

Gafisa S.A.  
Form 6-K  
November 13, 2012

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**For the month of November, 2012**

**(Commission File No. 001-33356),**

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**Gafisa S.A.**

*(Translation of Registrant's name into English)*

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**Av. Nações Unidas No. 8501, 19th floor**  
**São Paulo, SP, 05425-070**  
**Federative Republic of Brazil**  
*(Address of principal executive office)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting  
the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1)

Yes  No

Indicate by check mark if the registrant is submitting  
the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

Indicate by check mark whether by furnishing the information contained in this Form,  
the Registrant is also thereby furnishing the information to the Commission pursuant  
to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

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Yes \_\_\_\_\_ No \_\_\_X\_\_\_

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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- Gafisa Group unit deliveries increased 9% y-o-y to 17,729 in the 9M---
- 9M12 unit deliveries reached 74% of mid-range guidance for the full year ---
- Consolidated free cash generation was positive at R\$149 million in 3Q12 ---
- Operational consolidated cash flow reached R\$607 million in 9M12, or ---
- 87% of the mid point of the increased guidance established at range R\$600-R\$800 million --
- Launches reached R\$451.9 million, with sales of R\$689.3 million in 3Q12 ---
- The results represent 49% of the mid-range of the previous guidance of launches and 54% of the mid-range of full guidance, which excludes launches at Tenda in 2012
- Consolidated sales velocity in the 3Q12 was 19%, or 23% ex-Tenda ---

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3Q12 Earnings  
Results Conference  
Call

November 13, 2012

> 8am US EST

In English  
(simultaneous  
translation from  
Portuguese)

**FOR IMMEDIATE RELEASE - São Paulo,**

**November 12, 2012** – Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil's leading diversified national homebuilder, today reported financial results for the third quarter ended September 30, 2012.

Duilio Calciolari, Chief Executive Officer, said: "Our 3Q12 results demonstrate that the execution of Gafisa's operations advanced in the direction of our planned full-year targets. The cash generation and the deleveraging of our balance sheet remain a priority and following the delivery of over 17,700 units, we have already exceeded the mid-point of our annual cash flow (CFO) guidance, resulting in increased CFO guidance of R\$600-800mn for 2012. In addition to our focus on cash generation coming from our core business, we are also selling non-strategic land and generating new profitable businesses."

"The Gafisa brand is now concentrated in the states of Sao Paulo and Rio de Janeiro. In the first nine months of the year we launched projects valued at over R\$795 million, all of which are aligned to our guidelines for profitability and have strong levels of initial sales with a velocity of 59%. The completion of developments in non-strategic areas will still impact

+ 1-516-300-1066 US EST our profitability in the near-term. Thereafter we will have reduced the complexity of our business and substantially increased our execution capacity.”

Code: Gafisa

> 11am Brasilia Time “At Tenda, we remain focused on delivering existing and in-progress developments. Year-to-date we have transferred around 9,600 units to financial institutions, and delivered over 10,000 units. Of those contracts that have been cancelled, 70% have already been resold. We are postponing new Tenda launches to the first half of 2013 in order for the team to continue their good work and remain totally focused on completing and delivering current units. As a result we will not be launching the R\$300 million originally planned for the year.”

In Portuguese

Phones:

+55-11-3127-4971 (Brazil)

Code: Gafisa

Replay: “Our AlphaVille business continues to be a strong contributor to the Group’s profits. The brand has grown to represent almost half of year-to-date launches and we expect launches to increase sequentially to more than R\$1 billion. Given the returns achieved by this brand and further development opportunities in Brazil, we continue to favor the allocation of resources to opportunities that provide the right balance of growth and profitability.”

+55-11-3127-4999 (EUA)

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+55-11-3127-4999 (Brazil)

Code: 67871310

## CONSOLIDATED FINANCIAL RESULTS

Webcast: [www.gafisa.com.br/ir](http://www.gafisa.com.br/ir)

**Net revenue recognized by the “PoC” method was R\$1.06 billion in the third quarter**, which is in line with the 2Q12 result and up 22% year-over-year.

Shares

GfSA3– Bovespa **Gross profit was R\$308 million in the third quarter, up from R\$279 million in the 2Q12** and R\$166 million in the 3Q11. **Gross margin increased to 29.0% in 3Q12**, from 26.8% in the second quarter and 19.0% in 3Q11.

GFA – NYSE

Total Outstanding Shares: **EBITDA was R\$183 million in the third quarter, up from R\$149 million in the 2Q12** and R\$62 million in the 3Q11. EBITDA for Gafisa and AlphaVille totaled R\$69 million and R\$92 million, respectively. During the third quarter, Tenda’s EBITDA was R\$22 million. During the 9M12, the EBITDA margin reached 14.4% or 20.1% ex-Tenda, compared to 6.5% and 15.5%, respectively, in the 9M11.

432,137,739<sup>1</sup>

Average daily trading volume (90 days<sup>2</sup>): R\$59.3 million

1) Including 599,486 treasury shares

2) Up to September 30, 2012 **Third quarter net income was R\$5 million**, compared to R\$1 million in the 2Q12 and a net loss

of R\$51 million in the 3Q11.

**As of September 30, 2012, the Company had approximately R\$1.23 billion in cash** and cash equivalents compared to R\$1.1 billion at the end of the 2Q12. The net debt to equity ratio decreased to 106% in the 3Q12, from 112% in the 2Q12.

**Excluding project finance, the net debt/equity ratio was 28% as compared to 34%** in the 2Q12.

### **CONSOLIDATED OPERATING RESULTS**

**Project launches totaled R\$451.9 million in the 3Q12**, a 17% decrease compared to the 2Q12. Y-o-Y launches decreased 57% due to the implementation of the turnaround strategy announced at the end of 2011. The result represents 49% of the mid-range of the previous full-year launch guidance of R\$2.7 to R\$3.3 billion and 54% of the mid-range of the full-year launch guidance of R\$2.4 to R\$3.0 billion, which excludes launches at Tenda in 2012.

**Consolidated pre-sales totaled R\$689.3 million in the third quarter, a 9% increase compared to the 2Q12**, and a 34% decrease compared to the 3Q11. Sales from launches represented 66% of the total, while sales from inventory comprised the remaining 34%.

**The consolidated sales speed of launches reached 66.7% in the 3Q12 and 66.3% in the 9M12. Consolidated sales over supply reached 18.7%**, compared to 23.1% in the 3Q11, reflecting fewer launches to pursue remedial/corrective action at Tenda. Excluding the Tenda brand, third-quarter sales over supply was 22.7%, compared to 20.1% in the 2Q12 and 27.4% in the 3Q11.

**Third quarter consolidated inventory at market value was decreased by R\$283 million** to R\$3.0 billion from R\$3.3 billion in the 2Q12.

**The Group delivered 17,729 units in the 9M12, representing a 9% year-over-year increase.**

Note: due to the adjustments in 2011 results, the interim results were restated.



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## RECENT EVENTS

### Consolidated Free Cash Generation Was Positive at R\$149 Million in the 3Q12

#### Chart 1. Cash Generation (Cash burn) (3Q10 – 3Q12)

Gafisa ended the third quarter with R\$1.23 billion in cash, a 13% increase over a balance R\$1.1 billion at the end of the second quarter. Across the Group, unit deliveries in the first nine months of the year were consistent with our full-year target and we have achieved the mid range of our previous operating cash flow full year guidance of R\$500-R\$700 million. Operational consolidated cash flow reached R\$607 million in the 9M12, 87% of the mid range of the updated guidance established for 2012 of R\$600-R\$800 million. Consolidated free cash generation was positive at R\$149 million in the 3Q12.

### Updated Status of AlphaVille Acquisition

The arbitration has been submitted to the Brazil-Canada Chamber of Conciliation and Arbitration as prescribed in the Agreement. As a recap, according to the terms of the Investment Agreement signed between Gafisa and Alphapar when Gafisa acquired control of AlphaVille in 2006, as the Parties have not reached an agreement on the acquisition of the remaining 20% stake in AlphaVille, the process was submitted to arbitration on an exclusive and final basis.

### Updated Status of the Results by Brand

Gafisa has been successfully implementing the strategic plan set in 2011 and has focused squarely on obtaining and maintaining operational consistency.

**Gafisa:** (1) Gafisa was able to launch 53% of the mid-range of 2012 guidance of R\$1.5 billion for the segment. (2) New Market projects, where Gafisa had lower margins will be delivered and should be substantially completed in the beginning of 2013. (3) Sales performance related to inventory has improved. (4) Gafisa has been contributing to the generation of operating cashflow.

**Tenda:** (1) Tenda posted healthy sales speed, better execution and improved quality in the portfolio of receivables. (2) In the first nine months, Tenda transferred 9,567 units to financial institutions reflecting 80% of the mid-range of guidance provided for the full year of 10,000–14,000 customers. (3) Units delivery consistent with full year guidance. (4) Tenda is contributing to the consolidated positive operating cash flow posted.

**AlphaVille:** (1) Continues to launch developments with good demand - two projects (AlphaVille Minas Gerais and Terras Alpha Sergipe) were launched with sales of 94%. (2) The results underscore the growing



share of AlphaVille in the product mix. The brand accounted for 46% share of 9M12 consolidated launches, up from a 21% a year ago. (3) The quality and size of AlphaVille landbank is a strong indication of the future prospects of the company.

## Units Delivery Consistent with Full Year Guidance

### Chart 2. Delivered units (2007 – 3Q12)

In the third quarter of 2012, the Company was able to achieve operational consistency in unit deliveries. Gafisa delivered 27 projects encompassing 5,531 units, a 35% decrease on the 8,459 delivered during 3Q11. In the first nine months, the Gafisa Group achieved unit deliveries of 17,729 units, representing a 9% year-over-year increase. See the accompanying chart for detailed information.

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## Tenda Status

**With the introduction of the new strategy and organizational structure, Gafisa is progressing toward established guidance for the year.** The restructuring of the Tenda brand, which focuses on affordable entry level developments, is progressing according to plan. Since the beginning of the year the Gafisa Group has implemented corrective actions focused on execution and the delivery of units. In the meantime the launch of Tenda units was halted until Tenda could be relaunched under a profitable business model. These corrective actions have been successful as Tenda has been able to transfer units to financial institutions in line with guidance and contribute to consolidated positive operating cash flow. As a result, the Company expects the launch cycle to resume next year when the appropriate processes will be in place to ensure a profitable business model. Accordingly, official guidance for Tenda launches of between R\$270-R\$330 million for 2012 has been revised down to zero.

The turnaround process at Tenda has been based on three pillars: (1) the expedition of the financing process through the immediate transfer of mortgages to financial institutions; (2) the revision of the supply chain to ensure the availability of material and labor to execute works; (3) the standardization of production processes. This determines the profitability of projects in the economic segment, where margins tend to be lower and can render developments unviable.

The contracted launch and transferred sale model means that the sale of a unit is only realized following a complete customer credit analysis by the CEF, the chief financial agent for Tenda's clients. It is also contingent upon bank approval. This means Tenda's customers will learn whether they fit the profile required by the bank during financing approval. Since the start of the year, approximately 70% of sales have been transferred or are awaiting customer signatures. The remainder are in an advanced stage of being contracted with the CEF.

The review of the supply chain and suppliers is part of a move to better control the construction process at Tenda and provide assurance to engineers as they carry out their projects. The Supply Chain unit, which was created in early 2012, has full access to works from start to finish. As a result, basic inputs and services are negotiated in large quantities, rather than individually, to maximize efficiencies. Previously, materials were ordered by engineers; today the division controls materials and verifies all amendments to

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avoid technical issues in the supply chain or with suppliers.

One of the main technologies used by Tenda to achieve standardization in projects is the aluminum mold method. Light, durable and sized for easy handling by operators, the metal modules are assembled and filled directly with concrete for much higher-quality walls and slabs when compared to structural blocks. This also makes the process of finishing the walls unnecessary. This technology, in addition to superior process controls and reduced operational risks, reduces the construction cycle by up to 30%. Since 2010, approximately 80% of Tenda's construction has employed this technology and this proportion should increase with new launches.

The plan to resume launches at Tenda is based on the elements mentioned above, always with a conservative capital allocation. Our initial focus will be on four regions: Sao Paulo, Rio de Janeiro, Minas Gerais and Salvador, where we have already established a strong base to relaunch operations.

**KEY NUMBERS FOR THE GAFISA GROUP****Table 1 – Operating and Financial Highlights – (R\$000, unless otherwise specified)**

|  |            |            |         |            |          |            |          |
|--|------------|------------|---------|------------|----------|------------|----------|
| Launches (%Gafisa)   | 451,943    | 546,519    | -17%    | 1,051,713  | -57%     | 1,462,201  | 2,944,5  |
| Launches (100%)  | 841,075    | 579,856    | 45%     | 1,318,304  | -36%     | 1,988,977  | 3,395,0  |
| Launches, units (%Gafisa)  | 1,361      | 1,182      | 15%     | 2,334      | -42%     | 3,826      | 10,6     |
| Launches, units (100%)   | 2,362      | 1,426      | 66%     | 2,813      | -16%     | 5,455      | 12,4     |
| Contracted sales (%Gafisa)   | 689,331    | 630,295    | 9%      | 1,044,651  | -34%     | 1,727,863  | 3,013,8  |
| Contracted sales (100%)  | 900,931    | 729,452    | 24%     | 1,256,078  | -28%     | 2,070,575  | 3,468,4  |
| Contracted sales, units (% Gafisa)   | 1,929      | 1,629      | 18%     | 2,866      | -33%     | 4,060      | 10,4     |
| Contracted sales, units (100%)   | 2,693      | 2,055      | 31%     | 3,770      | -29%     | 5,648      | 12,6     |
| Contracted sales from Launches (%co)   | 447,154    | 299,084    | 50%     | 852,763    | -48%     | 969,150    | 1,634,8  |
| Sales over Supply (SoS) %  | 18.7%      | 16.1%      | 258 bps | 23.1%      | -441 bps | 36.5%      | 46.4     |
| Completed Projects (%Gafisa)   | 953,361    | 1,195,783  | -20%    | 1,162,979  | -18%     | 3,255,951  | 2,375,2  |
| Completed Projects, units (%Gafisa)  | 5,531      | 6,032      | -8%     | 8,459      | -35%     | 17,729     | 16,2     |
| Note: * The difference between the stake in the projects launched and 100% is explained by the increase in the con |            |            |         |            |          |            |          |
| AlphaVille; business unit where the partner is the land owner.   |            |            |         |            |          |            |          |
| Consolidated Land bank (R\$)   | 17,831,913 | 15,398,446 | 16%     | 21,096,042 | -15%     | 17,831,913 | 21,096,0 |
| Potential Units  | 85,522     | 63,146     | 35%     | 100,025    | -14%     | 85,522     | 100,0    |
| Number of Projects / Phases  | 121        | 121        | 0%      | 204        | -41%     | 121        | 2        |
| Net revenues   | 1,064,094  | 1,040,537  | 2%      | 874,378    | 22%      | 3,032,464  | 2,589,0  |
| Gross profit   | 308,132    | 279,141    | 10%     | 165,764    | 86%      | 788,852    | 442,4    |
| Gross margin   | 29.0%      | 26.8%      | 213bps  | 19.0%      | 1000bps  | 26.0%      | 17.1     |
| Adjusted Gross Margin <sup>1</sup>   | 34.3%      | 31.7%      | 8%      | 23.4%      | 46%      | 30.9%      | 22.3     |
| Adjusted EBITDA <sup>2</sup>   | 183,144    | 148,750    | 23%     | 61,755     | 197%     | 437,081    | 167,8    |
| Adjusted EBITDA margin <sup>2</sup>  | 17.2%      | 14.3%      | 292bps  | 7.1%       | 1015bps  | 14.4%      | 6.5      |
| Adjusted EBITDA margin <sup>2</sup> (ex-Tenda)   | 21.8%      | 18.5%      | 321bps  | 20.5%      | 124bps   | 20.1%      | 15.5     |
| Adjusted Net (loss) profit <sup>2</sup>  | 26,218     | 22,677     | 16%     | (38,311)   | -168%    | 30,566     | (88,93   |
| Adjusted Net margin <sup>2</sup>   | 2.5%       | 2.2%       | 28bps   | -4.4%      | 685bps   | 1.0%       | -3.4     |
| Net (loss) profit  | 4,841      | 1,046      | 363%    | (51,247)   | -109%    | (25,628)   | (126,38  |
| EPS (loss) (R\$)   | 0.0112     | 0.0024     | 88bps   | (0.1187)   | 1298bps  | (0.0593)   | (0.292   |
| Number of shares ('000 final)  | 432,272    | 432,272    | 0%      | 431,916    | 0%       | 432,272    | 431,9    |
| Revenues to be recognized  | 3,702,549  | 4,124,151  | -10%    | 4,276,647  | -13%     | 3,702,549  | 4,276,6  |
| Results to be recognized <sup>3</sup>  | 1,311,938  | 1,476,003  | -11%    | 1,559,713  | -16%     | 1,311,938  | 1,559,7  |
| REF margin <sup>3</sup>  | 35.4%      | 35.8%      | -36bps  | 36.5%      | -104bps  | 35.4%      | 36.5     |
| Net debt and investor obligations  | 2,939,417  | 3,088,232  | -5%     | 2,946,507  | 0%       | 2,939,417  | 2,946,5  |
| Cash and cash equivalent   | 1,234,826  | 1,097,277  | 13%     | 912,353    | 35%      | 1,234,826  | 912,3    |
| Equity   | 2,637,644  | 2,629,720  | 0%      | 3,462,929  | -24%     | 2,637,644  | 3,462,9  |
| Equity + Minority shareholders   | 2,771,971  | 2,746,145  | 1%      | 3,549,223  | -22%     | 2,771,971  | 3,549,2  |
| Total assets   | 9,025,658  | 9,170,654  | -2%     | 9,658,113  | -7%      | 9,025,658  | 9,658,1  |
| (Net debt + Obligations) / (Equity + Min)  | 106%       | 112%       | -642bps | 83%        | 2302bps  | 106%       | 83       |
| Note: Unaudited Financial Operational data   |            |            |         |            |          |            |          |

- 1) Adjusted for capitalized interest
- 2) Adjusted for expenses on stock option plans (non-cash), minority shareholders
- 3) Results to be recognized net of PIS/Cofins - 3.65%; excludes the AVP method introduced by Law nº 11,638
- 4) Note: during 2Q12, Tenda land bank was readjusted to focus on core regions, 3Q12 all remaining non-strategic I were excluded

Nm = not meaningful

**CONSOLIDATED DATA FOR THE GAFISA GROUP****Consolidated Launches**

Third quarter 2012 launches totaled R\$451.9 million, an 17% decrease over 2Q12. Y-o-Y launches decreased 57% due to the implementation of the turnaround strategy announced at the end of 2011. The result represents 49% of the mid-range of the previous full-year launch guidance of R\$3.0 billion and 54% of the mid-range of the previous full-year launch guidance of R\$2.7 billion. The delays in the approval of a few projects to be launched in 3Q12, in Sao Paulo, that slipped to the 4Q12, explains the drop in launches Y-o-Y. During the 9M12, 18 projects/phases were launched across 7 states, with Gafisa accounting for 54% of launches and AlphaVille the remaining 46%.

**Table 2. Consolidated Launches (R\$ million)**

|                    |                |                |             |                  |             |                  |                  |             |
|--------------------|----------------|----------------|-------------|------------------|-------------|------------------|------------------|-------------|
| Gafisa Segment     | 114,291        | 465,900        | -75%        | 652,512          | -82%        | 794,881          | 1,816,073        | -56%        |
| AlphaVille Segment | 337,652        | 80,619         | 319%        | 350,117          | -4%         | 667,320          | 627,598          | 6%          |
| Tenda Segment      | -              | -              | na          | 49,085           | nm          | -                | 500,917          | na          |
| <b>Total</b>       | <b>451,943</b> | <b>546,519</b> | <b>-17%</b> | <b>1,051,713</b> | <b>-57%</b> | <b>1,462,201</b> | <b>2,944,589</b> | <b>-50%</b> |

**Consolidated Pre-Sales**

Third-quarter 2012 consolidated pre-sales totaled R\$689.3 million, a 9% increase compared to the 2Q12 and a 34% decrease compared to the 3Q11. Sales from launches represented 66% of the total, while sales from inventory comprised the remaining 34%.

**Table 3. Consolidated Pre-Sales (R\$ million)**

|                    |                |                |           |                  |             |                  |                  |             |
|--------------------|----------------|----------------|-----------|------------------|-------------|------------------|------------------|-------------|
| Gafisa Segment     | 327,990        | 456,383        | -28%      | 665,408          | -51%        | 1,101,076        | 1,867,221        | -41%        |
| AlphaVille Segment | 331,290        | 158,184        | 109%      | 281,752          | 18%         | 671,451          | 597,683          | 12%         |
| Tenda Segment      | 30,050         | 15,728         | 91%       | 97,490           | -69%        | (44,664)         | 548,969          | nm          |
| <b>Total</b>       | <b>689,331</b> | <b>630,295</b> | <b>9%</b> | <b>1,044,651</b> | <b>-34%</b> | <b>1,727,863</b> | <b>3,013,873</b> | <b>-43%</b> |

**Consolidated Sales over Supply (SoS)**

Consolidated sales over supply reached 18.7%, compared to 23.1% in 3Q11, reflecting fewer launches to pursue corrective remedial/action at the Tenda business. Excluding the Tenda brand, third-quarter sales over supply was 22.7%, compared to 20.1% in 2Q12 and 27.4% in 3Q11. The lower VSO is attributed to the lower contribution of launches as compared to the previous year period. The consolidated sales speed

of launches reached 66.7%.

**Table 4. Gafisa Group Sales over Supply (SoS)**

|                              |              |              |                |              |                 |              |              |                 |
|------------------------------|--------------|--------------|----------------|--------------|-----------------|--------------|--------------|-----------------|
| Gafisa (A)                   | 16.5%        | 19.6%        | -3.1 bps       | 24.8%        | -8.3 bps        | 39.9%        | 48.1%        | -8.2 bps        |
| AlphaVille (B)               | 36.4%        | 21.6%        | 14.8 bps       | 36.4%        | 0.0 bps         | 53.7%        | 54.9%        | -1.1 bps        |
| <b>Total (A) + (B)</b>       | <b>22.7%</b> | <b>20.1%</b> | <b>2.7 bps</b> | <b>27.4%</b> | <b>-4.6 bps</b> | <b>44.2%</b> | <b>49.5%</b> | <b>-5.4 bps</b> |
| Tenda (C)                    | 3.8%         | 1.8%         | 1.9 bps        | 9.1%         | -5.3 bps        | -6.2%        | 36.1%        | -42.3 bps       |
| <b>Total (A) + (B) + (C)</b> | <b>18.7%</b> | <b>16.1%</b> | <b>2.6 bps</b> | <b>23.1%</b> | <b>-4.4 bps</b> | <b>36.5%</b> | <b>46.4%</b> | <b>-9.9 bps</b> |

Notes: nm = not meaningful

### Results by Brand

**Table 5. Main Operational & Financial Numbers - Contribution by Brand – 9M12**

|                              |                  |                |                  |                  |                  |
|------------------------------|------------------|----------------|------------------|------------------|------------------|
| <b>Deliveries (PSV R\$m)</b> | <b>1,650,029</b> | <b>483,414</b> | <b>2,133,443</b> | <b>1,122,507</b> | <b>3,255,951</b> |
| Deliveries (% contribution)  | 51%              | 15%            | 66%              | 34%              | 100%             |
| <b>Deliveries (units)</b>    | <b>4,735</b>     | <b>2,611</b>   | <b>7,346</b>     | <b>10,382</b>    | <b>17,728</b>    |
| <b>Launches (R\$m)</b>       | <b>794,881</b>   | <b>667,320</b> | <b>1,462,201</b> | <b>0</b>         | <b>1,462,201</b> |
| Launches (% contribution)    | 54%              | 46%            | 100%             | 0%               | 100%             |
| Launches (units)             | 1,199            | 2,627          | 3,826            | 0                | 3,826            |
| <b>Pre-sales</b>             | <b>1,101,076</b> | <b>671,451</b> | <b>1,772,527</b> | <b>(44,664)</b>  | <b>1,727,863</b> |
| Pre-Sales (% contribution)   | 64%              | 39%            | 103%             | -3%              | 100%             |
| <b>Revenues (R\$m)</b>       | <b>1,587,446</b> | <b>524,823</b> | <b>2,112,269</b> | <b>920,195</b>   | <b>3,032,464</b> |
| Revenues (% contribution)    | 52%              | 17%            | 70%              | 30%              | 100%             |
| <b>Gross Profit (R\$m)</b>   | <b>365,807</b>   | <b>281,537</b> | <b>647,344</b>   | <b>141,509</b>   | <b>788,853</b>   |
| Gross Margin (%)             | 23%              | 54%            | 31%              | 15%              | 26%              |
| <b>EBITDA (R\$m)</b>         | <b>240,637</b>   | <b>183,446</b> | <b>424,083</b>   | <b>13,001</b>    | <b>437,084</b>   |
| <b>EBITDA Margin (%)</b>     | <b>15%</b>       | <b>35%</b>     | <b>20%</b>       | <b>1%</b>        | <b>14%</b>       |
| EBITDA (% contribution)      | 55%              | 42%            | 97%              | 3%               | 100%             |

7

**GAFISA SEGMENT**

*Focuses on residential developments within the upper, upper-middle, and middle-income segments, with unit prices exceeding R\$250,000.*

**Gafisa Segment Launches**

Third-quarter launches reached R\$114.3 million and included 2 projects/phases concentrated in São Paulo and Rio de Janeiro, 75% lower than the R\$465.9 million experienced in the second quarter. The results represent only 53% of the midpoint of the launch guidance for the year of R\$1.35 to R\$1.65 billion, due to delays in the approval of a few projects to be launched in 3Q12, that slipped to the 4Q12.

**Table 6. Launches by Market Region Gafisa Segment (R\$ million)**

|               |                |                |                |             |                |             |                |                  |             |
|---------------|----------------|----------------|----------------|-------------|----------------|-------------|----------------|------------------|-------------|
| <b>Gafisa</b> | São Paulo      | 51,482         | 465,900        | -89%        | 247,777        | -79%        | 732,072        | 1,270,865        | -42%        |
|               | Rio de Janeiro | 62,809         | -              | 0%          | 431,796        | -85%        | 62,809         | 557,562          | -89%        |
|               | Other          | -              | -              | 0%          | (27,062)       | -100%       | -              | (12,354)         | nm          |
|               | <b>Total</b>   | <b>114,291</b> | <b>465,900</b> | <b>-75%</b> | <b>652,512</b> | <b>-82%</b> | <b>794,881</b> | <b>1,816,073</b> | <b>-56%</b> |
|               | <b>Units</b>   | <b>134</b>     | <b>655</b>     | <b>-80%</b> | <b>1,124</b>   | <b>-88%</b> | <b>1,199</b>   | <b>4,467</b>     | <b>-73%</b> |

**Table 7. Launches by unit price Gafisa Segment (R\$ million)**

|               |              |                |                |             |                |             |                |                  |             |
|---------------|--------------|----------------|----------------|-------------|----------------|-------------|----------------|------------------|-------------|
| <b>Gafisa</b> | ≤R\$500K     | -              | 34,211         | -100%       | 83,536         | -100%       | 210,601        | 928,732          | -77%        |
|               | >R\$500K     | 114,291        | 431,689        | -74%        | 568,976        | -80%        | 584,280        | 887,341          | -34%        |
|               | <b>Total</b> | <b>114,291</b> | <b>465,900</b> | <b>-75%</b> | <b>652,512</b> | <b>-82%</b> | <b>794,881</b> | <b>1,816,073</b> | <b>-56%</b> |

**Gafisa Segment Pre-Sales**

Third quarter pre-sales totaled R\$328.0 million, a 28% decrease over 2Q12. Units launched during the same year represented 55% of total sales, while sales from inventory accounted for the remaining 45%. In 3Q12, sales velocity (sales over supply) was 16.5%, compared to 19.6% in 2Q12, and 24.8% in 3Q11. The sales velocity of Gafisa launches was 48.5%.

**Table 8. Pre-Sales by Market Region Gafisa Segment (R\$ million)**

|               |                |                |                |             |                |             |                  |                  |             |
|---------------|----------------|----------------|----------------|-------------|----------------|-------------|------------------|------------------|-------------|
| <b>Gafisa</b> | São Paulo      | 240,319        | 387,970        | -38%        | 423,696        | -43%        | 872,071          | 1,355,207        | -36%        |
|               | Rio de Janeiro | 90,009         | 60,484         | 49%         | 219,305        | -59%        | 204,925          | 381,997          | -46%        |
|               | Other          | (2,338)        | 7,929          | -129%       | 22,408         | -110%       | 24,079           | 130,017          | -81%        |
|               | <b>Total</b>   | <b>327,990</b> | <b>456,383</b> | <b>-28%</b> | <b>665,408</b> | <b>-51%</b> | <b>1,101,076</b> | <b>1,867,221</b> | <b>-41%</b> |
|               | <b>Units</b>   | <b>522</b>     | <b>848</b>     | <b>-38%</b> | <b>1,540</b>   | <b>-66%</b> | <b>2,017</b>     | <b>4,396</b>     | <b>-54%</b> |

**Table 9. Pre-Sales by unit Price Gafisa Segment (R\$ million)**

|               |              |                |                |             |                |             |                  |                  |             |
|---------------|--------------|----------------|----------------|-------------|----------------|-------------|------------------|------------------|-------------|
| <b>Gafisa</b> | ≤ R\$500K    | 72,721         | 179,789        | -60%        | 499,231        | -85%        | 398,851          | 1,247,831        | -68%        |
|               | > R\$500K    | 255,270        | 276,594        | -8%         | 166,178        | 54%         | 702,224          | 619,390          | 13%         |
|               | <b>Total</b> | <b>327,990</b> | <b>456,383</b> | <b>-28%</b> | <b>665,408</b> | <b>-51%</b> | <b>1,101,076</b> | <b>1,867,221</b> | <b>-41%</b> |

**Table 10. Pre-Sales by unit Price Gafisa Segment (# units)**

|               |              |            |            |             |              |             |              |              |             |
|---------------|--------------|------------|------------|-------------|--------------|-------------|--------------|--------------|-------------|
| <b>Gafisa</b> | ≤ R\$500K    | 246        | 458        | -46%        | 1.345        | -82%        | 1,180        | 3,653        | -68%        |
|               | > R\$500K    | 276        | 390        | -29%        | 195          | 41%         | 837          | 743          | 13%         |
|               | <b>Total</b> | <b>522</b> | <b>848</b> | <b>-38%</b> | <b>1.540</b> | <b>-66%</b> | <b>2,017</b> | <b>4,396</b> | <b>-54%</b> |



## Gafisa Segment Delivered Projects

During the first nine months of 2012, Gafisa delivered 27 projects/phases and 4,735 units. The tables below list the products delivered in 9M12:

**Table 11. Delivered Projects Gafisa Segment (9M12)**

|              |                             |        |      |                            |      |              |                  |
|--------------|-----------------------------|--------|------|----------------------------|------|--------------|------------------|
| Gafisa       | Magno                       | Aug/12 | 2009 | São Paulo – SP             | 100% | 36           | 52,841           |
| Gafisa       | Mistral                     | Aug/12 | 2009 | Belém – PA                 | 80%  | 200          | 33,987           |
| Gafisa       | Pateo Mondrean              | Sep/12 | 2010 | São Paulo – SP             | 100% | 137          | 230,975          |
| Gafisa       | Vista Patamares             | Sep/12 | 2009 | Salvador - BA              | 50%  | 336          | 48,629           |
| <b>Total</b> | <b>3Q12</b>                 |        |      |                            |      | <b>709</b>   | <b>366,432</b>   |
| Gafisa       | Mosaico (Fradique Coutinho) | Apr-12 | 2010 | São Paulo - SP             | 100% | 62           | 42,947           |
| Gafisa       | Montblanc                   | May-12 | 2008 | São Paulo - SP             | 80%  | 112          | 106,353          |
| Gafisa       | Laguna di Mare              | May-12 | 2008 | Rio de Janeiro - RJ        | 100% | 192          | 71,889           |
| Gafisa       | Carpe Diem Belém            | May-12 | 2008 | Belém - PA                 | 80%  | 90           | 37,094           |
| Gafisa       | Orbit                       | May-12 | 2008 | Curitiba - PR              | 100% | 185          | 31,532           |
| Gafisa       | Vistta Santana              | Jun-12 | 2009 | São Paulo - SP             | 100% | 168          | 117,598          |
| Gafisa       | Vision Brooklin             | Jun-12 | 2009 | São Paulo - SP             | 100% | 266          | 116,666          |
| Gafisa       | Riservato                   | Jun-12 | 2010 | Rio de Janeiro - RJ        | 100% | 42           | 27,310           |
| Gafisa       | Nouvelle                    | Jun-12 | 2008 | Aracajú - SE               | 100% | 12           | 27,129           |
| Gafisa       | Alta Vistta F2              | Jun-12 | 2010 | Maceio - AL                | 50%  | 182          | 5,364            |
| <b>Total</b> | <b>2Q12</b>                 |        |      |                            |      | <b>1,311</b> | <b>583,882</b>   |
| Gafisa       | VNSJ Metropolitan           | Jan-12 | 2009 | São José - SP              | 100% | 96           | 30,028           |
| Gafisa       | VNSJ Vitoria e Lafayette    | Jan-12 | 2008 | São José - SP              | 100% | 192          | 57,518           |
| Gafisa       | Mansão Imperial F2          | Jan-12 | 2010 | São Bernardo do Campo - SP | 100% | 100          | 62,655           |
| Gafisa       | Reserva das Laranjeiras     | Jan-12 | 2008 | Rio de Janeiro - RJ        | 100% | 108          | 61,818           |
| Gafisa       | Alegria F2 A                | Feb-12 | 2010 | Guarulhos - SP             | 100% | 139          | 43,750           |
| Gafisa       | Paulista Corporate          | Feb-12 | 2009 | São Paulo - SP             | 100% | 168          | 72,213           |
| Gafisa       | Neogarden                   | Feb-12 | 2008 | Curitiba - PR              | 100% | 144          | 40,427           |
| Gafisa       | Reserva Santa Cecília       | Feb-12 | 2007 | Volta Redonda - RJ         | 100% | 122          | 23,835           |
| Gafisa       | JTR - Comercial             | Feb-12 | 2007 | Maceió - AL                | 50%  | 193          | 11,911           |
| Gafisa       | Parc Paradiso               | Feb-12 | 2007 | Belém - PA                 | 90%  | 432          | 58,754           |
| Gafisa       | Supremo Ipiranga            | Mar-12 | 2009 | São Paulo - SP             | 100% | 104          | 54,860           |
| Gafisa       | GPARK Árvores               | Mar-12 | 2007 | São Luis - MA              | 50%  | 240          | 29,978           |
| Gafisa       | Parque Barueri Fase 1       | Mar-12 | 2008 | Barueri - SP               | 100% | 677          | 151,968          |
| <b>Total</b> | <b>1Q12</b>                 |        |      |                            |      | <b>2,715</b> | <b>699,715</b>   |
| <b>Total</b> | <b>9M12</b>                 |        |      |                            |      | <b>4,735</b> | <b>1,650,029</b> |

## Projects launched Gafisa Segment

The following table displays Gafisa Segment projects launched during the 9M12:

**Table 12. Projects Launched at Gafisa Segment (9M12)**

| Projects | Launch Date | Local | % co | Units (%co) | PSV (%co) | % sales 30/09/12 | Sales 31/09/12 |
|----------|-------------|-------|------|-------------|-----------|------------------|----------------|
|----------|-------------|-------|------|-------------|-----------|------------------|----------------|

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**1Q12**

|                   |        |    |      |            |                |            |                |
|-------------------|--------|----|------|------------|----------------|------------|----------------|
| Duquesa           | Mar/12 | SP | 100% | 130        | 152,591        | 51%        | 77,238         |
| Maraville         | Mar/12 | SP | 100% | 280        | 62,099         | 69%        | 43,147         |
| <b>Total 1Q12</b> |        |    |      | <b>410</b> | <b>214,690</b> | <b>56%</b> | <b>120,385</b> |

**2Q12**

|               |        |    |      |     |         |     |        |
|---------------|--------|----|------|-----|---------|-----|--------|
| Like Brooklin | May/12 | SP | 100% | 146 | 98,479  | 72% | 71,136 |
| Eclat         | May/12 | SP | 100% | 49  | 134,966 | 49% | 66,393 |
|               |        |    |      |     | 78,080  |     |        |

|                   |        |    |      |            |                |            |                |
|-------------------|--------|----|------|------------|----------------|------------|----------------|
| Energy            | Jun/12 | SP | 100% | 156        | 00120,         | 78%        | 60,950         |
| Coloratto         | Jun/12 | SP | 100% | 192        | 120,165        | 54%        | 65,429         |
| Mistral           | Jun/12 | SP | 100% | 112        | 34,211         | 75%        | 25,506         |
| <b>Total 2Q12</b> |        |    |      | <b>655</b> | <b>465,900</b> | <b>62%</b> | <b>289,414</b> |

**3Q12**

|                   |        |    |      |              |                |            |                |
|-------------------|--------|----|------|--------------|----------------|------------|----------------|
| Scena Laguna      | Aug/12 | RJ | 80%  | 50           | 62,809         | 48%        | 30,156         |
| Smart Santana     | Aug/12 | SP | 100% | 84           | 51,482         | 49%        | 25,272         |
| <b>Total 3Q12</b> |        |    |      | <b>134</b>   | <b>114,291</b> | <b>48%</b> | <b>55,428</b>  |
| <b>Total 9M12</b> |        |    |      | <b>1,199</b> | <b>794,881</b> | <b>59%</b> | <b>465,227</b> |

Note: The VSO refers to contracted sales over the corresponding period of the offer. In this calculation, we consider the stock adjusted to reflect the correct price.

**Table 13. Land Bank Gafisa Segment – as of 3Q12**

|                |                  |            |            |           |              |               |
|----------------|------------------|------------|------------|-----------|--------------|---------------|
| São Paulo      | 3,706,846        | 33%        | 32%        | 1%        | 7,687        | 8,970         |
| Rio de Janeiro | 1,398,234        | 43%        | 43%        | 0%        | 2,244        | 2,293         |
| <b>Total</b>   | <b>5,105,080</b> | <b>36%</b> | <b>35%</b> | <b>1%</b> | <b>9,931</b> | <b>11,263</b> |

**Table 14. Adjusted EBITDA Gafisa Segment (R\$000)**

|                                |                 |                 |                |                 |                |                  |                  |               |
|--------------------------------|-----------------|-----------------|----------------|-----------------|----------------|------------------|------------------|---------------|
| <b>Net profit</b>              | <b>(29,760)</b> | <b>(12,222)</b> | <b>143%</b>    | <b>(28,104)</b> | <b>6%</b>      | <b>(64,397)</b>  | <b>(138,189)</b> | <b>-53%</b>   |
| (+) Financial result           | 49,813          | 52,869          | -6%            | 55,389          | -10%           | 137,128          | 114,794          | 19%           |
| (+) Income taxes               | 5,093           | (395)           | -1389%         | (4,958)         | -203%          | 18,067           | (19,726)         | -192%         |
| (+) Depreciation and Amort.    | 12,204          | 9,872           | 24%            | 16,527          | -26%           | 37,340           | 41,538           | -10%          |
| (+) Capitalized interest       | 29,774          | 33,784          | -12%           | 32,038          | -7%            | 98,610           | 114,423          | -14%          |
| (+) Stock option plan expenses | 2,940           | 5,389           | -45%           | 3,636           | -19%           | 14,363           | 9,946            | 44%           |
| (+) Minority shareholders      | (1,094)         | 597             | -283%          | 157             | -797%          | (473)            | 530              | -189%         |
| <b>Adjusted EBITDA</b>         | <b>68,970</b>   | <b>89,894</b>   | <b>-23%</b>    | <b>74,685</b>   | <b>-8%</b>     | <b>240,638</b>   | <b>123,316</b>   | <b>95%</b>    |
| <b>Net revenues</b>            | <b>506,718</b>  | <b>593,149</b>  | <b>-15%</b>    | <b>459,971</b>  | <b>10%</b>     | <b>1,587,446</b> | <b>1,357,349</b> | <b>17%</b>    |
| <b>Adjusted EBITDA margin</b>  | <b>14%</b>      | <b>15%</b>      | <b>-154bps</b> | <b>16%</b>      | <b>-263bps</b> | <b>15%</b>       | <b>9%</b>        | <b>607bps</b> |

Note: Net Revenues include 8% of sales of land bank that did not generate margins.

**ALPHAVILLE SEGMENT**

*Focuses on the sale of residential lots, with unit prices between R\$130,000 and R\$500,000.*

**AlphaVille Segment Launches**

AlphaVille's operations reflect the Company's intention to increase its share in the product mix. Third-quarter launches totaled R\$337.6 million, a 319% increase compared to the 2Q12 and 4% decrease compared to the 3Q11, and included 5 projects/phases across 4 states. The brand accounted for a 46% share of the 9M12 consolidated launches, up from 21% in the year-ago period.

**Table 15 - Launches by AlphaVille Segment (R\$ million)**

|                   |              |                |               |             |         |                |            |                |                |           |
|-------------------|--------------|----------------|---------------|-------------|---------|----------------|------------|----------------|----------------|-----------|
| <b>AlphaVille</b> |              | 337,652        | 80,619        | 319%        | 350,117 | 350.117        | -4%        | 667,320        | 627,598        | 6%        |
|                   | <b>Total</b> | <b>337,652</b> | <b>80,619</b> | <b>319%</b> |         | <b>350,117</b> | <b>-4%</b> | <b>667,320</b> | <b>627,598</b> | <b>6%</b> |
|                   | <b>Units</b> | <b>1,227</b>   | <b>527</b>    | <b>133%</b> |         | <b>887</b>     | <b>38%</b> | <b>2,627</b>   | <b>2,437</b>   | <b>8%</b> |

**Table 16 - Launches by unit price AlphaVille Segment - (R\$ million)**

|                   |                      |                |               |             |                |            |                |                |           |
|-------------------|----------------------|----------------|---------------|-------------|----------------|------------|----------------|----------------|-----------|
| <b>AlphaVille</b> | ≤ R\$200K;           | 65,217         | 80,619        | -19%        | 41,499         | 57%        | 274,071        | 103,760        | 164%      |
|                   | > R\$200K; ≤ R\$500K | 272,435        | -             | -271,180    | nm             | 393,249    | 486,401        | -19%           |           |
|                   | > R\$500K            | -              | -             | -37,437     | nm             | -          | 37,437         | nm             |           |
|                   | <b>Total</b>         | <b>337,652</b> | <b>80,619</b> | <b>319%</b> | <b>350,117</b> | <b>-4%</b> | <b>667,320</b> | <b>627,598</b> | <b>6%</b> |

**AlphaVille Pre-Sales**

Third-quarter pre-sales reached R\$331.3 million, a 109% increase compared to the 2Q12 and an 18% increase compared to the 3Q11. During the 9M12, the residential lots segment's share of consolidated pre-sales increased to 39% from 20% in the 9M11. In the 3Q12, sales velocity (sales over supply) was 36.4% compared to 21.6% in the 2Q12. Third-quarter sales velocity from launches was 73%. Sales from launches represented 81% of total sales, while the remaining 19% came from inventory.

**Table 17 - Pre-Sales AlphaVille Segment - (R\$ million)**

|              |                |                |             |                |            |                |                |            |
|--------------|----------------|----------------|-------------|----------------|------------|----------------|----------------|------------|
| AlphaVille   | 331,290        | 158,184        | 109%        | 281,752        | 18%        | 671.451        | 597.683        | 12%        |
| <b>Total</b> | <b>331,290</b> | <b>158,184</b> | <b>109%</b> | <b>281,752</b> | <b>18%</b> | <b>671.451</b> | <b>597.683</b> | <b>12%</b> |
| <b>Units</b> | <b>1,245</b>   | <b>717</b>     | <b>74%</b>  | <b>798</b>     | <b>56%</b> | <b>2723</b>    | <b>2.445</b>   | <b>11%</b> |

**Table 18. Pre-Sales by unit Price AlphaVille Segment (R\$ million)**

|                   |                      |                |                |             |                |            |                |                |            |
|-------------------|----------------------|----------------|----------------|-------------|----------------|------------|----------------|----------------|------------|
| <b>AlphaVille</b> | ≤ R\$200K;           | 188,011        | 96,070         | 96%         | 40,743         | 361%       | 290,236        | 133,039        | 118%       |
|                   | > R\$200K; ≤ R\$500K | 122,348        | 43,628         | 180%        | 222,354        | -45%       | 352,355        | 442,946        | -20%       |
|                   | > R\$500K            | 20,391         | 18,486         | 13%         | 18,655         | 12%        | 28,861         | 21,698         | 33%        |
| <b>Total</b>      |                      | <b>331,290</b> | <b>158,184</b> | <b>109%</b> | <b>281,752</b> | <b>18%</b> | <b>671.451</b> | <b>597.683</b> | <b>12%</b> |

**Table 19. Pre-Sales by unit Price AlphaVille Segment (# units)**

|                   |                      |              |            |            |            |            |              |              |            |
|-------------------|----------------------|--------------|------------|------------|------------|------------|--------------|--------------|------------|
| <b>AlphaVille</b> | ≤ R\$200K;           | 922          | 605        | 52%        | 311        | 196%       | 1,575        | 881          | 79%        |
|                   | > R\$200K; ≤ R\$500K | 310          | 100        | 210%       | 474        | -35%       | 1,147        | 1,550        | -26%       |
|                   | > R\$500K            | 12           | 12         | 5%         | 12         | 2%         | 1            | 14           | -93%       |
| <b>Total</b>      |                      | <b>1,245</b> | <b>717</b> | <b>74%</b> | <b>798</b> | <b>56%</b> | <b>2,722</b> | <b>2,446</b> | <b>11%</b> |

**AlphaVille Segment Delivered Projects**

During 9M12, AlphaVille delivered 7 projects/phases and 2,611 units. The tables below list the products delivered in the 9M12:

**Table 20. Delivered projects (9M12) - AlphaVille Segment**

|                   |                              |        |        |                   |     |              |                |
|-------------------|------------------------------|--------|--------|-------------------|-----|--------------|----------------|
| AlphaVille        | Terras Alpha Petrolinal      | jan/12 | Dec-10 | Petrolina/PE      | 75% | 366          | 47,424         |
| AlphaVille        | Terras Alpha Petrolinal1     | jan/12 | Sep-11 | Petrolina/PE      | 76% | 286          | 41,499         |
| AlphaVille        | Terras Alpha Fozdolguaçu2    | mar/12 | Dec-10 | Foz do Iguaçu/PR  | 74% | 342          | 33,069         |
| <b>Total 1Q12</b> |                              |        |        |                   |     | <b>994</b>   | <b>121,993</b> |
| AlphaVille        | AlphaVille Granja Viana      | jun/12 | jun/09 | Cotia/SP          | 33% | 110          | 36,264         |
| AlphaVille        | AlphaVille Ribeirão Preto F1 | jun/12 | mar/10 | Ribeirão Preto/SP | 60% | 352          | 97,269         |
| AlphaVille        | AlphaVille Ribeirão Preto F2 | jun/12 | jun/10 | Ribeirão Preto/SP | 60% | 182          | 54,381         |
| <b>Total 2Q12</b> |                              |        |        |                   |     | <b>643</b>   | <b>187,913</b> |
| AlphaVille        | Alphaville Teresina          | Jul/12 | Sep/10 | Teresina/PI       | 79% | 589          | 111,248        |
| AlphaVille        | Campo Grande 2               | Sep/12 | Mar/11 | Campo Grande/MS   | 65% | 385          | 62,260         |
| <b>Total 3Q12</b> |                              |        |        |                   |     | <b>974</b>   | <b>173,508</b> |
| <b>Total 9M12</b> |                              |        |        |                   |     | <b>2,611</b> | <b>173,818</b> |

**Table 21. Projects Launched (9M12) - AlphaVille Segment**

|                                   |        |    |     |              |                |            |                |
|-----------------------------------|--------|----|-----|--------------|----------------|------------|----------------|
| Alphaville Juiz de Fora           | Feb/12 | MG | 65% | 364          | 114,916        | 57%        | 64,953         |
| Alphaville Sergipe                | Mar/12 | SE | 74% | 509          | 134,134        | 94%        | 126,077        |
| <b>Alplaville Total 1Q12</b>      |        |    |     | <b>873</b>   | <b>249,050</b> | <b>77%</b> | <b>191,030</b> |
| Alphaville Mossoró F2             | Jun/12 | RN | 52% | 88           | 10,458         | 5%         | 519            |
| Terras Alphaville Anápolis        | Jun/12 | GO | 73% | 439          | 70,161         | 95%        | 66,545         |
| <b>Alplaville Total 2Q12</b>      |        |    |     | <b>527</b>   | <b>80,619</b>  | <b>83%</b> | <b>67,064</b>  |
| Alphaville Minas Gerais           | Jul/12 | MG | 61% | 340          | 138,770        | 94%        | 130,304        |
| Alphaville Brasília Residencial 2 | Aug/12 | DF | 47% | 199          | 73,749         | 13%        | 9,687          |
| Brasília Alpha Mall               | Sep/12 | DF | 50% | 13           | 5,429          | 0%         | 0              |
| Terras Alphaville Sergipe         | Sep/12 | SE | 88% | 478          | 65,217         | 94%        | 61,066         |
| Nova Esplanada 3                  | Sep/12 | SP | 30% | 198          | 54,486         | 82%        | 44,772         |
| <b>Alplaville Total 3Q12</b>      |        |    |     | <b>1,227</b> | <b>337,652</b> | <b>73%</b> | <b>245,828</b> |
| <b>Alplaville Total 9M12</b>      |        |    |     | <b>2,627</b> | <b>667,320</b> | <b>76%</b> | <b>503,923</b> |

1 Note: Sales year to date.

**Table 22. Land Bank AlphaVille Segment as of 3Q12**

|                |                   |              |           |              |               |               |
|----------------|-------------------|--------------|-----------|--------------|---------------|---------------|
| São Paulo      | 1,877,167         | 99%          | 0%        | 99%          | 10,010        | 18,416        |
| Rio de Janeiro | 796,954           | 100%         | 0%        | 100%         | 4,695         | 9,241         |
| Other          | 7,870,340         | 99%          | 0%        | 99%          | 41,945        | 66,522        |
| <b>Total</b>   | <b>10,544,461</b> | <b>99.4%</b> | <b>0%</b> | <b>99.4%</b> | <b>56,651</b> | <b>94,179</b> |

**Table 23. Adjusted EBITDA AlphaVille Segment**

|                               |                |                |               |                |               |                |                |              |
|-------------------------------|----------------|----------------|---------------|----------------|---------------|----------------|----------------|--------------|
| <b>Net profit</b>             | <b>53,330</b>  | <b>25,680</b>  | <b>108%</b>   | <b>32,534</b>  | <b>64%</b>    | <b>100,640</b> | <b>96,526</b>  | <b>4%</b>    |
| (+) Financial result          | 8,913          | 5,117          | 74%           | 6,096          | 46%           | 22,229         | 17,004         | 31%          |
| (+) Income taxes              | 9,757          | 3,199          | 205%          | 5,536          | 76%           | 14,693         | 11,250         | 31%          |
| (+) Depreciation and amort.   | 552            | 527            | 5%            | 492            | 12%           | 1,621          | 1,241          | 31%          |
| (+) Capitalized interest      | 1,303          | 1,063          | 23%           | 1,878          | -31%          | 3,521          | 5,475          | -36%         |
| (+) Stock option plan expen.  | 335            | 7,736          | -96%          | 456            | -27%          | 8,405          | 1,184          | 610%         |
| (+) Minority shareholders     | 17,859         | 7,802          | 129%          | 8,134          | 120%          | 32,336         | 24,132         | 34%          |
| <b>Adjusted EBITDA</b>        | <b>92,049</b>  | <b>51,124</b>  | <b>80%</b>    | <b>55,126</b>  | <b>67%</b>    | <b>183,445</b> | <b>156,812</b> | <b>17%</b>   |
| <b>Net revenues</b>           | <b>233,577</b> | <b>167,376</b> | <b>40%</b>    | <b>177,146</b> | <b>32%</b>    | <b>524,823</b> | <b>450,919</b> | <b>16%</b>   |
| <b>Adjusted EBITDA margin</b> | <b>39%</b>     | <b>31%</b>     | <b>886bps</b> | <b>31%</b>     | <b>829bps</b> | <b>35%</b>     | <b>35%</b>     | <b>18bps</b> |

**TENDA SEGMENT**

*Focuses on affordable residential developments, with unit prices between R\$80,000 and R\$200,000.*

**Tenda Segment Launches**

Reflecting corrective actions at Tenda and a focus on execution and delivery, no projects will be launched during 2012.

**Table 24. Launches by Market Region Tenda Segment (R\$ million)**

|              |                |   |   |           |               |           |   |                |           |
|--------------|----------------|---|---|-----------|---------------|-----------|---|----------------|-----------|
| <b>Tenda</b> | São Paulo      | - | - | 0%        | 20,069        | nm        | - | 40,489         | nm        |
|              | Rio de Janeiro | - | - | 0%        | 0             | nm        | - | 64,743         | nm        |
|              | Minas Gerais   | - | - | 0%        | 29,016        | nm        | - | 207,955        | nm        |
|              | Northeast      | - | - | 0%        | 0             | nm        | - | 50,273         | nm        |
|              | Others         | - | - | 0%        | 0             | nm        | - | 137,457        | nm        |
|              | <b>Total</b>   | - | - | <b>0%</b> | <b>49,085</b> | <b>nm</b> | - | <b>500,917</b> | <b>nm</b> |
|              | <b>Units</b>   | - | - | <b>0%</b> | <b>324</b>    | <b>nm</b> | - | <b>3,847</b>   | <b>nm</b> |

Note: mn not meaningful

**Table 25. Launches by Market Region Tenda Segment (R\$ million)**

|              |              |   |   |           |               |           |   |                |           |
|--------------|--------------|---|---|-----------|---------------|-----------|---|----------------|-----------|
| <b>Tenda</b> | ≤ MCMV       | - | - | 0%        | 49,085        | nm        | - | 415,600        | nm        |
|              | > MCMV       | - | - | 0%        | -             | -         | - | 85,316         | nm        |
|              | <b>Total</b> | - | - | <b>0%</b> | <b>49,085</b> | <b>nm</b> | - | <b>500,917</b> | <b>nm</b> |

Note: mn = not meaningful

**Tenda Segment Pre-Sales**

Third quarter gross pre-sales decreased 15% Q-o-Q to R\$293.8 million, compared to R\$344.8 million in 2Q12. Since 1Q12, pre-sales recognition and the remuneration of the Tenda sales force have been contingent upon the ability to pass mortgages onto financial institutions. Third quarter net pre-sales (gross pre-sales less dissolutions) were R\$30.0 million compared with R\$15.7 million in 2Q12.



The Third quarter net pre-sales results reflect the dissolution of contracts with potential homeowners who no longer qualify for bank mortgages of R\$263.7 million versus R\$329.1 million in the previous quarter. Despite ongoing dissolutions expected in 2012, the Gafisa Group is experiencing good demand for these units. Of the units returned to inventory, 70% have already been resold at a premium to qualified customers within 9M12.

**Table 26. Pre-Sales (Dissolutions) by Market Region Tenda Segment (R\$ million)**

|              |                |               |               |             |               |             |                 |                |              |
|--------------|----------------|---------------|---------------|-------------|---------------|-------------|-----------------|----------------|--------------|
| <b>Tenda</b> | São Paulo      | (8,111)       | 2,852         | -384%       | 41,269        | -120%       | (52,820)        | 107,088        | -149%        |
|              | Rio de Janeiro | 11,481        | 10,628        | 8%          | 213           | 5293%       | 21,918          | 23,096         | -5%          |
|              | Minas Gerais   | (13,077)      | (30,185)      | -57%        | 23,864        | -155%       | (76,067)        | 181,821        | -142%        |
|              | Northeast      | 17,384        | 10,150        | 71%         | 31,713        | -45%        | 6,905           | 116,567        | -94%         |
|              | Others         | 22,373        | 22,283        | 0%          | 432           | 5077%       | 55,399          | 120,397        | -54%         |
|              | <b>Total</b>   | <b>30,050</b> | <b>15,728</b> | <b>91%</b>  | <b>97,490</b> | <b>-69%</b> | <b>(44,664)</b> | <b>548,969</b> | <b>-108%</b> |
|              | <b>Units</b>   | <b>163</b>    | <b>64</b>     | <b>155%</b> | <b>528</b>    | <b>-69%</b> | <b>(680)</b>    | <b>3,604</b>   | <b>-119%</b> |

Note: 1 PoC – Percentage of completion method. Negative numbers are related to dissolutions

**Table 27. Pre-Sales (Dissolutions) by unit Price Tenda Segment (R\$ million)**

|              |              |               |               |            |               |             |                 |                |              |
|--------------|--------------|---------------|---------------|------------|---------------|-------------|-----------------|----------------|--------------|
| <b>Tenda</b> | ≤ MCMV       | 7,977         | 21,461        | -63%       | 46,919        | -83%        | (67,321)        | 300,723        | -122%        |
|              | > MCMV       | 22,074        | (5,733)       | -485%      | 50,571        | -56%        | 22,657          | 248,245        | -91%         |
|              | <b>Total</b> | <b>30,050</b> | <b>15,728</b> | <b>91%</b> | <b>97,490</b> | <b>-69%</b> | <b>(44,664)</b> | <b>548,969</b> | <b>-108%</b> |

**Table 28. Pre-Sales (Dissolutions) by unit Price Tenda Segment (# units)**

|              |              |            |           |             |            |             |             |              |              |
|--------------|--------------|------------|-----------|-------------|------------|-------------|-------------|--------------|--------------|
| <b>Tenda</b> | ≤ MCMV       | 50         | 95        | -47%        | 248        | -80%        | (796)       | 2,178        | -137%        |
|              | > MCMV       | 113        | (31)      | -461%       | 280        | -60%        | 116         | 1,427        | -92%         |
|              | <b>Total</b> | <b>163</b> | <b>64</b> | <b>155%</b> | <b>528</b> | <b>-69%</b> | <b>-680</b> | <b>3,604</b> | <b>-119%</b> |

## Tenda Segment Operations

At the end of the 3Q11, 11,490 units or 35% of units sold by Tenda were related to projects not contracted with financial institutions. Today, all remaining units, of Tenda segment have already been contracted with banks. In 9M12, Tenda transferred 9,567 units to financial institutions, equaling 80% of the mid-range of guidance provided for the full year of 10,000-14,000 customers. The transfers contributed to the positive operational cash flow achieved in the period.

## Tenda Segment Delivered Projects

The Tenda segment is expected to represent 50% of Gafisa Group's planned deliveries of between 22,000 to 26,000 units in 2012. During the 9M12, Tenda delivered 60 projects/phases and 10,382 units, reaching 87% of the mid-range of full-year delivery guidance for the brand. The tables below list the products delivered in the 9M12:

**Table 29 - Delivered projects Tenda Segment (9M12)**

|                   |   |        |      |                     |      |             |
|-------------------|---|--------|------|---------------------|------|-------------|
| Tenda             | Ferrara - F1                                | Feb-12 | 2007 | Poá/SP              | 100% | 36          |
| Tenda             | Ferrara - F2                                | Feb-12 | 2007 | Poá/SP              | 100% | 76          |
| Tenda             | Portal do Sol Life III (BI 24 e 25)         | Feb-12 | 2009 | Belford Roxo/RJ     | 100% | 64          |
| Tenda             | Portal do Sol Life IV (BI 22 e 23)          | Feb-12 | 2010 | Belford Roxo/RJ     | 100% | 64          |
| Tenda             | Alta Vista (Antigo Renata)                  | Mar-12 | 2008 | São Paulo/SP        | 100% | 160         |
| Tenda             | Jardim São Luiz Life - F2 (Bloco 12)        | Mar-12 | 2007 | São Paulo/SP        | 100% | 20          |
| Tenda             | Reserva dos Pássaros - F1 (BI 5)            | Mar-12 | 2006 | São Paulo/SP        | 100% | 66          |
| Tenda             | Parque Baviera Life - F1 (BI 1 a 9)         | Mar-12 | 2008 | São Leopoldo/RS     | 100% | 180         |
| Tenda             | Vivendas do Sol I                           | Mar-12 | 2009 | Porto Alegre/RS     | 100% | 200         |
| Tenda             | Portal do Sol Life V (BI 19 a 21)           | Mar-12 | 2010 | Belford Roxo/RJ     | 100% | 96          |
| Tenda             | Portal do Sol Life VI (BI 17 e 18)          | Mar-12 | 2010 | Belford Roxo/RJ     | 100% | 64          |
| Tenda             | Quintas do Sol Ville II - F1 (Qd 1 e 3 a 5) | Mar-12 | 2007 | Feira de Santana/BA | 100% | 24          |
| Tenda             | Quintas do Sol Ville II - F2 (Qd 2)         | Mar-12 | 2008 | Feira de Santana/BA | 100% | 90          |
| Tenda             | Salvador Life II                            | Mar-12 | 2008 | Salvador/BA         | 100% | 180         |
| Tenda             | Boa Vista                                   | Mar-12 | 2008 | Belo Horizonte/MG   | 100% | 38          |
| Tenda             | Maratá                                      | Mar-12 | 2008 | Goiânia/GO          | 100% | 40          |
| Tenda             | Reserva Campo Belo (Antigo Terra Nova II)   | Mar-12 | 2007 | Goiânia/GO          | 100% | 24          |
| Tenda             | GPARK Pássaros                              | Mar-12 | 2008 | São Luis/MA         | 50%  | 24          |
| <b>Total 1Q12</b> |   |        |      |                     |      | <b>2,45</b> |
| Tenda             | Residencial Portal do Sol                   | Apr-12 | 2005 | Itaquaquecetuba/SP  | 100% | 32          |
| Tenda             | Residencial Spazio Felicitá                 | May-12 | 2008 | São Paulo/SP        | 100% | 180         |
| Tenda             | Residencial Rivera Life 8ª etapa            | May-12 | 2010 | Lauro de Freitas/BA | 100% | 100         |
| Tenda             | Residencial Rivera Life 9ª etapa            | May-12 | 2010 | Lauro de Freitas/BA | 100% | 120         |
| Tenda             | Residencial Rivera Life 10ª etapa           | May-12 | 2010 | Lauro de Freitas/BA | 100% | 180         |
| Tenda             | Santana Tower I (BI 5 e 12 a 14)            | May-12 | 2008 | Feira de Santana/BA | 100% | 120         |
| Tenda             | Engenho Nova Cintra - F1 (BI A a E)         | Jun-12 | 2007 | Santos/SP           | 100% | 40          |
| Tenda             | Fit Jardim Botânico (Pb)                    | Jun-12 | 2008 | João Pessoa/PB      | 50%  | 32          |
| Tenda             | Fit Jardins (Marodin)                       | Jun-12 | 2009 | Porto Alegre/RS     | 70%  | 172         |
| Tenda             | Parque Baviera Life - F2 (BI 10 a 13)       | Jun-12 | 2008 | São Leopoldo/RS     | 100% | 80          |

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|                   |                                      |        |      |                            |      |             |
|-------------------|--------------------------------------|--------|------|----------------------------|------|-------------|
| Tenda             | Parque Lousã                         | Jun-12 | 2008 | Novo Gama/GO               | 100% | 304         |
| Tenda             | Parque Lumiere                       | Jun-12 | 2011 | São Paulo/SP               | 100% | 100         |
| Tenda             | Piedade Life - F1 (Bl 1 a 5)         | Jun-12 | 2008 | Jaboatão dos Guararapes/PE | 100% | 180         |
| Tenda             | Reserva dos Pássaros - F1 (Bl 2 e 3) | Jun-12 | 2006 | São Paulo/SP               | 100% | 130         |
| Tenda             | Reserva dos Pássaros - F1 (Bl 6)     | Jun-12 | 2006 | São Paulo/SP               | 100% | 66          |
| Tenda             | Santana Tower II - F1 (Bl 1 a 3)     | Jun-12 | 2008 | Feira de Santana/BA        | 100% | 96          |
| Tenda             | Toulouse Life                        | Jun-12 | 2008 | Anápolis/GO                | 100% | 192         |
| Tenda             | Viver Itaquera                       | Jun-12 | 2010 | São Paulo/SP               | 100% | 192         |
| Tenda             | Mirante do Lago F1                   | Jun-12 | 2008 | Ananindeua/PA              | 100% | 462         |
| Tenda             | Mirante do Lago F2                   | Jun-12 | 2009 | Ananindeua/PA              | 100% | 180         |
| Tenda             | Terra Bonita                         | Jun-12 | 2008 | Londrina/PR                | 100% | 152         |
| <b>Total 2Q12</b> |                                      |        |      |                            |      | <b>4,07</b> |

Note: To be continued in the next page.

**Table 29 - Delivered projects Tenda Segment (9M12) cont.**

|                   |  |        |            |                      |      |               |              |
|-------------------|--|--------|------------|----------------------|------|---------------|--------------|
| Tenda             | Portal do Sol Life VII (BI 15 e 16)      | Aug/12 | 2010       | Belford Roxo/RJ      | 100% | 64            | 6            |
| Tenda             | Portal do Sol Life VIII (BI1)            | Aug/12 | 2010       | Belford Roxo/RJ      | 100% | 448           | 43           |
| Tenda             | Fit Bosque Itaquera                      | Aug/12 | 2009       | São Paulo/SP         | 100% | 256           | 37           |
| Tenda             | Parma Life (Rio de Janeiro)              | Aug/12 | Up to 2009 | Rio de Janeiro/RJ    | 100% | 263           | 21           |
| Tenda             | West Life                                | Aug/12 | Up to 2009 | Rio de Janeiro/RJ    | 100% | 80            | 6            |
| Tenda             | Marumbi F-1                              | Aug/12 | 2009       | Curitiba/PR          | 100% | 335           | 61           |
| Tenda             | Portal das Rosas                         | Sep/12 | 2010       | Osasco/ SP           | 100% | 140           | 12           |
| Tenda             | JK 1                                     | Sep/12 | Up to 2008 | Porto Alegre/ RS     | 100% | 160           | 10           |
| Tenda             | Vila Real Life                           | Sep/12 | 2008       | Salvador/ BA         | 100% | 180           | 14           |
| Tenda             | Guarulhos Life                           | Sep/12 | Up to 2008 | Guarulhos/SP         | 100% | 160           | 14           |
| Tenda             | Santo Andre Life I                       | Sep/12 | Up to 2008 | Santo André/SP       | 100% | 128           | 11           |
| Tenda             | Santo Antonio Life                       | Sep/12 | Up to 2008 | Apar. de Goiânia/GO  | 100% | 32            | 2            |
| Tenda             | Grand Ville das Artes – Goya (BI 1 a 19) | Sep/12 | 2010       | Lauro de Freitas/ BA | 100% | 380           | 35           |
| Tenda             | Vila Nova Life                           | Sep/12 | Up to 2008 | São Paulo/SP         | 100% | 124           | 10           |
| Tenda             | Santana Tower II – F2 (BI 5, 6 e 7)      | Sep/12 | Up to 2008 | Feira de Santana/BA  | 100% | 96            | 7            |
| Tenda             | Santana Tower II – F3 (BI 4 e 8 a 10)    | Sep/12 | Up to 2008 | Feira de Santana/BA  | 100% | 128           | 10           |
| Tenda             | Santana Tower II – F4 (BI 11 e 14)       | Sep/12 | Up to 2008 | Feira de Santana/BA  | 100% | 128           | 10           |
| Tenda             | Parque Ipê                               | Sep/12 | Up to 2008 | Mauá/SP              | 100% | 90            | 6            |
| Tenda             | Pq Maceio F1                             | Sep/12 | Up to 2008 | Maceio/AL            | 100% | 252           | 14           |
| Tenda             | Pq Maceio F2                             | Sep/12 | Up to 2008 | Maceio/AL            | 100% | 252           | 14           |
| Tenda             | Terra Bonita                             | Sep/12 | Up to 2008 | Londrina/PR          | 100% | 152           | 59           |
| <b>Total 3Q12</b> |  |        |            |                      |      | <b>3,848</b>  | <b>413</b>   |
| <b>Total 9M12</b> |  |        |            |                      |      | <b>10,382</b> | <b>1,122</b> |

**Table 30. Land Bank Tenda Segment (3Q12)**

|                |                  |            |            |            |               |               |
|----------------|------------------|------------|------------|------------|---------------|---------------|
| São Paulo      | 657,035          | 21%        | 21%        | 0%         | 5,407         | 5,407         |
| Rio de Janeiro | 246,987          | 0%         | 0%         | 0%         | 2,379         | 2,377         |
| Nordeste       | 849,376          | 22%        | 22%        | 0%         | 7,195         | 7,195         |
| Minas Gerais   | 428,974          | 73%        | 32%        | 40%        | 3,961         | 3,961         |
| <b>Total</b>   | <b>2,182,372</b> | <b>33%</b> | <b>22%</b> | <b>11%</b> | <b>18,943</b> | <b>18,940</b> |

**Table 31. Adjusted EBITDA Tenda**

|                   |                          |                     |                               |             |
|-------------------|--------------------------|---------------------|-------------------------------|-------------|
| <b>Net profit</b> | <b>(18,729) (12,412)</b> | <b>51% (55,677)</b> | <b>-66% (61,871) (84,718)</b> | <b>-27%</b> |
|-------------------|--------------------------|---------------------|-------------------------------|-------------|

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|                               |                |                |               |                 |                |                |                  |                |
|-------------------------------|----------------|----------------|---------------|-----------------|----------------|----------------|------------------|----------------|
| (+) Financial result          | 2,082          | (2,356)        | -188%         | (3,374)         | -162%          | (744)          | (13,823)         | -95%           |
| (+) Income taxes              | 6,200          | 2,991          | 107%          | (19,581)        | -132%          | 14,223         | (44,094)         | -132%          |
| (+) Depreciation and amort.   | 5,948          | 3,956          | 50%           | 4,836           | 23%            | 12,431         | 14,195           | -12%           |
| (+) Capitalized interest      | 25,287         | 15,446         | 64%           | 5,187           | 388%           | 47,396         | 14,503           | 227%           |
| (+) Stock option plan expens. | 145            | 145            | 0%            | 553             | -74%           | 435            | 1,659            | -74%           |
| (+) Minority shareholders     | 1,192          | (38)           | -3237%        | -               | 0%             | 1,128          | -                | 0%             |
| <b>Adjusted EBITDA</b>        | <b>22,125</b>  | <b>7,732</b>   | <b>186%</b>   | <b>(68,056)</b> | <b>-133%</b>   | <b>12,998</b>  | <b>(112,278)</b> | <b>-112%</b>   |
| <b>Net revenues</b>           | <b>323,799</b> | <b>280,012</b> | <b>16%</b>    | <b>237,261</b>  | <b>36%</b>     | <b>920,195</b> | <b>780,817</b>   | <b>18%</b>     |
| <b>Adjusted EBITDA margin</b> | <b>6,83%</b>   | <b>3%</b>      | <b>407bps</b> | <b>-28,68%</b>  | <b>3552bps</b> | <b>1,41%</b>   | <b>-14,38%</b>   | <b>1579bps</b> |

**Table 32. Inventory at Market Value 3Q12 x 2Q12 – Tenda Segment breakdown by Region**

|                       |                |   |                |                  |                 |                |            |
|-----------------------|----------------|---|----------------|------------------|-----------------|----------------|------------|
| <b>São Paulo</b>      | <b>67,856</b>  | - | <b>73,364</b>  | <b>(65,253)</b>  | <b>(5,274)</b>  | <b>70,694</b>  | 4          |
| MCMV                  | 53,501         | - | 64,491         | (55,796)         | (5,395)         | 56,802         | 6          |
| > MCMV                | 14,355         | - | 8,873          | (9,458)          | 122             | 13,892         | -3         |
| <b>Rio de Janeiro</b> | <b>211,432</b> | - | <b>44,867</b>  | <b>(56,348)</b>  | <b>(52,080)</b> | <b>147,871</b> | <b>-30</b> |
| MCMV                  | 196,019        | - | 41,090         | (50,226)         | (52,168)        | 134,715        | -31        |
| > MCMV                | 15,412         | - | 3,777          | (6,122)          | 88              | 13,156         | -14        |
| <b>Minas Gerais</b>   | <b>103,289</b> | - | <b>42,739</b>  | <b>(29,662)</b>  | <b>(12,848)</b> | <b>103,519</b> | <b>0</b>   |
| MCMV                  | 57,582         | - | 29,246         | (20,157)         | (9,376)         | 57,295         | -0         |
| > MCMV                | 45,707         | - | 13,493         | (9,505)          | (3,472)         | 46,224         | 1          |
| <b>Northeast</b>      | <b>107,560</b> | - | <b>38,146</b>  | <b>(55,530)</b>  | <b>36,778</b>   | <b>126,954</b> | <b>18</b>  |
| MCMV                  | 98,029         | - | 34,987         | (45,887)         | (14,163)        | 72,966         | -25        |
| > MCMV                | 9,530          | - | 3,159          | (9,643)          | 50,942          | 53,987         | 466        |
| <b>Others</b>         | <b>348,124</b> | - | <b>64,635</b>  | <b>(87,008)</b>  | <b>(10,199)</b> | <b>315,552</b> | <b>-9</b>  |
| MCMV                  | 115,983        | - | 24,667         | (33,415)         | 232             | 107,467        | -7         |
| > MCMV                | 232,141        | - | 39,968         | (53,593)         | (10,431)        | 208,085        | -10        |
| <b>Total Tenda</b>    | <b>838,261</b> | - | <b>263,751</b> | <b>(293,801)</b> | <b>(43,622)</b> | <b>764,589</b> | <b>-8</b>  |
| MCMV                  | <b>521,115</b> | - | <b>194,482</b> | <b>(205,482)</b> | <b>(80,870)</b> | <b>429,245</b> | <b>-17</b> |
| > MCMV                | <b>317,146</b> | - | <b>69,269</b>  | <b>(88,319)</b>  | <b>37,249</b>   | <b>335,344</b> | <b>5</b>   |

Note: 1) BoP beginning of the period – 2Q12. 2) EP end of the period – 3Q12. 3) % Change 3Q12 versus 2Q12. 4) 3Q12 sales velocity. 5) projects cancelled during the period

**INCOME STATEMENT****Revenues**

On a consolidated basis, third quarter net revenues totaled R\$1,06 billion, an increase of 2% from the R\$1,04 billion posted in the 2Q12 and 21% higher than the 881.5 million posted in the 3Q11. During 3Q12, the Gafisa brand accounted for 48% of net revenues, AlphaVille comprised 22% and Tenda the remaining 30%. The table below presents detailed information about pre-sales and recognized revenues by launch year:

**Tabela 33. Pre-sales and recognized revenues by launch year**

|                     |                     |                           |                |                |                  |                |                  |                |                |
|---------------------|---------------------|---------------------------|----------------|----------------|------------------|----------------|------------------|----------------|----------------|
| <b>Gafisa</b>       | 2012 Launches       | 179,161                   | 55%            | 54,778         | 11%              | -              | 0%               | -              | 0%             |
|                     | 2011 Launches       | 60,639                    | 18%            | 91,653         | 18%              | 548,672        | 82%              | 51,179         | 11%            |
|                     | 2010 Launches       | 53,224                    | 16%            | 204,334        | 40%              | 46,915         | 7%               | 171,911        | 38%            |
|                     | ≤ 2009 Launches     | 34,968                    | 11%            | 137,787        | 27%              | 69,822         | 10%              | 231,540        | 51%            |
|                     | Land Bank           | -                         | 0%             | 18,165         | 4%               | -              | 0%               | -              | 0%             |
|                     | <b>Total Gafisa</b> | <b>327,990</b>            | <b>100%</b>    | <b>506,718</b> | <b>100%</b>      | <b>665,408</b> | <b>100%</b>      | <b>454,630</b> | <b>100%</b>    |
| <b>AlphaVille</b>   | 2012 Launches       | 267,962                   | 81%            | 55,733         | 24%              | -              | 0%               | -              | 0%             |
|                     | 2011 Launches       | 44,976                    | 14%            | 118,155        | 51%              | 246,030        | 87%              | 33,954         | 19%            |
|                     | 2010 Launches       | 12,149                    | 4%             | 33,959         | 15%              | 8,704          | 3%               | 85,487         | 48%            |
|                     | ≤ 2009 Launches     | 6,203                     | 2%             | 25,730         | 11%              | 27,018         | 10%              | 57,705         | 33%            |
|                     | Land Bank           | -                         | 0%             | -              | 0%               | -              | 0%               | -              | 0%             |
|                     | <b>Total AUSA</b>   | <b>331,290</b>            | <b>100%</b>    | <b>233,577</b> | <b>100%</b>      | <b>281,752</b> | <b>100%</b>      | <b>177,146</b> | <b>100%</b>    |
| <b>Tenda</b>        | 2012 Launches       | -                         | 0%             | -              | 0%               | -              | 0%               | -              | 0%             |
|                     | 2011 Launches       | (10,819)                  | -36%           | 21,583         | 7%               | 58,062         | 60%              | 10,553         | 4%             |
|                     | 2010 Launches       | 18                        | 0%             | 124,520        | 38%              | 37,829         | 39%              | 140,228        | 58%            |
|                     | ≤ 2009 Launches     | 40,850                    | 136%           | 158,345        | 49%              | 1,599          | 2%               | 90,255         | 37%            |
|                     | Land Bank           | -                         | 0%             | 19,352         | 6%               | -              | 0%               | -              | 0%             |
|                     | <b>Total Tenda</b>  | <b>30,050</b>             | <b>100%</b>    | <b>323,799</b> | <b>100%</b>      | <b>97,490</b>  | <b>100%</b>      | <b>241,037</b> | <b>100%</b>    |
| <b>Consolidated</b> | 2012 Launches       | 447,122                   | 65%            | 110,511        | 10%              | -              | 0%               | -              | 0%             |
|                     | 2011 Launches       | 94,796                    | 14%            | 231,391        | 22%              | 852,763        | 82%              | 95,686         | 11%            |
|                     | 2010 Launches       | 65,391                    | 9%             | 362,813        | 34%              | 93,448         | 9%               | 397,626        | 46%            |
|                     | ≤ 2009 Launches     | 82,021                    | 12%            | 321,862        | 30%              | 98,439         | 9%               | 379,500        | 43%            |
|                     | Land Bank           | -                         | 0%             | 37,517         | 4%               | -              | 0%               | -              | 0%             |
|                     | <b>Total</b>        | <b>Total Gafisa Group</b> | <b>689,331</b> | <b>100%</b>    | <b>1,064,094</b> | <b>100%</b>    | <b>1,044,651</b> | <b>100%</b>    | <b>872,813</b> |
| <b>Gafisa</b>       | 2012 Launches       | 465,227                   | 42%            | 58,089         | 4%               | -              | 0%               | -              | 0%             |
|                     | 2011 Launches       | 214,036                   | 19%            | 276,275        | 17%              | 1,118,224      | 60%              | 122,560        | 9%             |

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|                     |                           |                  |             |                  |             |                  |             |                  |             |
|---------------------|---------------------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
|                     | 2010 Launches             | 186,960          | 17%         | 567,190          | 36%         | 426,710          | 23%         | 417,631          | 31%         |
|                     | ≤ 2009 Launches           | 234,853          | 21%         | 579,288          | 36%         | 322,287          | 17%         | 817,159          | 60%         |
|                     | Land Bank                 | -                | 0%          | 106,605          | 7%          | -                | 0%          | -                | 0%          |
|                     | <b>Total Gafisa</b>       | <b>1,101,076</b> | <b>100%</b> | <b>1,587,447</b> | <b>100%</b> | <b>1,867,221</b> | <b>100%</b> | <b>1,357,350</b> | <b>100%</b> |
| <b>Alphaville</b>   | 2012 Launches             | 503,923          | 75%         | 66,851           | 13%         | -                | 0%          | -                | 0%          |
|                     | 2011 Launches             | 107,467          | 16%         | 233,816          | 45%         | 447,947          | 75%         | 59,407           | 13%         |
|                     | 2010 Launches             | 30,163           | 4%          | 124,170          | 24%         | 78,605           | 13%         | 197,605          | 44%         |
|                     | ≤ 2009 Launches           | 29,897           | 4%          | 99,985           | 19%         | 71,131           | 12%         | 193,908          | 43%         |
|                     | Land Bank                 | -                | 0%          | -                | 0%          | -                | 0%          | -                | 0%          |
|                     | <b>Total AUSA</b>         | <b>671,451</b>   | <b>100%</b> | <b>524,823</b>   | <b>100%</b> | <b>597,683</b>   | <b>100%</b> | <b>450,919</b>   | <b>100%</b> |
| <b>Tenda</b>        | 2012 Launches             | -                | 0%          | -                | 0%          | -                | 0%          | -                | 0%          |
|                     | 2011 Launches             | (47,221)         | 106%        | 53,513           | 6%          | 262,924          | 48%         | 26,782           | 3%          |
|                     | 2010 Launches             | (92,106)         | 206%        | 322,494          | 35%         | 347,659          | 63%         | 318,956          | 41%         |
|                     | ≤ 2009 Launches           | 94,663           | -212%       | 498,149          | 54%         | (61,615)         | -11%        | 435,079          | 56%         |
|                     | Land Bank                 | -                | 0%          | 46,039           | 5%          | -                | 0%          | -                | 0%          |
|                     | <b>Total Tenda</b>        | <b>(44,664)</b>  | <b>100%</b> | <b>920,195</b>   | <b>100%</b> | <b>548,969</b>   | <b>100%</b> | <b>780,817</b>   | <b>100%</b> |
| <b>Consolidated</b> | 2012 Launches             | 969,150          | 56%         | 124,941          | 4%          | -                | 0%          | -                | 0%          |
|                     | 2011 Launches             | 274,282          | 16%         | 563,604          | 19%         | 1,829,095        | 61%         | 208,748          | 8%          |
|                     | 2010 Launches             | 125,018          | 7%          | 1,013,854        | 33%         | 852,975          | 28%         | 934,191          | 36%         |
|                     | ≤ 2009 Launches           | 359,413          | 21%         | 1,177,422        | 39%         | 331,803          | 11%         | 1,446,146        | 56%         |
|                     | Land Bank                 | -                | 0%          | 152,643          | 5%          | -                | 0%          | -                | 0%          |
| <b>Total</b>        | <b>Total Gafisa Group</b> | <b>1,727,863</b> | <b>100%</b> | <b>3,032,464</b> | <b>100%</b> | <b>3,013,873</b> | <b>100%</b> | <b>2,589,085</b> | <b>100%</b> |



## Gross Profit

Gross profit was R\$308 million in the third quarter compared to R\$279 million in the 2Q12 and R\$166 million in the 3Q11. Gross margin increased to 29.0% in the 3Q12, from 26.8% in the 2Q12 and 19.0% in the 3Q11.

**Table 34. Gross Margin (R\$000)**

|                                |                |                |            |                |            |                |                |            |
|--------------------------------|----------------|----------------|------------|----------------|------------|----------------|----------------|------------|
| <b>Gross Profit</b>            | <b>308,132</b> | <b>279,141</b> | <b>10%</b> | <b>165,764</b> | <b>86%</b> | <b>788,852</b> | <b>442,459</b> | <b>78%</b> |
| Gross Margin                   | 29.0%          | 26.8%          | 213bps     | 19.0%          | 1000bps    | 26.0%          | 17.1%          | 892bps     |
| <b>Gross Profit (ex-Tenda)</b> | <b>308,132</b> | <b>279,141</b> | <b>10%</b> | <b>165,764</b> | <b>86%</b> | <b>788,852</b> | <b>442,459</b> | <b>78%</b> |
| Gross Margin (ex-Tenda) %      | 33.7%          | 29.5%          | 421bps     | 30.1%          | 368bps     | 30.6%          | 19.4%          | 1121bps    |

**Table 35. Capitalized Interest**

|                              |                |                |           |                |            |                |                |            |
|------------------------------|----------------|----------------|-----------|----------------|------------|----------------|----------------|------------|
| Opening balance              | 241,875        | 247,481        | -2%       | 154,960        | 56%        | 221,816        | 146,544        | 51%        |
| Capitalized interest         | 61,819         | 44,687         | 38%       | 61,633         | 0%         | 175,041        | 165,347        | 6%         |
| Interest capitalized to COGS | (56,364)       | (50,293)       | 12%       | (39,103)       | 44%        | (149,527)      | (134,401)      | 11%        |
| <b>Closing balance</b>       | <b>247,330</b> | <b>241,875</b> | <b>2%</b> | <b>177,490</b> | <b>39%</b> | <b>247,330</b> | <b>177,490</b> | <b>39%</b> |

## Selling, General and Administrative Expenses (SG&A)

SG&A expenses totaled R\$151 million in the 3Q12, a 10% increase on the R\$137 million in SG&A expenses posted in 3Q11 and 12% over the R\$171 million posted in the 2Q12. Selling expenses decreased 10% on a year-over-year basis to R\$70 million, given the reduction of the launches volume in the period.

**Table 36. SG&A Expenses (R\$000)**

|                  |                |                |             |                |            |                |                |            |
|------------------|----------------|----------------|-------------|----------------|------------|----------------|----------------|------------|
| Selling expenses | 69,941         | 78,165         | -11%        | 77,540         | -10%       | 206,592        | 215,292        | -4%        |
| G&A expenses     | 80,951         | 93,034         | -13%        | 59,746         | 35%        | 252,969        | 176,407        | 43%        |
| <b>SG&amp;A</b>  | <b>150,892</b> | <b>171,199</b> | <b>-12%</b> | <b>137,286</b> | <b>10%</b> | <b>459,561</b> | <b>391,699</b> | <b>17%</b> |

During the 9M12, administrative expenses reached R\$253 million, a 43% increase compared to the R\$176 million posted in the 9M11. The main reasons for the increase in SG&A expenses were:

- (1) a provision related to the distribution of variable compensation, including stock options plan, which accounted for 48% and 14%, of the annual change in the G&A registered in the period, respectively;
- (2) other expenses related to services rendered, mainly auditing, which accounted for 20% of the annual change in the G&A registered in the period;

(3) administrative expenses related to the expansion of AlphaVille's operations given the increased contribution in Gafisa Group mix, which accounted for 15% of the annual change in G&A registered in the period.

**Table 37. Breakdown of General and Administrative Expenses (9M12 versus 9M11)**

|  |                |                |            |               |             |
|--|----------------|----------------|------------|---------------|-------------|
| Wages and salaries expenses            | 103,893        | 92,262         | 13%        | 11,631        | 15%         |
| Benefits and employees                 | 8,601          | 5,967          | 44%        | 2,634         | 3%          |
| Travel expenses and utilities          | 8,245          | 6,292          | 31%        | 1,953         | 3%          |
| Services rendered                      | 32,792         | 17,324         | 89%        | 15,468        | 20%         |
| Rentals and condos fee                 | 9,835          | 8,860          | 11%        | 975           | 1%          |
| Information Technology                 | 9,498          | 15,719         | -40%       | (6,221)       | -8%         |
| Stock Option Plan                      | 23,202         | 12,789         | 81%        | 10,413        | 14%         |
| Provision for bonus and Profit Sharing | 42,906         | 6,425          | 568%       | 36,481        | 48%         |
| Other                                  | 13,997         | 10,769         | 30%        | 3,228         | 4%          |
| <b>Total (C)</b>                       | <b>252,969</b> | <b>176,407</b> | <b>43%</b> | <b>76,562</b> | <b>100%</b> |

**Table 38. SG&A / Launches (%)****(R\$'000) Consolidated**

|                                       |     |     |         |     |          |     |     |          |
|---------------------------------------|-----|-----|---------|-----|----------|-----|-----|----------|
| Selling expenses /Launches            | 15% | 14% | 117 bps | 7%  | 810 bps  | 14% | 7%  | 682 bps  |
| G&A /Launches                         | 18% | 17% | 89 bps  | 6%  | 1223 bps | 17% | 6%  | 1131 bps |
| SG&A/Launches                         | 33% | 31% | 206 bps | 13% | 2033 bps | 31% | 13% | 1813 bps |
| Selling expenses /Launches (ex-Tenda) | 11% | 10% | 54 bps  | 5%  | 533 bps  | 10% | 6%  | 383 bps  |
| G&A /Launches (ex-Tenda)              | 12% | 12% | -41 bps | 4%  | 800 bps  | 12% | 4%  | 728 bps  |
| SG&A/Launches (ex-Tenda)              | 22% | 22% | 13 bps  | 9%  | 1332 bps | 21% | 10% | 1111 bps |

**Table 39. SG&A / Pre-Sales (%)**

|  |     |     |          |     |         |     |     |          |
|--|-----|-----|----------|-----|---------|-----|-----|----------|
| Selling expenses /Pre-Sales            | 10% | 12% | -226 bps | 7%  | 272 bps | 12% | 7%  | 481 bps  |
| G&A /Pre-Sales                         | 12% | 15% | -302 bps | 6%  | 602 bps | 15% | 6%  | 879 bps  |
| SG&A / Pre-Sales                       | 22% | 27% | -527 bps | 13% | 875 bps | 27% | 13% | 1360 bps |
| Selling expenses /Pre-Sales (ex-Tenda) | 7%  | 9%  | -169 bps | 6%  | 166 bps | 8%  | 6%  | 219 bps  |
| G&A /Pre-Sales (ex-Tenda)              | 8%  | 11% | -275 bps | 4%  | 409 bps | 10% | 4%  | 527 bps  |
| SG&A / Pre-Sales (ex-Tenda)            | 15% | 20% | -444 bps | 10% | 575 bps | 18% | 10% | 746 bps  |

**Table 40. SG&A / Revenues (%)**

|   |     |     |          |     |          |     |     |          |
|---|-----|-----|----------|-----|----------|-----|-----|----------|
| Selling expenses /Net Revenues            | 7%  | 8%  | -94 bps  | 9%  | -222 bps | 7%  | 8%  | -147 bps |
| G&A expenses/Net Revenues                 | 8%  | 9%  | -133 bps | 7%  | 83 bps   | 8%  | 7%  | 155 bps  |
| SG&A/Net Revenues                         | 14% | 16% | -227 bps | 16% | -139 bps | 15% | 15% | 8 bps    |
| Selling expenses /Net Revenues (ex-Tenda) | 7%  | 7%  | -76 bps  | 8%  | -185 bps | 7%  | 8%  | -116 bps |
| G&A expenses/Net Revenues (ex-Tenda)      | 7%  | 9%  | -156 bps | 6%  | 132 bps  | 8%  | 6%  | 214 bps  |
| SG&A/Net Revenues (ex-Tenda)              | 14% | 16% | -232 bps | 14% | -53 bps  | 15% | 14% | 98 bps   |

**Consolidated Adjusted EBITDA**

Adjusted EBITDA was R\$183 million in the third quarter, compared to R\$149 million in the 2Q12 and R\$62 million in the 3Q11. EBITDA for Gafisa and AlphaVille totaled R\$69 million and R\$92 million, respectively, while Tenda's EBITDA was R\$22 million. During the first nine months of 2012, the EBITDA margin reached 14% or 20% ex-Tenda, as compared to 6% and 15%, respectively, in the first nine months of 2011.

**Table 41. Consolidated Adjusted EBITDA**

|                                   |                |                |             |                 |              |                 |                  |             |
|-----------------------------------|----------------|----------------|-------------|-----------------|--------------|-----------------|------------------|-------------|
| <b>Net Profit (Loss)</b>          | <b>4,842</b>   | <b>1,046</b>   | <b>363%</b> | <b>(51,247)</b> | <b>-109%</b> | <b>(25,626)</b> | <b>(126,381)</b> | <b>-80%</b> |
| (+) Financial result              | 60,808         | 55,630         | 9%          | 58,111          | 5%           | 158,613         | 117,975          | 34%         |
| (+) Income taxes                  | 21,050         | 5,795          | 263%        | (19,003)        | -211%        | 46,983          | (52,570)         | -189%       |
| (+) Depreciation and Amortization | 18,704         | 14,355         | 30%         | 21,855          | -14%         | 51,392          | 56,974           | -10%        |
| (+) Capitalized Interest Expenses | 56,364         | 50,293         | 12%         | 39,103          | 44%          | 149,527         | 134,401          | 11%         |
| (+) Stock option plan exp.        | 3,420          | 13,270         | -74%        | 4,645           | -26%         | 23,203          | 12,789           | 81%         |
| (+) Minority shareholders         | 17,958         | 8,361          | 115%        | 8,291           | 117%         | 32,991          | 24,662           | 34%         |
| <b>Adjusted EBITDA</b>            | <b>183,146</b> | <b>148,750</b> | <b>23%</b>  | <b>61,755</b>   | <b>197%</b>  | <b>437,083</b>  | <b>167,850</b>   | <b>160%</b> |

|                                   |                  |                  |            |                |             |                  |                  |            |
|-----------------------------------|------------------|------------------|------------|----------------|-------------|------------------|------------------|------------|
| <b>Net Revenue</b>                | <b>1,064,094</b> | <b>1,040,537</b> | <b>2%</b>  | <b>881,494</b> | <b>21%</b>  | <b>3,032,464</b> | <b>2,597,767</b> | <b>17%</b> |
| <b>Adjusted EBITDA margin</b>     | <b>17%</b>       | <b>14%</b>       | <b>292</b> | <b>7%</b>      | <b>1021</b> | <b>14%</b>       | <b>6%</b>        | <b>795</b> |
| <b>Adjusted EBITDA (ex Tenda)</b> | <b>161,020</b>   | <b>141,017</b>   | <b>14%</b> | <b>129,812</b> | <b>24%</b>  | <b>424,085</b>   | <b>280,130</b>   | <b>51%</b> |
| <b>Adj. EBITDA Mg (ex Tenda)</b>  | <b>22%</b>       | <b>19%</b>       | <b>321</b> | <b>20%</b>     | <b>147</b>  | <b>20%</b>       | <b>15%</b>       | <b>466</b> |
|                                   |                  |                  | <b>bps</b> |                | <b>bps</b>  |                  |                  | <b>bps</b> |

### Depreciation And Amortization

Depreciation and amortization in the 3Q12 was R\$19 million, a decrease of R\$3 million when compared to the R\$22 million recorded in 3Q11, mainly due to lower showroom depreciation.

### Financial Results

Net financial expenses totaled R\$61 million in the 3Q12, compared to a net financial result of R\$58 million in the 3Q11 as a result of a higher level of leverage.

### Taxes

Income taxes, social contribution and deferred taxes for the 3Q12 amounted to negative R\$21 million, compared to R\$19 million in 3Q11.

**Adjusted Net Income (Loss)**

Gafisa Group reported net income of R\$5 million in the 3Q12, compared with a net income of R\$1 million recorded in both the 2Q12 and net loss of R\$ 26 millions in the 3Q11.

**Backlog of Revenues and Results**

The backlog of results to be recognized under the PoC method reached R\$1.31 billion in the 3Q12, 11% lower than the R\$1.56 billion posted in the 3Q11. The consolidated margin for the quarter was 35%. The table below shows the backlog margin by segment:

**Table 42. Results to be recognized (REF) by brand**

|                                   |                  |                |                |                  |                  |
|-----------------------------------|------------------|----------------|----------------|------------------|------------------|
| Revenues to be recognized         | <b>2.148.470</b> | <b>709.058</b> | <b>845.021</b> | <b>3.702.549</b> | <b>2.993.491</b> |
| Costs to be incurred (units sold) | (1.465.952)      | (532.198)      | (392.461)      | (2.390.611)      | (1.858.413)      |
| <b>Results to be Recognized</b>   | <b>682.518</b>   | <b>176.860</b> | <b>452.560</b> | <b>1.311.938</b> | <b>1.135.078</b> |
| <b>Backlog Margin</b>             | <b>32%</b>       | <b>25%</b>     | <b>54%</b>     | <b>35%</b>       | <b>38%</b>       |

Note: Revenues to be recognized are net of PIS/Cofins (3.65%); excludes the AVP method introduced by Law nº 11,638

**Table 43. Gafisa Group Results to be recognized (REF)**

|                                   |                  |                  |               |                  |                |                  |                  |                |
|-----------------------------------|------------------|------------------|---------------|------------------|----------------|------------------|------------------|----------------|
| Results to be recognized          | <b>3.702.549</b> | <b>4.124.151</b> | <b>-10%</b>   | <b>4.276.647</b> | <b>-13%</b>    | <b>3.702.549</b> | <b>4.276.647</b> | <b>-13%</b>    |
| Costs to be incurred (units sold) | (2.390.611)      | (2.648.148)      | -10%          | (2.716.934)      | -12%           | (2.390.611)      | (2.716.934)      | -12%           |
| <b>Results to be Recognized</b>   | <b>1.311.938</b> | <b>1.476.003</b> | <b>-11%</b>   | <b>1.559.713</b> | <b>-16%</b>    | <b>1.311.938</b> | <b>1.559.713</b> | <b>-16%</b>    |
| <b>Backlog Margin</b>             | <b>35%</b>       | <b>36%</b>       | <b>-36bps</b> | <b>36%</b>       | <b>-104bps</b> | <b>35%</b>       | <b>36%</b>       | <b>-104bps</b> |

Note: It is included in the gross profit margin and not included in the backlog: Adjusted Present Value (AVP) on receivables, revenue related to swaps, revenue and cost of services rendered, AVP over property (land) debt, cost of swaps and provision for guarantees.

**BALANCE SHEET****Cash and Cash Equivalents**

On September 30, 2012, cash and cash equivalents reached R\$1,23 billion, in line with the 2Q12. The Company's cash position is expected to be sufficient to execute its development plans.

**Accounts Receivable**

At the end of the 3Q12, total accounts receivable decreased 16% to R\$8.33 billion on a year-over-year basis and a 7% reduction as compared to the R\$8.95 billion posted in the 2Q12.

**Table 44. Total receivables**

|  |                  |                  |            |                  |             |
|--|------------------|------------------|------------|------------------|-------------|
| Receivables from developments – LT (off balance sheet) | 3,842,812        | 4,280,386        | -10%       | 4,697,756        | -18%        |
| Receivables from PoC – ST (on balance sheet)           | 3,325,239        | 3,745,488        | -11%       | 3,839,392        | -13%        |
| Receivables from PoC – LT (on balance sheet)           | 1,161,268        | 922,044          | 26%        | 1,395,515        | -17%        |
| <b>Total</b>   | <b>8,329,319</b> | <b>8,947,918</b> | <b>-7%</b> | <b>9,932,663</b> | <b>-16%</b> |

Notes: ST – Short term | LT- Long term | PoC – Percentage of Completion Method

Receivables from developments: accounts receivable not yet recognized according to PoC and BRGAAP

Receivables from PoC: accounts receivable already recognized according to PoC and BRGAP

**Inventory****Table 45. Inventory (Balance Sheet at cost)**

|                          |                  |                  |            |                  |            |
|--------------------------|------------------|------------------|------------|------------------|------------|
| Land                     | 1,030,900        | 1,023,179        | 1%         | 1,170,397        | -12%       |
| Units under construction | 1,308,213        | 1,386,111        | -6%        | 1,166,692        | 12%        |
| Completed units          | 200,165          | 209,703          | -5%        | 346,487          | -42%       |
| <b>Total</b>             | <b>2,539,278</b> | <b>2,618,993</b> | <b>-3%</b> | <b>2,683,576</b> | <b>-5%</b> |

Inventory at market value totaled R\$3.0 billion in the 3Q12, 9% below the R\$3.3 billion registered in the 2Q12. On a consolidated basis, our inventory is at a level of 10 months of sales based on LTM sales figures. At the end of the 3Q12, finished units accounted for 11% of total inventory. We continue to focus on reducing finished inventory.

**Table 46. Inventory at Market Value per completion status**

|            |         |         |         |         |         |           |
|------------|---------|---------|---------|---------|---------|-----------|
| Gafisa     | 253.270 | 360.022 | 539.364 | 433.815 | 73.777  | 1.660.248 |
| AlphaVille | 5.429   | 227.115 | 101.266 | 59.065  | 185.949 | 578.823   |
| Tenda      | 19.242  | 123.154 | 233.663 | 324.802 | 63.728  | 764.589   |

|              |                |                |                |                |                |                  |
|--------------|----------------|----------------|----------------|----------------|----------------|------------------|
| <b>Total</b> | <b>277.941</b> | <b>710.291</b> | <b>874.292</b> | <b>817.682</b> | <b>323.453</b> | <b>3.003.660</b> |
|--------------|----------------|----------------|----------------|----------------|----------------|------------------|

Consolidated inventory at market value was R\$3.0 billion from R\$3.3 billion at the end of the third quarter, which is R\$283 million lower than the 2Q12. The market value of Gafisa inventory, which represents 55% of total inventory, declined to R\$1.7 billion at the end of the 3Q12. The market value of AlphaVille inventory was R\$578.8 million at the end of the 3Q12, a 1% decrease compared to the end of 2Q12. Tenda inventory was valued at R\$764.6 million at the end of 3Q12, compared to R\$838.3 million at the end of the 2Q12. Despite ongoing dissolutions expected in 2012, the Gafisa Group is experiencing positive demand for units targeted at the low income segment. Of the units returned to inventory, 70% have already been resold, to qualified customers within the 9M12.

**Table 47. Inventory at Market Value 3Q12 x 2Q12**

|                              |                  |                |                |                 |                |                  |
|------------------------------|------------------|----------------|----------------|-----------------|----------------|------------------|
| Gafisa (A)                   | 1,875,945        | 114,291        | -              | -327,990        | -1,998         | 1,660,248        |
| AlphaVille (B)               | 572,898          | 337,652        | -              | -331,320        | -406           | 578,830          |
| <b>Total (A) + (B)</b>       | <b>2,448,842</b> | <b>451,943</b> | -              | <b>-659,310</b> | <b>-2,404</b>  | <b>2,239,070</b> |
| Tenda (C)                    | 838,261          | -              | 263,751        | -293,801        | -43,622        | 764,590          |
| <b>Total (A) + (B) + (C)</b> | <b>3,287,103</b> | <b>451,943</b> | <b>263,751</b> | <b>-953,111</b> | <b>-46,025</b> | <b>3,003,660</b> |

Note: 1) BoP beginning of the period – 2Q12. 2) EP end of the period – 3Q12. 3) % Change 3Q12 versus 2Q12. 4) 3Q12 sales velocity. 5) projects cancelled during the period

## Liquidity

The Gafisa Group ended the third quarter with R\$1.23 billion in cash and cash equivalents, a sequential improvement from R\$1.1 billion at the end of the 2Q12. Net debt was R\$2.94 billion at the end of the 3Q12, a R\$149 million reduction from R\$3.09 billion the end of the 2Q12. As a result, consolidated cash generation (cash burn) was positive at approximately R\$149 million in 3Q12, leading to R\$304 million in the 9M12. Operational consolidated cash flow reached approximately R\$607 million in the 9M12, 87% of the mid-range of our updated full year guidance of R\$600 – R\$800 million in 2012.

The net debt and investor obligations to equity and minorities ratio was 106% compared to 112% in the 2Q12. Excluding project finance, this net debt/equity ratio reached 28% from 34% in the 2Q12.

Currently we have access to a total of R\$1.6 billion in construction finance lines contracted with banks and R\$665 million of construction credit lines in the process of being approved. Also, Gafisa has R\$2.4 billion available in construction finance lines of credit for future developments. The following tables provide information on our debt position:

**Table 48. Indebtedness and Investor obligations**

|  |                  |                  |                 |                  |                 |
|--|------------------|------------------|-----------------|------------------|-----------------|
| Debentures - FGTS (A)                                    | 1,241,860        | 1,213,138        | 2%              | 1,246,413        | 0%              |
| Debentures - Working Capital (B)                         | 581,514          | 567,643          | 2%              | 700,596          | -17%            |
| Project Financing SFH – (C)                              | 927,697          | 936,597          | -1%             | 598,712          | 55%             |
| Working Capital (D)                                      | <b>1,098,974</b> | <b>1,138,254</b> | <b>-3%</b>      | 853,139          | <b>29%</b>      |
| Total (A)+(B)+(C)+(D) =(E)                               | <b>3,850,045</b> | <b>3,855,632</b> | <b>0%</b>       | <b>3,398,860</b> | <b>13%</b>      |
| Investor Obligations (F)                                 | 324,198          | 329,768          | -2%             | 460,000          | -30%            |
| <b>Total debt (E) + (F) = (G)</b>                        | <b>4,174,243</b> | <b>4,185,400</b> | <b>0%</b>       | <b>3,858,860</b> | <b>8%</b>       |
| Cash and availabilities (H)                              | 1,234,826        | 1,097,277        | 13%             | 912,353          | 35%             |
| <b>Net debt (G)-(H) = (I)</b>                            | <b>2,939,417</b> | <b>3,088,123</b> | <b>-5%</b>      | <b>2,946,507</b> | <b>0%</b>       |
| <b>Equity + Minority Shareholders (J)</b>                | <b>2,771,971</b> | <b>2,746,145</b> | <b>1%</b>       | <b>3,549,223</b> | <b>-22%</b>     |
| <b>ND/Equity (I)/(J) = (K)</b>                           | <b>106%</b>      | <b>112%</b>      | <b>-641 bps</b> | <b>83%</b>       | <b>2302 bps</b> |
| <b>ND Exc. Proj Fin / Equity (I)-((A)+(C))/(J) = (L)</b> | <b>28%</b>       | <b>34%</b>       | <b>-640 bps</b> | <b>31%</b>       | <b>-326 bps</b> |

The Gafisa Group ended the third quarter with R\$1.4 billion of total debt due to short term. However, it is worth mentioning that, project finance accounts for 49% of this amount.

**Table 49. Debt maturity**

|                                  |                       |                  |                  |                  |                |
|----------------------------------|-----------------------|------------------|------------------|------------------|----------------|
| Debentures - FGTS (A)            | TR + (8.47% - 10.26%) | 1,241,860        | 318,715          | 473,145          | 350,000        |
| Debentures - Working Capital (B) | CDI + (1.50% - 1.95%) | 581,514          | 146,710          | 133,356          | 144,214        |
| Project Financing SFH – (C)      | TR + (8.30% - 11.50%) | 927,697          | 452,342          | 336,444          | 137,055        |
| Working Capital (D)              | CDI + (1.30% - 2.22%) | 1,098,973        | 500,266          | 316,776          | 145,363        |
| Total (A)+(B)+(C)+(D) =(E)       |                       | <b>3,850,044</b> | <b>1,418,033</b> | <b>1,259,721</b> | <b>776,632</b> |



|   |                                      |                  |                  |                  |                |
|---|--------------------------------------|------------------|------------------|------------------|----------------|
| Investors Obligations (F)   | CDI + (0.235% - 1.00%) / IGPM +7.25% | <b>324,198</b>   | <b>156,773</b>   | <b>144,157</b>   | <b>12,395</b>  |
| <b>Total debt (E) + (F) = (G)</b>   | <b>9.28%</b>                         | <b>4,174,242</b> | <b>1,574,806</b> | <b>1,403,878</b> | <b>789,027</b> |
| <b>% due to corresponding period</b>  |                                      |                  | <b>38%</b>       | <b>34%</b>       | <b>19%</b>     |
| ((A)+ (C)) / (G) Project finance as a % of Total debt due to corresponding periods      |                                      | 52%              | 49%              | 58%              | 62%            |
| ((B) + (D) + (F))/ (G) Corporate debt as a % of Total debt due to corresponding periods |                                      | 48%              | 51%              | 42%              | 38%            |

## Covenant Ratios

### Table 50. Debenture covenants - 7<sup>th</sup> emission

(Total receivables + Finished units) / (Total debt - Cash - project debt) >2 or <0

(Total debt - Project Finance debt - Cash) / (Equity + Min.) ≤ 75%

(Total receivables + Revenues to be recognized + Inventory of finished units / Total debt - SFH + Obligations related to project) ≥ 2.2x

### Table 51. Debenture covenants - 5<sup>th</sup> emission (R\$250 million)

(Total debt – Project Finance debt - Cash) / Equity ≤ 75%

(Total receivables + Finished units) / (Total debt) ≥ 2.2x

Note: Covenant status on September 30, 2012

## OUTLOOK

With the introduction of the new strategy and organizational structure, Gafisa is progressing toward established guidance for the year. The implementation and development of the operating and financial plan to support the restructuring of Tenda indicates that we are on the right track. Although the direct results of these adjustments to the Tenda operation over recent quarters have been positive, the launch cycle should resume next year. Reflecting the purpose of implementing corrective actions and focusing on execution and delivery, we have not launched any residential tower products via Tenda in 2012. As a result, our official guidance for Tenda launches of R\$270-R\$330 million for 2012 has been revised down to zero for this year.

As a result, consolidated launches for 2012 are now expected to be between R\$2.4 and R\$3.0 billion, reflecting a new, more targeted regional focus and the deliberate slowdown of the Tenda business. Gafisa should represent around 55% of launches and AlphaVille 45%. In the first nine months of 2012, the Gafisa Group launched R\$1.46 billion or 53% of the mid-range of 2012 guidance of R\$1.5 billion for the segment. AlphaVille's launches were in line with the internal projections and planning, representing 56% of the guidance for the year.

**Table 52. Launch Guidance – 2012 Estimates versus Actual figures 9M12**

|                           |                     |                     |           |           |     |
|---------------------------|---------------------|---------------------|-----------|-----------|-----|
| Consolidated Launches     | R\$2.70 – R\$3.30bn | R\$2.40 – R\$3.00bn | R\$2.70bn | R\$1.46bn | 54% |
| <b>Breakdown by Brand</b> |                     |                     |           |           |     |
| Launches Gafisa           | R\$1.35 – R\$1.65bn | R\$1.35 – R\$1.65bn | R\$1.50bn | R\$795mn  | 53% |
| Launches AlphaVille       | R\$1.08 – R\$1.32bn | R\$1.08 – R\$1.32bn | R\$1.20bn | R\$667mn  | 56% |
| Launches Tenda            | R\$270 – R\$330mn   | R\$0                | -         | R\$0      | 0%  |

As of September 30, 2012, the Company had R\$1.23 billion in cash and cash equivalents. During the 9M12 operational consolidated cash flow reached approximately R\$607 million, representing 87% of the mid point of the updated guidance established for the full year of 2012, of R\$600 – R\$800 million. The key drivers of cash flow generation include: (1) our ability to deliver and transfer/customers at Gafisa; (2) the transfer of Tenda units to financial institutions; (3) the sale of inventory and new projects launched; (4) the securitization of receivables and; (5) the sale of non-strategic land, which had a minor contribution to the results posted in the period.

**Table 53. Operational Cash Flow Guidance – 2012 Estimates versus Actual figures 9M12**

|                                |                     |                     |          |          |     |
|--------------------------------|---------------------|---------------------|----------|----------|-----|
| Operational Cash Flow<br>(CFO) | R\$500-R\$700<br>mn | R\$600-R\$800<br>mn | R\$700mn | R\$607mn | 87% |
|--------------------------------|---------------------|---------------------|----------|----------|-----|

The Gafisa Group plans to deliver between 22,000 and 26,000 units in 2012 of which 30% will be delivered by Gafisa, 50% by Tenda and the remaining 20% by AlphaVille. During the first nine months of the year of 2012, the Gafisa Group delivered 17,729 units and transferred 9,567 Tenda customers to financial institutions, achieving 80% of the mid-range of the guidance for both targets.

**Table 54. Other Relevant Operational Indicators – 2012 Estimates versus Actual figures 9M12**

|   |        |        |     |
|---|--------|--------|-----|
| Consolidated # Units to be Delivered<br>(22-26K)    | 24,000 | 17,728 | 74% |
| Breakdown by Brand                                  |        |        |     |
| # Units to be Delivered Gafisa<br>(6,600-7,800)     | 7,200  | 4,735  | 66% |
| # Units to be Delivered AlphaVille<br>(4,400-5,200) | 4,800  | 2,612  | 54% |
| # Units to be Delivered Tenda<br>(11,000-13,000)    | 12,000 | 10,382 | 87% |

**Table 55. Tenda Milestones – 2012 Estimates versus Actual figures 9M12**

|  |        |       |     |
|--|--------|-------|-----|
| Consolidated # Customers to be<br>transferred (10-14K) | 12,000 | 9,567 | 80% |
|--|--------|-------|-----|

**CONSOLIDATED INCOME STATEMENT**

|   |                  |                  |             |                  |               |                  |                  |            |
|---|------------------|------------------|-------------|------------------|---------------|------------------|------------------|------------|
| <b>Net Operating Revenue</b>                | <b>1,064,094</b> | <b>1,040,537</b> | <b>2%</b>   | <b>874,378</b>   | <b>22%</b>    | <b>3,032,464</b> | <b>2,589,085</b> | <b>1</b>   |
| Operating Costs                             | (755,962)        | (761,396)        | -1%         | (708,614)        | 7%            | (2,243,612)      | (2,146,626)      |            |
| <b>Gross profit</b>                         | <b>308,132</b>   | <b>279,141</b>   | <b>10%</b>  | <b>165,764</b>   | <b>86%</b>    | <b>788,852</b>   | <b>442,459</b>   | <b>7</b>   |
| <b>Operating Expenses</b>                   | <b>(203,476)</b> | <b>(208,309)</b> | <b>-2%</b>  | <b>(169,612)</b> | <b>20%</b>    | <b>(575,893)</b> | <b>(478,773)</b> | <b>2</b>   |
| Selling Expenses                            | (69,941)         | (78,165)         | -11%        | (77,540)         | -10%          | (206,592)        | (215,292)        | -          |
| General and Administrative Expenses         | (80,951)         | (93,034)         | -13%        | (59,746)         | 35%           | (252,969)        | (176,407)        | 4          |
| Other Operating Rev / Expenses              | (33,880)         | (22,755)         | 49%         | (10,471)         | 224%          | (64,940)         | (30,100)         | 11         |
| Depreciation and Amortization               | (18,704)         | (14,355)         | 30%         | (21,855)         | -14%          | (51,392)         | (56,974)         | -1         |
| <b>Operating results</b>                    | <b>104,656</b>   | <b>70,832</b>    | <b>48%</b>  | <b>(3,848)</b>   | <b>-2820%</b> | <b>212,959</b>   | <b>(36,314)</b>  | <b>-68</b> |
| Financial Income                            | 17,394           | 21,721           | -20%        | 31,619           | -45%          | 58,804           | 77,980           | -2         |
| Financial Expenses                          | (78,202)         | (77,351)         | 1%          | (89,730)         | -13%          | (217,417)        | (195,955)        | 1          |
| <b>Income (Loss) Before Taxes on Income</b> | <b>43,848</b>    | <b>15,202</b>    | <b>188%</b> | <b>(61,959)</b>  | <b>-171%</b>  | <b>54,346</b>    | <b>(154,289)</b> | <b>-13</b> |
| Deferred Taxes                              | (2,294)          | (1,758)          | 30%         | 35,334           | -106%         | (10,371)         | 90,422           | -11        |
| Income Tax and Social Contribution          | (18,756)         | (4,037)          | 365%        | (16,331)         | 15%           | (36,612)         | (37,852)         | -          |
| <b>Income (Loss) After Taxes on Income</b>  | <b>22,798</b>    | <b>9,407</b>     | <b>142%</b> | <b>(42,956)</b>  | <b>-153%</b>  | <b>7,363</b>     | <b>(101,719)</b> | <b>-10</b> |
| Minority Shareholders                       | (17,957)         | (8,361)          | 115%        | (8,291)          | 117%          | (32,991)         | (24,662)         | 3          |
| <b>Net Income (Loss)</b>                    | <b>4,841</b>     | <b>1,046</b>     | <b>363%</b> | <b>(51,247)</b>  | <b>-109%</b>  | <b>(25,628)</b>  | <b>(126,381)</b> | <b>-8</b>  |

Note: The Income Statement reflects the impact of IFRS adoption, also for 2010.

**CONSOLIDATED BALANCE SHEET****Current Assets**

|                           |                  |                  |            |                  |            |
|---------------------------|------------------|------------------|------------|------------------|------------|
| Cash and cash equivalents | 1,234,826        | 1,097,277        | 13%        | 912,353          | 35%        |
| Receivables from clients  | 3,325,239        | 3,745,488        | -11%       | 3,839,392        | -13%       |
| Properties for sale       | 2,038,646        | 2,053,171        | -1%        | 2,266,859        | -10%       |
| Other accounts receivable | 150,987          | 177,506          | -15%       | 146,443          | 3%         |
| Deferred selling expenses | 69,956           | 73,097           | -4%        | 30,329           | 131%       |
| Prepaid expenses          | 1,861            | 19,691           | -91%       | 13,599           | -86%       |
| Properties for sale       | 180,703          | 183,440          | -1%        | -                | 0%         |
| Financial Instruments     | 18,182           | 17,689           | 3%         | 131              | nm         |
|                           | <b>7,020,400</b> | <b>7,367,359</b> | <b>-5%</b> | <b>7,209,106</b> | <b>-3%</b> |

**Long-term Assets**

|                          |                  |                  |            |                  |             |
|--------------------------|------------------|------------------|------------|------------------|-------------|
| Receivables from clients | 1,161,268        | 922,044          | 26%        | 1,395,515        | -17%        |
| Properties for sale      | 319,929          | 382,382          | -16%       | 416,717          | -23%        |
| Deferred taxes           |                  | 0                | 0%         | 117,102          | -100%       |
| Other                    | 244,249          | 228,083          | 7%         | 225,244          | 8%          |
|                          | <b>1,725,446</b> | <b>1,532,509</b> | <b>13%</b> | <b>2,154,578</b> | <b>-20%</b> |
| Investments              | <b>279,812</b>   | <b>270,786</b>   | <b>3%</b>  | <b>294,429</b>   | <b>-5%</b>  |

**Total Assets**

|  |                  |                  |            |                  |            |
|--|------------------|------------------|------------|------------------|------------|
|  | <b>9,025,658</b> | <b>9,170,654</b> | <b>-2%</b> | <b>9,658,113</b> | <b>-7%</b> |
|--|------------------|------------------|------------|------------------|------------|

**Current Liabilities**

|  |                  |                  |            |                  |            |
|--|------------------|------------------|------------|------------------|------------|
| Loans and financing  | 952,608          | 944,377          | 1%         | 476,100          | 100%       |
| Debentures   | 465,425          | 601,672          | -23%       | 206,336          | 126%       |
| Obligations for purchase of land and advances from clients | 457,153          | 451,129          | 1%         | 469,130          | -3%        |
| Materials and service suppliers                            | 156,197          | 174,892          | -11%       | 185,160          | -16%       |
| Taxes and contributions                                    | 297,006          | 277,391          | 7%         | 255,756          | 16%        |
| Obligation for investors                                   | 156,773          | 158,234          | -1%        | 164,914          | -5%        |
| Other  | 507,386          | 555,949          | -9%        | 293,512          | 73%        |
|  | <b>2,992,548</b> | <b>3,163,644</b> | <b>-5%</b> | <b>2,050,908</b> | <b>46%</b> |

**Long-term Liabilities**

|                                  |                  |                  |           |                  |             |
|----------------------------------|------------------|------------------|-----------|------------------|-------------|
| Loans and financing              | 1,074,063        | 1,130,583        | -5%       | 975,751          | 10%         |
| Debentures                       | 1,357,949        | 1,179,109        | 15%       | 1,740,673        | -22%        |
| Obligations for purchase of land | 113,175          | 114,329          | -1%       | 192,902          | -41%        |
| Deferred taxes                   | 93,373           | 91,079           | 3%        | 13,232           | 606%        |
| Provision for contingencies      | 150,927          | 144,894          | 4%        | 123,950          | 22%         |
| Obligation for investors         | 167,425          | 171,534          | -2%       | 312,495          | -46%        |
| Other                            | 304,227          | 429,337          | -29%      | 698,979          | -56%        |
|                                  | <b>3,261,139</b> | <b>3,260,865</b> | <b>0%</b> | <b>4,057,982</b> | <b>-20%</b> |

**Shareholders' Equity**

|                  |           |           |     |           |       |
|------------------|-----------|-----------|-----|-----------|-------|
| Capital          | 2,734,159 | 2,734,157 | 0%  | 2,734,155 | 0%    |
| Treasury shares  | -1,731    | -1,731    | 0%  | -1,731    | 0%    |
| Capital reserves | 32,863    | 29,779    | 10% | 267,159   | -88%  |
| Revenue reserves | -         | -         | 0%  | 589,727   | -100% |

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|   |                  |                  |            |                  |             |
|---|------------------|------------------|------------|------------------|-------------|
| Retained earnings                           | -25,628          | -30,468          | -16%       | -126,381         | -80%        |
| Accumulated losses                          | -102,019         | -102,019         | 0%         | -                | 0%          |
| Non-controlling interests                   | 134,327          | 116,425          | 15%        | 86,294           | 56%         |
|   | <b>2,771,971</b> | <b>2,746,145</b> | <b>1%</b>  | <b>3,549,223</b> | <b>-22%</b> |
| <b>Liabilities and Shareholders' Equity</b> | <b>9,025,658</b> | <b>9,170,654</b> | <b>-2%</b> | <b>9,658,113</b> | <b>-7%</b>  |

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## **CASH FLOW**

### **Income (Loss) Before Taxes on Income**

Expenses (income) not affecting working capital  
Depreciation and amortization  
Impairment allowance  
Expense on stock option plan  
Penalty fee over delayed projects  
Unrealized interest and charges, net  
Deferred Taxes  
Disposal of fixed asset  
Warranty provision  
Provision for contingencies  
Profit sharing provision  
Allowance (reversal) for doubtful debts  
Profit / Loss from financial instruments  
Clients  
Properties for sale  
Other receivables  
Deferred selling expenses and prepaid expenses  
Obligations on land purchases and advances from customers  
Taxes and contributions  
Trade accounts payable  
Salaries, payroll charges  
Other accounts payable  
Assignment of credit receivables, net  
Current account operations  
Paid taxes

### **Cash used in operating activities**

#### **Investing activities**

Purchase of property and equipment and deferred charges  
Redemption of securities, restricted securities and loans  
Investments in marketable securities, restricted securities and loans and securities, restricted securities and loans

#### **Cash used in investing activities**

#### **Financing activities**

Capital increase  
Contributions from venture partners  
Increase in loans and financing  
Repayment of loans and financing  
Assignment of credit receivables, net  
Proceeds from subscription of redeemable equity interest in securitization fund  
Operations of mutual

#### **Net cash provided by financing activities**

#### **Net increase (decrease) in cash and cash equivalents**

Cash and cash equivalents  
At the beginning of the period  
At the end of the period

#### **Net increase (decrease) in cash and cash equivalents**





**GAFISA SEGMENT INCOME STATEMENT**

|   |                  |                 |             |                 |             |                  |                  |              |
|---|------------------|-----------------|-------------|-----------------|-------------|------------------|------------------|--------------|
| <b>Net Operating Revenue</b>                | <b>506,718</b>   | <b>593,149</b>  | <b>-15%</b> | <b>459,971</b>  | <b>10%</b>  | <b>1,587,446</b> | <b>1,357,349</b> | <b>17%</b>   |
| Operating Costs                             | (379,254)        | (463,290)       | -18%        | (344,399)       | 10%         | (1,221,639)      | (1,148,888)      | 6%           |
| <b>Gross profit</b>                         | <b>127,464</b>   | <b>129,859</b>  | <b>-2%</b>  | <b>115,572</b>  | <b>10%</b>  | <b>365,807</b>   | <b>208,461</b>   | <b>75%</b>   |
| <b>Operating Expenses</b>                   | <b>(103,412)</b> | <b>(89,010)</b> | <b>16%</b>  | <b>(93,088)</b> | <b>11%</b>  | <b>(275,482)</b> | <b>(251,052)</b> | <b>10%</b>   |
| Selling Expenses                            | (36,119)         | (36,008)        | 0%          | (43,045)        | -16%        | (102,904)        | (117,157)        | -12%         |
| General and Administrative Expenses         | (32,159)         | (33,247)        | -3%         | (23,065)        | 39%         | (98,454)         | (68,559)         | 44%          |
| Other Operating Rev / Expenses              | (22,930)         | (9,883)         | 132%        | (10,451)        | 119%        | (36,784)         | (23,798)         | 55%          |
| Depreciation and Amortization               | (12,204)         | (9,872)         | 24%         | (16,527)        | -26%        | (37,340)         | (41,538)         | -10%         |
| <b>Operating results</b>                    | <b>24,052</b>    | <b>40,849</b>   | <b>-41%</b> | <b>22,484</b>   | <b>7%</b>   | <b>90,325</b>    | <b>(42,591)</b>  | <b>-312%</b> |
| Financial Income                            | 7,717            | 8,200           | -6%         | 17,694          | -56%        | 23,883           | 45,718           | -48%         |
| Financial Expenses                          | (57,530)         | (61,069)        | -6%         | (73,083)        | -21%        | (161,011)        | (160,512)        | 0%           |
| <b>Income (Loss) Before Taxes on Income</b> | <b>(25,761)</b>  | <b>(12,020)</b> | <b>114%</b> | <b>(32,905)</b> | <b>-22%</b> | <b>(46,803)</b>  | <b>(157,385)</b> | <b>-70%</b>  |
| Deferred Taxes                              | 322              | 5,942           | -95%        | 14,238          | -98%        | 3,492            | 40,070           | -91%         |
| Income Tax and Social Contribution          | (5,415)          | (5,547)         | -2%         | (9,280)         | -42%        | (21,559)         | (20,344)         | 6%           |
| <b>Income (Loss) After Taxes on Income</b>  | <b>(30,854)</b>  | <b>(11,625)</b> | <b>165%</b> | <b>(27,947)</b> | <b>10%</b>  | <b>(64,870)</b>  | <b>(137,659)</b> | <b>-53%</b>  |
| Minority Shareholders                       | 1,094            | (597)           | -283%       | (157)           | -797%       | 473              | (530)            | -189%        |
| <b>Net Income (Loss)</b>                    | <b>(29,760)</b>  | <b>(12,222)</b> | <b>143%</b> | <b>(28,104)</b> | <b>6%</b>   | <b>(64,397)</b>  | <b>(138,189)</b> | <b>-53%</b>  |

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**ALPHAVILLE SEGMENT INCOME STATEMENT**

|   |                 |                 |             |                 |            |                  |                 |            |
|---|-----------------|-----------------|-------------|-----------------|------------|------------------|-----------------|------------|
| <b>Net Operating Revenue</b>                | <b>233,577</b>  | <b>167,376</b>  | <b>40%</b>  | <b>177,146</b>  | <b>32%</b> | <b>524,823</b>   | <b>450,919</b>  | <b>16%</b> |
| Operating Costs                             | (111,272)       | (72,651)        | 53%         | (100,328)       | 11%        | (243,287)        | (238,353)       | 2%         |
| <b>Gross profit</b>                         | <b>122,305</b>  | <b>94,725</b>   | <b>29%</b>  | <b>76,818</b>   | <b>59%</b> | <b>281,536</b>   | <b>212,566</b>  | <b>32%</b> |
| <b>Operating Expenses</b>                   | <b>(32,446)</b> | <b>(52,927)</b> | <b>-39%</b> | <b>(24,518)</b> | <b>32%</b> | <b>(111,638)</b> | <b>(63,654)</b> | <b>75%</b> |
| Selling Expenses                            | (12,072)        | (19,302)        | -37%        | (10,452)        | 15%        | (38,531)         | (25,579)        | 51%        |
| General and Administrative Expenses         | (20,802)        | (33,026)        | -37%        | (14,255)        | 46%        | (72,853)         | (39,829)        | 83%        |
| Other Operating Rev / Expenses              | 980             | (72)            | -1461%      | 681             | 44%        | 1,367            | 2,995           | -54%       |
| Depreciation and Amortization               | (552)           | (527)           | 5%          | (492)           | 12%        | (1,621)          | (1,241)         | 31%        |
| <b>Operating results</b>                    | <b>89,859</b>   | <b>41,798</b>   | <b>115%</b> | <b>52,300</b>   | <b>72%</b> | <b>169,898</b>   | <b>148,912</b>  | <b>14%</b> |
| Financial Income                            | 2,909           | 2,928           | -1%         | 5,626           | -48%       | 8,970            | 11,420          | -21%       |
| Financial Expenses                          | (11,822)        | (8,045)         | 47%         | (11,722)        | 1%         | (31,199)         | (28,424)        | 10%        |
| <b>Income (Loss) Before Taxes on Income</b> | <b>80,946</b>   | <b>36,681</b>   | <b>121%</b> | <b>46,204</b>   | <b>75%</b> | <b>147,669</b>   | <b>131,908</b>  | <b>12%</b> |
| Deferred Taxes                              | (4,783)         | (7,158)         | -33%        | (2,541)         | 88%        | (11,152)         | (3,473)         | 221%       |
| Income Tax and Social Contribution          | (4,974)         | 3,959           | -226%       | (2,995)         | 66%        | (3,541)          | (7,777)         | -54%       |
| <b>Income (Loss) After Taxes on Income</b>  | <b>71,189</b>   | <b>33,482</b>   | <b>113%</b> | <b>40,668</b>   | <b>75%</b> | <b>132,976</b>   | <b>120,658</b>  | <b>10%</b> |
| Minority Shareholders                       | (17,859)        | (7,802)         | 129%        | (8,134)         | 120%       | (32,336)         | (24,132)        | 34%        |
| <b>Net Income (Loss)</b>                    | <b>53,330</b>   | <b>25,680</b>   | <b>108%</b> | <b>32,534</b>   | <b>64%</b> | <b>100,640</b>   | <b>96,526</b>   | <b>4%</b>  |

**TENDA SEGMENT INCOME STATEMENT**

|   |                 |                 |             |                 |              |                  |                  |             |
|---|-----------------|-----------------|-------------|-----------------|--------------|------------------|------------------|-------------|
| <b>Net Operating Revenue</b>                | <b>323,799</b>  | <b>280,012</b>  | <b>16%</b>  | <b>237,261</b>  | <b>36%</b>   | <b>920,195</b>   | <b>780,817</b>   | <b>18%</b>  |
| Operating Costs                             | (265,436)       | (225,455)       | 18%         | (263,887)       | 1%           | (778,686)        | (759,385)        | 3%          |
| <b>Gross profit</b>                         | <b>58,363</b>   | <b>54,557</b>   | <b>7%</b>   | <b>(26,626)</b> | <b>-319%</b> | <b>141,509</b>   | <b>21,432</b>    | <b>560%</b> |
| <b>Operating Expenses</b>                   | <b>(67,618)</b> | <b>(66,372)</b> | <b>2%</b>   | <b>(52,006)</b> | <b>30%</b>   | <b>(188,773)</b> | <b>(164,067)</b> | <b>15%</b>  |
| Selling Expenses                            | (21,750)        | (22,855)        | -5%         | (24,043)        | -10%         | (65,157)         | (72,556)         | -10%        |
| General and Administrative Expenses         | (27,990)        | (26,761)        | 5%          | (22,426)        | 25%          | (81,662)         | (68,019)         | 20%         |
| Other Operating Rev / Expenses              | (11,930)        | (12,800)        | -7%         | (701)           | 1602%        | (29,523)         | (9,297)          | 218%        |
| Depreciation and Amortization               | (5,948)         | (3,956)         | 50%         | (4,836)         | 23%          | (12,431)         | (14,195)         | -12%        |
| <b>Operating results</b>                    | <b>(9,255)</b>  | <b>(11,815)</b> | <b>-22%</b> | <b>(78,632)</b> | <b>-88%</b>  | <b>(47,264)</b>  | <b>(142,635)</b> | <b>-67%</b> |
| Financial Income                            | 6,768           | 10,593          | -36%        | 8,299           | -18%         | 25,951           | 20,842           | 25%         |
| Financial Expenses                          | (8,850)         | (8,237)         | 7%          | (4,925)         | 80%          | (25,207)         | (7,019)          | 259%        |
| <b>Income (Loss) Before Taxes on Income</b> | <b>(11,337)</b> | <b>(9,459)</b>  | <b>20%</b>  | <b>(75,258)</b> | <b>-85%</b>  | <b>(46,520)</b>  | <b>(128,812)</b> | <b>-64%</b> |
| Deferred Taxes                              | 2,167           | (542)           | -500%       | 23,637          | -91%         | (2,711)          | 53,825           | -105%       |
| Income Tax and Social Contribution          | (8,367)         | (2,449)         | 242%        | (4,056)         | 106%         | (11,512)         | (9,731)          | 18%         |
| <b>Income (Loss) After Taxes on Income</b>  | <b>(17,537)</b> | <b>(12,450)</b> | <b>41%</b>  | <b>(55,677)</b> | <b>-69%</b>  | <b>(60,743)</b>  | <b>(84,718)</b>  | <b>-28%</b> |
| Minority Shareholders                       | (1,192)         | 38              | -3237%      | -               | 0%           | (1,128)          | -                | 0%          |
| <b>Net Income (Loss)</b>                    | <b>(18,729)</b> | <b>(12,412)</b> | <b>51%</b>  | <b>(55,677)</b> | <b>-66%</b>  | <b>(61,871)</b>  | <b>(84,718)</b>  | <b>-27%</b> |

**GAFISA SEGMENT BALANCE SHEET****Current Assets**

|                           |                  |                  |             |                  |             |
|---------------------------|------------------|------------------|-------------|------------------|-------------|
| Cash and cash equivalents | 218,289          | 266,127          | -18%        | 361,629          | -40%        |
| Receivables from clients  | 1,971,983        | 2,224,488        | -11%        | 2,147,759        | -8%         |
| Properties for sale       | 1,034,992        | 1,070,501        | -3%         | 1,301,447        | -20%        |
| Other accounts receivable | 115,379          | 194,253          | -41%        | 328,846          | -65%        |
| Deferred selling expenses | 1,480            | 72,104           | -98%        | 12,577           | -88%        |
| Prepaid expenses          | 57,054           | 9,274            | 515%        | 11,334           | 403%        |
| Properties for sale       | 75,376           | 70,900           | 6%          | -                | 0%          |
| Financial Instruments     | 10,801           | 9,603            | 12%         | 131              | 8145%       |
|                           | <b>3,485,352</b> | <b>3,917,250</b> | <b>-11%</b> | <b>4,163,723</b> | <b>-16%</b> |

**Long-term Assets**

|                          |                  |                  |            |                  |             |
|--------------------------|------------------|------------------|------------|------------------|-------------|
| Receivables from clients | 567,227          | 454,600          | 25%        | 631,271          | -10%        |
| Properties for sale      | 111,968          | 129,712          | -14%       | 204,679          | -45%        |
| Deferred taxes           | 0                | 0                | 0%         | 35,656           | -100%       |
| Other                    | 170,645          | 161,379          | 6%         | 183,912          | -7%         |
|                          | <b>849,840</b>   | <b>745,690</b>   | <b>14%</b> | <b>1,055,518</b> | <b>-19%</b> |
| Investments              | <b>2,629,024</b> | <b>2,582,001</b> | <b>2%</b>  | <b>2,657,715</b> | <b>-1%</b>  |

**Total Assets**

|  |                  |                  |            |                  |             |
|--|------------------|------------------|------------|------------------|-------------|
|  | <b>6,964,217</b> | <b>7,244,941</b> | <b>-4%</b> | <b>7,876,957</b> | <b>-12%</b> |
|--|------------------|------------------|------------|------------------|-------------|

**Current Liabilities**

|  |                  |                  |            |                  |            |
|--|------------------|------------------|------------|------------------|------------|
| Loans and financing  | 751,260          | 758,761          | -1%        | 407,780          | 84%        |
| Debentures   | 314,517          | 288,874          | 9%         | 178,078          | 77%        |
| Obligations for purchase of land and advances from clients | 225,277          | 251,460          | -10%       | 254,193          | -11%       |
| Materials and service suppliers                            | 91,509           | 102,975          | -11%       | 102,530          | -11%       |
| Taxes and contributions                                    | 113,851          | 111,026          | 3%         | 132,249          | -14%       |
| Obligation for investors                                   | 116,463          | 118,410          | -2%        | 119,879          | -3%        |
| Other  | 375,515          | 488,110          | -23%       | 241,436          | 56%        |
|  | <b>1,988,393</b> | <b>2,119,615</b> | <b>-6%</b> | <b>1,436,145</b> | <b>38%</b> |

**Long-term Liabilities**

|                                  |                  |                  |            |                  |             |
|----------------------------------|------------------|------------------|------------|------------------|-------------|
| Loans and financing              | 794,949          | 845,590          | -6%        | 767,437          | 4%          |
| Debentures                       | 883,072          | 879,325          | 0%         | 1,140,673        | -23%        |
| Obligations for purchase of land | 99,638           | 102,438          | -3%        | 149,690          | -33%        |
| Deferred taxes                   | 63,981           | 63,611           | 1%         | -231             | -27857%     |
| Provision for contingencies      | 74,696           | 74,676           | 0%         | 73,756           | 1%          |
| Obligation for investors         | 124,628          | 124,628          | 0%         | 234,814          | -47%        |
| Other                            | 276,555          | 383,584          | -28%       | 548,892          | -50%        |
|                                  | <b>2,317,519</b> | <b>2,473,852</b> | <b>-6%</b> | <b>2,915,030</b> | <b>-20%</b> |

**Shareholders' Equity**

|   |                  |                  |            |                  |             |
|---|------------------|------------------|------------|------------------|-------------|
| <b>Shareholders' Equity</b>                 | 2,637,644        | 2,629,720        | 0%         | 3,504,208        | -25%        |
| Non-controlling interests                   | 20,661           | 21,754           | -5%        | 21,574           | -4%         |
|   | <b>2,658,305</b> | <b>2,651,474</b> | <b>0%</b>  | <b>3,525,782</b> | <b>-25%</b> |
| <b>Liabilities and Shareholders' Equity</b> | <b>6,964,217</b> | <b>7,244,941</b> | <b>-4%</b> | <b>7,876,957</b> | <b>-12%</b> |



**TENDA SEGMENT BALANCE SHEET****Current Assets**

|                           |                  |                  |            |                  |            |
|---------------------------|------------------|------------------|------------|------------------|------------|
| Cash and cash equivalents | 868,109          | 675,601          | 28%        | 402,698          | 116%       |
| Receivables from clients  | 1,127,390        | 1,326,256        | -15%       | 1,498,643        | -25%       |
| Properties for sale       | 780,975          | 762,988          | 2%         | 797,602          | -2%        |
| Other accounts receivable | 164,550          | 320,366          | -49%       | 69,705           | 136%       |
| Deferred selling expenses | 381              | 866              | -56%       | 1,022            | -63%       |
| Prepaid expenses          | 12,902           | 10,417           | 24%        | 18,995           | -32%       |
| Properties for sale       | 105,327          | 112,540          | -6%        | -                | 0%         |
| Financial Instruments     | -                | -                | 0%         | -                | 0%         |
|                           | <b>3,059,636</b> | <b>3,209,035</b> | <b>-5%</b> | <b>2,788,665</b> | <b>10%</b> |

**Long-term Assets**

|                          |                |                |             |                |             |
|--------------------------|----------------|----------------|-------------|----------------|-------------|
| Receivables from clients | 176,461        | 99,051         | 78%         | 467,882        | -62%        |
| Properties for sale      | 168,301        | 217,069        | -22%        | 155,599        | 8%          |
| Deferred taxes           | -              | -              | 0%          | 81,047         | nm          |
| Other                    | 85,077         | 78,410         | 9%          | 38,406         | 122%        |
|                          | <b>429,838</b> | <b>394,530</b> | <b>9%</b>   | <b>742,934</b> | <b>-42%</b> |
| Investments              | <b>34,367</b>  | <b>41,248</b>  | <b>-17%</b> | <b>30,296</b>  | <b>13%</b>  |

**Total Assets**

|  |                  |                  |            |                  |            |
|--|------------------|------------------|------------|------------------|------------|
|  | <b>3,523,840</b> | <b>3,644,813</b> | <b>-3%</b> | <b>3,561,895</b> | <b>-1%</b> |
|--|------------------|------------------|------------|------------------|------------|

**Current Liabilities**

|  |                  |                  |             |                |            |
|--|------------------|------------------|-------------|----------------|------------|
| Loans and financing  | 136,508          | 118,699          | 15%         | 49,561         | 175%       |
| Debentures   | 150,908          | 312,798          | -52%        | 28,258         | 434%       |
| Obligations for purchase of land and advances from clients | 138,172          | 138,752          | 0%          | 167,268        | -17%       |
| Materials and service suppliers                            | 31,706           | 40,006           | -21%        | 52,225         | -39%       |
| Taxes and contributions                                    | 120,904          | 125,230          | -3%         | 105,751        | 14%        |
| Obligation for investors                                   | -                | -                | 0%          | -              | 0%         |
| Other  | 698,936          | 832,042          | -16%        | 268,479        | 160%       |
|  | <b>1,277,134</b> | <b>1,567,526</b> | <b>-19%</b> | <b>671,543</b> | <b>90%</b> |

**Long-term Liabilities**

|                                  |                |                |            |                |            |
|----------------------------------|----------------|----------------|------------|----------------|------------|
| Loans and financing              | 200,294        | 193,663        | 3%         | 50,479         | 297%       |
| Debentures                       | 474,877        | 299,784,32     | 58%        | 600,000        | -21%       |
| Obligations for purchase of land | 3,866          | 594            | 550%       | 29,769         | -87%       |
| Deferred taxes                   | 10,827         | 12,995         | -17%       | -              | nm         |
| Provision for contingencies      | 60,787         | 54,971         | 11%        | 37,021         | 64%        |
| Obligation for investors         | -              | -              | 0%         | -              | 0%         |
| Other                            | 27,366         | 29,053         | -6%        | 68,352         | -60%       |
|                                  | <b>778,017</b> | <b>591,061</b> | <b>32%</b> | <b>785,622</b> | <b>-1%</b> |

**Shareholders' Equity**

|                             |                  |                  |            |                  |             |
|-----------------------------|------------------|------------------|------------|------------------|-------------|
| <b>Shareholders' Equity</b> | 1,467,521        | 1,486,249        | -1%        | 2,104,731        | -30%        |
| Non-controlling interests   | 1,169            | -23              | -5085%     | -                | 0%          |
|                             | <b>1,468,689</b> | <b>1,486,226</b> | <b>-1%</b> | <b>2,104,731</b> | <b>-30%</b> |

**Liabilities and Shareholders' Equity**

|  |                  |                  |            |                  |            |
|--|------------------|------------------|------------|------------------|------------|
|  | <b>3,523,840</b> | <b>3,644,813</b> | <b>-3%</b> | <b>3,561,895</b> | <b>-1%</b> |
|--|------------------|------------------|------------|------------------|------------|

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**ALPHAVILLE SEGMENT BALANCE SHEET****Current Assets**

|                           |                |                |           |                |            |
|---------------------------|----------------|----------------|-----------|----------------|------------|
| Cash and cash equivalents | 148,428        | 155,549        | -5%       | 148,026        | 0%         |
| Receivables from clients  | 225,866        | 194,744        | 16%       | 192,990        | 17%        |
| Properties for sale       | 222,679        | 219,682        | 1%        | 167,810        | 33%        |
| Other accounts receivable | 20,497         | 18,746         | 9%        | 19,313         | 6%         |
| Deferred selling expenses | -              | 127            | nm        | -              | 0%         |
| Prepaid expenses          | -              | -              | 0%        | -              | 0%         |
| Properties for sale       | -              | -              | 0%        | -              | 0%         |
| Financial Instruments     | 7,381          | 8,086          | -9%       | -              | 0%         |
|                           | <b>624,852</b> | <b>596,934</b> | <b>5%</b> | <b>528,139</b> | <b>18%</b> |

**Long-term Assets**

|                          |                |                |            |                |            |
|--------------------------|----------------|----------------|------------|----------------|------------|
| Receivables from clients | 417,580        | 368,393        | 13%        | 296,362        | 41%        |
| Properties for sale      | 39,660         | 35,601         | 11%        | 56,439         | -30%       |
| Deferred taxes           | -              | -              | 0%         | 399            | -100%      |
| Other                    | 3,021          | 2,788          | 8%         | 2,926          | 3%         |
|                          | <b>460,261</b> | <b>406,782</b> | <b>13%</b> | <b>356,126</b> | <b>29%</b> |
| Investments              | <b>14,198</b>  | <b>10,936</b>  | <b>30%</b> | <b>11,263</b>  | <b>26%</b> |

**Total Assets**

|  |                  |                  |           |                |            |
|--|------------------|------------------|-----------|----------------|------------|
|  | <b>1,099,311</b> | <b>1,014,652</b> | <b>8%</b> | <b>895,528</b> | <b>23%</b> |
|--|------------------|------------------|-----------|----------------|------------|

**Current Liabilities**

|  |                |                |            |                |             |
|--|----------------|----------------|------------|----------------|-------------|
| Loans and financing  | 64,840         | 66,918         | -3%        | 18,759         | 246%        |
| Debentures   | -              | -              | 0%         | -              | 0%          |
| Obligations for purchase of land and advances from clients | 93,704         | 60,917         | 54%        | 47,669         | 97%         |
| Materials and service suppliers                            | 32,981         | 31,912         | 3%         | 30,405         | 8%          |
| Taxes and contributions                                    | 62,251         | 41,135         | 51%        | 17,756         | 251%        |
| Obligation for investors                                   | 40,310         | 39,824         | 1%         | 45,035         | -10%        |
| Other  | 136,220        | 145,502        | -6%        | 54,973         | 148%        |
|  | <b>430,307</b> | <b>386,208</b> | <b>11%</b> | <b>214,597</b> | <b>101%</b> |

**Long-term Liabilities**

|                                  |                |                |             |                |             |
|----------------------------------|----------------|----------------|-------------|----------------|-------------|
| Loans and financing              | 78,820         | 91,330         | -14%        | 157,836        | -50%        |
| Debentures                       | -              | -              | 0%          | -              | 0%          |
| Obligations for purchase of land | 9,671          | 11,296         | -14%        | 13,443         | -28%        |
| Deferred taxes                   | 18,565         | 14,473         | 28%         | 13,462         | 38%         |
| Provision for contingencies      | 15,444         | 15,247         | 1%          | 13,173         | 17%         |
| Obligation for investors         | 42,797         | 46,906         | -9%         | 77,681         | -45%        |
| Other                            | 14,800         | 31,194         | -53%        | 81,736         | -82%        |
|                                  | <b>180,096</b> | <b>210,446</b> | <b>-14%</b> | <b>357,330</b> | <b>-50%</b> |

**Shareholders' Equity**

|   |                  |                  |            |                |            |
|---|------------------|------------------|------------|----------------|------------|
| <b>Shareholders' Equity</b>                 | 376,411          | 323,304          | 16%        | 258,881        | 45%        |
| Non-controlling interests                   | 112,498          | 94,695           | 19%        | 64,720         | 74%        |
|   | <b>488,908</b>   | <b>417,999</b>   | <b>17%</b> | <b>323,601</b> | <b>51%</b> |
| <b>Liabilities and Shareholders' Equity</b> | <b>1,099,311</b> | <b>1,014,652</b> | <b>8%</b>  | <b>895,528</b> | <b>23%</b> |





## **GLOSSARY**

### **Affordable Entry Level**

Residential units targeted to the mid-low and low income segments with prices below R\$200 thousand per unit.

### **Backlog of Results**

As a result of the Percentage of Completion Method of recognizing revenues, we recognize revenues and expenses over a multi-year period for each residential unit we sell. Our backlog of results represents revenues minus costs that will be incurred in future periods from past sales.

### **Backlog of Revenues**

As a result of the Percentage of Completion Method of recognizing revenues, we recognize revenues over a multi-year period for each residential unit we sell. Our backlog represents revenues that will be incurred in future periods from past sales.

### **Backlog Margin**

Equals to “Backlog of Results” divided “Backlog of Revenues” to be recognized in future periods.

### **Land Bank**

Land that Gafisa holds for future development paid either in Cash or through swap agreements. Each decision to acquire land is analyzed by our investment committee and approved by our Board of Directors.

### **LOT (Urbanized Lots)**

Land subdivisions, or lots, with prices ranging from R\$150 to R\$600 per square meter

### **PoC Method**

Under Brazilian GAAP, real estate development revenues, costs and related expenses are recognized using the percentage-of-completion (“PoC”) method of accounting by measuring progress towards completion in terms of actual costs incurred versus total budgeted expenditures for each stage of a development.

### **Pre-sales**

Contracted pre-sales are the aggregate amount of sales resulting from all agreements for the sale of units entered into during a certain period, including new units and units in inventory. Contracted pre-sales will be recorded as revenue as construction progresses (PoC method). There is no definition of “contracted pre-sales” under Brazilian GAAP.

### **PSV**

Potential Sales Value.

### **SFH Funds**

Funds from SFH are originated from the Governance Severance Indemnity Fund for Employees (FGTS) and from savings accounts deposits. Banks are required to invest 65% of the total savings accounts balance in the housing sector, either to final customers or developers, at lower interest rates than the private market.

### **Swap Agreements**

A system in which we grant the land-owner a certain number of units to be built on the land or a percentage of the proceeds from the sale of units in such development in exchange for the land. By acquiring land through this system, we intend to reduce our cash requirements and increase our returns.

### **Operating Cash Flow**

## **ABOUT GAFISA**

Gafisa is a leading diversified national homebuilder serving all demographic segments of the Brazilian market. Established over 57 years ago, we have completed and sold more than 1,000 developments and built more than 12 million square meters of housing only under Gafisa's brand, more than any other residential development company in Brazil. Recognized as one of the foremost professionally managed homebuilders, "Gafisa" is also one of the most respected and best-known brands in the real estate market, recognized among potential homebuyers, borrowers, lenders, landowners, competitors, and investors for its quality, consistency, and professionalism. Our pre-eminent brands include Tenda, serving the affordable/entry level housing segment, and Gafisa and AlphaVille, which offer a variety of residential options to the mid to higher-income segments. Gafisa S.A. is traded on the Novo Mercado of the BM&FBOVESPA (BOVESPA:GFSA3) and on the New York Stock Exchange (NYSE:GFA).

*This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of Gafisa. These are merely projections and, as such, are based exclusively on the expectations of management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors; therefore, they are subject to change without prior notice.*

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 13, 2012

**Gafisa S.A.**

By:

/s/ Alceu Duílio Calciolari

Name: Alceu Duílio Calciolari

Title: Chief Executive Officer and Investor Relations Officer

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