

Gafisa S.A.
Form 6-K
April 10, 2012

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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 April, 2012

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

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

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 REPORTS RESULTS FOR 4Q AND FY11

--- Launches totaled R\$3.5 billion in 2011, reflecting the new strategy adopted

--- Contracted sales fell 16% to R\$3.4 billion in the year ---

--- 4Q11 corrective adjustments, impact on 2010 and 2011 results ---

--- Record 22,679 units delivered in 2011, almost double the previous year's total; highest construction volume in Sao Paulo in 2011---

FOR IMMEDIATE RELEASE - São Paulo, April 9, 2012 – Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil's leading diversified national homebuilder, today reported audited financial results for the ended December 31, 2011.

Duilio Calciolari, Chief Executive Officer, said: "Gafisa has made significant structural and managerial changes which position the Company for long-term growth and improved financial performance."

"Our full-year financial results reflect required corrective actions, including the scaling back of our Tenda business, the dissolution of contracts with potential homeowners who no longer qualify for bank mortgages and a reduced geographic focus. Cost overruns, which weighted on the results of the Tenda and Gafisa segments have been remedied by focusing on geographic regions where the Company has strong supply chains and has completed a stringent vetting of external construction partnerships. Following these actions, we are at a turning point in the history of the Company and look forward to successfully executing our strategy to enhance shareholder value."

FINANCIAL RESULTS

p Net revenue for the full-year 2011, recognized by the Percentage of Completion ("PoC") method, was R\$2.9 billion, 14% below the previous year's.

p The Company's full year gross profit was R\$262 million, reflecting the net impact of revenue reversals and associated costs related to adjustments registered in the fourth quarter.

Shares

GFSA3– Bovespa
GFA – NYSE

Total Outstanding
Shares:

432,699,559¹

Average daily
trading volume
(90 days²): R\$110.6
million

1) Including
599,486 treasury
shares

2) Up to
December 31, 2011

p The full year EBITDA loss, was of R\$339 million, compared to a gain of R\$579 million in 2010. Full year EBITDA for Gafisa and AlphaVille totaled R\$33 million and R\$225 million, respectively, while Tenda incurred a loss of R\$596 million.

p The full-year net loss was R\$945 million compared with a restated profit of R\$265 million in 2010. The 2011 loss was principally impacted by adjustments totaling R\$889.5 million (31% from Gafisa and 69% from Tenda), of which 83% were booked in 2011 and 17% in 2010. The 2010 cost adjustments relate primarily to budget overruns in the construction process and led to a restated 2010 net income of R\$265 million, compared with R\$416 million previously.

p At December 31, 2011, the Company had approximately R\$984 million in cash and cash equivalents compared to R\$1.2 billion at the end of 2010. The net debt to equity ratio increased to 118% in the fourth quarter, from 75% in the third quarter of 2011, primarily driven by a 28% reduction in equity following the reported loss and an increase of net debt and investor obligations of 10% equivalent to cash burn of R\$200 million and a dividend payment of R\$98.8 million.

OPERATING RESULTS

p Project launches in 2011 totaled R\$3.5 billion. The Gafisa, AlphaVille, and Tenda segments represented 61%, 28% and 11% of total launches, respectively. Fourth-quarter launches totaled R\$582 million, a 62% decrease compared with 4Q10, reflecting the restriction of Tenda launches to those that can be immediately transferred to financial institutions.

p Full-year consolidated pre-sales totaled R\$3.4 billion, a 16% decrease compared to 2010. Sales from inventory represented 38% of the 2011 total, while units launched during the same year accounted for the remaining 62%. Full-year sales velocity of launches reached 47.2%, or 53.9% ex-Tenda.

p The Group delivered 118 projects encompassing 22,679 units (26,868 equals Gafisa plus minority stake) with a potential sales value at company stake of R\$3.7

billion during 2011, almost double the number delivered during the previous year.

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CHAIRMAN'S LETTER

Since my appointment as Chairman of the Board in November 2010, Gafisa has embarked upon a new era of independence to become one of the few Brazilian companies with no majority ownership and where independent directors occupy most board seats. This transition has been facilitated by significant governance, structural and operating changes that will create long-term value for our shareholders.

In April 2011, we implemented a Board restructuring in which we added four new directors, including three highly qualified and experienced independent board members. With a new management structure also in place, both the Board and management immediately sought to implement new measures to redirect the Company's trajectory and financial performance, as well as address the high level of indebtedness that had put a strain on the Company.

Over the past several years, Gafisa has experienced accelerated growth as the home building industry expanded into the rapidly emerging lower income and first home buyer market segments. Our strategy to address these new market opportunities was to acquire a portion of Tenda, a leader in the lower income segment at the end of 2008. While we continue to believe the strategy to enter the low income segment was sound, we did not fully appreciate the extent of operational and managerial problems at Tenda, nor were we adequately prepared to manage a much larger and more complex organization. The hurdles we encountered included a shortage of skilled workers, the absence of robust technical and managerial resources, deficient supply chains across a number of projects and internal controls which did not reflect the new size, structure, and complexity of the business. The consequence was an erosion in value and margins, delays and a higher than anticipated consumption of capital.

The Board and management have worked diligently to address these matters. First we undertook a thorough assessment of Gafisa, Alphaville and Tenda to better understand the challenges relating to their organizational and operational structures, managerial practices, and strengths and capabilities. The result was a substantial and necessary course correction that included, the implementation of a new strategy, an improved organizational structure, the addition of certain key personnel with appropriate skill sets to match the business' needs, and the implementation of enhanced management and corporate best practices.

The assessment of each of the Company's three brands was conducted in a thorough manner and the new budget reflects the allocation of capital adjusted for opportunity and risk, respectively. We are confident that this new capital allocation strategy will allow for sustainable growth in the Company, stronger business fundamentals, and greater value.

As we move through 2012, we will continue to implement our new strategy and position the Company for sustainable growth. While we still have significant challenges to address due to the long-term cycles present in our business and rapidly changing market dynamics, we remain confident that we are back on course and that we will achieve significant improvements across all metrics over the next several quarters. To assist us in reaching our objective of enhancing shareholder value, we appointed André Bergstein as CFO and IRO in March. André is a seasoned executive with extensive industry experience and will report directly to the Gafisa Group CEO, Duilio Calciolari. In addition, we appointed new leaders at Gafisa, Tenda and Alphaville, namely Sandro Gamba, Rodrigo Osmo, and Marcelo Willer, respectively. The Board is

committed to management best practices and is intent on creating long-term value for shareholders and restoring their trust.

Gafisa is a world-class company with a strong heritage and an exciting future. It is widely recognized for its leadership, innovation and professionalism. We are confident in Gafisa's revised structure and strategy, strong brands and appropriate product mix.

We remain fully supportive of Duilio and his team as they strive to create value for our customers, partners and shareholders.

Caio Racy Mattar

Chairman – Gafisa S.A.

CEO COMMENTS

Before I detail the factors behind the deterioration in Gafisa's performance, and outline the structural changes and remedies undertaken to ensure a return to profitability, I would like to emphasize that management is entirely committed to restoring the health of our Company and the confidence of investors.

I would also like to share my sincere conviction in Gafisa's bright future. Our company boasts three of the most widely recognized brands in the Brazilian homebuilding industry, each of which enjoys core strengths that make them unique in the sector. The Gafisa brand has cultivated a valuable reputation through a 50-year history in its principal markets of São Paulo and Rio de Janeiro, while the AlphaVille segment is, undoubtedly, one of the highest margin businesses in the sector, and faces little competition. It is clear that Tenda's performance to date has not matched expectations. However, we are convinced that the market potential for this segment is immense. Every day more than 20,000 people visit Tenda's website seeking information about our developments. Its well established nationwide platform, newly developed aluminum mold technology that has already delivered cost improvements, and investment in relationships to become one of Caixa Economica Federal's top three partners means the brand is poised to capitalize off this demand in a controlled manner.

Gafisa is a company with a strong heritage and reputation that grew beyond the market's capacity, the ramifications of which I will now explain. In 2005, like many other Brazilian homebuilders, we made a strategic decision to capitalize on our experience and reputation in the middle and high-income segments by broadening our product lines to incorporate the nascent but growing higher-end residential lot market and the rapidly emerging lower income segment. In order to participate in these market segments we acquired AlphaVille and Tenda, changing the profile of the Company from one that during its long history had served the mid- to high-income segments primarily in the cities of São Paulo and Rio de Janeiro, to a Company that today caters to every income segment in the market. The value of annual launches has more than tripled to R\$3.5 billion and our land bank has grown more than 20-fold to R\$17.6 billion. During the same time period we delivered approximately 45,000 units, culminating in a record 23,000 deliveries in 2011 alone.

I was appointed interim CEO of Gafisa on May 9, 2011, and the Board confirmed my appointment as CEO on July 5, 2011. During my first three months as CEO I engaged the entire management team, with the support of our Board of Directors and our management consultants, Bain & Company, in a review of our Company's operating units and overall strategy. The results of this review led to our decision in October 2011 to: (i) establish a new operating structure by brands; (ii) reduce risk at Tenda; (iii) expand the contribution of AlphaVille's successful developments in our product mix and; (iv) refocus the Gafisa brand on its core markets of São Paulo and Rio de Janeiro.

At the time of our third quarter results, we announced a 30% reduction in our 2011 launch guidance to R\$3.5 billion to reflect our decision to slow the growth of our low-income business, as well as, narrow the geographic scope of the Gafisa business. In the final quarter of 2011, Gafisa restructured its operations by creating individual business units, with strong links between performance incentives and goals. Each of these is responsible for all aspects of the brand segment from development through to construction and delivery. This is an important departure as construction for each of the segments had previously been centralized under one group within Gafisa, hampering the timely detection of higher than budgeted costs.

Following the establishment of individual business units, these executives immediately undertook a thorough analysis of the Group's developments and suppliers, vetting them for quality, performance and reliability. What this process further clarified was a mismatch between the physical and reported progress of construction within Tenda due to factors such as subcontractor failure to perform and their bankruptcies. The full expense required to take-over projects from these subcontractors was also identified. In addition, at Gafisa a number of projects managed by third parties led to unexpected cost overruns, which have been reported in the fourth quarter. With the acceleration of deliveries in 2011, primarily during the later portion of the year, these cost deviations came to light.

As noted in our 4Q11, operational preview, financial results also reflect the dissolution of Tenda contracts with potential homeowners no longer qualifying for bank mortgages due to a change in circumstance. The dissolutions refer to units which were on average 70% complete and required an upfront down payment of 6%. Units returned to inventory are expected to be resold in a timely manner and at a premium to the original price.

The fourth quarter of 2011 is an atypical quarter due to the impact of structural changes, the recognition of cost overruns, cancellations and contract dissolutions at Tenda, as well as our more targeted strategy. This has had a material impact on our fourth quarter and therefore our full-year operating profitability. However, this has not impacted our 4Q11 liquidity. The negative full year EBITDA of - R\$339 million and loss of R\$945 million are impacted by expenses related to our revision and correction process of R\$889.5 million (83% of this impact is being recognized in 2011 and 17% in 2010) and revenue reversals of R\$1.2 billion.

Management and the board treat these results seriously and have undertaken widespread structural and operational changes to avert future losses and strains on the business. Tenda is now operating under a new strategy whereby pre-sales recognition and the remuneration of the sales force is based on the ability to immediately pass mortgages on to financial institutions and the number of third party construction partners has been reduced to a group that has been thoroughly vetted for quality and sustainability.

Included in the amounts above is an additional provision to cover potential cost overruns in all impacted developments yet to be completed. We have also taken a provision for expected dissolutions at Tenda during 2012 as we deliver the majority of the remaining units.

We expect to generate R\$500-R\$700 million of operating cash flow in 2012 which is sufficient to meet our obligations.

In addition, we will enhance cash flow by restricting the launch of developments at Tenda and re-launching the business under a profitable business model focused on fewer and higher potential geographic regions as well as the Gafisa brand's most profitable historical markets, namely São Paulo and Rio de Janeiro.

Our responsibility is to maximize the value of Gafisa and deliver strong returns to our shareholders. We are confident that we have a business model and a management team in place to profitably develop new and existing projects with the use of appropriate funding vehicles. With a stronger structure set in place, we expect our results to improve significantly over the coming years.

Duilio Calciolari, CEO -- Gafisa S.A.

RECENT EVENTS

New Operating Structure which Establishes P&L Owners by Brand

Gafisa is now operating under a new structure whereby individual business units are responsible for all aspects of the brand segment from development through to construction and delivery. All three business units are managed by executives with direct P&L responsibility, ensuring management is incentivized to deliver credible results.

The new head of the Gafisa brand is Sandro Gamba, who has been with the Company for more than 15 years and has served in a number of senior regional roles including the head of business development and director and manager of prospecting land. AlphaVille head Marcelo Willer was previously the brand's real estate development officer. Prior to assuming this role in 2006 he served as project officer in the six years prior. After Rodrigo Osmo's significant success in integrating and expanding the AlphaVille segment, he was named head of Tenda in December 2011. He has since led the turnaround at Tenda. With Rodrigo Osmo's appointment as Tenda head, Duilio Calciolari, Gafisa Group CEO, resumed an interim role as CFO until the appointment of André Bergstein in March 2012.

Appointment of New Chief Financial Officer with Extensive Industry Experience

André Bergstein brings 20 years of experience in the financial and real estate markets to Gafisa.

He is a highly regarded professional in the real estate industry. Prior to joining Gafisa, he led the real estate team at Plural Capital, responsible for real estate backed structured transactions. For the previous five years, he served at Brazilian Finance & Real Estate (BFRE) as CFO and IRO for the holding company, and as CFO of Brazilian Securities, where he led several structured operations of MBS' (mortgage backed securities) and FII's (real estate investment funds) and was active in M&A deals for BFRE. Prior to joining BFRE, he served as chief financial officer at Atlântica Residencial, a homebuilder focused on residential projects aimed at middle and low income groups, with local and foreign shareholders. He began his career as a financial analyst at Icatu Bank in 1993. Andre Bergstein has a degree in electrical engineering from the Pontifical Catholic University of Rio de Janeiro (PUC-RJ) and holds an MBA from IBMEC Rio de Janeiro.

Update on AlphaVille Negotiations and Achievements

The company hired an independent financial advisor to run the valuation of the remaining 20% stake of AlphaVille that Gafisa does not already own. Negotiations are on track and progressing according to the process outlined to shareholders.

In 2011, AlphaVille was recognized for its building capability and awarded a Master Real Estate Award. The brand remains a highly valued part of the Gafisa group and its share of the product mix is expected to increase over coming years.

RECENT EVENTS (CONT.)**Tenda Achievements**

The Gafisa Group remains committed to the Tenda brand and expects a turnaround strategy underway to take advantage of sizeable market potential in this segment. Tenda is one of the top three unit constructors in the country thanks to its established nationwide platform. Every day on average 22,000 people visit its website seeking information on developments and hundreds more visit each of its 22 shop fronts, which are conveniently located in commercial centers.

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

| | | | | | | | |
|---|--------------|------------|---------|------------|---------|------------|----------|
| Launches (%Gafisa) | 582.247 | 1.051.713 | -45% | 1.543.149 | -62% | 3.526.298 | 4.491.8 |
| Launches (100%) | 719.973 | 1.318.304 | -45% | 2.279.358 | -68% | 4.205.731 | 6.041.7 |
| Launches, units (%Gafisa) | 1.256 | 2.334 | -46% | 7.742 | -84% | 10.671 | 22.2 |
| Launches, units (100%) | 1.627 | 2.813 | -42% | 9.334 | -83% | 14.271 | 26.3 |
| Contracted sales (%Gafisa) | 338.415 | 1.044.728 | -68% | 1.240.818 | -73% | 3.352.288 | 4.006.3 |
| Contracted sales (100%) | 46.043 | 1.256.078 | -96% | 1.426.165 | -97% | 3.928.839 | 4.976.4 |
| Contracted sales, units (% Gafisa) | -605 | 2.866 | -121% | 5.933 | -110% | 9.844 | 20.7 |
| Contracted sales, units (100%) | -266 | 3.770 | -107% | 6.853 | -104% | 12.385 | 24.9 |
| Contracted sales from Launches (%co) | 381.140 | 652.062 | -42% | 678.427 | -44% | 2.210.235 | 2.672.1 |
| Sales Velocity over launches (VSO) % | 83% | 62% | 2100bps | 44% | 3900bps | 47% | 5 |
| Completed Projects (%Gafisa) | 1.322.766 | 1.221.417 | 8% | 435.818 | 204% | 3.718.658 | 1.692.4 |
| Completed Projects, units (%Gafisa) | 6.544 | 8.700 | -25% | 2.899 | 126% | 22.678 | 12.8 |
| Consolidated Land bank 4 | 17.605.092 | 21.096.042 | -17% | 18.054.000 | -2% | 17.605.092 | 18.054.0 |
| Potential Units | 86.247 | 100.025 | -14% | 92.882 | -7% | 86.247 | 92.8 |
| Number of Projects / Phases | 156 | 204 | -24% | 177 | -12% | 156 | 1 |
| Net revenues | 93.316 | 1.005.490 | -91% | 593.055 | -84% | 2.940.506 | 3.403.0 |
| Gross profit | -438.396 | 296.876 | -248% | 116.291 | -477% | 262.168 | 942.1 |
| Gross margin | nm | 29,50% | nm | 19,61% | nm | 8,92% | 27,6 |
| Adjusted Gross Margin ¹ | nm | 33,40% | nm | 24,61% | nm | 13,92% | 32,6 |
| Adjusted EBITDA ² | -798.184 | 202.221 | nm | 29.502 | -2806% | -338.637 | 579.2 |
| Adjusted EBITDA margin ² | nm | 20,10% | nm | 21,30% | nm | -11,50% | 17,0 |
| Adjusted Net (loss) profit ² | -998.084 | 59.325 | nm | -7.115 | 13928% | -905.189 | 288.4 |
| Adjusted Net margin ² | nm | 5,90% | nm | 16,00% | nm | -30,70% | 8,4 |
| Net (loss) profit | -1.029.904 | 46.217 | nm | -14.123 | 7192% | -944.868 | 264.5 |
| EPS (loss) (R\$) | -2,380180263 | 0,1071 | nm | -0,0328 | nm | -2,1837 | 0,6 |
| Number of shares ('000 final) | 432.700 | 431.538 | | 430.910 | | 432.700 | 430.9 |

| | | | | | | | |
|--|-----------|------------|---------|-----------|---------|-----------|-----------|
| Revenues to be recognized | 4.516.000 | 4.526.000 | -0,22% | 3.963.000 | 14% | 4.516.000 | 3.963.000 |
| Results to be recognized ³ | 1.559.000 | 1.740.000 | -10% | 1.540.000 | 1% | 1.559.000 | 1.540.000 |
| REF margin ³ | 34,50% | 38,40% | -388bps | 38,90% | -438bps | 34,50% | 38,90% |
| Net debt and investor obligations | 3.245.336 | 2.946.370 | 10% | 2.468.961 | 31% | 3.245.336 | 2.468.961 |
| Cash and cash equivalent | 983.660 | 912.359 | 8% | 1.201.148 | -18% | 983.660 | 1.201.148 |
| Equity | 2.648.473 | 3.825.831 | -31% | 3.570.749 | -26% | 2.648.473 | 3.570.749 |
| Equity + Minority shareholders | 2.747.094 | 3.912.587 | -30% | 3.632.172 | -24% | 2.747.094 | 3.632.172 |
| Total assets | 9.506.624 | 10.383.808 | -8% | 9.040.790 | 5% | 9.506.624 | 9.040.790 |
| (Net debt + Obligations) / (Equity + Minorities) | 118% | 75% | | 68% | | 118% | 68% |

Note: All financial data is audited.

1) Adjusted for capitalized interest

2) Adjusted for expenses on stock option plans (non-cash), minority shareholders and non-recurring expenses

3) Results to be recognized net of PIS/Cofins - 3.65%; excludes the AVP method introduced by Law n° 11,638

4) Reallocation of non-strategic landbank, excluding PSV of R\$ 3.7 billion at Gafisa and R\$ 1.3 billion at Tenda

GAFISA AND TENDA ADJUSTMENTS

During the fourth quarter the Company established three separate operating units for the Gafisa, AlphaVille and Tenda brands, which are headed by executives with profit and loss responsibility. As a result of the analysis conducted by the new teams, the Company identified important adjustments related to the strategic shift at Gafisa and the new operating model adopted at Tenda which are reflected in the fourth quarter as follows:

Cost overruns related to construction of R\$587 million (R\$231 million in Gafisa and R\$356 million in Tenda) equivalent to 8% of the original total cost base of projects. 49% of the preliminary value relates to developments executed by third parties and franchisees, 26% relates to developments in regions that have been discontinued, and 25% from construction managed in-house. The impact is **R\$440.9** million (64% was in 2011 and 36% in 2010).

A thorough **review of the Tenda portfolio of receivables** identified 4K customers who are no longer eligible for bank mortgages and whose contracts were terminated, resulting in an impact of **R\$91.2** million. The dissolution of contracts with potential property owners involves units that are, on average, more than 70% complete; where we collected an average down payment of 6% of the total value of the unit. The units were returned to inventory and became eligible for resale to qualified mortgage borrowers. Additionally, provisions were made for future dissolutions equivalent to 8K units, resulting in a net impact of **R\$80.0** million in the period. Also, provisions for bad debts amounted to **R\$105** million (94% Tenda).

An **impairment related write-down** of **R\$37.9** million based on a downward valuation of land bank Gafisa no longer intends to develop in the near term as result of its narrowed geographic focus, and **R\$57.9** million related to Tenda's land bank. These tracts of land may be sold in the future. Development expenses related to the land acquisition process at Gafisa of **R\$14.9** million and **R\$10.6** million at Tenda were recognized as a sunk cost.

Other provisions related to **penalties from delayed projects** equivalent to **R\$12.7** million at Gafisa and **R\$38.5** million at Tenda. Also, the **cancellation of projects** had an impact on Tenda's results of **R\$17.4** million.

For detailed information on the factors contributing to the above outcome, please refer to the following table.

Table 2 - Gafisa and Tenda Adjustments - (R\$000, unless otherwise specified)

Note: Each number correspond to the items related to the adjustments accounted in 2011, the remaining R\$180 million was accounted in previous year.

It should be noted that based on accounting provisions, the Company did not account for the respective deferred income tax assets of R\$251.8 million related to tax loss carry forwards and R\$106.3 million related

to timing differences.

The revenue reversal totaled R\$1.2 billion, as shown in the table above. However, we expect to rebook: (1) 60% of the revenue reversal with resale of returned units; and (2) 34% will be recognized in accordance with PoC of the related projects (79% launched < 2008). Only 6% of the total is unrecoverable.

Overall, the impact on the 4Q11 result totaled R\$889.5 million (83% in 2011 and 17% allocated in 2010). It should be noted that 70% of adjustments stemmed from Tenda's operations. The substantial economic impact observed in 4Q11 had no cash flow impact in the same period. In addition, the resale of units returned to inventory to qualified customers will gradually reduce the Company's leverage.

RECONCILIATION OF FINANCIAL DATA

Adjustments to 2010 financial statements

In line with a new strategy set out in the fourth quarter of 2011, we conducted a detailed budget review. This review identified adjustments that relate to the 2010 financial year, but which were not detected by internal controls that year.

The cost adjustments primarily relate to operational issues stemming from relationships with franchisees, partners and contractors, revisions to vendor contracts and modifications to projects.

Management apportioned costs to the 2010 financial year according to whether: (1) Construction launched in 2010 was more than 50% complete by 2011, (2) Construction was brought in house in 2010 following budget overruns related to the use of contractors, partners and franchisees, (3) Additional costs incurred for projects delivered in the first quarter of 2011 related to projects launched in 2010, (4) Projects whose costs were higher than budgeted had their foundations laid in 2010.

The retroactive effect of 2010 cost adjustments, as set out in IAS 8 / CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors, is contained in the below table.

In addition, the following reclassifications were made to better compare the 2011 and 2010 financial statements: (a) Reclassification of deferred income tax and social contribution taxes on tax revenue from an accrual to cash basis, as determined in accordance with the tax regime assumed under the heading "Taxes" in the short and long term, (b) Reclassification of advances for future capital increase under the heading "Investment" (c) Reclassification of the brokerage, the deductions from revenue, under the heading "Selling" (d) Presentation of the balance of net deferred tax, per group of business, (e) Reclassification of balances shown under "Accounts receivable and incorporation services" between short and long term.

Table 3 – Reconciliation of 2010 and 2011 Financial Data (R\$000)

| | |
|--|-----------------|
| Preliminary Unaudited 2011 Results and Audited 2010 Results (April 2nd , 2012) | (1.093.1 |
| Adjustments | |
| - Relocation of Construction Cost Adjustment 2011 to 2010 | 168.26 |
| - Supplementary Provision for Bad Debt | (17.400 |
| - Taxes | (2.572 |
| Audited 2011 Results and Restated 2010 Results (April 9 , 2012) | (944.86 |

OPERATIONAL NUMBERS FOR THE GAFISA GROUP

Consolidated Launches

Full-year consolidated launches totaled R\$3.5 billion, a 21% decrease compared to 2010, and at the low end of annual guidance of R\$3.5 to R\$4.0 billion.

Throughout the year, 51 projects/phases were launched across 10 states. The Gafisa brand accounted for 61% of launches, AlphaVille comprised 28% and Tenda the remaining 11%.

Fourth quarter consolidated launches reached R\$582 million, a 62% drop compared to 4Q10, reflecting the implementation of a new strategy.

Consolidated Pre-Sales

Full-year consolidated pre-sales totaled R\$3.4 billion, a 16% decrease compared to 2010. Sales from inventory represented 38% of the 2011 total, while units launched in 2011 accounted for the remaining 62%. Full-year sales velocity of launches reached 47.2%, or 53.9% ex-Tenda.

Fourth quarter pre-sales reached R\$338 million, a 73% decline compared to 4Q10. The result is a direct consequence of the change in strategy during the second half. Excluding the dissolution of Tenda contracts no longer qualifying for bank financing, 4Q11 pre-sales would have reached R\$557 million.

Fourth quarter consolidated sales velocity reached 8.3%, compared to 27.4% in 4Q10. Excluding Tenda, 4Q11 sales velocity was 17.7%, compared to 23.1% in 3Q11 and 26.4% in 4Q10. The result reflects fewer launches during the period.

Delivered Projects

The Group delivered 118 projects encompassing 22,679 units (26,868 equals Gafisa plus minority stake) with a potential sales value at company stake of R\$3.7 billion during 2011, almost double the number delivered during the previous year.

GAFISA SEGMENT

Focuses on residential developments within the upper, upper-middle, and middle-income segments, with unit prices exceeding R\$250,000, located in 50 cities across 19 states.

Gafisa Segment Launches

Full-year launches were stable at R\$2.2 billion and included 22 projects/phases across 3 states. São Paulo and Rio de Janeiro, where the Company has robust supply chains and projects demonstrating strong profitability, accounted for more than 95% of launches in 2011. Fourth quarter launches reached R\$341 million, a 59% decrease compared to 4Q10. Full-year sales velocity of Gafisa's launches reached 51.9%, compared to 51.5% in 2010.

Nota: O VSO se refere as vendas contratadas sobre a oferta do período correspondente. Neste calculo, consideramos o estoque ajustado para refletir a correção de preço.

Table 4 - Gafisa Segment Launches by market region

| | | | | | | | |
|---------------|----------------|----------------|----------------|---------------|------------------|------------------|-------------|
| Gafisa | São Paulo | 340,645 | 582,269 | -41% | 1,611,510 | 1,537,604 | 5% |
| | Rio de Janeiro | - | 18,100 | 0% | 557,562 | 158,953 | 251% |
| | Other | - | 223,053 | 0% | (12,354) | 458,766 | -103% |
| | Total | 340,645 | 823,422 | -58.6% | 2,156,718 | 2,155,323 | 0.1% |
| | Units | 1,012 | 2,109 | -52% | 5,480 | 5,124 | 7% |

Table 5 - Gafisa Segment Launches by unit price

| | | | | | | | |
|---------------|--------------|----------------|----------------|-------------|------------------|------------------|-------------|
| Gafisa | ≤R\$500K | 297,711 | 522,007 | -43% | 1,226,443 | 1,103,066 | 11% |
| | >R\$500K | 42,933 | 301,415 | 0% | 930,274 | 1,052,257 | -12% |
| | Total | 340,645 | 823,422 | -59% | 2,156,718 | 2,155,323 | 0.1% |

Gafisa Segment Pre-Sales

Full-year sales totaled R\$2.2 billion, a 10% increase compared to the previous year. Sales from inventory represented 40% of the 2011 total, while the remaining 60% came from units launched during the same year. The sales velocity of launches in 2011 was stable at 51.9%, as compared to a rate of 51.5% the previous year. Fourth-quarter sales totaled R\$313 million, a 50% decrease compared to 4Q10. The sales speed of Gafisa projects in 4Q11 was 13.4%, compared to 25.1% in 4Q10. The decline reflects the launch of new developments toward the end of the quarter.

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

Table 6 - Gafisa Segment Sales by market region

| | | | | | | | |
|---------------|----------------|----------------|----------------|-------------|------------------|------------------|------------|
| Gafisa | São Paulo | 231,516 | 439,456 | -47% | 1,586,724 | 1,350,362 | 18% |
| | Rio de Janeiro | 76,320 | 61,282 | 25% | 458,317 | 220,027 | 108% |
| | Other | 5,031 | 121,294 | -96% | 135,048 | 403,928 | -67% |
| | Total | 312,867 | 622,032 | -50% | 2,180,088 | 1,974,317 | 10% |
| | Units | 722 | 1,427 | -49% | 5,118 | 4,773 | 7% |

Table 7 - Gafisa Segment Sales by unit price – PSV

| | | | | | | | |
|---------------|--------------|----------------|----------------|-------------|------------------|------------------|------------|
| Gafisa | ≤ R\$500K | 183,769 | 41,852 | 339% | 1,431,599 | 1,245,723 | 15% |
| | > R\$500K | 129,098 | 203,512 | -37% | 748,488 | 728,594 | 3% |
| | Total | 312,867 | 622,032 | -50% | 2,180,087 | 1,974,317 | 10% |

Table 8 - Gafisa Segment Sales by unit price – Units

| | | | | | | | |
|---------------|--------------|------------|--------------|-------------|--------------|--------------|-----------|
| Gafisa | ≤ R\$500K | 551 | 1,195 | -54% | 4,200 | 3,741 | 12% |
| | > R\$500K | 171 | 232 | -26% | 917 | 1,032 | -11% |
| | Total | 722 | 1,427 | -49% | 5,118 | 4,773 | 7% |

Gafisa Segment Delivered Projects

Gafisa delivered 34 projects with 5,593 units and an approximate PSV of R\$1.9 billion during 2011. The tables below list the products delivered in 2011:

Table 9- Gafisa Segment Delivered projects (2011)

| | | | | | | | |
|---------------|---------------------------------------|--------|--------|----------------------|------|-----|-----------------------|
| Gafisa | Altavistta | Jan-11 | Nov-06 | Maceio - AL | 50% | 87 | 9,907 |
| Gafisa | Evidence | Jan-11 | Apr-07 | São Paulo - SP | 50% | 72 | 32,425 |
| Gafisa | Icaraí Corporate | Feb-11 | Dec-06 | Niterói - RJ | 100% | 137 | 34,940 |
| Gafisa | London Green | Feb-11 | Jun-07 | Rio de Janeiro - RJ | 100% | 440 | 156,856 |
| Gafisa | Vision - Campo Belo | Feb-11 | Dec-07 | São Paulo - SP | 100% | 284 | 87,336 |
| Gafisa | Grand Park - Águas Fase I | Mar-11 | Dec-07 | São Luis - MA | 50% | 120 | 21,851 |
| Gafisa | GrandValley (Jacarepaguá) | Mar-11 | Mar-07 | Rio de Janeiro - RJ | 100% | 240 | 44,014 |
| Gafisa | Grand Park - Árvores Fase I | Apr-11 | Dec-07 | São Luis - MA | 50% | 200 | 29,978 |
| Gafisa | Privilege Residencial | Apr-11 | Sep-07 | Niterói - RJ | 100% | 194 | 44,469 |
| Gafisa | Horizonte | May-11 | May-07 | Belem - PA | 100% | 29 | 21,173 |
| Gafisa | Terraças Tatuapé | May-11 | Jun-08 | São Paulo - SP | 100% | 108 | 48,660 |
| Gafisa | Costa Maggiore Residencial Resort | May-11 | Jan-08 | Cabo Frio - RJ | 50% | 30 | 24,052 |
| Gafisa | Magnific | May-11 | Mar-08 | Goiânia - GO | 100% | 31 | 30,458 |
| Gafisa | Bella Vista | May-11 | Dec-07 | Resende - RJ | 100% | 116 | 46,046 |
| Gafisa | Supremo | Jun-11 | Aug-07 | São Paulo - SP | 100% | 192 | 143,634 |
| Gafisa | Nova Petropolis Fase 1 | Jul-11 | Mar-08 | São Bernardo - SP | 100% | 268 | 108,479 |
| Gafisa | Brink - Campo Limpo F1 | Aug-11 | Nov-08 | São Paulo - SP | 100% | 191 | 46,404 |
| Gafisa | Brink - Campo Limpo F2 | Aug-11 | Nov-08 | São Paulo - SP | 100% | 95 | 23,019 |
| Gafisa | Grand Park - Águas Fase II | Aug-11 | May-08 | São Luis - MA | 50% | 75 | 15,051 |
| Gafisa | Grand Park - Árvores Fase II | Aug-11 | Jun-08 | São Luis - MA | 50% | 75 | 12,083 |
| Gafisa | Centro Empresarial Madureira | Aug-11 | Mar-09 | Rio de Janeiro - RJ | 100% | 195 | 24,208 |
| Gafisa | Villagio Panamby - Horto F1 | Sep-11 | Oct-07 | Salvador - BA | 50% | 90 | 84,521 |
| Gafisa | Villagio Panamby - Horto F2 | Sep-11 | Jan-08 | Salvador - BA | 50% | 92 | 87,807 |
| Gafisa | Carpe Diem Residencial | Sep-11 | Mar-08 | Niterói - RJ | 80% | 91 | 29,461 |
| Gafisa | Acqua Residencial F1/F2 | Sep-11 | Mar-07 | Nova Iguaçu - RJ | 100% | 452 | 90,161 |
| Gafisa | Details | Sep-11 | Oct-08 | São Paulo - SP | 100% | 38 | 53,458 |
| Gafisa | Jatiuca Trade Residence - Residencial | Sep-11 | Jun-07 | Maceió - AL | 50% | 250 | 39,546 |
| Gafisa | Enseada das Orquideas | Oct-11 | Jun-07 | Santos - SP | 80% | 422 | 125,721 |
| Gafisa | Dubai NM | Oct-11 | Sep-08 | São Luis - MA | 50% | 120 | 31,888 |
| Gafisa | Celebrare Residencial | Nov-11 | Mar-07 | Duque de Caxias - RJ | 100% | 188 | 35,189 |
| Gafisa | Alegria | Nov-11 | Sep-08 | Guarulhos - SP | 100% | 278 | 78,855 |
| Gafisa | Chácara Sant´anna | Nov-11 | Nov-08 | São Paulo - SP | 50% | 70 | 62,885 |
| Gafisa | Alphaville Barra da Tijuca | Nov-11 | Dec-08 | Rio de Janeiro - RJ | 65% | 224 | 112,616 |
| Gafisa | Mansão Imperial - Fase 1 | Dec-11 | Oct-08 | São Bernardo - SP | 100% | 100 | 60,403 |
| Gafisa | | | | | | | 5,5931,897,551 |

Projects launched Gafisa Segment

The following table displays Gafisa Segment projects launched during 2011:

Table 10 - Gafisa Segment Projects launched during 2011

| Projects | Launch Date | Local | % co | Units (%co) |
|---|-------------|--------------------------|------|-------------|
| 1Q11 | | | | 75 |
| Avant Garde | Mar | Santos - SP | 100% | 16 |
| Comercial ICON | Mar | São Gonçalo - RJ | 100% | 44 |
| Alegria - Fase 4 | Mar | Guarulhos - SP | 100% | 13 |
| 2Q11 | | | | 2.58 |
| Smart Vila Mascote - Lacedemonia | May | São Paulo - SP | 100% | 15 |
| Alegria - Fase 5 | May | Guarulhos - SP | 100% | 13 |
| Prime F2 | May | São Luis - MA | 50% | 7 |
| Compra de Participação - IGLOO | Jun | São Paulo - SP | 30% | 2 |
| Smart Maracá | Jun | São Paulo - SP | 100% | 15 |
| Royal - Vila Nova São José QC1 | Jun | São José dos Campos - SP | 100% | 6 |
| Vision Anália Franco | Jun | São Paulo - SP | 100% | 20 |
| Station Parada Inglesa (André Campale) | Jun | São Paulo - SP | 100% | 17 |
| Target - Comercial Capenha | Jun | Rio de Janeiro - RJ | 60% | 54 |
| Network Business Tower F1 e F2 (Ceramica Comercial F1 e F2) | Jun | São Caetano - SP | 100% | 85 |
| Mundi Residencial Ceramica – F1 | Jun | São Caetano - SP | 100% | 19 |
| 3Q11 | | | | 1.12 |
| Riservatto | Jul | Osasco - SP | 100% | 17 |
| Americas Avenue Consolidado | Aug | Rio de Janeiro - RJ | 100% | 69 |
| Cancelamento Allegro F1 | Aug | Natal - RN | 85% | -14 |
| Golden Office | Sep | Jundiai - SP | 100% | 34 |
| Alphaville Barra da Tijuca | Sep | Rio de Janeiro - RJ | 65% | 4 |
| 4Q11 | | | | 1.01 |
| Alpha Green | Nov | São Paulo - SP | 100% | 56 |
| Easy Vila Romana (Faustolo) | Dec | São Paulo - SP | 100% | 7 |
| Fantastique (Angá - F1) | Dec | São Paulo - SP | 100% | 37 |
| Gafisa | | | | 5.47 |

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

Table 11 – Gafisa Segment Land Bank

| | | | | | | |
|----------------|------------------|--------------|--------------|-------------|---------------|--------------|
| São Paulo | 4.311.210 | 33,6% | 31,4% | 2,2% | 8.804 | 7.741 |
| Rio de Janeiro | 1.143.860 | 44,5% | 44,5% | 0,0% | 1.821 | 1.835 |
| Total | 5.455.070 | 36,2% | 34,6% | 1,7% | 10.625 | 9.576 |

Table 12 – Gafisa Segment Contracted Sales versus Recognized Net Revenues (R\$000)

| | | | | | | | | |
|---------------------------|----------------|------------------|-------------|------------------|-------------|------------------|------------------|-------------|
| Contracted Sales | 312.867 | 665.408 | -53% | 622.032 | -50% | 2.180.088 | 1.974.317 | 10% |
| Stake (%) | 56% | 64% | -800 bps | 50% | 600 bps | 63% | 68% | -500 bps |
| Net Revenues | 367.551 | 497.849 | -26% | 412.411 | -11% | 1.821.926 | 1.988.236 | -8% |
| Stake (%) | 394% | 50% | 34436bps | 44% | 34947bps | 62% | 53% | 852bps |
| Total Sales Cons | 338.415 | 1.044.650 | -68% | 1.240.817 | -73% | 3.452.768 | 2.903.465 | 19% |
| Total Net Rev Cons | 93.316 | 1.005.482 | -91% | 928.636 | -90% | 2.940.498 | 3.720.860 | -21% |

ALPHAVILLE SEGMENT

Focuses on the sale of residential lots, with unit prices between R\$100,000 and R\$500,000, and is present in 68 cities across 23 states and in the Federal District

AlphaVille Segment Launches

Full-year launches totaled R\$972 million, a 31% increase over 2010, and included 12 projects/phases across 8 states. AlphaVille accounted for 27% of 2011 launches, up from a 16% share in 2010. AlphaVille is expected to increase its contribution to the Company's business in future periods as demographic changes and significant investments in the country's infrastructure make high quality suburban living more common.

Fourth quarter launches reached R\$344 million, a 79% increase over 4Q10.

Table 13- AlphaVille Segment - Launches

| | | | | | | |
|-------------------|----------------|----------------|-------------|----------------|----------------|------------|
| Alphaville | 344,786 | 192,016 | 80% | 972,385 | 740,592 | 31% |
| Total | 344,786 | 192,016 | 80% | 972,385 | 740,592 | 31% |
| Units | 1,061 | 1,359 | -22% | 3,714 | 3,607 | 3% |

Table 14 - AlphaVille Segment - Launches by unit price

| | | | | | | | |
|-------------------|----------------------|----------------|----------------|------------|----------------|----------------|------------|
| Alphaville | ≤ R\$200K; | 13.721 | 160.312 | -91% | 227.482 | - | |
| | > R\$200K; ≤ R\$500K | 331.065 | - | 0% | 657.466 | 740.592 | -11% |
| | > R\$500K | - | 31.704 | -100% | 37.437 | - | |
| Total | | 344.786 | 192.016 | 80% | 972.385 | 740.592 | 31% |

AlphaVille Pre-Sales

Full-year pre-sales reached R\$842 million, a 41% increase compared to 2010. The residential lots segment accounted for 25% of consolidated pre-sales, up from a 15% share the previous year. Sales velocity of launches reached 59.7%. Sales from inventory represented 30% of the 2011 total, while the remaining 70% came from units launched during the same year.

Fourth-quarter sales totaled R\$244 million, a 27% increase over 4Q10. The sales speed of AlphaVille projects in 4Q11 remained stable at 30.1%, compared to 31.6% in 4Q10, primarily due to the success of projects launched during the period.

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

Table 15 - AlphaVille Segment - Sales

| | | | | | | |
|-------------------|----------------|----------------|-------------|----------------|----------------|------------|
| Alphaville | 244.307 | 192.970 | 27% | 841.991 | 598.938 | 41% |
| Total | 244.307 | 192.970 | 27% | 841.991 | 598.938 | 41% |
| Units | 837 | 1.173 | -29% | 3.285 | 2.905 | 13% |

Table 16 - AlphaVille Segment - Sales by unit price - PSV

| | | | | | | | |
|-------------------|--------------------------------|----------------|----------------|--------------|----------------|----------------|-------------|
| Alphaville | ≤ R\$200K; | 25.481 | 167.035 | -85% | 226.379 | 353.104 | -36% |
| | > R\$200K; ≤ R\$500K | 170.394 | 23.775 | 617% | 593.990 | 239.788 | 148% |
| | > R\$500K | 48.432 | 2.162 | 2141% | 21.621 | 6.046 | 258% |
| Total | | 244.307 | 192.971 | 27% | 841.991 | 598.938 | 41% |

Table 17 - AlphaVille Segment - Sales by unit price – Units

| | | | | | | | |
|-------------------|--------------------------------|------------|--------------|-------------|--------------|--------------|-------------|
| Alphaville | ≤ R\$200K; | 178 | 1.087 | -84% | 1.562 | 2.118 | -26% |
| | > R\$200K; ≤ R\$500K | 648 | 84 | 671% | 1.708 | 807 | 112% |
| | > R\$500K | 10 | 2 | 398% | 15 | 6 | 14% |
| Total | | 837 | 1.173 | -29% | 3.285 | 2.931 | 12% |

AlphaVille Segment Delivered Projects

AlphaVille delivered 12 projects with 2,624 units and an approximate PSV of R\$3.7 billion during 2011. The delivery date is based on the “delivery meeting” that takes place with customers, and not upon the physical completion, which is prior to the delivery meeting. The tables below list the products delivered in 2011:

Table 18 - AlphaVille Segment - Delivered projects (2011)

| | | | | | | | | |
|-------------------|------------------------------|--------|--------|-----------------------------|------|-----|--------------|----------------|
| Alphaville | Litoral Norte II | Jan-11 | Sep-08 | Salvador-BA | 64% | 251 | 27,790 | |
| Alphaville | Terras Alpha Foz do Iguaçu | Mar-11 | Dec-09 | Foz do Iguaçu-PR | 74% | 292 | 24,030 | |
| Alphaville | Nova Esplanada | May-11 | Dec-08 | Votorantim-SP | 31% | 196 | 39,749 | |
| Alphaville | Mossoró (RN) | Jun-11 | Dec-08 | Mossoró-RN | 70% | 405 | 22,804 | |
| Alphaville | AlphaVille Manaus II | Sep-11 | Jun-08 | Manaus - AM | 63% | 236 | 34,841 | |
| Alphaville | Reserva Burle Max | Sep-11 | May-10 | Mossoró-RN | 100% | 2 | 4,807 | |
| Alphaville | Alphaville Barra da Tijuca | Nov-11 | Dec-08 | Rio de Janeiro - RJ | 35% | 113 | 97,062 | |
| Alphaville | Alphaville Campina Grande | Dec-11 | Sep-09 | Mirante Campina Grande - PB | 53% | 154 | 29,135 | |
| Alphaville | Alphaville Gravataí F2 | Dec-11 | Dec-09 | Gravataí - RS | 64% | 205 | 28,040 | |
| Alphaville | Alphaville Brasília | Dec-11 | Jun-10 | Brasília - DF | 47% | 237 | 102,150 | |
| Alphaville | Alphaville Jacuhy F3 | Dec-11 | Jun-10 | Serra - ES | 65% | 239 | 56,336 | |
| Alphaville | Alphaville Rio das Ostras F3 | Dec-11 | Dec-09 | Rio das Ostras - RJ | 58% | 293 | 62,834 | |
| Alphaville | | | | | | | 2,624 | 529,578 |

Table 19 – AlphaVille Segment - Projects Launched (2011)

| | | | | | | | | |
|---------------------|-----------------|-----|--------------------------|-----|--------------|----------------|------------|----------------|
| 1Q11 | | | | | 849 | 181.914 | 78% | 142.098 |
| Alphaville | Pernambuco | Mar | Duas Unas - PE | 83% | 457 | 119.654 | 71% | 85.030 |
| Alphaville | Campo Grande | Mar | Campo Grande - MT | 66% | 391 | 62.260 | 92% | 57.068 |
| 2Q11 | | | | | 621 | 95.567 | 74% | 70.456 |
| Terras Alpha | Resende - F1 | Jun | Resende - RJ | 77% | 325 | 49.204 | 87% | 42.958 |
| Terras Alpha | Maricá Sta - F1 | Jun | Maricá - RJ | 48% | 296 | 46.363 | 59% | 27.498 |
| 3Q11 | | | | | 887 | 350.117 | 78% | 272.388 |
| São José dos Campos | F1 F2 | Sep | São José dos Campos - SP | 57% | 574 | 271.180 | 91% | 246.896 |
| Petrolina | F2 | Sep | Petrolina - PE | 76% | 286 | 41.499 | 21% | 8.912 |
| Barra da Tijuca | | Sep | Rio de Janeiro - RJ | 35% | 26 | 37.437 | 44% | 16.581 |
| 4Q11 | | | | | 1.358 | 344.248 | 53% | 180.851 |
| Alphaville | Campina Grande | Dec | Paraíba | 53% | 84 | 13.721 | 24% | 3.271 |

| | | | | | | | |
|-----------------------------|-----|------------|------|--------------|----------------|------------|----------------|
| Alphaville Feira de Santana | Dec | Bahia | 72% | 422 | 80.802 | 83% | 67.108 |
| Alphaville Manaus 3 | Dec | Amazonas | 100% | 249 | 65.103 | 77% | 50.302 |
| Alphaville Pernambuco II | Dec | Pernambuco | 70% | 602 | 143.832 | 13% | 19.379 |
| Terreno Cajamar | Dec | São Paulo | 100% | 1 | 40.790 | 100% | 40.790 |
| AUSA | | | | 3.714 | 971.846 | 69% | 665.792 |

Table 20 – AlphaVille Segment Land Bank

| | | | | | | |
|----------------|------------------|--------------|-------------|--------------|---------------|---------------|
| São Paulo | 1.259.533 | 98,5% | 0,0% | 98,5% | 6.164 | 12.883 |
| Rio de Janeiro | 744.785 | 100,0% | 0,0% | 100,0% | 4.108 | 8.560 |
| Other | 5.710.229 | 98,5% | 0,0% | 98,5% | 26.812 | 42.128 |
| Total | 7.714.547 | 98,7% | 0,0% | 98,7% | 37.085 | 63.571 |

Table 21 – Alphaville Segment Contracted Sales versus Recognized Net Revenues (R\$000)

| | | | | | | | | |
|---------------------------|----------------|------------------|-------------|------------------|-------------|------------------|------------------|-------------|
| Contracted Sales | 244.307 | 281.752 | -13% | 192.970 | 27% | 942.470 | 598.938 | 57% |
| Stake (%) | 44% | 27% | 1700bps | 16% | 2800bps | 27% | 21% | 600bps |
| Net Revenues | 221.274 | 175.860 | 26% | 161.016 | 37% | 667.562 | 445.405 | 50% |
| Stake (%) | 64% | 17% | 4622bps | 17% | 4637bps | 21% | 12% | 893bps |
| Total Sales Cons. | 338.415 | 1.044.650 | -68% | 1.240.817 | -73% | 3.452.768 | 2.903.465 | 19% |
| Total Net Rev Cons | 93.316 | 1.005.482 | -91% | 928.636 | -90% | 2.940.498 | 3.720.860 | -21% |

TENDA SEGMENT

Focuses on affordable residential developments, with unit prices between R\$80,000 and R\$200,000, has 20 regional store fronts, and projects developed in 105 cities across 15 states.

Tenda Segment Launches

Full-year launches totaled R\$398 million, a 75% reduction compared to 2010, and included 17 projects/phases across 8 states and the cancellation in 4Q11 of R\$103 million of projects no longer feasible under the Company's new criteria adopted in the 3Q11. No more than 30% of these projects had been

completed.

Table 22 - Tenda Segment Launches by market region

| | | | | | | | |
|--------------|----------------|------------------|----------------|--------------|----------------|------------------|-------------|
| Tenda | São Paulo | - | 119.172 | -100% | 79.427 | 382.434 | -79% |
| | Rio de Janeiro | - | 40.156 | 100% | 64.743 | 234.699 | 72% |
| | Minas Gerais | (103.183) | 131.196 | 179% | 132.047 | 336.332 | 61% |
| | Northeast | - | 43.975 | 100% | 50.273 | 234.180 | 79% |
| | Others | - | 193.212 | -100% | 71.243 | 408.274 | -83% |
| | Total | (103.183) | 527.711 | -120% | 397,733 | 1,595,919 | -75% |
| | Units | (817) | 4.275 | -119% | 3,030 | 13,502 | -78% |

Table 23 - Tenda Segment Launches per brand by unit price

| | | | | | | | |
|--------------|--------------|------------------|----------------|--------------|----------------|------------------|-------------|
| Tenda | ≤ MCMV | (103,183) | 280,509 | -137% | 202,308 | 95.477 | 300% |
| | > MCMV | - | 247,202 | - | 195,425 | 641.149 | -70% |
| | Total | (103,183) | 527,711 | -120% | 397,733 | 1.595.919 | -75% |

Tenda Segment Pre-Sales

This more conservative approach to Tenda's operations led to full-year sales of R\$330 million, a 77% reduction compared to 2010, in line with the reduced volume of launches.

In keeping with a necessary change in strategy, 4Q11 gross pre-sales within Tenda also fell 55% to R\$249 million. Fourth quarter net pre-sales in the low income segment were negative R\$219 million, compared to R\$426 million in 4Q10. The difference reflects the dissolution of R\$467 million in contracts with potential homeowners who no longer qualified for a bank mortgage due to a change in circumstance, such as lack of financial capacity, increased income, move to dual household income, cessation of employment etc. Consequently, units, which are on average more than 70% complete, will be returned to inventory and eligible for resale to qualified customers. We collected on average a down payment of 6% of the units that will be resold through financial institutions, where according to the PoC, the percentage of the incurred cost of a unit's value is received upfront. Going forward, pre-sales recognition and the remuneration of Tenda sales force will be based on the ability to pass mortgages on to banks.

Note: 1 PoC – Percentage of completion method.

Table 24 – Tenda Segment Sales by market region

| | | | | | | | |
|--------------|-----------|----------|--------|-------|---------|---------|------|
| Tenda | São Paulo | (25.456) | 80.227 | -132% | 105.015 | 379.582 | -72% |
|--------------|-----------|----------|--------|-------|---------|---------|------|

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| | | | | | | |
|----------------|------------------|----------------|--------------|----------------|------------------|-------------|
| Rio de Janeiro | (90.517) | 39.338 | -330% | (67.505) | 194.914 | -135% |
| Minas Gerais | (80.715) | 91.594 | -188% | 94.970 | 271.168 | -65% |
| Northeast | (10.954) | 78.301 | -114% | 95.561 | 266.997 | -64% |
| Others | (11.117) | 136.354 | -108% | 102.168 | 320.465 | -68% |
| Total | (218.759) | 425.815 | -151% | 330,210 | 1,007,310 | -77% |
| Units | (2.163) | 3.332 | -165% | 1,441 | 9,733 | -89% |

Table 25 - Tendas Segment Sales by unit price - PSV

| | | | | | | | |
|--------------|--------------|------------------|----------------|--------------|----------------|------------------|-------------|
| Tenda | ≤ MCMV | (172,415) | 234,321 | -174% | 128,309 | 941,574 | -86% |
| | > MCMV | (46,344) | 191,493 | -124% | 201,901 | 491,551 | -59% |
| | Total | (218,759) | 425,815 | -151% | 330,210 | 1,433,125 | -77% |

Table 26- Tendas Segment Sales by unit price – Units

| | | | | | | | |
|--------------|--------------|----------------|--------------|--------------|--------------|---------------|-------------|
| Tenda | ≤ MCMV | (1,800) | 2,328 | -177% | 377 | 10,456 | -96% |
| | > MCMV | (364) | 1,004 | -136% | 1,063 | 2,609 | -59% |
| | Total | (2,163) | 3,332 | -165% | 1,441 | 13,065 | -89% |

Tenda Segment Delivered Projects

During the fourth quarter, consolidated Tenda delivered 74 projects/phases, 14,462 units and an approximate PSV of R\$1.3 billion. The tables below list the products delivered in 2011:

Table 27 - Tenda Segment Delivered projects (2011)

| | | | | | | | |
|-------|---|--------|--------|------------------|------|-----|-------|
| Tenda | Residencial Monet | Jan-11 | Oct-06 | SãoPaulo-SP | 100% | 60 | 5,40 |
| Tenda | Arsenal Life ii | Jan-11 | Jun-07 | SãoGonçalo-RJ | 100% | 108 | 7,64 |
| Tenda | Residencial Santa Julia | Feb-11 | Sep-07 | SãoJosé-SP | 100% | 260 | 17,68 |
| Tenda | Residencial Bahamas Life | Feb-11 | Apr-08 | BeloHorizonte-MG | 100% | 40 | 3,57 |
| Tenda | Residencial Salvador Dali | Feb-11 | Sep-07 | Osasco-SP | 100% | 100 | 8,07 |
| Tenda | Residencial Itaquera Life | Feb-11 | Jun-07 | SãoPaulo-SP | 100% | 110 | 10,53 |
| Tenda | Residencial Hildete Teixeira Life f3/f4 | Mar-11 | Dec-07 | Salvador-BA | 100% | 220 | 14,74 |
| Tenda | Residencial Horto do Ipe Life | Mar-11 | Oct-06 | SãoPaulo-SP | 100% | 180 | 18,70 |
| Tenda | Residencial São Miguel Life | Mar-11 | Jul-07 | SãoPaulo-SP | 100% | 60 | 4,83 |
| Tenda | Residencial San Pietro Life | Apr-11 | Sep-09 | Barbacena-MG | 100% | 172 | 15,18 |
| Tenda | Residencial Vivendas do Sol iif2 | Apr-11 | May-08 | PortoAlegre-RS | 100% | 200 | 11,60 |
| Tenda | Resbologna Lifef1 | May-11 | May-08 | BeloHorizonte-MG | 100% | 306 | 23,25 |
| Tenda | Condominio Residencial Clube Garden | May-11 | Oct-09 | SãoPaulo-SP | 100% | 192 | 16,80 |
| Tenda | Res Nicolau Kuhn | May-11 | Dec-07 | SapucaiadoSul-RS | 100% | 460 | 36,34 |
| Tenda | Fit Mariaines | Jun-11 | May-09 | Goiânia-GO | 60% | 162 | 25,33 |
| Tenda | Residencial Aricanduva Life | Jun-11 | Jun-07 | SãoPaulo-SP | 100% | 180 | 18,38 |
| Tenda | Fit Taboao | Jun-11 | Dec-07 | TaboãodaSerra-SP | 100% | 374 | 22,11 |
| Tenda | Bairro Novo Cotia iv | Jun-11 | Dec-07 | Cotia-SP | 100% | 368 | 32,15 |
| Tenda | Residencial Terra Nova i Garden | Jun-11 | Mar-08 | Goiânia-GO | 100% | 240 | 16,32 |
| Tenda | Residencial Sao Francisco Life | Jun-11 | Jul-08 | BeloHorizonte-MG | 100% | 80 | 6,80 |
| Tenda | Residencial Vale do Sol | Jun-11 | Mar-07 | Guarulhos-SP | 100% | 69 | 3,72 |
| Tenda | Residencial Vitoria Regia | Jun-11 | Jul-07 | Guarulhos-SP | 100% | 54 | 2,91 |
| Tenda | Res Camacari Life f1ef2 | Jul-11 | Dec-07 | Camaçari-BA | 100% | 575 | 39,67 |
| Tenda | Residencial Itauna Life | Jul-11 | Feb-07 | SãoGonçalo-RJ | 100% | 119 | 8,44 |
| Tenda | Res Jd São Luiz Life f1ef2 | Jul-11 | Jun-07 | SãoPaulo-SP | 100% | 238 | 23,98 |
| Tenda | Fit Palladium | Jul-11 | Jun-08 | Curitiba-PR | 100% | 228 | 24,13 |
| Tenda | Res Figueiredo iif2 | Jul-11 | Jun-08 | PortoAlegre-RS | 100% | 220 | 15,18 |
| Tenda | Humaita Garden f1ef2 | Jul-11 | Oct-07 | Novalguaçu-RJ | 100% | 200 | 13,00 |
| Tenda | G. Park Pássaros f1 | Jul-11 | Dec-07 | SãoLuiz-MA | 50% | 160 | 20,86 |
| Tenda | Residencial Lis Boa | Aug-11 | Dec-07 | Suzano-SP | 100% | 266 | 24,05 |
| Tenda | Residencial Camaçari Duo | Aug-11 | Dec-07 | Camaçari-BA | 100% | 464 | 32,01 |

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| | | | | | | | |
|-------|---|--------|--------|-------------------------|------|-----|-------|
| Tenda | Residencial Villa Park | Aug-11 | Feb-07 | SãoPaulo-SP | 100% | 300 | 27,77 |
| Tenda | Residencial Portinari Tower | Aug-11 | Apr-07 | BeloHorizonte-MG | 100% | 136 | 12,77 |
| Tenda | Residencial Villa Rica Life | Aug-11 | May-08 | LaurodeFreitas-BA | 100% | 220 | 16,87 |
| Tenda | Residencial Santana Tower | Aug-11 | Jan-08 | FeiradeSantana-BA | 100% | 448 | 36,06 |
| Tenda | Clube Vivaldi | Aug-11 | Aug-09 | São Paulo - SP | 100% | 174 | 14,79 |
| Tenda | Residencial Monte Carlo 1 | Aug-11 | May-07 | Belo Horizonte - MG | 100% | 112 | 12,78 |
| Tenda | Residencial Betania Park | Sep-11 | Jan-06 | Belo Horizonte - MG | 100% | 204 | 8,22 |
| Tenda | Residencial Recanto Das Rosas | Sep-11 | Sep-09 | Ribeirão das Neves - MG | 100% | 240 | 20,16 |
| Tenda | Grand Ville Das Artes - Residencial Monet | Sep-11 | Nov-09 | Lauro de Freitas - BA | 100% | 380 | 18,12 |
| Tenda | Residencial Salvador Life I | Sep-11 | Feb-08 | Salvador - BA | 100% | 280 | 19,88 |
| Tenda | Portal Do Sol Life I | Sep-11 | Dec-09 | Belford Roxo - RJ | 100% | 64 | 5,80 |
| Tenda | Portal Do Sol Life Ii | Sep-11 | Dec-09 | Belford Roxo - RJ | 100% | 64 | 5,80 |
| Tenda | Residencial Parque Valença 1b | Sep-11 | Dec-07 | Campinas - SP | 100% | 138 | 8,28 |
| Tenda | Residencial Parque Valença 1c | Sep-11 | Dec-07 | Campinas - SP | 100% | 100 | 6,20 |
| Tenda | Valle Verde Cotia (Bairro Novo Cotia) | Sep-11 | Mar-10 | Cotia - SP | 100% | 272 | 29,56 |
| Tenda | Figueiredo I F1 | Sep-11 | Jun-08 | Porto Alegre - RS | 100% | 220 | 15,64 |
| Tenda | Arsenal Life Iii | Sep-11 | Jun-07 | São Gonçalo - RJ | 100% | 128 | 8,92 |
| Tenda | Arsenal Life Iv | Sep-11 | Jun-07 | São Gonçalo - RJ | 100% | 128 | 9,28 |
| Tenda | Pompeia Life | Sep-11 | Oct-07 | Duque de Caxias - RJ | 100% | 191 | 16,34 |

Table 27 - Tenda Segment Delivered projects (2011) cont

| | | | | | | |
|--------------|--|--------|--------|-------------------------|------|---------------|
| Tenda | Fit Nova Vida - Taboao His (Fit Taboãozinho) | Sep-11 | Oct-08 | Taboão da Serra - SP | 100% | 137 |
| Tenda | Residencial Vila Olimpia Life | Sep-11 | Dec-07 | Feira de Santana - BA | 100% | 160 |
| Tenda | Città Itapoan | Oct-11 | Oct-08 | Salvador - BA | 50% | 187 |
| Tenda | Residencial Betim Life li | Oct-11 | Oct-07 | Betim - MG | 100% | 128 |
| Tenda | Fit Mirante Do Sol | Oct-11 | Jan-08 | Ribeirão Preto - SP | 100% | 342 |
| Tenda | Fit Parque Da Lagoinha | Oct-11 | Jun-08 | Ribeirão Preto - SP | 75% | 159 |
| Tenda | Residencial Jardim Das Azaleias | Oct-11 | May-07 | Contagem - MG | 100% | 43 |
| Tenda | Residencial Jardim Das Jabuticaba | Oct-11 | Apr-07 | Contagem - MG | 100% | 69 |
| Tenda | Residencial Reserva Dos Pássaros Bloco 4 | Nov-11 | Oct-06 | São Paulo - SP | 100% | 68 |
| Tenda | Fit Novo Osasco | Nov-11 | Dec-08 | Osasco - SP | 100% | 296 |
| Tenda | Grand Ville Das Artes - Residencial Matisse | Nov-11 | May-10 | Lauro de Freitas - BA | 100% | 100 |
| Tenda | Grand Ville Das Artes - Residencial Matisse | Nov-11 | Jan-10 | Lauro de Freitas - BA | 100% | 120 |
| Tenda | Grand Ville Das Artes - Residencial Matisse | Nov-11 | Jan-10 | Lauro de Freitas - BA | 100% | 60 |
| Tenda | Grand Ville Das Artes - Residencial Matisse | Nov-11 | Mar-10 | Lauro de Freitas - BA | 100% | 120 |
| Tenda | Residencial Jardim Atlântico Fase 1 2 3 | Nov-11 | Dec-07 | Camaçari - BA | 100% | 352 |
| Tenda | Residencial Villa Esplendore | Nov-11 | Jan-07 | Mogi das Cruzes - SP | 100% | 137 |
| Tenda | Grand Park Passaros | Dec-11 | Jun-08 | São Luiz - MA | 50% | 80 |
| Tenda | Residencial Jardim Atlântico (Fase 4 E 5) | Dec-11 | Dec-07 | Camaçari - BA | 100% | 256 |
| Tenda | Residencial Bosque Das Palmeiras | Dec-11 | Sep-09 | Recife - PE | 100% | 144 |
| Tenda | Fit Planalto | Dec-11 | Apr-10 | Osasco - SP | 100% | 472 |
| Tenda | Colina Verde | Dec-11 | May-08 | São Paulo - SP | 100% | 200 |
| Tenda | Residencial Turim | Dec-11 | Nov-06 | São Paulo - SP | 100% | 56 |
| Tenda | Residencial Vila Olimpia Life F1 | Dec-11 | Dec-07 | Feira de Santana - BA | 100% | 272 |
| Tenda | Residencial Recanto Das Rosas | Dec-11 | Sep-09 | Ribeirão das Neves - MG | 100% | 240 |
| Total | | | | | | 14.462 |

Tenda Segment Operations

Since June we have witnessed an acceleration in the number of units contracted by financial institutions, which is in part likely due to the addition of a new CEF unit dedicated to major homebuilders. In 4Q11, Tenda contracted 2,487 units with financial institutions. This improvement resulted in the delivery of 14,076 units in 2011. Transferred units totaled 2,863 units in 4Q11 (10,985 in 2011). In 2012, we expect to transfer an increased number of units.

Table 28– Tenda Segment Land Bank (2011)

| | | | | | | |
|----------------|-----------|-------|-------|------|--------|--------|
| São Paulo | 2.179.520 | 32,2% | 31,3% | 0,9% | 15.963 | 17.287 |
| Rio de Janeiro | 1.099.039 | 18,9% | 18,9% | 0,0% | 12.800 | 12.841 |

| | | | | | | |
|--------------|-----------|-------|-------|-------|--------|--------|
| Nordeste | 418.487 | 0,0% | 0,0% | 0,0% | 3.700 | 3.700 |
| Minas Gerais | 738.429 | 51,8% | 28,5% | 23,3% | 6.075 | 6.243 |
| Total | 4.435.475 | 32,3% | 26,4% | 5,9% | 38.538 | 40.071 |

Table 29 – Tenda Segment Projects Launched (2011)**1Q11**

| | | | | | | | |
|--------------------|-----|---------------------|------|-----|--------|------|--------|
| Parque Lumiere | Jan | São Paulo - SP | 100% | 100 | 11,220 | 100% | 11,172 |
| Araçagy F3 | Jan | Paço do Lumiar - MA | 50% | 186 | 24,865 | 98% | 24,320 |
| Parma Life | Jan | Belo Horizonte - MG | 100% | 60 | 8,884 | 109% | 9,709 |
| Parque Arvoredo F3 | Mar | Curitiba - PR | 100% | 210 | 46,378 | 71% | 32,948 |
| Piemonte | Mar | Santa Luzia - MG | 100% | 94 | 11,042 | 56% | 6,227 |

2Q11

| | | | | | | | |
|---------------------------|-----|---------------------|------|-----|--------|-----|--------|
| Lopes Trovão | Apr | Canoas - RS | 100% | 188 | 38,938 | 32% | 12,388 |
| Montes Claros | May | Belo Horizonte - MG | 100% | 300 | 30,602 | 35% | 10,862 |
| Cheverny F2 | May | Goiânia - GO | 100% | 96 | 13,638 | 49% | 6,688 |
| Cheverny F3 | May | Goiânia - GO | 100% | 96 | 13,638 | 41% | 5,566 |
| Vale Verde Cotia - Fase 7 | May | Cotia - SP | 100% | 80 | 9,200 | 91% | 8,374 |
| Porto Fino | Jun | Santa Luzia - MG | 100% | 224 | 25,228 | 47% | 11,913 |
| Vila Das Flores | Jun | Salvador-BA | 100% | 460 | 50,273 | 20% | 10,101 |
| Residencial Atenas | Jun | Rio de Janeiro-RJ | 100% | 260 | 30,288 | 28% | 8,436 |
| Bosque Dos Palmares | Jun | Nova Iguaçu -RJ | 100% | 352 | 34,454 | 19% | 6,560 |

3Q11

| | | | | | | | |
|---------------------|-----|-------------------|------|--------------|----------------|------------|----------------|
| Vista Flamboyant F2 | Aug | SJ dos Campos -SP | 100% | 132 | 20,069 | 90% | 18,082 |
| Cheverny F4 + F5 | Sep | Goiânia - GO | 100% | 192 | 29,016 | 17% | 4,844 |
| Total Tenda | | | | 3.030 | 397.733 | 57% | 227.490 |

Table 30 – Tenda Segment Contracted Sales versus Recognized Net Revenues (R\$000)

| | | | | | | | | |
|-------------------------------|----------------|------------------|-------------|------------------|-------------|------------------|------------------|-------------|
| Contracted Sales | -218.759 | 97.490 | -324% | 425.815 | -151% | 330.210 | 330.210 | 0% |
| Stake (%) | 0% | 9% | -900 bps | 34% | -3400 bps | 10% | 11% | -100 bps |
| Net Revenues | -100.596 | 331.773 | -130% | 355.209 | -128% | 845.921 | 1.287.219 | -34% |
| Stake (%) | -29% | 33% | -6196 bps | 38% | -6721 bps | 26% | 35% | -9811 bps |
| Total Contracted Sales | 338.415 | 1.044.650 | -68% | 1.240.817 | -73% | 3.452.768 | 2.903.465 | 19% |
| Total Net Revenues | 347.335 | 1.005.490 | -65% | 928.637 | -63% | 3.194.525 | 3.720.860 | -14% |

INCOME STATEMENT**Revenues**

On a consolidated basis, 2011 net revenues totaled R\$2.9 billion, a 14% decline from 2010. During 2011, the Gafisa brand accounted for 62% of net revenues, AlphaVille comprised 23% and Tenda the remaining 15%. The below table presents detailed information about pre-sales and recognized revenues by launch year:

Table 31 –Contracted Sales versus Recognized Net Revenues (R\$000)**Gafisa Segment**

| | | | | | | | | |
|--------------|---------|---------|-----------|---------|-----------|-----------|-----------|---------|
| Net Revenues | 367.551 | 497.849 | -26% | 412.411 | -11% | 1.821.926 | 1.988.236 | -8% |
| Stake (%) | 394% | 50% | 34436 bps | 44% | 34947 bps | 62% | 53% | 852 bps |

Alphaville Segment

| | | | | | | | | |
|--------------|---------|---------|---------|---------|---------|---------|---------|----------|
| Net Revenues | 226.310 | 175.860 | 26% | 161.016 | 37% | 672.599 | 445.405 | 51% |
| Stake (%) | 243% | 17% | 4622bps | 17% | 4637bps | 23% | 12% | 1090 bps |

Tenda Segment

| | | | | | | | | |
|--------------|-----------|---------|---------|---------|---------|---------|-----------|----------|
| Net Revenues | (500.545) | 331.773 | -130% | 355.209 | -128% | 445.973 | 1.287.219 | -34% |
| Stake (%) | -536% | 33% | 4622bps | 38% | 4637bps | 15% | 35% | -1943bps |

| | | | | | | | | |
|---------------------------|---------------|------------------|-------------|----------------|-------------|------------------|------------------|-------------|
| Total Net Revenues | 93.316 | 1.005.482 | -91% | 928.636 | -90% | 2.940.498 | 3.720.860 | -21% |
|---------------------------|---------------|------------------|-------------|----------------|-------------|------------------|------------------|-------------|

Gross Profit

On a consolidated basis, 2011 gross profit totaled R\$262 million, a decrease of 72% over 2010, mainly due to budget review deviation.

Table 32 – Capitalized Interest

| | | | |
|------------------------------|----------------|----------------|----------------|
| Opening balance | 177.494 | 154.964 | 115.323 |
| Capitalized interest | 56.566 | 61.633 | 88.591 |
| Interest capitalized to COGS | -29.177 | -39.103 | -57.370 |
| Closing balance | 204.883 | 177.494 | 146.544 |

Selling, General, And Administrative Expenses (SG&A)

2011 SG&A expenses totaled R\$645 million, a 28% increase on the R\$503 million in expenses posted in 2010. Selling expenses increased 47% to R\$393 million mainly due to the provision for doubtful debts, of R\$87 million recorded as additional expenses. Excluding these amounts, selling expenses totaled R\$124 million in 2011, a 15% increase over 2010. Administrative expenses reached R\$251.5 million, a 6% increase over the R\$237 million posted in 2010, which is below inflation - IPCA 6,5% in the same period.

Table 33 - Sales and G&A Expenses

| | | | | | | | | |
|--------------------------------|----------------|----------------|-------------|----------------|------------|----------------|----------------|------------|
| Selling expenses | 211.407 | 68.298 | 210% | 82.568 | 156% | 393.181 | 266.660 | 47% |
| G&A expenses | 75.051 | 59.711 | 26% | 64.894 | 16% | 251.458 | 236.754 | 6% |
| Selling exp. (ex. Adj.) | 124.093 | 68.298 | 82% | 82.568 | 50% | 305.867 | 266.660 | 15% |
| SG&A | 286.458 | 128.009 | 124% | 147.462 | 94% | 644.639 | 503.414 | 28% |

Other Operating Results

In 2011, other operating expenses of R\$137 million, reflected a negative impact of R\$96 million, primarily due to a write-down in expenses related to a downward evaluation of land bank, as a result of the reduced geographic focus at Gafisa. The Company does not intend to develop projects in those areas in the near term, which resulted in a significant drop in prices. One option would be to sell these non-core tracts of land.

Adjusted EBITDA

2011 adjusted EBITDA totaled - R\$338 million, lower than the R\$579 million posted in 2010. The lower EBITDA margin is mainly a result of the substantial revenue reversals in 2011.

Table 34 - Adjusted EBITDA [checar numerous]

| | | | |
|--|-----------|-----------|------|
| Net Profit (Loss) | (944,867) | 264,565 | nm |
| (+) Financial result | 159,904 | 82,117 | 95% |
| (+) Income taxes | 142,360 | 22,128 | 543% |
| (+) Depreciation and Amortization | 83,427 | 33,816 | 147% |
| (+) Capitalized Interest Expenses | 163,577 | 138,996 | 18% |
| (+) Stock option plan expenses | 17,284 | 12,924 | 34% |
| (+) Non recurring expenses / Minority shareholders | 39,678 | 24,670 | 61% |
| Adjusted EBITDA | (338,637) | 579,215 | nm |
| Net Revenue | 2,940,498 | 3,401,492 | -14% |
| Adjusted EBITDA margin | -11,5% | 17,0% | nm |

Note: We adjust our EBITDA for expenses associated with stock option plans, as this is a non-cash expense .

Depreciation And Amortization

Depreciation and amortization in 2011 was R\$83 million, an increase of R\$50 million when compared to the R\$34 million recorded in 2010, mainly due to higher showroom depreciation.

Financial Results

Net financial expenses totaled R\$160 million in 2011, compared to net financial expenses of R\$82 million in 2010 as a result of a higher level of leverage. The difference is mainly due to the decrease in financial revenues of 27% and to 20% increase in financial expenses.

Taxes

Income taxes, social contribution and deferred taxes for 2011 amounted to - R\$157 million, compared to - R\$23 million in 2010. As there would be no Deferred Income Tax to recognize, in view of the total impairment over the deferred assets. For tax purposes, the losses are not deductible for taxpayers using the completed contract method.

Adjusted Net Income

The adjustments mentioned related to costs and expenses which when coupled with higher interest payments, had a direct impact on the company's profitability, resulting in a net loss in 4Q11 of R\$945 million compared to a net profit of R\$265 million in the same period of 2010.

Backlog Of Revenues And Results

The backlog of results to be recognized under the PoC method reached R\$1.56 billion in 4Q11, 1.2% higher than R\$1.54 billion in the 4Q10 and 10% lower than the R\$1.74 billion posted in 3Q11. The consolidated margin for the quarter was 34.5%, lower than the 38.9% in 4Q10 and 392 bps lower than the 38.9% posted in the 3Q11, mainly as a result of budget cost revisions and lower results to be recognized. As the results of the backlog are kept off-balance sheet, lower margins will be recognized over the next quarters. The table below shows the backlog margin by segment:

Table 35 - Results to be recognized (REF)

| | | | | | |
|-----------------------------------|------------|------------|------------|--------------|--------------|
| Back log of Results | 2.530 | 1.316 | 670 | 4.516 | 3.200 |
| Costs to be incurred (units sold) | (1.664) | (978) | (315) | (2.957) | (1.979) |
| Results to be Recognized | 866 | 338 | 355 | 1.559 | 1.221 |
| Backlog Margin | 34,2% | 25,7% | 53,0% | 34,5% | 38,2% |

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

BALANCE SHEET

Cash and Cash Equivalents

On December 31, 2011, cash and cash equivalents reached R\$984 million. We believe our cash position is sufficient to execute our development plans, and we see no need to increase this current level.

Accounts Receivable

At the end of 4Q11, total accounts receivable decreased by 10% to R\$9.5 billion, from R\$10.6 billion in 3Q11 and R\$9.2 billion in the 4Q10. The decline in receivables was mainly attributed to a significant increase in customer dissolutions, as client receivables return to the inventory. The provisions for bad debts and potential dissolutions, of R\$120 million in 2011, (R\$53 million in 2010), is related to the portion of sales at Tenda that the management expect to become uncollectible throughout the next months.

Table 36 - Total receivables

| | | | | | |
|--|------------------|-------------------|-------------|------------------|-----------|
| Receivables from developments – LT (off balance sheet) | 4.686.158 | 4.697.756 | 0% | 4.112.697 | 14% |
| Receivables from PoC – ST (on balance sheet) | 3.962.575 | 4.002.213 | -1% | 3.843.615 | 3% |
| Receivables from PoC – LT (on balance sheet) | 863.874 | 1.867.970 | -54% | 1.247.265 | -31% |
| Total | 9.512.607 | 10.567.939 | -10% | 9.203.577 | 3% |

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 37 – Inventory (Balance Sheet at cost)

| | | | | | |
|--------------------------|------------------|------------------|--------------|------------------|--------------|
| Land | 1.249.413 | 1.173.105 | 6,5% | 837.510 | 49,2% |
| Units under construction | 1.582.890 | 1.035.090 | 52,9% | 956.733 | 65,4% |
| Completed units | 119.339 | 339.183 | -64,8% | 272.923 | -56,3% |
| Total | 2.951.642 | 2.547.378 | 15,9% | 2.067.166 | 42,8% |

Inventory at market value excluding the units of projects cancelled affecting 4,736 Tenda customers and including the impact of contract dissolutions, totaled R\$3.5 billion in 4Q11, which is in line with the R\$3.4 billion registered in 3Q11. On a consolidated basis, our inventory is at a level of 10 months of sales based on LTM sales figures.

At the end of 4Q11, 8.0% of the total inventory reflected finished units. We continue to focus on reducing finished inventory primarily concentrated under the Gafisa brand which represents 46% of total finished inventory of R\$352 million.

Table 38 - Inventories per completion status

| | | | | | | |
|--------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Gafisa | 708.193 | 278.728 | 457.971 | 411.143 | 162.592 | 2.018.627 |
| AlphaVille | 0 | 214.192 | 142.935 | 89.503 | 120.655 | 567.285 |
| Tenda | 124.004 | 217.894 | 241.457 | 280.446 | 68.702 | 932.503 |
| Total | 832.196 | 710.814 | 842.363 | 781.092 | 351.949 | 3.518.415 |

Note: Adjusted by cancellations and dissolutions. ¹Completed units (at market value): value adjusted according to incurred costs, but already delivered to customers (general meeting with customers). Given the same accounting criteria, the value would be R\$186.4 million.

Q-o-Q (4Q11 compared to 3Q11) consolidated inventory at market value was stable, or increased 3% ex-Tenda. The market value of Gafisa inventory was stable at R\$2.0 billion at the end of 4Q11. The market value of AlphaVille inventory totaled R\$567 million at the end of 4Q11, a 15.3% increase compared to the end of 3Q11. The improvement reflects the launch of two new developments toward the end of the quarter, allowing insufficient time for sales collection. Tenda inventory was valued at R\$932.5 million at the end of 4Q11, a 4.1% decrease compared to the R\$972.4 million in end of 3Q11, mainly due to the cancellations mentioned above.

Table 39 - Inventory at Market Value 4Q11 x 3Q11

| | | | | | | | |
|-----------------------|------------------|----------------|----------------|------------------|------------------|-------------|--------------|
| Gafisa | 2.018.371 | 340.645 | 312.867 | (27.522) | 2.018.627 | 0,0% | 13.4% |
| Alphaville | 491.922 | 344.786 | 244.307 | (25.117) | 567.285 | 15,3% | 30.1% |
| Total ex-Tenda | 2.510.293 | 685.431 | 557.174 | -52.638 | 2.585.912 | 3,0% | 17.7% |
| Tenda | 972.436 | (103.183) | (218.759) | (155.509) | 932.503 | -4,1% | -30.6% |
| Total | 3.482.730 | 582.247 | 338.415 | (208.147) | 3.518.415 | 1,0% | 8.8% |

Note: 1) BoP beginning of the period – 3Q11. 2) EoP end of the period – 4Q11. 3) % Change 4Q11 versus 3Q11. 4) 4Q11 sales velocity 5) The R\$103million refer to the cancellation of a project at Tenda, which will be re-launched in the future.

Liquidity

As of December 31, 2011, Gafisa had a cash position of R\$984 million. On the same date, Gafisa's debt and obligations to investors totaled R\$4.2 billion, resulting in net debt and obligations of R\$3.2 billion. The net debt and investor obligations to equity and minorities ratio was 118% compared to 75.3% in 3Q11, due to R\$200 million cash burn in the fourth quarter, excluding the cash dividend payment of R\$98.8 million. Excluding project finance, this net debt/equity ratio reached 45%.

Gafisa's cash position and liquidity are sufficient to execute our development plans. Gafisa's current debt maturity structure includes 29% of the total debt due within one year. We expect positive operating cash flow of between R\$500 – R\$700 million in 2012 to deleverage Company. Gafisa has additional receivables (from units already delivered) of more than R\$500 million available for securitization and R\$351 million of finished units in inventory. On the next page, we also highlight our current debt covenants ratios.

Currently we have access to a total of R\$1.5 billion in construction finance lines contracted with banks and R\$1.4 billion in lines in the process of approval. Also, Gafisa has in R\$2.2 billion construction finance lines of credit available for future developments. The following tables provide information on our debt position:

Table 40 - Indebtedness and Investor obligations

| | | | | | |
|---|------------------|------------------|----------------|------------------|----------------|
| Debentures - FGTS (project finance) | 1.297.966 | 1.246.413 | 4% | 1.211.304 | 7% |
| Debentures - Working Capital | 601.234 | 700.596 | -14% | 668.627 | -10% |
| Project financing (SFH) | 684.642 | 598.712 | 14% | 745.707 | -8% |
| Working capital | 1.171.967 | 849.406 | 38% | 661.797 | 77% |
| Total consolidated debt | 3.755.810 | 3.398.729 | 11% | 3.287.435 | 14% |
| Consolidated cash and availabilities | 983.660 | 912.359 | 8% | 1.201.148 | -18% |
| Investor Obligations | 451.254 | 460.000 | -2% | 380.000 | 19% |
| Net debt and investor obligations | 3.245.336 | 2.946.370 | 10% | 2.466.287 | 32% |
| Equity + Minority Shareholders | 2.732.894 | 3.912.587 | -30% | 3.783.669 | -28% |
| (Net debt + Obligations) / (Equity + Noncontrolling interests) | 118% | 75,3% | 4264bps | 65,2% | 5277bps |
| (Net debt + Ob.) / (Eq + Min.) - Exc. Proj Fin (SFH + FGTS) | 45,4% | 28,1% | 1726bps | 13,5% | 3194bps |

Table 41 - Debt maturity

| | | | | | |
|-----------------------------------|-----------------------|------------------|------------------|------------------|----------------|
| Debentures - FGTS (proj. finance) | TR + (8.22% - 10.20%) | 1.297.966 | 167.568 | 519.187 | 553.7 |
| Debentures - Working Capital | CDI + (0.72% - 1.95%) | 601.234 | 150.309 | 120.247 | 270.5 |
| Project Financing (SFH) | TR + (8.30% - 12.68%) | 684.642 | 287.550 | 136.928 | 74.7 |
| Working Capital | CDI + (1.30% - 2.55%) | 1.171.967 | 480.506 | 351.590 | 138.2 |
| Total consolidated debt | 11.82% | 3.755.810 | 1.085.932 | 1.127.952 | 1.037.2 |

Investors Obligations
Total consolidated debt
% Total

CDI + (0.235% - 1.00%) / IGPM +7.25% **451.254** **143.852** **145.070** **142.7**
4.207.062 **1.229.784** **1.273.022** **1.179.9**
100% **29,2%** **30,3%** **28,**

Debt Covenants

Following the modification of certain debt covenants, per the agreement with debt holders, Gafisa avoided triggering covenants and remained in compliance with all debt covenants.

Covenant Ratios

Table 42 - Debenture covenants - 7th emission / 8th _

$(\text{Total receivables} + \text{Finished units}) / (\text{Total debt} - \text{Cash} - \text{project debt}) > 2$ or < 0

$(\text{Total debt} - \text{SFH debt} - \text{Cash}) / \text{Equity} \leq 75\%$

New Covenant = $\text{Total receivables} + \text{Revenues to be recognized} + \text{Inventory of finished units} / \text{Net debt} + \text{Obligations}$

Table 43 - Debenture covenants - 5th emission (R\$250 million)

New Covenant = $(\text{Total debt} - \text{Project Finance debt} - \text{Cash}) / \text{Equity} \leq 75\%$

New Covenant = $(\text{Total receivables} + \text{Finished units}) / (\text{Total debt}) \geq 2.2x$

Note: Covenant status on December 31, 2011

OUTLOOK

With the introduction of a new strategy and organizational structure, Gafisa is already making progress toward achieving its 2012 guidance. Launches for 2012 are expected to be between R\$2.7 and R\$3.3 billion, reflecting a new more targeted regional focus and the deliberate slowdown of the Tenda business. Gafisa should represent 50%, Tenda 10% and AlphaVille 40% of launches. For the first quarter of 2012, the Gafisa Group launched R\$450 million.

The Gafisa Group plans to deliver between 22,000 and 26,000 units in 2012 broken down by 30% Gafisa, 50% Tenda and 20% AlphaVille. During the first quarter of 2012, the Company delivered 6,000 units and transferred 2,500 Tenda units to financial institutions.

Finally, the Company expects to generate between R\$ 500 million and R\$700 million in operating cash flow for the full year of 2012. At March 31, 2012, the Company had approximately R\$900 million in cash and cash equivalents. The key drivers of cash flow generation include: (i) our ability to deliver units at Gafisa; (ii) the transfer of Tenda units to financial institutions; (iii) the sale of inventory; (iv) the securitization of receivables; (v) the sale of non-strategic land and; (vi) the delivery of consistent returns by sharing or selling risk on certain projects which have more variable margins. The staff of each business unit are fully committed and focused on the implementation and execution of the above-mentioned objectives. We will

keep our shareholders abreast of this progress by providing semi-annual operating milestones to chart our progress.

APPENDIX

The following table illustrates the financial completion of construction in progress and the related revenue recognized (R\$000) during the fourth quarter ended on December 31, 2011.

Table 44. Status of the financial completion of the construction in progress – Gafisa Segment

| | | | | | | | |
|---------------|----------------------------------|------------|------------|------------|------------|----------------|----------------|
| Gafisa | Network Business Tower F2 | 19% | 0% | 99% | 0% | 20.169 | 0 |
| Gafisa | Mont Blanc | 98% | 100% | 89% | 66% | 19.820 | 5.652 |
| Gafisa | London Ville | 59% | 47% | 99% | 85% | 12.523 | 7.981 |
| Gafisa | Vision Anália Franco | 28% | 1% | 62% | 57% | 12.079 | 0 |
| Gafisa | Vistta Laguna | 43% | 31% | 87% | 82% | 10.451 | 12.769 |
| Gafisa | Vision Brooklin | 85% | 77% | 100% | 100% | 9.651 | 14.864 |
| Gafisa | Vistta Santana | 96% | 91% | 100% | 98% | 9.481 | 13.313 |
| Gafisa | Patio Mondrian - Spe | 70% | 61% | 86% | 85% | 9.173 | 10.505 |
| Gafisa | Acqua Residencial | 100% | 100% | 93% | 88% | 8.841 | 7.849 |
| Gafisa | Central Life Club F2 | 40% | 30% | 100% | 98% | 8.757 | 3.924 |
| Gafisa | Alphaville Barra Da Tijuca | 100% | 100% | 85% | 82% | 8.126 | 27.754 |
| Gafisa | Vittà F1 | 38% | 25% | 99% | 99% | 7.386 | 3.285 |
| Gafisa | Vittà F2 | 38% | 25% | 100% | 100% | 6.685 | 2.862 |
| Gafisa | Mansão Imperial - Fase 2b | 93% | 93% | 100% | 88% | 5.614 | 13.268 |
| Gafisa | Paulista Corporate | 95% | 92% | 100% | 100% | 4.641 | 6.098 |
| Gafisa | Stellato | 30% | 27% | 70% | 67% | 4.625 | 5.454 |
| Gafisa | Parque Morumbi | 78% | 68% | 72% | 68% | 4.597 | 1.943 |
| Gafisa | Alegria F3 | 64% | 58% | 95% | 90% | 4.415 | 2.840 |
| Gafisa | Alegria - Fase 3a | 39% | 34% | 97% | 85% | 4.302 | 3.757 |
| Gafisa | Mosaico - Spe | 86% | 78% | 100% | 100% | 3.826 | 6.354 |
| Gafisa | Global Offices | 70% | 62% | 98% | 94% | 3.779 | 5.825 |
| Gafisa | Pátio Condomínio Clube - Harmony | 62% | 50% | 72% | 68% | 3.772 | 2.919 |
| Gafisa | Colours | 30% | 24% | 83% | 83% | 3.770 | 4.510 |
| Gafisa | Jardins Da Barra - Lote2 | 49% | 34% | 100% | 100% | 3.679 | 3.695 |
| Gafisa | Pq Barueri Cond. Clube F2b | 19% | 11% | 78% | 71% | 3.557 | 2.016 |
| Gafisa | Pátio Condomínio Clube - Kelvin | 60% | 48% | 75% | 72% | 3.492 | 3.024 |
| Gafisa | Jd Das Orquideas | 49% | 34% | 98% | 99% | 3.482 | 2.383 |
| Gafisa | Condessa | 36% | 33% | 83% | 84% | 3.091 | 4.979 |
| Gafisa | Mansão Imperial - F1 | 94% | 94% | 92% | 86% | 3.067 | 6.271 |
| Gafisa | Network Business Tower F1 | 16% | 14% | 99% | 100% | 3.066 | 3.729 |
| Gafisa | Igloo Alphaville | 84% | 80% | 97% | 97% | 3.005 | 4.296 |
| Gafisa | Others | | | | | 13.735 | 94.262 |
| Gafisa | | --- | --- | --- | --- | 226.657 | 288.379 |

Table 45. Status of the financial completion of the construction in progress – Tenda Segment

| | | | | | | |
|--------------|-----|-----|-----|-----|-----------------|----------------|
| Tenda | --- | --- | --- | --- | -100.597 | 335.299 |
|--------------|-----|-----|-----|-----|-----------------|----------------|

Table 46. Status of the financial completion of the construction in progress – AlphaVille Segment

| | | | | | | | |
|-------------------|--|------------|------------|------------|------------|----------------|----------------|
| Alphaville | Terreno Cajamar | 100% | 0% | 100% | 0% | 43.785 | 0 |
| Alphaville | São José Dos Campos | 13% | 6% | 87% | 78% | 17.933 | 13.234 |
| Alphaville | Alphaville Teresina | 77% | 66% | 99% | 100% | 14.516 | 18.197 |
| Alphaville | Alphaville Ribeirão Preto F1 | 92% | 81% | 95% | 94% | 12.766 | 14.346 |
| Alphaville | Alphaville Campo Grande II | 53% | 37% | 99% | 95% | 10.767 | 9.290 |
| Alphaville | Alphaville Belém F1 | 52% | 38% | 93% | 94% | 9.560 | 7.038 |
| Alphaville | Alphaville Pernambuco / Duas Unas | 36% | 26% | 73% | 72% | 9.005 | 3.532 |
| Alphaville | Alphaville Brasília 2 Resid./Comercial | 100% | 81% | 86% | 87% | 7.851 | 7.821 |
| Alphaville | Terras Alpha Petrolina | 79% | 65% | 96% | 97% | 7.625 | 8.752 |
| Alphaville | AlphaVille Porto Alegre | 67% | 63% | 88% | 87% | 6.287 | 11.921 |
| Alphaville | Terras Alpha Resende | 26% | 11% | 91% | 88% | 6.223 | 2.777 |
| Alphaville | AlphaVille Campina Grande | 100% | 82% | 68% | 59% | 5.945 | 5.022 |
| Alphaville | Terras Alpha Foz do Iguaçu 2 | 81% | 56% | 42% | 32% | 5.673 | 3.395 |
| Alphaville | Alphaville Ribeirão Preto F2 | 91% | 80% | 38% | 31% | 5.646 | 3.617 |
| Alphaville | Alphaville Porto Velho | 42% | 31% | 40% | 41% | 5.608 | 6.257 |
| Alphaville | Alphaville Belém F2 | 52% | 38% | 60% | 61% | 5.113 | 4.377 |
| Alphaville | AlphaVille Barra da Tijuca | 100% | 100% | 85% | 83% | 4.689 | 15.704 |
| Alphaville | Manaus 3 | 9% | 0% | 77% | 0% | 4.265 | 0 |
| Alphaville | Alphaville Jacuhy F3 | 100% | 78% | 24% | 21% | 3.794 | 3.300 |
| Alphaville | Alphaville Burle Marx | 100% | 100% | 81% | 77% | 3.502 | 4.135 |
| Alphaville | AlphaVille Rio Costa do Sol F3 | 97% | 93% | 94% | 94% | 3.531 | 4.916 |
| Alphaville | Alphaville Granja Viana | 97% | 91% | 99% | 99% | 2.955 | 1.679 |
| Alphaville | Alphaville Gravataí 2 | 100% | 91% | 71% | 67% | 2.495 | 2.292 |
| Alphaville | Alphaville Piracicaba | 100% | 97% | 94% | 94% | 2.297 | 1.398 |
| Alphaville | Housing Costa do Sol | 84% | 85% | 81% | 76% | 2.081 | 1.485 |
| Alphaville | AlphaVille Votorantim | 100% | 99% | 100% | 98% | 1.390 | 1.597 |
| Alphaville | Alphaville Pernambuco/Duas UnasF2 | 6% | 0% | 18% | 0% | 1.038 | 0 |
| Alphaville | Terras Alpha Foz do Iguaçu | 100% | 98% | 97% | 96% | 915 | 610 |
| Alphaville | AlphaVille Manaus II | 100% | 98% | 99% | 99% | 749 | 1.558 |
| Alphaville | Feira de Santana | 1% | 0% | 85% | 0% | 580 | 0 |
| Alphaville | Alphaville Rio Costa do Sol | 100% | 100% | 100% | 100% | 419 | 1.551 |
| Alphaville | Alphaville Gravataí | 100% | 100% | 94% | 94% | 421 | 618 |
| Alphaville | AlphaVille Costa do Sol F2 | 100% | 100% | 100% | 100% | 416 | 813 |
| Alphaville | Alphaville Litoral Norte | 100% | 100% | 100% | 100% | 311 | 476 |
| Alphaville | AlphaVille Mossoró F2 | 100% | 98% | 37% | 36% | 270 | 668 |
| Alphaville | Living Solutions Porto Alegre | 28% | 24% | 18% | 18% | 262 | 632 |
| Alphaville | Alphaville Maringá 2 | 100% | 100% | 100% | 100% | 212 | 5.074 |
| Alphaville | Alphaville Jacuhy | 100% | 100% | 91% | 91% | 147 | 1.038 |
| Alphaville | Others | | | | | 7.442 | 1.826 |
| Alphaville | | --- | --- | --- | --- | 218.485 | 163.010 |

Table 47. Status of the financial completion of the construction in progress – Consolidated date

| | | | | | | |
|--------------|-----|-----|-----|-----|----------------|----------------|
| Total | --- | --- | --- | --- | 344.545 | 786.688 |
|--------------|-----|-----|-----|-----|----------------|----------------|

CONSOLIDATED INCOME STATEMENT

| | | | | | | | | |
|--------------------------------------|------------|-----------|--------|----------|--------|------------|------------|-------|
| Net Operating Revenue | 93.316 | 1.005.490 | -91% | 593.055 | -84% | 2.940.506 | 3.403.050 | -14% |
| Operating Costs | -531.712 | -708.614 | -25% | -476.764 | 12% | -2.678.338 | -2.460.918 | 9% |
| Gross profit | -438.396 | 296.876 | -248% | 116.291 | -477% | 262.168 | 942.132 | -72% |
| Operating Expenses | | | | | | | | |
| Selling Expenses | -211.408 | -68.298 | 210% | -82.567 | 156% | -393.181 | -266.660 | 47% |
| General and Administrative Expenses | -75.051 | -59.711 | 26% | -64.894 | 16% | -251.458 | -236.754 | 6% |
| Other Operating Revenues / Expenses | -107.002 | -10.395 | 929% | -781 | 13601% | -137.025 | -12.173 | 1026% |
| Depreciation and Amortization | -26.454 | -21.855 | 21% | -6.492 | 307% | -83.428 | -33.816 | 147% |
| Operating results | -858.311 | 136.617 | -728% | -38.443 | 2133% | -865.092 | -549.403 | 57% |
| Financial Income | 20.784 | 31.619 | -34% | 26.810 | -22% | 92.973 | 128.085 | -27% |
| Financial Expenses | -62.702 | -89.740 | -30% | -28.387 | 121% | -252.876 | -210.202 | 20% |
| Income Before Taxes on Income | -900.229 | 78.496 | -1247% | -40.020 | 2149% | -762.827 | 310.612 | -346% |
| Deferred Taxes | -79.747 | -5.858 | 1261% | 17.355 | -560% | -69.155 | -10.294 | 572% |
| Income Tax and Social Contribution | -35.508 | -17.958 | 98% | 15.550 | -328% | -73.207 | -11.834 | 519% |
| Income After Taxes on Income | -1.015.484 | 54.680 | -1957% | -7.115 | 14172% | -905.189 | 288.484 | -414% |
| Minority Shareholders | -14.420 | -8.463 | 70% | -7.008 | 106% | -39.679 | -23.919 | 66% |
| Net Income | -1.029.904 | 46.217 | -2328% | -14.123 | 7192% | -944.868 | 264.565 | -457% |

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

CONSOLIDATED BALANCE SHEET**Current Assets**

| | | | | | |
|---------------------------|------------------|------------------|-----------|------------------|-----------|
| Cash and cash equivalents | 983.660 | 912.359 | 8% | 1.201.148 | -18% |
| Receivables from clients | 3.962.574 | 4.002.213 | -1% | 3.704.709 | 7% |
| Properties for sale | 2.049.084 | 2.130.661 | -4% | 1.707.892 | 20% |
| Other accounts receivable | 60.378 | 146.461 | -59% | 103.109 | -41% |
| Deferred selling expenses | 84.207 | 30.493 | nm | 75.196 | nm |
| Prepaid expenses | 73.532 | 13.599 | 441% | 21.216 | 247% |
| Properties for sale | 93.188 | - | nm | - | nm |
| Financial Instruments | 7.735 | - | nm | - | nm |
| | 7.314.358 | 7.235.786 | 1% | 6.813.270 | 7% |

Long-term Assets

| | | | | | |
|--------------------------|------------------|------------------|-------------|------------------|------------|
| Receivables from clients | 863.874 | 1.867.969 | -54% | 1.247.265 | -31% |
| Properties for sale | 798.206 | 416.717 | 92% | 498.180 | 60% |
| Deferred taxes | - | 353.212 | -100% | - | nm |
| Other | 247.909 | 215.695 | 15% | 191.270 | 30% |
| | 1.909.989 | 2.853.593 | -33% | 1.936.715 | -1% |
| Investments | 282.277 | 294.429 | -4% | 290.806 | -3% |

Total Assets

| | | | | | |
|--|------------------|-------------------|------------|------------------|-----------|
| | 9.506.624 | 10.383.808 | -8% | 9.040.791 | 5% |
|--|------------------|-------------------|------------|------------------|-----------|

Current Liabilities

| | | | | | |
|--|------------------|------------------|-------------|------------------|-------------|
| Loans and financing | 843.283 | 475.969 | 77% | 797.903 | 6% |
| Debentures | 292.260 | 206.336 | 42% | 26.532 | 1002% |
| Debentures ¹ - Reclassification default | 1.595.961 | - | - | - | - |
| Obligations for purchase of land and advances from clients | 610.555 | 469.642 | 30% | 420.199 | 45% |
| Materials and service suppliers | 135.720 | 185.185 | -27% | 190.461 | -29% |
| Taxes and contributions | 250.578 | 291.649 | -14% | 230.888 | 9% |
| Other | 1.087.582 | 180.055 | 504% | 338.949 | 221% |
| | 4.815.939 | 2.162.513 | 123% | 2.004.932 | 140% |

Long-term Liabilities

| | | | | | |
|----------------------------------|------------------|------------------|-------------|------------------|-------------|
| Loans and financings | 721.067 | 975.751 | -26% | 612.275 | 18% |
| Debentures | - | 1.740.673 | -100% | 1.853.399 | -100% |
| Obligations for purchase of land | 177.135 | 194.654 | -9% | 177.860 | 0% |
| Deferred taxes | 83.002 | 401.071 | -79% | 13.847 | 499% |
| Provision for contingencies | 134.914 | 123.950 | 9% | 124.537 | 8% |
| Obligation for investors | 253.390 | 312.000 | -19% | 380.000 | -33% |
| Other | 574.083 | 560.609 | 2% | 241.768 | 137% |
| | 1.943.591 | 4.308.708 | -55% | 3.403.686 | -43% |

Shareholders' Equity

| | | | | | |
|------------------|-----------|-----------|------|-----------|------|
| Capital | 2.734.157 | 2.734.155 | 0% | 2.729.198 | 0% |
| Treasury shares | (1.731) | (1.731) | 0% | (1.731) | 0% |
| Capital reserves | 18.066 | 267.159 | -93% | 295.879 | -94% |

| | | | | | |
|---|------------------|-------------------|-------------|------------------|-------------|
| Revenue reserves | - | 741.212 | -100% | 547.403 | -100% |
| Retained earnings/accumulated losses | (102.019) | 85.036 | -220% | - | nm |
| Non controlling interests | 98.621 | 86.756 | 14% | 61.423 | 61% |
| | 2.747.094 | 3.912.587 | -30% | 3.632.172 | -24% |
| Liabilities and Shareholders' Equity | 9.506.624 | 10.383.808 | -8% | 9.040.790 | 5% |

Note: ¹ Following the modification of certain debt covenants, per the agreement with debt holders, Gafisa' short-term debt and long-term debt classification will be reclassified to the LongTerm in the 1Q12, in compliance with all debt covenants.

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.

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, brokers, 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).

Investor Relations

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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

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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: April 10, 2012

Gafisa S.A.

By:

/s/ Alceu Duílio Calciolari

Name: Alceu Duílio Calciolari

Title: Chief Executive Officer and Investor Relations Officer
