to consumers' needs**

Technological Leadership

- **Enhance margins by utilizing state-of-the-art technologies**
 - Light-weight basis weights can command higher prices
- **Commitment to maintaining domestic technological leadership**
 - Providência has installed a new production line approximately every two years

Expand Domestic Leadership

- **Domestic nonwovens market generates higher margins relative to export market**
- **Capitalize on Brazil's rising standard of living by offering higher quality products**
 - Increase nonwovens usage per diaper in Brazil
- **Initiatives to achieve this goal include the acquisition of Isofilme**

International Expansion

- **International expansion to increase market share and service global demand**
- **Will begin production in North America by 2010**
 - Hygiene demand in the US is estimated to grow 2 machines every 3 years from 2006-2011

Potential Acquisitions

- **Analyze potential acquisition opportunities in fragmented markets**
- **Look for opportunities that strengthen relationships with customers, add favorable/target geographies, increase bargaining power with suppliers, and optimize production lines**



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PVC Growth Strategy



New Products

- Investments predicted for the supplementation of the Construction Connection lines – 120 new SKUs .
- New corrugated product lines for the infrastructure and sewage market.
- New product lines for the irrigation market.

Technological Updating

- Investments in technological updating resulting in a margin increase predicted for the next 3 years.
- Acquisition of a large-diameter extrusion line to serve suppliers of the Sugarcane industry.
- Automation of the sales force.

Expansion of the operation and penetration areas

- Restructuring and increasing the number of sales representatives.
- Increasing the number of active clients.
- Analyzing possible strategic acquisitions / partnerships in the Southeastern and Northeastern regions.
- Enlarging sales in the middle and large-sized construction companies.

Operational Excellence

- Continuous focus on decreasing operational and logistics costs.
- Divestment in operations and products that do not generate value.

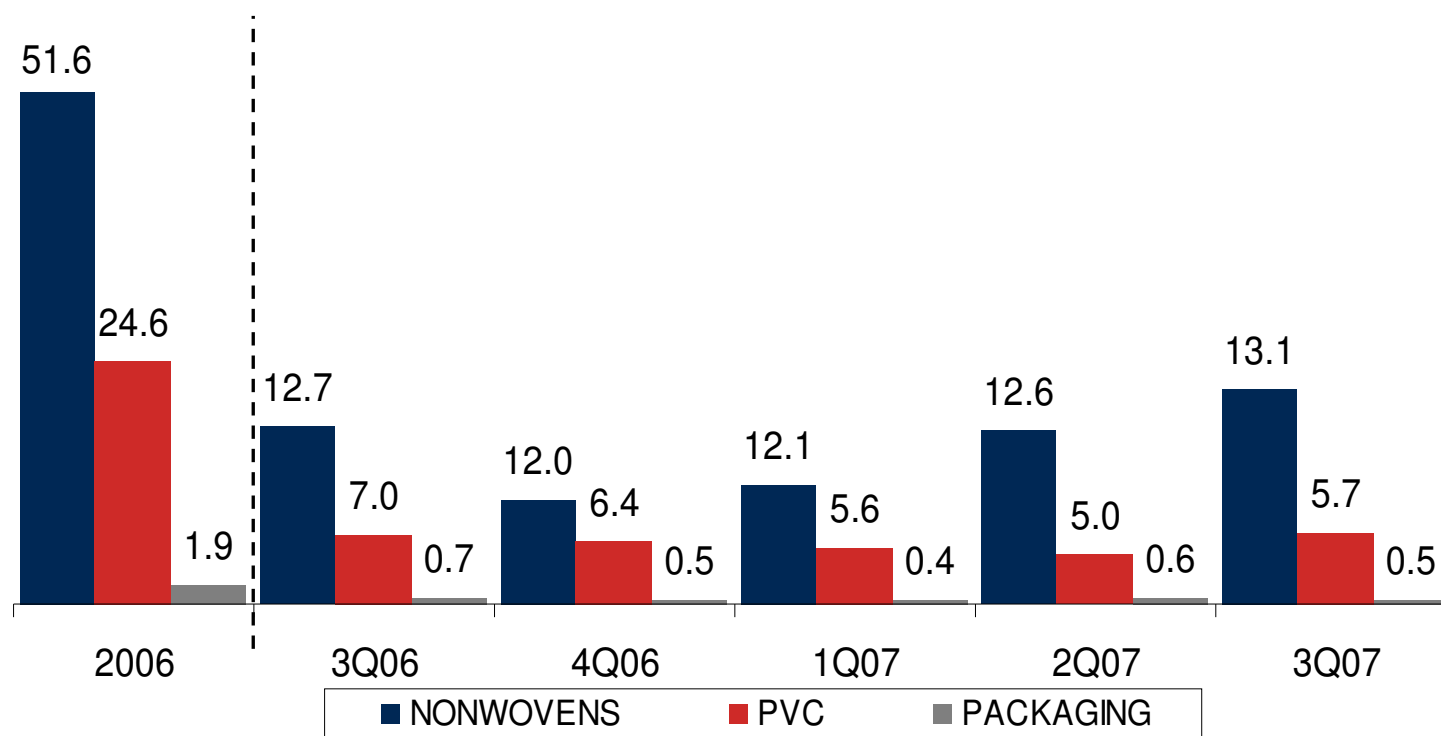


**Financial
Highlights**



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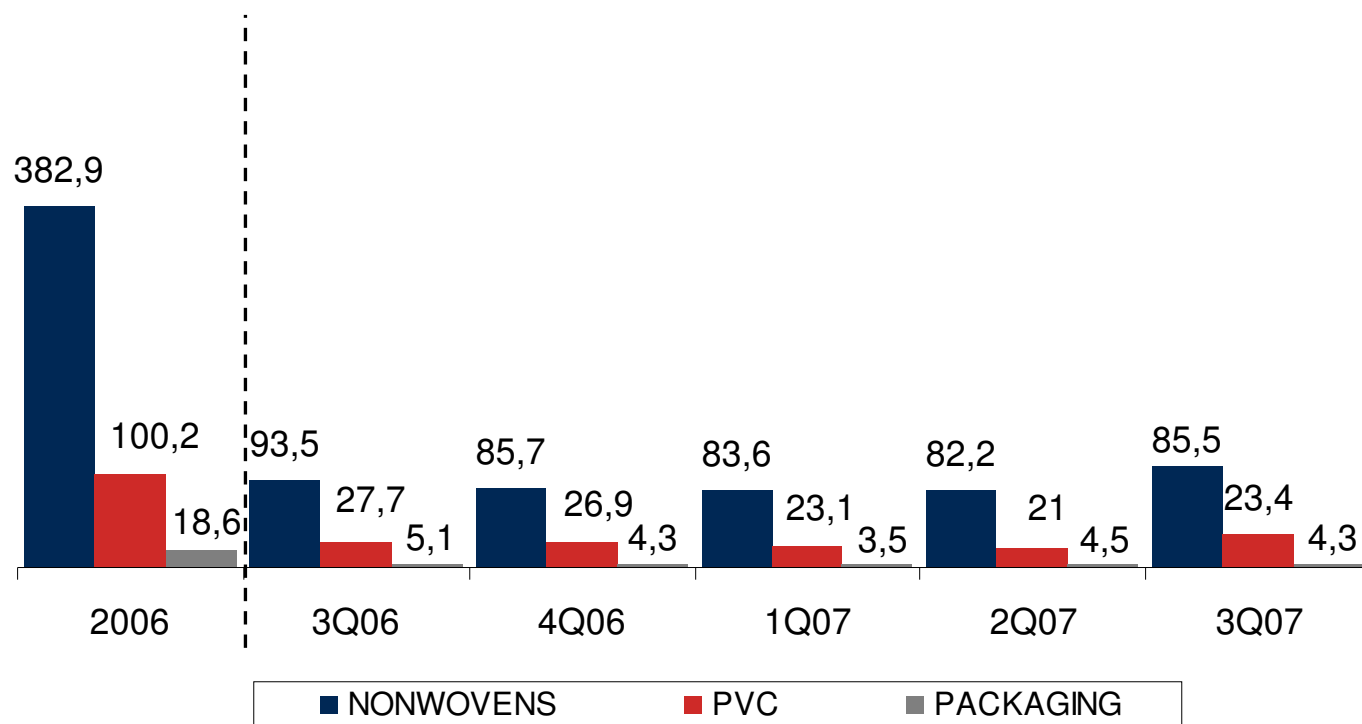
Sales Volume (thousand tons)





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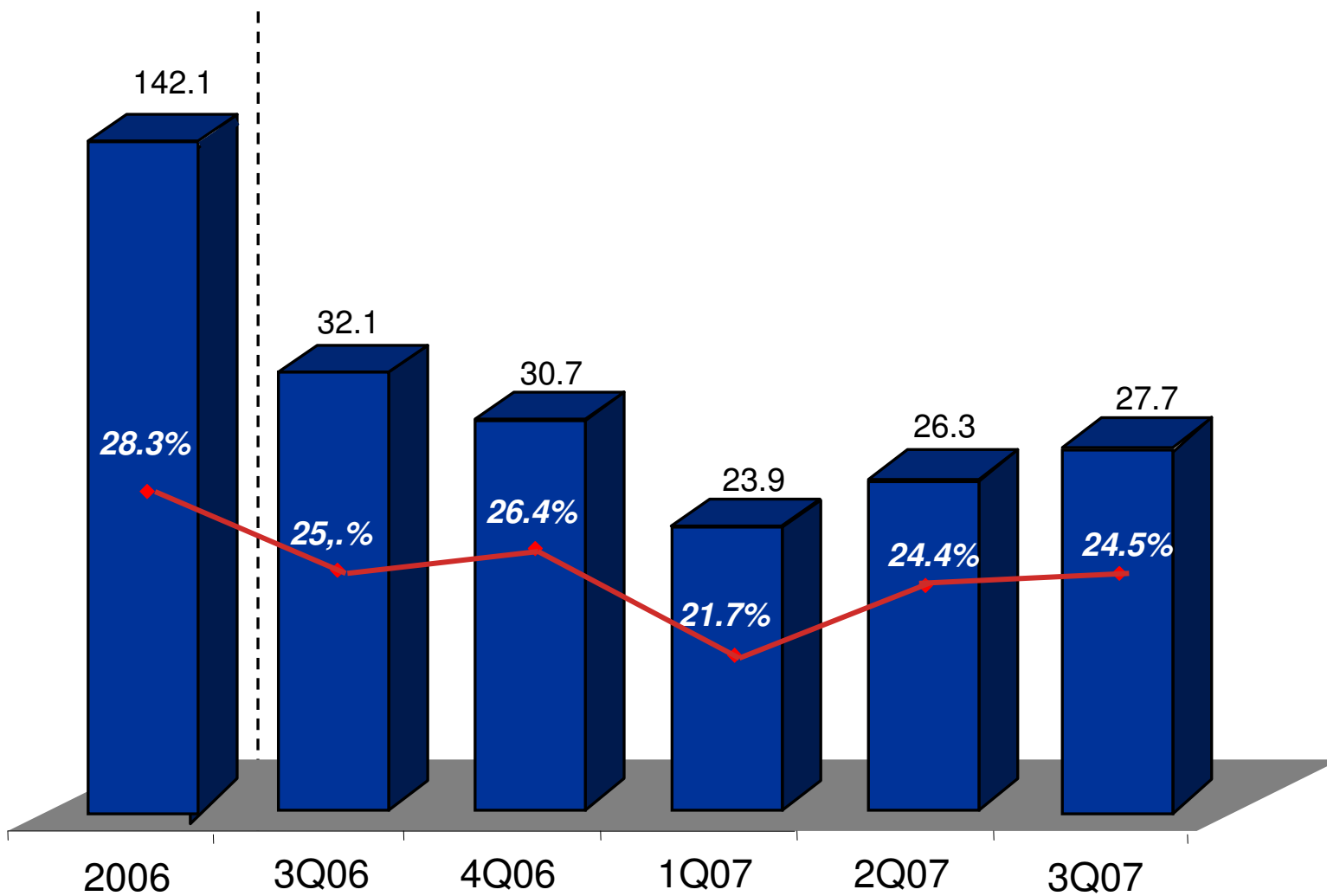
Net Revenue (R\$ Million)





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Adjusted EBITDA (R\$ MM)¹



Note:

¹ EBITDA adjusted to non-recurring items.



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3rd Quarter Highlights



- ▶ The volumes have started growing again, consolidating/expanding market share in the nonwoven segment;
- ▶ The Company has chosen to keep the prices and to maintain/expand its share in the domestic market within a scenario of additional appreciation of the Brazilian currency Real;
- ▶ Even though it means sacrificing the margin recovery policy in the short term, we believe that this is the best strategy for the Company within a long term perspective;
- ▶ It is worth stressing that our EBTIDA has increased in nominal terms and the margins have remained stable even within a scenario of fierce competition, a raise in the prices of raw materials, and appreciation of the Real;
- ▶ Hedging strategy in receivables resulted in a financial gain of about R\$3.0 million.



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Consolidated Net Debt



Consolidated Net Debt

(R\$ Million)	09/30/07	After Debt Restructuring
Total Debt		
Short-Term	283.2	8.3
Long-Term	109.7	387.5
Total	392.9	395.8
Cash and Cash Equivalents	211.0	200.0
Net Debt	181.9	195.8

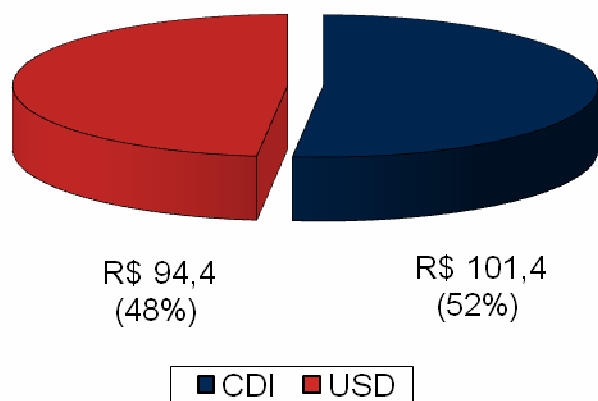


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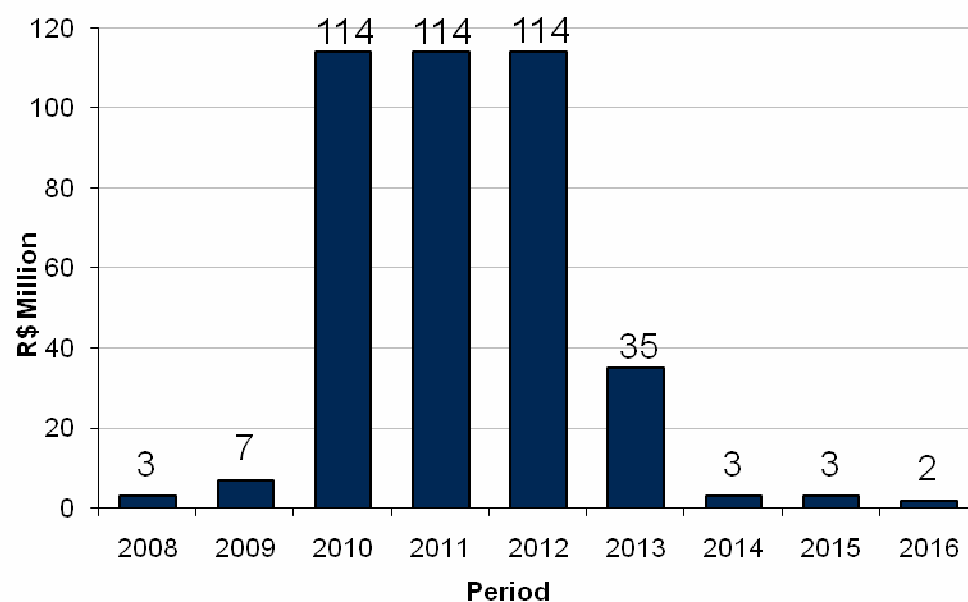
Debt Structure



Breakdown per Index (in R\$ Million and %)
NET DEBT



Debt Schedule (Principal)





**2008 Perspectives
and Projects**



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KAMI Division – Nonwoven



- ▶ Sales growth (+ 18,600 tonnes) due to the Machine 9 start-up and expansion of Isofilme's productive capacity:
 - ▶ Machine 9 => 9,000 tonnes as of April, initially directed towards the foreign market;
 - ▶ Isofilme => starts to produce 800 tonnes/month of DH as of the 1st quarter of 2008;
 - ▶ About 30% of the 2008 volume refers to contracts.



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KAMI Division – Nonwoven



- ▶ Machine 9 (Action Plan/stages):
 - ▶ Start-up in January 2008;
 - ▶ Products development: January to March 2008;
 - ▶ Qualification in the main clients: January to April 2008;
 - ▶ Operation: April 2008.

- ▶ Isofilme (Action Plan/stages):
 - ▶ Finalizing the qualification in the largest clients;
 - ▶ Implementing the additional knives: January 2008;
 - ▶ Reembossing calender cylinder: February 2008;
 - ▶ Return of absorbents, barrier leg cuffs and spun tissues: February 2008 (for P&G);
 - ▶ Building a dock at shipment: February 2008;
 - ▶ Implementing the automatic cores cutting system and knife positioning: May 2008;
 - ▶ Implementing the automatic packaging system: May 2008.



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KAMI Division – Nonwoven



- ▶ Laminated sheets:
 - ▶ Full use of the 750 tonnes/month or 9,000/year current capacity;
 - ▶ Evaluation of the new investment in printing and lamination up to June 2008 with a 15% margin
- ▶ Medical Disposables:
 - ▶ Expected Sales Volume to:
 - ▶ 2008: 2,500 tonnes (6 months)
 - ▶ 2009: 6,500 tonnes (+30%)
 - ▶ 2010: 8,500 tonnes (+30%)
 - ▶ Additional Margin: +/- 20% related to conventional nonwoven;
 - ▶ Project Steps:
 - ▶ Pre-marketing and samples: : January 2008
 - ▶ Product development: February to June 2008
 - ▶ Client Qualification: February to August 2008



Provinil Division – PVC Pipes and Connections



- ▶ Sales Growth by 5,000 tonnes (+ 23%), reaching 27,000 tonnes in 2008:
 - ▶ Start-up of large diameter machine;
 - ▶ Improvement of the product portfolio (irrigation and construction).
- ▶ New products (Action plan/stages)
 - ▶ Investment in a construction connections line:
 - ▶ Acquisition of equipment predicted for March 2008 with start-up in September.
 - ▶ Multilayer/corrugated Project:
 - ▶ Evaluation in April 2008 and investment may - December 2008.
- ▶ Commercial Restructuring (Action plan/stages)
 - ▶ Sales force automation and training: April 2008
 - ▶ Implementation of commercial policy/segmentation: April 2008
- ▶ Operational Efficiency (Action plan/stages)
 - ▶ Logistics optimization (factory planning and freights): March 2008
 - ▶ Overload reduction (2%): June 2008



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Cost Reduction Program



- ▶ Goal of a 5% reduction in global costs of:
 - ▶ Raw material;
 - ▶ Freights, insurance and logistics;
 - ▶ SG&A
- ▶ Implementation of cost control/reduction tools:
 - ▶ Matrix budget (packages);
 - ▶ Monthly meetings to analyze Actual x Budget cost;
 - ▶ Individual goals (managers) to reduce specific costs



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IR Contact

Rubens Sardenberg

IR Officer

Phone: 55 (41) 3381-7600

Fax: 55 (41) 3283-5909

São José dos Pinhais – PR

ri@providencia.com.br

www.providencia.com.br/ri



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