Gafisa S.A.
Form 6-K/A
April 08, 2016

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K/A

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

For the month of April, 2016

(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 ___X___ 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 ___X___

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 ___X___

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:

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

GAFISA S.A.

Corporate Taxpayer's ID (CNPJ/MF) No. 01.545.826/0001-07

Corporate Registry (NIRE) No. 35.300.147.952

Publicly-held Company

MANAGEMENT PROPOSAL

ANNUAL GENERAL MEETING

APRIL 25, 2016

INDEX

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Publicly-held Company

Dear Shareholders,

Below we present for your appreciation the management proposal for the matters on the agenda of the Company's Annual General Meeting to be held on April 25, 2016:

1. Review the management accounts and examine, discuss and vote on the financial statements relative to the fiscal year ended December 31, 2015.

We propose that the management accounts and financial statements for the 2015 fiscal year, as disclosed on March 3, 2016 on the websites of the Brazilian Securities and Exchange Commission ("CVM") and the BM&FBOVESPA S.A. - São Paulo Securities, Commodities and Futures Exchange ("BM&FBovespa") via the Periodic Information System (IPE) and on March 4, 2016 in the newspapers *O Estado de São Paulo* and the *Official Gazette of the State of São Paulo* ("Financial Statements") be approved without reservations.

As per Article 9, paragraph III of CVM Instruction 481 of December 17, 2009 ("CVM Instruction 481/09"), the management's comments on the Company's financial situation are detailed in Appendix I of this proposal.

In compliance with the provisions of Article 9, V and sole paragraph, III of CVM Instruction 481/09, the opinion of the Fiscal Council and the Audit Committee are available at the Company's headquarters, on its Investor Relations website (www.gafisa.com.br/ri/) and on the websites of the BM&FBOVESPA S.A. – São Paulo Stock, Commodities and Futures Exchange (www.bmfbovespa.com.br) and the Brazilian Securities and Exchange Commission (www.cvm.gov.br).

2. Allocation of net income for the fiscal year ended December 31, 2015 and distribution of dividends.

We propose the net income for the fiscal year ended December 31, 2015 to be allocated as indicated in the Financial Statement and the dividends to be distributed as detailed in Appendix II hereto, prepared according to item II of Paragraph 1, Article 9 of CVM Instruction 481/09.

We also propose that the dividends then declared are paid on a date to be subsequently established by the Board of Directors, in the 2016 calendar year, based on the shareholding position of April 25, 2016 for shareholders holding shares traded at the BM&FBovespa S.A. – São Paulo Securities, Commodities and Futures Exchange (after trading session close) and April 28, 2016 for shareholders with ADRs traded at NYSE, not monetarily restated. Shares and ADRs will then be traded ex-dividends as of April 26, 2016.

3. Setting the number of members to compose the Company's Board of Directors.

We firstly propose, pursuant to Article 17 of the Company's Bylaws that seven (7) sitting members are elected for the Company's Board of Directors.

4. Election of members of the Company's Board of Directors, in view of term of office expiration.

In compliance with the recommendation of the Company's Nomination and Corporate Governance Committee, we propose the election of the following members of the Company's Board of Directors, all of them with term of office to expire at the 2018 Annual General Meeting: (i) **Odair Garcia Senra**, Brazilian citizen, widower, civil engineer, identity card (RG) No. 3.259.126, issued by SSP/SP, enrolled with the individual taxpayer register (CPF/MF) under No. 380.915.938-72, resident and domiciled in the City and State of São Paulo, with office in the City and State of São Paulo, at Avenida das Nações Unidas, nº 8.501, 19° andar, CEP 05425-070; (ii) **Cláudio José Carvalho de Andrade**, Brazilian citizen, married, business administrator, identity card (RG) No. 04.408.508-78, enrolled with the individual taxpayer register

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(CPF/MF) under No. 595.998.045-20, resident and domiciled in the City and State of Rio de Janeiro, with office at Avenida Ataulfo de Paiva 204, 10º andar, Leblon, CEP 22440-033; (iii) **Francisco Vidal Luna**, Brazilian citizen, married, economist, identity card (RG) No. 3.500.003-X SSP/SP, enrolled with the individual taxpayer register (CPF) under No. 031.950.828-53, resident and domiciled in the City and State of São Paulo, at Rua Sampaio Vidal 440, Jardim Paulistano, CEP 01443-000; (iv) **Guilherme Affonso Ferreira**, Brazilian citizen, legally separated, businessman, identity card (RG) No. 4.405.163 SSP/SP, enrolled with the individual taxpayer register (CPF/MF) under No. 762.604.298-00, resident and domiciled in the City and State of São Paulo, with office at Rua Estados Unidos 1342, Jardim América, CEP 01427-001; (v) **José Écio Pereira da Costa Júnior**, Brazilian citizen, married, business administrator and accountant, identity card (RG) No. 4.762.308, issued by SSP/SP, enrolled with the individual taxpayer register (CPF/MF) under No. 359.920.858-15, resident and domiciled in the city of Curitiba, state of Paraná, with office at Av. República Argentina, 665, cjs. 906/907, CEP 80240-210; (vi) **Maurício Marcellini Pereira**, Brazilian citizen, divorced, business administrator, identity card (RG) No. 19434, issued by CRA/MG, enrolled with the individual taxpayer register (CPF/MF) under No. 838.823.836-15, resident and domiciled in the city of Brasília, Federal District, at SMPW Quadra 17, conjunto 4, lote 1, casa B, CEP 71741-704; and (vii) **Rodolpho Amboss**, Brazilian citizen, married, civil engineer, identity card (RG) No. 355.703, issued by SPTC-ES, enrolled with the individual taxpayer register (CPF/MF) under No. 742.664.117-15, resident in the United States of America, with business address at 40 West 57th Street, 29th floor, New York, NY, 10019, United States of America; all of them in the capacity of independent board members.

Pursuant to Article 10 of CVM Instruction 481/09, the information referring to the candidates for the position of members of the Board of Directors supported by the Company's Management is detailed in Appendix III hereto.

5. Establishment of the total compensation of the Management for the 2016 fiscal year.

We recommend that the management's overall compensation for the 2016 fiscal year should be fixed at the limit of R$ 19,823,318.01 for the current fiscal year, from January to December 2016.

We clarify that according to Article 152 of Law No. 6.404/76, we now include in this amount, as of the Annual General Meeting, besides the fixed and short-term variable compensation for the management, any benefits provided or supported by the Company. Social security charges or expenses associated with the recognition of the fair value of stock options that may be granted by the Company this year, which are recognized gradually during 3-year grace period with accounting and non-financial effects under the CPC 10 and derive from the Stock Option Plan previously approved by the Company's shareholders at the General Meeting.

The short-term variable compensation program maintained by the Company is connected to achievement of specific goals that are established, agreed upon and approved by the Board of Directors each year. For the 2015 fiscal year, a series of goals was established, including one mandatory, related to the Company's return on capital employed (ROCE). The mandatory target has been met while the set of operating targets was partially achieved, resulting in the difference between the total amount of remuneration approved for 2015 and the amount actually paid. Therefore, the Annual General Meeting held in 2015 approved a total limit of Management compensation in the amount of up to R$13,227,950.80 referring to the Management's overall compensation except for social security charges and book costs of share-based incentives, and the effective payment in the amount of R$7,907,703.20.

For the purposes of comparison with volume to be approved at such meeting, including social security charges and book costs of share-based incentives, the amount to be considered in the latest General Meeting would be of R$18,886,534.65 and the effective payment in this scenario would be estimated to amount to R$13,389,424.65. The additional amount presented for the year of 2016 is related solely to the book costs of share-based incentives, according to the premises to be used in the calculation of the book cost, when approved. The other values were not changed.

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As per Article 12 of CVM Instruction 481/09, the information necessary for analysis of the management compensation proposal can be found in detail in Appendix V of this proposal.

6. Installation and establishment of the number of members that should compose the Company's Fiscal Council.

Considering that the term of office has ended, we propose the installation of the Company's Fiscal Council. Once installed, in compliance with the provisions of Article 43 of the Company's Bylaws, we propose that the Company's Fiscal Council be composed of 3 (three) sitting members with an equal number of alternates.

7. Considering that the term of office has ended, election of the members of the Company's Fiscal Council

We propose the election of the following members and their respective alternates for a term of office that will end on the date of the 2017 Annual General Meeting, to wit, as sitting members: **(i) Olavo Fortes Campos Rodrigues Junior**, Brazilian, business administrator, married, identity card (RG) No. 9.369.027 issued by SSP/SP and enrolled with the individual taxpayer register (CPF/MF) under no. 769.488.977-20, resident and domiciled in São Paulo, São Paulo State at Rua Dr. José Maria Whitaker 310, apto. 4, Edif. Figueira, CEP 05622-001, **(ii) Peter Edward Cortes Marsden Wilson**, Brazilian, economist, married, identity card (RG) No. 08.424.379-9 issued by IFP/RJ and enrolled with the individual taxpayer register (CPF/MF) under no. 168.126.648-20, resident and domiciled in São Paulo, São Paulo State at Rua Princesa Isabel 347, apartment 92, Campo Belo, CEP 046001-001, and **(iii) Laiza Fabiola Martins de Santa Rosa**, Brazilian, economist, single, identity card (RG) No. 32.677.183-9 issued by SSP/SP and enrolled with the individual taxpayer register (CPF/MF) under no. 294.953.408-29, resident and domiciled in São Paulo, São Paulo State with offices at Avenida Paulista 2.300, 11º andar and as alternates: **(i) Marcello Mascotto Iannalfo**, Brazilian, economist, married, identity card (RG) No. 16.994.226-0 issued by SSP/SP and enrolled with the individual taxpayer register (CPF/MF) under no. 101.947.028-39, resident and domiciled in the city of Campinas, São Paulo State at Rua Bacabá, 48, Alphaville, Campinas - CEP 13098-339, **(ii) Marcelo Martins Louro**, Brazilian, business administrator, married, identity card (RG) No. 19.994.703 issued by SSP/SP and enrolled with the individual taxpayer register (CPF/MF) under no. 118.319.918-02, resident and domiciled in São Paulo, São Paulo State at Rua Iaiá 127, CEP 04542-060, and **(iii) Alessandro de Oliveira Nascimento**, Brazilian citizen, Brazilian Federal Savings Bank employee, single, identity card (RG) No. 44350969-4 issued by SSP-SP and enrolled with the individual taxpayer register (CPF/MF) under No. 335.489.628-07, resident and domiciled in the City and State of São Paulo, with office at Avenida Paulista, 2300,11º andar.

As per Article 10 of CVM Instruction 481/09, the information relative to the candidates to the position of member of the Fiscal Council supported by the Company is detailed in Appendix IV of this proposal.

8. Establishment of the total compensation of the Members of the Fiscal Council for the 2016 fiscal year

We propose that the total compensation for fiscal council members for the 2016 fiscal year be established at up to R$245,520.00.

We clarify that according to Article 152 of Law No. 6.404/76, we now include in this amount, as of the Annual General Meeting, the social security charges besides the fixed compensation of Fiscal Council members.

As per Article 12 of CVM Instruction 481/09, the information necessary for analysis of the management compensation proposal can be found in detail in Appendix V of this proposal.

São Paulo, March 24, 2016.

The Management

Gafisa S.A.

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APPENDIX I

(*As per Appendix 24, item 10 of CVM Instruction no. 480 of December 17, 2009*)

10. MANAGEMENT COMMENTS

10.1.

a) general financial condition and assets

The management believes that Company is one of the leading players in the real estate development market, operating nationally with a focus on high-quality residential undertakings targeting all income brackets.

The Company's revenue is largely derived from the development and sale of real estate projects. The Company recognizes the revenue from these real estate projects during the construction period, based on a financial calculation related to the value of the project on completion, and not when the sales contracts are signed. On a smaller scale, the Company also generates revenue from the provision of real estate services, such as construction, technical and real estate management, to third parties. The Company structures some of its projects through its subsidiaries or jointly controlled affiliates, set up as specific purpose enterprises (SPE).

The Company's current working capital is sufficient for its present requirements and its cash position, including loans to third parties, and enough to meet the financing of all its activities and cover its capital requirement, for at least the next 12 months.

The Management understands that the Company has sufficient financial resources and shareholders' equity to implement its business plan and comply with its short-to-medium-term obligations.

Gafisa ended 2015 with a positive outlook on the operational and financial results during the period. Launches ended the year at R$682.9 million in 4Q15 and reached R$2.1 billion in 2015. Net sales totaled R$482.6 million in the fourth quarter of 2015 and R$1.9 billion in 2015. In 2015, Gafisa segment's stable results and the consolidation of new business model and accordingly, higher contribution to results from Construtora Tenda S.A. ("Tenda"), the Company's wholly-owned subsidiary, enabled a gradual increase of the Company's margins. The adjusted gross margin reached 34.6% in 2015, compared with 33.2% in 2014.

Cash generation in 2015 should also be mentioned. The Company recorded cash generation of R$165.6 million in 2015 in both the Gafisa and Tenda operations, reaching free cash flow of R$24.1 million in the year.

The Company worked throughout 2015 with a balanced capital structure, and ending the year with a net debt/equity ratio of 46.6%. Excluding project financing, the net debt/equity ratio recorded a negative ratio of 12.0%.

In addition, the Company's third stock repurchase programs initiated in February 2015, restricted to 27 million common shares, ended due to lapse of time, with an effective acquisition of 1 million shares, thus representing a total disbursement of R$ 2.0 million.

Reaffirming its commitment to generating value to shareholder, on March 3, 2016, the Company approved the creation of a fourth stock repurchase program restricted to 8.2 million common shares, which added to 10.6 million shares currently held in treasury correspond to 5% of total common shares issued by the Company. The Program's objective is the effective use of the Company's cash equivalents, with medium and long term expected profitability, and an amount of shares to be acquired may be allocated to exercise options and/or shares to be granted within the scope of the Stock Option Plan, as approved at the Company's Extraordinary General Meeting. The Company also reaffirms its commitment to capital discipline, allowing the execution of such program, as long as the Company's consolidated Net Debt/Equity ratio do not exceed 60%.

On December 31, 2015, the Company's cash position was R$712,311 thousand. On the same date, net debt totaled R$1,443,377 thousand and the net debt-to-equity ratio stood at 46.6%.

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On December 31, 2014, the Company's cash position was R$1,157,254 thousand. On the same date, net debt totaled R$1,440,300 thousand and the net debt-to-equity ratio stood at 47.1%.

On December 31, 2013, the Company's cash position was R$2,024,163 thousand. On the same date, net debt totaled R$1,159,046 thousand and the net debt-to-equity ratio stood at 36.1%.

In 2015, the Company's adjusted EBITDA margin reached 14.8%, 12.2% in 2014 and 17.4% in 2013. It is worth noting that in spite of a more challenging macroeconomic scenario in 2015, the Company reaped the effects of several corrections and improvements implemented over the past years. The Company achieved the highest efficiency of its operating cycle, with decreased construction period and better financial management of its projects, besides a positive contribution from the consolidation of Tenda's new business model, thus, allowing higher operating profitability of this segment.

On a consolidated basis, net revenues for 2015, recognized by the "PoC" method, increased 6.7% year-over-year, totaling R$2.3 billion, impacted especially by the expansion of Tenda launches in the new business model. During the year, the Gafisa segment accounted for 63% of net revenues and Tenda segment for the remaining 37%. The gross margin reached 27.3% in 2015, compared with 25.2% in 2014 and 24.9% in 2013, due to the lower impact of legacy projects and the higher volume of revenue from new projects, especially in case of Tenda's increase in the volume of launches in the new model, allowing a more representative contribution to the consolidated results, as verified in 2015.

The liquidity ratio in 2015 was 2.11, compared to 2.07 in 2014 and 2.12 in 2013.

The process of dividing the business units announced in early 2014 is still in progress. Currently, the brands already operate independently, with their own structures and in conformity with these business models particularities. We are still working with partners and financial agents aiming at reaching conditions considered appropriate for the capital structure corresponding to the business cycles of each business unit.

As announced previously in our Material Fact released to the market on April 29, 2015, these actions are still in progress, but more time consuming than initially estimated. In view of such fact and this definition as a measure required in the division process, it is still not possible to estimate when this potential spin-off will be completed.

The Company will keep its shareholders and the market in general informed as to the evolvement and the development of the issues mentioned above.

Over the last year, Gafisa and Tenda managed to strengthen and improve their operational and financial cycles, ensuring greater stability and preparation, given the challenges of 2016. The Gafisa segment continues with its consistent and balanced operation, improving the level of capital employed, while the Tenda segment is ready to increase the volume of new projects, based on the good results verified in the projects launched in the mew model. The Company continues working guided by capital discipline, towards profitability goals and shareholder value generation, seeking continuous result improvements over the year to come.

b) capital structure

The table below shows the total amount used by the Company to finance its operations (total capitalization) and the segregation of such amounts between debt capital and equity capital (both in real terms and as a percentage) for each fiscal year, as follows:

Fiscal Year ended December 31

	2015	2014	2013
		(in thousands of Reais)	
Total debt capital	3,663,095	4,147,449	4,968,547
Total equity capital	3,097,236	3,058,403	3,214,483
Total capitalization	6,760,332	7,205,852	8,183,030
Debt capital/total capitalization ratio	54.2%	57.6%	60.7%
Equity capital/total capitalization ratio	45.8%	42.4%	39.3%

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On December 31, 2015, the Company's cash position was R$712,311 thousand. On the same date, net debt totaled R$1,443,377 thousand and the net debt-to-equity ratio stood at 46.6%.

On December 31, 2014, the Company's cash position was R$1,157,254 thousand. On the same date, net debt totaled R$1,440,300 thousand and the net debt-to-equity ratio stood at 46.7%.

On December 31, 2013, the Company's cash position was R$2,024,163 thousand. On the same date, net debt totaled R$1,159,046 thousand and the net debt-to-equity ratio stood at 36.1%.

c) capacity for payment in relation to the financial commitments assumed

On December 31, 2015, the Company's net debt was R$1,443,337 thousand, and the cash position and cash equivalents amounted to R$712,311 thousand, compared to a total debt of R$2,155,688 thousand with a net debt-to-equity ratio of 46.6%.

Additionally, the Company had a total of R$2,595,332 thousand of real estate receivables and R$333,036 thousand gross amount considering impairment, of unsold finished units, representing R$591,797 thousand of VGV, compared to R$570,191 thousand of obligations related to purchase of real estate and R$453,897 thousand of costs to be incurred. When considering the sum of the Total Receivables and Inventory of unsold finished units, this exceeds 2.25 times the sum of Net Debt, Obligations Related to Construction and Costs to be Incurred.

Furthermore, of the Company's R$2,155,688 thousand of total debt, R$1,161,707 thousand relates to Brazil's Housing Finance System contracts, which use funds to finance the construction of real estate projects, and counts on fiduciary assignment or pledge of the real estate receivables of each project, which mostly mature upon the project's delivery. Therefore, when finalizing the projects, the resources from the settlement of the outstanding balance by clients are obligatorily used to amortize the balance of the Company's contracts. In the total amount of outstanding balance of the Company, 84.2% are related to the finance of construction of real estate projects.

On December 31, 2014, the Company's net debt was R$1,440,300 thousand, and cash and cash equivalents amounted to R$1,157,254 thousand, compared to a total debt of R$2,597,554 thousand, with a net debt/ equity ratio of 47.1%.

Additionally, the Company's real estate receivables amounted to R$2,889,352 thousand, while completed and unsold units amounted to R$260,808 thousand, gross amount considering impairment, representing R$568,506 thousand in PSV, compared to a total of R$570,506 thousand of real estate payables, and R$628,751 thousand of costs incurred. When considering the sum of the total receivables and completed and unsold units, it exceeds 2.62 times the sum of net debt, real estate payables and costs incurred.

Furthermore, of the Company's total debt, corresponding to R$2,597,554 thousand, R$1,128,514 thousand is related to SFH contracts to finance the construction of real estate projects that have fiduciary assignments or pledges of the real estate receivables for each project, which, in most cases, are due on the delivery of the project. When concluded, the funds from the settlement of the balance due by the clients should be used in the amortization of the balance of the Company's contracts. Of the Company's total indebtedness, 77.8% is related to debt related to projects.

On December 31, 2013, the Company's net debt was R$1,159,044 thousand, and cash and cash equivalents amounted to R$2,024,163 thousand, compared to a total debt of R$3,183,208 thousand, with a net debt/ equity ratio of 36.1%.

Additionally, the Company's real estate receivables amounted to R$4,087,091 thousand, while completed and unsold units amounted to R$292,232 thousand, gross amount considering impairment, representing R$602,456 thousand in PSV, compared to a total of R$440,129 thousand of real estate payables and R$1,181,273 thousand of costs incurred. When considering the sum of the total receivables and completed and unsold units, it exceeds 2.79 times the sum of net debt, real estate payables and costs incurred.

Furthermore, of the Company's total debt, corresponding to R$3,183,208 thousand, R$1,088,258 thousand is related to SFH contracts to finance the construction of real estate projects that have fiduciary assignments or pledges of the real estate receivables for each project, which, in most cases, are due on the delivery of the project. When concluded, the funds from the settlement of the balance due by the clients should be used in the amortization of the balance of the Company's contracts. Of the Company's total indebtedness, 64.4% is related to debt related to projects.

Considering the Company's indebtedness profile, its most liquid assets against its obligations, reflected or not reflected in the Balance Sheet, the officers believe there is sufficient liquidity to meet the current contractual obligations on this date.

If needed, the Company has capacity to take out additional loans to fund investments and operations.

d) sources of financing for working capital and investments in non-current assets used

As and when allowed, the Company takes out debt for all projects it develops with Brazil's Housing Finance System (SFH/SFI), which offers lower interest rates than traditional working capital facilities, with actual guarantee and amortization connected with the settlement by clients through the transfer of clients' receivables to banks. Using this credit facility, the Company intends to cover the cash exposure for each project, which is not covered by monthly payments received. In 2015, the Company did not perform SFI financing operations, but 67 SFH financing operations were contracted, totaling R$805,742 thousand. In 2014, the Company contracted 34 SFH financing operations, totaling R$566,444 thousand, and signed one SFI contract in the amount of R$194,000 thousand. In 2013, the Company contracted 7 SFH financing operations, totaling R$372,635 thousand, and signed one SFI contract in the amount of R$300,000 thousand.

The increase in SFH/SFI financing operations reflects the Company's pursuit of a capital structure in line with its operating cycle, prioritizing fundraising through debt instruments aligned to its projects' flow of receivables. Therefore, over the past three years, the Company has given priority to financing sources directly linked to the projects portfolio. As a result, 84.2% of the Company's total debt in 2015 was related to financing operations linked to the financing of real estate projects – a progress if compared to 77.8% recorded in 2014 and 64.4% in 2013.

Additionally, the Company used credit assignment and securitization instruments when it perceived a market demand for real estate receivables, and privileged definitive assignment structures with no right to withdraw. The transactions are subject to resolutive conditions, the main of which being the complete formalization of the guarantee to the assignee by the assignor, and the current amount of these transactions is recorded in the Company's liabilities up to the resolution of the guarantee. In 2015, the Company held a securitization operation in the nominal amount of R$32,192 thousand. In 2014, the Company also held a securitization operation in the nominal amount of R$15,200 thousand, and in 2013, the Company conducted two securitization operations, with a total nominal amount of R$42,373 thousand.

Additionally, the Company used the proceeds from the issue of bank bills of credit (CCB), debentures and Promissory Notes in the capital market to complete its funding strategy. The Company did not hold issuances in 2015 and 2013. However, in 2014, the Company raised R$185,000 thousand with two private issuances of debentures, both secured with collateral.

e) sources of financing for working capital needs and investments in non-current assets intended to be used to cover liquidity shortfalls

The Company currently has a liquidity level and cash generation prospects that allows for it to not use additional funding for its operations. But this does not eliminate the possibility to structure or take out new working capital facilities according to the instruments available and market conditions at the time of contracting, as indicated in items 10.1.c and 10.1.d.

f) levels of indebtedness and debt characteristics

i) significant loan and financing agreements

The Company's officers show in the table below the Company's total amount of debt of any consolidated nature, which is equal to the sum of total Current Liabilities and total Non-current Liabilities on December 31, 2015, 2014 and 2013:

	Fiscal Year ended December 31		
	2015	2014	2013
	(in thousands of Reais)		
Total current liabilities	2,048,969	2,270,869	2,683,023
Total non-current liabilities	1,614,127	1,876,581	2,285,524
Total amount of debt of any nature	**3,663,096**	**4,147,451**	**4,968,547**

Below, the Company's officers show some key features of consolidated financings and loans of the Company, grouped by type, on December 31, 2015, 2014 and 2013:

			Fiscal Year ended December 31		
	Average Cost	**Maturity**	**2015**	**2014**	**2013**
			(in thousands of Reais)		
Project Financing (SFH/SFI)	TR + 8.30% - 11.00% / 117.0% CDI / 12.87%	May 2016 to August 2020	1,161,707	1,128,514	1,088,258
FGTS Debentures	9.2% to 10.2% + TR	October 2016 to December 2017	654,445	891,650	961,416
Debentures	1.9% + CDI 7.96% to 8.22 + IPCA 117.90% of CDI	October 2016 to January 2020	203,513	297,449	459,802
Working capital	2.20% + CDI 13.20% fixed	May 2016 to July 2017	131,128	268,911	550,052
Obligations with Investors	-	June 2016 to June 2017	4,895	11,030	123,680
Total Debt			**2,155,688**	**2,597,554**	**3,183,208**

Project Financing (SFH and SFI)

Project financing is represented by loans from national commercial banks to raise the necessary funds to develop the real estate projects of the Company and its subsidiaries and affiliates. These contracts have an actual guarantee represented by the land's mortgage and by the fiduciary assignment or pledge of receivables, and the funds are released upon proof of physical and financial development of the construction works; amortization begins after the construction works purpose of the contract are completed. During the amortization of the contract, the proceeds from the settlement of the outstanding balance by clients are used to amortize the debt.

FGTS Debentures

These refer to the Company's 7th Issue and subsidiary Construtora Tenda S.A.'s 1st Issue. These issues use FGTS resources, and the proceeds are used to fund the construction works of the projects given as guarantee. For further information on these issues, please refer to item 18.5 of the Reference Form.

Debentures

As at December 31, 2015, these refer to the 1st and 2nd Series of the 8th Issue and the 9th Issue and the 10th Issue, and the proceeds are allocated, respectively, to the Company's working capital and to the development of selected real estate projects. For further information on these issues, please refer to item 18.5 of the Reference Form.

Working Capital

It consists of Bank Bills of Credit (CCB) and other banking instruments that represent debt, and the proceeds are allocated to the Company's working capital. These instruments may have actual guarantees or sureties, and feature covenants that may result in the early maturity of the obligations if not complied with. As at December 31, 2015, the Company was complying with all its contractual obligations.

Obligations with Investor

These are structured transactions that involved the restructuring of Company subsidiaries to capture the distribution of results from the development of selected real estate projects the investor holds an interest in. These investments feature clauses of return on capital after a certain period and priority in the distribution of results, reason why they are recorded under "Obligations with Investors" in the Company's financial statements. For further information, please refer to item 6.5 of this Reference Form.

ii) other long-term arrangements with financial institutions

There are no other long-term arrangements with financial institutions but those detailed in this item.

iii) degree of Company debt subordination

For the fiscal years ended December 31, 2015, 2014 and 2013 the Company's debts can be segregated according to the nature of their guarantees, as follows:

	Fiscal Year Ended December 31		
	2015	**2014**	**2013**
	(in thousands of Reais)		
Total debt with Actual Guarantee	1,416,648	1,391,412	1,487,344
Total debt with Floating Guarantee	654,445	891,650	961,416
Total Unsecured debt	84,595	314,492	734,449
Total Debt	**2,155,688**	**2,597,554**	**3,183,208**

There is no degree of contractual subordination among the unsecured debts. The Company's debts with actual and floating guarantee have the preferences and prerogatives provided for by the law. Therefore, in the event of collective insolvency proceedings: (i) the debts with actual guarantee have payment priority over the Company's other debts, up to the value of the asset recorded, and (ii) the debts with floating guarantee have priority over unsecured debts.

iv) restrictions imposed to the issuer, especially with regard to indebtedness limits, taking of new loans, distribution of dividends, disposal of assets, issuance of new securities, and sale of controlling interest as well as if issuer has been complying with these restrictions:

The Company is party to agreements that set minimum and maximum limits on specific topics, in addition to restricting the Company regarding the taking of some actions. Noncompliance with the agreed ratios or restrictions may result in the early maturity of the agreements.

The financial instruments' major restrictions in the fiscal years ended December 31, 2015, 2014 and 2013 are as follows:

- request of any judicial or extra-judicial recovery plan to any creditor or class of creditors, regardless of a judicial approval having been requested or obtained for said plan; or file a court request for judicial recovery;

- change in the direct or indirect control of the Issuer, under article 116 of Law 6,404 of December 15, 1976, as amended ("Brazilian Corporate Law"), that result in a downgrade in the Company's risk rating to a lower level than that at the time of the issue or, in some cases, to a rating lower than A- or equivalent in national scale by the leading rating agencies;

- payment by the Company of dividends, interest on equity, or any other profit sharing provided for in the Company's bylaws, whenever it is in arrears regarding the issues in effect at the time the event is declared, except for the payment of the minimum compulsory dividend provided for in article 202 of the Brazilian Corporate Law;

- declaration of early maturity of any financial obligation and debts of the Company and/or its Relevant Subsidiaries, in the domestic or international market;

- amendment to or change in the Company’s business purpose so that the Company no longer operates as a real estate developer and construction Company;

- change in the corporate nature of the Company to limited liability, under articles 220 through 222 of the Brazilian Corporate Law;

- spin-off, or merger of the Company into another Company, unless such transaction is approved by the holders of debt securities or holders are granted the right to withdraw;

- reduction in the Company’s capital stock that results in a capital stock lower than ninety-five percent (95%) of the existing capital stock, except (i) in the case the capital reduction is carried out to absorb losses under article 173 of the Brazilian Corporate Law, or (ii) it is previously approved by the holders of debt securities;

- Disposal, expropriation, seizure, or any other form of disposal of fixed assets by the Company in equivalent amount, as determined in indentures or contracts, and that may affect the Company’s financial capacity.

The restrictions described above may not fully apply to all agreements in effect on this date, and different limits may be determined to each agreement.

The Company has also committed to keeping the following financial indicators within the limits set. The formulas and maximum and minimum limits, as well as their indicators are presented below:

		December 31	
	2015	2014	2013
7th issuance			
Total accounts receivable plus inventories must be less than zero or higher than 2.0 times net debt minus project debt (3).	-14.12 times	-9.33 times	-6.21 times
Total debt, minus project debt (3), minus cash equivalents (1), should not exceed 75% of shareholders’ equity plus minority shareholders.	-12.2%	-19.3%	-31.6%
Total receivables plus revenues to be recognized plus inventory of finish units must be higher than 1.5 times the net debt +obligations related to construction + costs to be incurred.	2.25 times	2.10 times	2.79 times
8th issuance- 1st and 2nd series			
Total accounts receivable plus inventory of finish units must be less than zero or higher than 2.0 times net debt minus project debt.	-7.73 times	-5.32 times	-4.31 times
Total debt, minus project debt, minus cash equivalents (1), should not exceed 75% of shareholders’ equity plus minority shareholders.	-12.2%	-19.3%	-31.6%
9th issuance			
Total accounts receivable plus inventory of finish units must be less than zero or higher than 2.0 times net debt.	3.71 times	3.86 times	n/a
	46.4%	46.7%	n/a

Net debt should not exceed 100% of shareholders' equity plus minority shareholders.			
10th issuance			
Total accounts receivable plus inventory must be less than zero or higher than 2.0 times net debt minus project debt (3).	-14.12 times	n/a	n/a
Total debt, minus project debt (3), minus cash equivalents (1), should not exceed 75% of shareholders' equity plus minority shareholders.	-12.2%	n/a	n/a
1st issuance – Tenda			
Total accounts receivable plus inventories must be equal or higher than 2.0 times net debt minus debt with actual guarantee (3) or less than zero, being TR(4) plus TE(5) always higher than zero.	-6.79 times	-2.75 times	-2.49 times
Net debt minus debt with actual guarantee(3) should not exceed 50% of Shareholders' equity.	-21.5%	-46.7%	-57.0%
Total receivables plus revenues to be recognized plus inventory of finish units must be higher than 1.5 times the net debt plus obligations related to construction plus costs to be incurred.	2.47 times	2.89 times	56.85 times
8th issuance – 1st and 2nd series			
Total accounts receivable plus inventory of finish units must be less than zero or higher than 2.0 times net debt minus project debt.	-7.73 times	-5.32 times	-4.31 times
Total debt, minus project debt, minus cash equivalents (1), should not exceed 75% of shareholders' equity plus minority shareholders.	-12.2%	-19.3%	-31.6%
CCBs and Other Instruments			
Total accounts receivable plus inventory of finish units must be less than zero or higher than 2.0 times net debt minus project debt.	-7.73 times	-5.32 times	-4.31 times
Total debt, minus project debt, minus cash equivalents (1), should not exceed 75% of shareholders' equity plus minority shareholders.	-12.2%	-19.3%	-31.6%

(1) Cash refers to cash and cash equivalents and marketable securities.

(2) Total receivables, whenever mentioned, refers to the amount reflected in the Balance Sheet plus the portion not shown on the Balance Sheet.

(3) Project debt and debt with actual guarantee refers to the Housing Finance System (SFH) debt, defined as the sum of all loans contracts disbursed whose funds are from Housing Finance System (SFH), and also the debt related to the seventh issuance.

(4) Total accounts receivable.

(5) Total inventory.

On December 31,2015, the Company was complying with restrictive covenants.

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g) limits of contracted financing and percentages already used

In the fiscal years ended December 31, 2013, 2014, and 2015, the proceeds of construction financing contracted from national institutions considered by the Company as prime institutions in the National Financial System are exclusively allocated to the construction works of the relative projects. The funds are released to the Company according to the physical/financial development of the construction works. Besides, the Company also used other sources of funding, such as Debentures and Certificates of Bank Credit and these funds are released to the Company upon execution.

As at December 31, 2015, the Company had contracted a total of R$3,890 million; of that amount, R$3,180 million or 81.7% had already been released. Of the total amount, the total outstanding balance is R$2,156 million, of that R$1,162 million are related to funding from the National Financial System as mentioned above.

h) significant alterations in each item of the financial statements

CONSOLIDATED STATEMENT OF INCOME FOR THE FISCAL YEAR

	2015	**2014**	**2013**
Gross operating revenue			
Real estate development and sale and exchange	2,475,928	2,256,189	2,618,737
Provision for cancellations	9,363	69,479	81,122
Taxes on Property Sales and Services	(190,972)	(174,670)	(218,648)
Net operating revenue	**2,294,319**	**2,150,998**	**2,481,211**
Operating costs			
Real estate development and sale	(1,667,505)	(1,609,246)	(1,863,766)
Gross operating profit	**626,814**	**541,752**	**617,445**
Operating revenue (expense)			
Selling expenses	(163,260)	(148,041)	(215,649)
General and administrative expenses	(181,413)	(211,906)	(234,023)
Equity pick-up on investments	41,766	19,263	7,370
Income from investments assessed at fair value	-	-	375,853
Depreciation and amortization	(47,420)	(79,251)	(63,014)
Other income / (expenses), net	(160,201)	(141,349)	(86,111)
Profit/(loss) before financial income and expenses and income tax and trade unions	**116,286**	**(19,532)**	**401,871**
Financial expenses	(162,258)	(165,712)	(243,586)
Financial revenue	124,131	156,794	81,083

Profit (loss) before income tax and trade unions	**78,159**	**(28,450)**	**239,368**
Expense with income tax and social contribution (current)	(24,598)	(33,330)	(23,690)
Income tax and social contribution (deferred)	17,418	18,055	20,878
Total income tax and trade unions	**(7,180)**	**(15,275)**	**(2,812)**
Net profit for Continued Operations	**70,979**	**(43,725)**	**236,556**
Net profit for Discontinued Operations	**-**	**-**	**631,122**
Net income for the year	**70,979**	**(43,725)**	**867,678**
(-) Profit / (loss) attributable:			
To minority shareholders	**(3,470)**	**(1,176)**	**235**
To parent Company	**74,449**	**(42,549)**	**867,443**

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Operating Results related to the Fiscal Years ended December 31, 2015 compared with 2014

Gross Revenue from Sales and/or Services

Gross revenue from the development and sale of real estate properties and swap agreements totaled R$2.48 billion in the 2015 fiscal year, up R$220 million or 10% year-over-year, when gross revenue came to R$2.26 billion. Such growth is due to increased revenue from projects of Tenda New Model in total revenue volume.

Deductions from Gross Revenue – Taxes on Property Sales and Services

Gross revenue deductions referring to taxes on sales of real estate properties and services were up 10%, from R$175 million in the fiscal year ended December 31, 2014 to R$191 million in 2015, in line with the increase in the Company's revenue.

Net Revenue from Sales and/or Services

Consolidated net revenue for 2015, as recognized by the "PoC" method came to R$2.29 billion, up 6.7% year-over-year, impacted by lower percentage from legacy projects and higher revenue volume from new projects, especially in case of Tenda segment with growth in the New Model launches level, thus allowing a more significant contribution to consolidated results. During the year, the Gafisa brand accounted for 63% of net revenues and Tenda for the remaining 37%.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$1.66 billion in 2015, up 3.6% over the R$1.60 billion recorded in 2014, substantially impacted by construction costs and land, due to upswing of Tenda segment launches.

Gross Profit

Gross profit reported in 2015 came to R$626.8 million, compared to R$541.8 million in 2014. The variation is mainly due to the constancy seen in Gafisa segment's results and projects profitability, higher volume and the consolidation of Tenda new business model, with higher profitability from its operations. Gross margin stood at 27.3%, compared to 25.2% in 2014.

Selling expenses

Selling expenses totaled R$163.3 million in 2015, an increase of 10.3% compared to R$148.0 million in 2014. Selling expenses in 2015 accounted for 7.1% of its net operating revenue, compared to 6,9% in 2014. This variation is due to additional and necessary efforts to increase sales volume, considering current macroeconomic scenario, and higher launches volume from Tenda segment in 2015.

General and Administrative Expenses, and Stock Option Plan Expenses

General and administrative expenses totaled R$181.4 million in 2015 compared to R$211.9 million in 2014, down 14.4%, or R$30.4 million, due to a lower volume of old projects and the adequacy of the Company's operating expenses structure to current market conditions.

(1) salaries and payroll charges were down by R$5.3 million or 6.6% year-over-year;

(2) provision and profit sharing decreased R$9.5 million or 27.1% year-over-year, totaling R$25.5 million in 2015;

(3) services expenses were down R$6.2 million, or 20.3% year-over-year.

Depreciation and Amortization

Depreciation and amortization totaled R$47.4 million in 2015, down 40.2% over R$79.3 million recorded in 2014, reflecting current Gafisa segment's business volume, with a volume of launches close to R$1.0 billion over the past three years.

Other Operating Expenses

In 2015, our results reflected a negative impact of R$160.2 million, compared to R$141.3 million in 2014, mainly due to increase in expenses with litigation, a consequence of the large volume of deliveries related to delivery of old projects in 2012, 2013 and 2014.

Financial revenue

The financial revenue was down R$32.7 million, totaling R$124.1 million in 2015, due to lower balance of cash equivalents in the period.

Financial expenses

Net financial expenses totaled R$162.3 million in 2015, compared to R$165.7 million in 2014, down 2% year-over-year, due to the reduction in gross debt in the period.

Provision for Income Tax and Social Contribution and Deferred Income Tax

Income tax, social contribution and deferred taxes totaled R$7.2 million in 2015, compared to R$15.3 million in 2014.

The variation is mainly due to the recognition of income tax and social contribution credit of approximately R$7.2 million, as a result of an update of the study on the Company's business plan, which shows the total recovery capacity of the tax loss inventory and temporary differences over the upcoming years.

Minority Interests

The increased interest held by non-controlling shareholders (minority shareholders of subsidiaries the Company holds investment), from R$1.2 million to R$3.5 million in 2015, was due to the results variation of the Company's affiliates.

Net Income (Loss)

Gafisa Group ended 2015 with a net income of R$74.4 million, compared to a net loss of R$42.5 million in 2014, reflecting the improvements implemented over the past years. The Company achieved higher efficiency in its operating cycle, by reducing construction period and a better financial management of its projects. In addition, higher speed in the transfer process and the completion of all Tenda's old projects contributed to a positive net result.

Operating Results related to the Fiscal years ended December 31, 2015 compared with 2014 – by Operating Segment

	Company (i)	**Tenda**	**Total 2015**
Net operating revenue	1,443,357	850,962	2,294,319
Operating cost	(1,061,921)	(605,584)	(1,667,505)
Gross operating profit	381,436	245,378	626,814

	Company (i)	**Tenda**	**Total 2014**
Net operating revenue	1,580,860	570,138	2,150,998
Operating cost	(1,164,998)	(444,248)	(1,609,246)
Gross operating profit	415,862	125,890	541,752

(i) Includes all subsidiaries, except Construtora Tenda S.A.

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Company – Gafisa Segment

Net Revenue from Sales and/or Services

Net revenue from sales and/or services was down 8.7%, from R$1.6 billion in 2014 to R$1.4 billion in 2015, reflecting sales mix in the period, with larger concentration in projects launched as of 2014. In 2015, Gafisa segment accounted for 63% of the Company's consolidated net revenue.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$1.1 billion in 2015, down 8.8% from R$1.2 billion recorded in 2014, in line with lower volume of projects under execution.

Gross Profit

Gross profit came to R$381.4 million in 2015, down 8.3% from R$415.9 million recorded in 2014. In 2015, the gross margin generated by project sales went up 26.4% compared to 26.3% year-over-year. Such increase is due to lower volume of projects under execution and sales mix in the period, with largest concentration in projects launched recently, which record better profitability.

Construtora Tenda S.A.

Net Sales and/or Service Revenue

Net sales and/or service revenue totaled R$851.0 million in 2015, climbing 49.3% from R$570.1 million recorded in 2014, impacted by a growth in the volume of new model launches over the past years. In 2015, Construtora Tenda S.A. accounted for 37% of the consolidated net revenue.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$605.6 million in 2015, up 36.3% from R$444.2 million recorded in 2014, as a result of growth in the volume of projects launched over the past three years.

Gross Profit

Gross profit in 2015 and 2014 totaled R$245.4 million and R$125.9 million, respectively. Margin increased from 22.1% in 2014 to 28.8% in 2015. Construtora Tenda S.A.'s profitability for 2015 was positively marked by a lower impact from old projects on its results and significant contribution of launches in the New Model, which have higher margins than those seen in old projects.

Operating Results related to the Fiscal Years ended December 31, 2014 compared with 2013

Gross Revenue from Sales and/or Services

Gross revenue from the development and sale of real estate properties and swap agreements totaled R$2.26 billion in fiscal year 2014, down R$363 million or 14% year-over-year (R$2.62 billion in 2013), due to the reduced number of launches in the last 2 years.

Deductions from Gross Revenue – Taxes on Property Sales and Services

Gross revenue deductions referring to taxes on sales of real estate properties and services were down 20% from R$219 in the year ended December 31, 2013 to R$175 million in 2014, in line with the decrease in the Company's revenue.

Net Revenue from Sales and/or Services

Consolidated net revenue for 2014, as recognized by the "PoC" method, decreased 13.3% in the comparison adding R$2.15 billion, impacted by the lack of Gafisa segment launches in the last 2 years. During the year, the Gafisa brand accounted for 73% of net revenues and Tenda for the remaining 27%.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$1.6 billion in 2014, down 14% over the R$1.9 billion recorded in 2013, impacted by the lower volume of projects under development and greater efficiency in the construction process, due to the reduction of legacy projects and the advent of new technologies and work management.

Gross Profit

Gross revenue reported in 2014 was R$541.8 million, compared to R$617.4 million in 2013. The variation is mainly due to the lower volume of projects launched in the last two years, especially in the Gafisa segment, which will eventually impact the level of revenue and consequently the consolidated gross profit. Gross margin was at 25.2% compared to 24.9% in the previous year.

Selling expenses

Selling expenses totaled R$148.0 million in 2014, a decrease of 31% year-over-year (R$215.6 million in 2013). Selling expenses represented 6.9% of the Company’s net operating revenues for 2014, from 8.7% in 2013. This variation is due to the consolidation of the physical store operation in the Tenda segment and being more assertive in marketing expenses and sales commissions in the Gafisa segment.

General and Administrative Expenses, and Stock Option Plan Expenses

General and administrative expenses totaled R$211.9 million in 2014, as compared to R$234.0 million in 2013, down 9.4% or R$22.1 million year-over-year, due to the Company's increased operating efficiency, allowing a level of costs and expenses in line with its business cycle.

(1) salaries and payroll charges were down by R$13.1 million or 14.1% year-over-year;

(2) provision and equity in net income decreased R$24.6 million, or 41.3% year-over-year, totaling R$35.0 million in 2014.

Depreciation and Amortization

Depreciation and amortization totaled R$79.3 million in 2014, up R$ 17.2 million or 25.8% compared to the R$63.0 million recorded in 2013, due to the full incorporation of a subsidiary in the last quarter of 2014, which generated a non-recurring impact of R$14.5 million related to the amortization of goodwill.

Other Operating Expenses

In 2014, our results reflected a negative impact of R$141.3 million, compared to R$86.1 million in 2013, mainly due to increase in expenses with litigation, a consequence of the large volume of deliveries related to legacy projects over the past two years, and the impact of the partial provisioning of the stock option program of the former subsidiary Alphaville.

Financial revenue

The financial revenue was up R$75.7 million to R$156.8 million at the close of the year as a result of higher average interest rate in the period.

Financial expenses

Net financial expenses totaled R$165.7 million in 2014, compared to R$243.6 million in 2013, down 32% due to the reduction in gross debt in the period.

Provision for Income Tax and Social Contribution and Deferred Income Tax

Income tax, social security and deferred taxes totaled R$15.3 million in 2014.

The variation is mainly due to the recognition of income tax and social contribution credit of approximately R$15 million as a result of a preparatory study on the Company's business plan, which shows the total recovery capacity of the tax loss inventory and temporary differences.

Minority Interests

The increased interest held by non-controlling shareholders (minority shareholders of subsidiaries the Company invests in), from R$0.2 million to R$1.2 million in 2014 was due to the results variation of the Company's affiliates.

Net Income (Loss)

Gafisa Group closed 2014 with a net loss of R$42.5 million, as opposed to net income of R$867.4 million in 2013, reflecting the result of the sale of the former subsidiary, Alphaville, in late 2013, which impacted the this year's result.

Operating Results related to the Fiscal Years ended December 31, 2014 compared with 2013 – by Operating Segment

	Company (i)	**Tenda**	**Total 2014**
Net operating revenue	1,580,860	570,138	2,150,998
Operating Cost	(1,164,998)	(444,248)	(1,609,246)
Gross operating profit	415,862	125,890	541,752

	Company (i)	**Tenda**	**Total 2013 (ii)**
Net operating revenue	1,663,751	817,460	2,481,211
Operating Cost	(1,111,550)	(752,216)	(1,863,766)
Gross operating profit	552,201	65,244	617,445

(i)Includes all subsidiaries except Construtora Tenda S.A.

(ii) At the end of 2013, the Company completed the sale of 70% of its subsidiary Alphaville Urbanismo S.A. From 2014, Alphaville is no longer a subsidiary of Gafisa, becoming consolidated through equity in Gafisa. Therefore, the total sum presents only Gafisa and Tenda.

Company - Gafisa Segment

Gross Revenue from Sales and/or Services

Net revenue from sales and/or services was down 5.0%, from R$1.7 billion in 2013 to R$1.6 billion in 2014, reflecting the lower number of launches. In 2014, the Gafisa segment accounted for 73% of the Company's consolidated net revenue.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$1.2 billion in 2014, an increase of 4.8% over the R$1.1 billion recorded in 2013, reflecting the variation in construction costs below inflation.

Gross Result

Gross profit was R$415.9 million for 2014, a decrease of 24.7% over the R$552.2 million recorded in 2013. In 2014, the gross margin generated by project sales was down to 26.3%, versus 33.2% in 2013. This reduction is the result of the lower volume of projects in the last two years and also due to some non-recurring effects in the last quarter of 2014, such as impairment adjustments of land and reevaluation of the calculation methodology for guaranteed provisions.

Construtora Tenda S.A.

Net Sales and/or Service Revenue

Net sales and/or service revenue totaled R$570.1 million in 2014, down 30.3% from R$817.5 million in the previous year, impacted by the lower volume of project delivery related to the legacy projects that were especially concentrated in 2013. In 2014, the Construtora Tenda S.A. accounted for 38% of the consolidated net revenue.

Cost of Development and Sale of Property

Cost of development and sale of property and physical swap agreements totaled R$444.2 million in 2014, down 40.9% over the R$752.2 million recorded in 2013, an effect of the substantial reduction of the Company's exposure to old projects, decreasing the cost still to be incurred related to them.

Gross Result

Gross income was R$125.9 million for 2014 and R$65.2 million in 2013. The margin increased from 8.0% in 2013 to 22.1% in 2014. Construtora Tenda S.A.'s profitability for 2014 was positively affected by the lower impact from old projects on its result and also the incipient contribution of the launches in the new model, which have higher margins than in old projects.

CONSOLIDATED BALANCE SHEET

	2015	**2014**	**2013**
Assets			
Current			
Cash and cash equivalents			
Securities	82,640	109,895	215,194
Accounts receivable from development and services provided	629,671	1,047,359	1,808,969
Properties for sale	1,395,273	1,440,498	1,909,877
Receivable amounts from related party transactions	1,880,377	1,695,817	1,442,019
Non-current assets held for sale	95,118	142,732	82,547
Derivatives	105,857	110,563	114,847
Prepaid expenses and others	-	-	183
Other receivables	7,171	15,442	35,188
Total current assets	120,657	128,905	71,083
Assets	4,316,764	4,691,211	5,679,907
Non-current			
Accounts receivable from development and services provided	407,091	384,821	313,791
Property for sale	750,240	816,525	652,395
Receivable amounts from related party transactions	109,193	107,067	136,508
Derivatives	-	-	-
Other accounts receivable and other items	82,880	112,241	137,628
	1,349,404	1,420,654	1,240,322
Investments	967,646	968,393	1,120,076
Property, plant and equipment	49,176	48,691	36,385
Intangible assets	77,342	76,903	106,340
	1,094,164	1,093,987	1,262,801
Total non-current assets	2,443,568	2,514,641	2,503,123
Total assets	6,760,332	7,205,852	8,183,030

	2015	2014	2013
Liabilities			
Current			
Loans and financing	672,365	550,058	590,386
Debentures	389,621	504,387	563,832
Obligations for property purchases and advances to clients	361,420	490,605	408,374
Material and service providers	57,335	95,131	79,342
Income tax and social contribution	-	-	90,309
Taxes and contributions	102,057	114,424	126,316
Salaries, social contributions charges and interest	60,102	65,039	96,187
Minimum mandatory dividends	17,682	-	150,067
Provision for court claims	100,312	103,034	72,119
Payables to credit assignment	23,482	24,135	82,787
Payables to related party transactions	87,100	156,503	133,678
Derivatives	14,056	3,340	-
Other liabilities	163,437	164,213	289,626
Total current liabilities	2,048,969	2,270,869	2,683,023
Non-current			
Loans and financing	620,470	847,367	1,047,924
Debentures	468,337	684,712	857,386
Obligations for property purchases and advances to clients	248,514	101,137	79,975
Deferred income tax and social contribution	16,489	34,740	56,652
Provision for court claims	142,670	136,540	125,809
Payables to credit assignment	35,811	31,994	37,110
Payables to related party transactions	41,002	-	-
Derivatives	7,618	4,833	-
Other liabilities	33,216	35,257	80,668
Total non-current liabilities	1,614,127	1,876,580	2,285,524
Shareholders’ equity			
Capital stock	2,740,662	2,740,662	2,740,662
Treasury shares	(25,980)	(79,059)	(73,070)
Capital reserve and stock option grant	76,834	69,897	54,383
Profit reserve (and accumulated losses)	303,975	323,845	468,749
	3,095,491	3,055,345	3,190,724
Attributable to minority shareholders	1,745	3,058	23,759
Total shareholders’ equity	3,097,236	3,058,403	3,214,483
Total liabilities and shareholders’ equity	6,760,332	7,205,852	8,183,030

Balance Sheet relative to the Fiscal Year Ended December 31, 2015 compared to 2014

Current assets

Cash and Equivalents – Cash and Banks, Marketable Securities

The Company's cash and cash equivalents on December 31, 2015 totaled R$712.3 million, compared to R$1.2 billion on December 31, 2014, a decrease of R$444.9 million, or 38.4%. This decrease is mainly due to the reduced consolidated indebtedness of the Company. Payments of R$1.4 billion were made in 2015, thus allowing a net amortization of debt in the amount of R$799.1 million.

Accounts receivable from development and services provided – Current and Non-Current

The following tables show the client accounts receivable from development and the sale of the Company's properties, as well as the receivables to be appropriated, and the maturity of the Company's portfolio:

(in R$ million)			**On December 31**
Real estate development and sale clients	**2015**	**2014**	**2013**
Current	1,395	1,440	1,910
Non-current	407	385	314
	1,802	1,825	2,224
(in R$ million)			**On December 31**
Receivables for appropriation	**2015**	**2014**	**2013**
	793	1,064	1,863
Total receivables	2,595	2,889	4,087

Current and non-current amounts expire in the following fiscal years:

Maturity	
Overdue	**492**
2016	**949**
2017	**325**
2018	**81**
2019	**33**
2020 onwards	**54**
	1,934
(-) Present value adjustment	**(31)**
(-) Allowance for doubtful accounts and cancellations	**(101)**
	1,802

On December 31, 2015, the balance of clients by real estate development totaled R$1.80 billion, compared to R$1.83 billion on December 31, 2014. This decrease is the result of launches average volume of approximately R$1 billion seen in the last three years.

All the balances of accounts receivable presented herein are adjusted to present value, as required by Technical Pronouncement CPC 12 "Present Value Adjustment."

Property for Sale – Current and Non-Current

The balance of property for sale was comprised as follows in the periods indicated:

	12/31/2015	**12/31/2014**	**12/31/2013**
Land bank	1,443,460	1,311,847	1,077,762
(-) Present value adjustment	(16,771)	(5,503)	(883)
Property under construction	857,619	905,190	630,407
Cost of property in recognition of provision for cancellations	21,764	52,309	107,172
Finished units	333,036	260,808	291,232
(-) Provision for loss in the realization of properties for sale	(8,491)	(12,309)	(11,276)
	2,630,617	2,512,342	2,094,414
Current	1,880,377	1,695,817	1,442,019
Non-current	750,240	816,525	652,395

On December 31, 2015, the balance of properties for sale, both current and non-current, totaled R$2.6 billion, compared to R$2.5 billion on December 31, 2014. At the end of 2015, 12.7% of total inventory was represented by finished units, while units under construction accounted for 32.6% of total inventory. The Company remains focusing on inventory reduction, chiefly at Gafisa, which accounts for 72% of total inventory.

Other accounts receivable – Current and Non-Current

The balance of other accounts receivable held by the Company on December 31, 2015 stood at R$203.5 million, 15.6% lower than the balance of same period in 2014, as a result of lower volume escrow deposits.

Intangible assets

On December 31, 2015, the balance of intangible assets reached R$77.3 million, compared to R$76.9 million on December 31, 2014, evidencing the alignment between additions and write-offs/amortization of intangible assets in the year.

Deferred income tax and social contribution

On December 31, 2015, the balance of deferred income tax and social contribution came to R$16.5 million, down 52.5% over the R$34.7 million on December 31, 2014. Liabilities are stated net of assets.

<u>Liabilities</u>

Loans, Financing and Debentures - Current and Non-Current

The Company’s total level of indebtedness on December 31, 2015 came to R$2.2 billion, a decrease of 16.8% over the balance of R$2.6 billion on December 31, 2014, reflecting the Company’s conservative position concerning its capital discipline, and reduced consolidated gross debt.

The table below shows the development of net indebtedness and obligations with investors in the Company:

Total Debt

(in R$ thousand)		Balance in		
Transaction Type	Rate	2015	2014	2013
Bank Credit Note – CCB	117.90% of CDI			
	2.20% + CDI			
	13.20% fixed	131,128	268,911	550,052
Housing Finance (SFH)	8.30% to 12.80% + TR			
	117% to 120% of CDI	1,161,707	1,128,514	1,088,258
		1,292,835	**1,397,425**	**1,638,310**
Current		672,365	550,058	590,386
Non-current		620,470	847,367	1,047,924

Debentures

				Consolidated		
Program/Issuances	**Principal - R$**	**Annual Compensation**	**Due Date**	**2015**	**2014**	**2013**
6th issuance	450,000	TR + 9.8205%	December 2017	-	-	151,513
7th issuance	-	CDI + 1.95%	October 2015	452,568	502,033	551,855
8th issuance/1st issuance	5,787	IPCA + 7.96%	October 2016	-	147,640	294,073
8th issuance/2nd issuance	132,026	CDI + 1.90%	July 2018	8,395	15,185	14,216
9th issuance	55,000	IPCA + 8.22	January 2020	130,394	134,624	-
10th issuance	200,000	TR + 9.25%	October 2016	64,724	-	
1st issuance (Tenda)	450,000	TR + 9.8205%	December 2017	201,877	389,617	409,561
				857,958	1,189,099	1,421,218
Current				389,621	504,387	563,832
Non-current				468,337	684,712	857,386

Obligations for property purchases and advances to clients – Current and Non-Current

On December 31, 2015, the Company’s obligations for the purchase of property and client advances totaled R$609.9 million, up 3.1% year-over-year. This variation is mainly due to liabilities with development client advances and services.

The following table shows the development of obligations for the purchase of properties and client advances, as well as its distribution between the short and long terms.

Balance of obligations for the acquisition of property and client advances

	12/31/2015	**12/31/2014**	**12/31/2013**
Current	361,420	490,605	408,374
Non-current	248,514	101,137	79,975
Total	**609,934**	**591,742**	**488,349**

Material and service providers

On December 31, 2015, the balance of payables due to material and service providers came to R$57.3 million, down 39.7% over the balance of R$95.1 million on December 31, 2014. The decrease in this obligation is mainly due to a solid volume of deliveries and resulting drop in the volume of projects under execution of Gafisa segment.

Taxes and contributions - Current

The balance of taxes and social contributions (current) on December 31, 2015 totaled R$102.1 million, down 10.8% over the R$114.4 million recorded on December 31, 2014. This decrease is due to higher current results and their acquittance during 2015, with income tax and social contribution previously withheld.

Income tax and social contribution – current and non-current

The balance of deferred income tax and social security totaled R$16.5 million on December 31,2015, down 52.5% over the R$34.7 million recorded on December 31, 2014, due to higher active temporary differences, mainly over provision for contingencies, impairment and cancellations. Liabilities are stated net of assets.

Provision for Contingencies - Current and Non-Current

The Company and its subsidiaries are parties in legal actions and administrative processes in various courts and with several government bodies, as a result of normal business operations, involving tax, labor, and civil matters, among other issues. The Company, based on information from its legal advisers, analysis of the pending lawsuits and, when concerning labor cases, based on its prior experience in terms of the amounts claimed, made a provision considered sufficient to cover the estimated losses as a result of the claims being made.

The table below shows the evolvement of the Company’s provisions for contingencies.

Consolidated	**Civil**	**Tax**	**Labor**	**Total**
Balance on December 31, 2013	134,483	173	63,272	**197,928**
Supplementary provision (Note 23)	65,699	600	46,765	**113,064**
Payments and reversal of unutilized provision	(42,340)	(359)	(28,719)	**(71,418)**
Balance on December 31, 2014	**157,842**	**414**	**81,318**	**239,574**
Supplementary provision (Note 23)	68,976	12,156	37,317	**118,449**
Payments and reversal of unutilized provision	(77,197)	(12,170)	(25,674)	**(115,041)**
Balance on December 31, 2015	**149,621**	**400**	**92,961**	**242,982**
Current	**84,576**	**220**	**15,516**	**100,312**
Non-current	**65,045**	**180**	**77,445**	**142,670**

The provision for contingencies related to civil proceedings on December 31, 2015 totaled R$42,296 in which the Company was included as defendant with personal liability for collection of court and out-of-court debts in which the original debtor is a former shareholder of the Company, Cimob Companhia Imobiliária (“Cimob”), or involving other entities of same economic group of Cimob. In these lawsuits, the claimant alleges the Company should answer for Cimob’s debts, according to understanding that the requirements for disregard of Cimob corporate entity to affect the Company would exist (corporate sucession, co-mingling of assets and/or the creation of same economic group involving the Company and Cimob Group).

The Company does not agree with the grounds through which it has been included in these lawsuits and is still questioning in court its personal liability for third party company’s debts, as well as the collection amount submitted by claimants. The Company already obtained favorable and unfavorable court decision related to this issue, reason that it is not possible to estimate a consistent outcome for all lawsuits. The Company also seeks in lawsuit filed against Cimob and its former and current controlling shareholders the recognition that it cannot be held liable for that company’s debts, as well as the refund of amounts already paid by the Company in lawsuits collecting debts only due by Cimob.

Other accounts payable – Current and Non-current

On December 31, 2015, the balance of other accounts payable came to R$196.7 million, down 1.4% over the R$199.5 million on December 31, 2014. This decrease is due lower volume of provisions and fines for construction work delays, long-term suppliers and obligations with investors.

Shareholders’ equity

As at December 31, 2015, the Company's shareholders' equity balance came to R$3.10 billion, compared to R$3.06 billion in 2014, a slight variation due to lower volume of treasury shares acquisition.

Other accounts

Other accounts on the Company's balance sheet not discussed in this analysis varied in the normal course of business or are of little importance in terms of the consolidated balance sheet.

Balance Sheet relative to the Fiscal Year Ended December 31, 2014 compared to 2013

Current assets

Cash and Equivalents – Cash and Banks, Marketable Securities

The Company's cash and cash equivalents on December 31, 2014 totaled R$1.2 billion, compared to R$2.0 billion on December 31, 2013, a decrease of R$866.9 million, or 42.8%. This decrease is due to the partial use of resources from the sale of its stake in Alphaville in late 2013, reduction of the Company's consolidated debt, value distribution to shareholders through dividends, interest on equity and stock repurchase programs during 2014.

Accounts receivable from development and services provided – Current and Non-Current

The following tables show the client accounts receivable from development and the sale of Company property, as well as the receivables to be appropriated, and the maturity of the Company's portfolio:

(in R$ million)	**On December 31,**		
Real estate development and sale clients	**2014**	**2013**	**2012**
Current	1,440	1,910	2,189
Non-current	385	314	443
	1,825	2,224	2,632

(in R$ million)	**On December 31,**		
Receivables for appropriation	**2014**	**2013**	**2012**
	1,064	1,863	2,696
Total receivables	2,889	4,087	5,328

(in R$ million)		On December 31,			
Receivables maturity as of December 31, 2014	Total	2015	2016	2017	As of 2018
Total	2,889	2,280	297	178	134

On December 31, 2014, the balance of clients by real estate development totaled R$1.8 billion, compared to R$2.2 billion on December 31, 2013. This decrease is mainly the result of the reduction in the volume of launches over the last 2 years, and consequently the volume of sales in the period.

All the balances of accounts receivable presented herein are adjusted to present value, as required by Technical Pronouncement CPC 12 "Adjustment to present value."

Property for Sale – Current and Non-Current

The balance of property for sale was comprised as follows in the periods indicated:

	12/31/2014	**12/31/2013**	**12/31/2012**

Land bank	1,311,847	1,077,762	899,177
(-) Provision for land bank realization	(12,309)	(11,276)	(7,663)
(-) Adjustment to present value	(5,503)	(883)	(1,976)
Property under construction	905,190	630,407	751,738
Cost of property in recognition of provision for cancelled contracts (Note 5(i))	52,309	107,172	180,399
Finished units	260,808	291,232	344,749
	2,512,342	2,094,414	2,166,424
Current	1,695,817	1,442,019	2,049,084
Non-current	816,525	652,395	798,206

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On December 31, 2014, the balance of properties for sale, both current and non-current, totaled R$2.5 billion, compared to R$2.1 billion on December 31, 2013. At the close of 2014, 10.4% of total inventory was represented by finished units, while units under construction and units up to 30% complete represented 36.0% of total units. The Company remains focusing on inventory reduction, chiefly at Gafisa, which accounts for 73% of final inventory.

Other accounts receivable – Current and Non-Current

The balance of other accounts receivable held by the Company on December 31, 2014 stood at R$241.1 million, 15.5% higher than in the same period in 2013 as a result of higher volume of recoverable taxes and escrow deposits.

Intangible assets

On December 31, 2014, the balance of intangible assets reached R$76.9 million, compared to R$106.3 million on December 31, 2013, mainly impacted by the deduction of goodwill related to the acquisition of the final installment of Cipesa Empreendimentos Imobiliários.

Deferred income tax and social contribution

On December 31, 2014, the balance of income tax and social contribution was R$34.7 million, down 38.7% over the R$56.7 million on December 31, 2013. Liabilities are presented net of assets.

<u>Liabilities</u>

Loans, Financing and Debentures - Current and Non-Current

The Company's total level of indebtedness on December 31, 2014, was R$2.6 billion, a decrease of 18.4% over the balance of R$3.2 billion on December 31, 2013, reflecting the use of resources from the sale of the Company's stake in Alphaville, seeking a more appropriate capital structure, and reduced consolidated gross debt.

The table below shows the development of net indebtedness and obligations with investors in the Company:

Total Debt

(in R$ '000)			Balance in	
Transaction Type	Rate	2014	2013	2012
Bank Credit Note - CCB	117.9% of CDI 2.20% + CDI 13.20% fixed	268,911	550,052	1,118,553
Promissory Notes	125% + CDI	-	-	80,159
Project Finance (SFH)	TR + 8.3% to 11.00% +TR 117% of CDI 12.87% fixed	1,128,514	1,088,258	704,758
Debt assumption from incorporation of subsidiary debt and others	TR + 12%	-	-	1,064

	1,397,425	1,638,310	1,904,534
Current	550,058	590,386	613,973
Non-current	847,367	1,047,924	1,290,561

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Debentures

Program/Issuances	Principal - R$	Annual Compensation	Due Date	Consolidated 2014	2013	2012 (restated)
3rd program/1st issuance -5th issuance	250,000	120% of CDI	May 2018	**-**	**-**	**129,569**
6th issuance	100,000	CDI + 1.30%	June 2014	**-**	**151,513**	**137,763**
7th issuance	600,000	TR + 10.17%	December 2017	**502,033**	**551,855**	**601,200**
8th issuance/1st issuance	288,427	CDI + 1.95%	October 2015	**147,640**	**294,073**	**291,956**
8th issuance/2nd issuance	11,573	IPCA + 7.96%	October 2016	**15,185**	**14,216**	**13,411**
9th issuance	130,000	TR + 9.21%	July 2018	**134,624**	**-**	**-**
1st issuance (Tenda)	600,000	TR + 9.21%	October2015	**389,617**	**409,561**	**562,004**
				1,189,099	**1,421,218**	**1,735,903**
Current				**504,387**	**563,832**	**346,360**
Non-current	-			**684,712**	**857,386**	**1,389,543**

Obligations for property purchases and advances to clients – Current and Non-Current

The Company's obligations for the purchase of property and client advances totaled R$591.7 million on December 31, 2014, an increase of 21.2% over the same period in 2013. This variation is mainly due to the increase of obligations by physical swap.

The following table shows the development of obligations for the purchase of properties and client advances, as well as its distribution between the short and long terms.

Balance of obligations for the acquisition of property and client advances

	12/31/2014	**12/31/2013**	**12/31/2012**
Current	490,605	408,374	503,889
Non-current	101,137	79,975	70,194
Total	591,742	488,349	574,083

Material and service providers

On December 31, 2014, the balance of payables due to material and service providers was R$95.1 million, up 19.9% over the R$79.3 million on December 31, 2013. The increase in this obligation is due to the higher real estate construction volume of Tenda segment.

Taxes and contributions - Current

The balance of taxes and social contributions (current) on December 31, 2014 was R$114.4 million, which corresponds to a decrease of 9.4% compared with the balance on December 31, 2013 of R$126.3 million. This decrease reflects the reduction in the Company's operations.

Income tax and social contribution – current and non-current

The balance of deferred income tax and social security totaled R$34.7 million as at December 31, 2014, down 38.7% compared to R$56.7 million in 2013. Liabilities are net of assets.

Provision for Contingencies - Current and Non-Current

The Company and its subsidiaries are parties in legal actions and administrative processes in various courts and with several government bodies, as a result of normal business operations, involving tax, labor, and civil matters, among other issues. The Company, based on information from its legal advisers, analysis of the pending lawsuits and, when concerning labor cases, based on its prior experience in terms of the amounts claimed, made a provision considered sufficient to cover the estimated losses as a result of the claims being made.

The table below shows the improvement of the Company's provisions for contingencies:

Consolidated	**Civil**	**Tax**	**Labor**	**Total Consolidated**
Balance on December 31, 2012	138,615	14,670	55,624	208,360
Supplementary provision	48,844	(152)	29,709	78,402
Payments and reversal of unutilized provision	(47,289)	(590)	(29,852)	(77,371)
AUSA – payments and reversal of unutilized provision	551	12,346	692	(11,103)
Balance on December 31, 2013	140,722	1,582	55,624	197,928
Supplementary provision	65,699	600	46,765	113,064
Payments and reversal of unutilized provision	(42,340)	(359)	(28,719)	(71,418)
Balance on December 31, 2014	157,842	414	81,318	239,574
Current	91,665	218	11,151	103,034
Non-Current	66,177	196	70,167	136,540

The provision for contingencies related to civil processes on December 31, 2014, in the amount of R$157.8 million, also include the cases in which Company was named as the successor in existing lawsuits in which the original debtor is a former shareholder of Cimob Companhia Imobiliária, among other group companies. The plaintiff alleges that Company should be held responsible for Cimob's debts.

The Company is appealing all these decisions, believing that the Company's inclusion in the lawsuits is legally unreasonable, thus aiming to release its amounts and ensuring recognition that it cannot be held responsible for the debt of a company with which it has no ties. The Company has won similar actions previously, definitively determining that it is not responsible for the debts of Cimob Companhia Imobiliária The final ruling on the Company's appeal, however, cannot be foreseen at this time.

Other accounts payable – Current and Non-current

On December 31, 2014, the balance of other accounts payable was R$188.4 million, down 23.6% over the R$246.6 million on December 31, 2013. This decrease is due to the lower amount for provisions and fines for construction work delays and long-term suppliers.

Shareholders' equity

As at December 31, 2014, the Company's shareholders' equity balance was R$3.1 billion, compared to R$3.2 billion a year before, a slight variation due to the negative result during the period and the acquisition of treasury shares.

Other accounts

Other accounts on the Company's balance sheet not discussed in this analysis varied in the normal course of business or are of little importance in terms of the consolidated balance sheet.

Cash Flow referring to the Fiscal Year Ended December 31, 2015 compared to 2014

Operating activities

In 2015, net cash verified in operations totaled R$91.7 million, compared to R$41.9 million in 2014. This increase reflects better Gafisa and Tend segments' operating and financial management, with increased volume of sales and revenues deriving from projects with higher gross margins. The R$91.7 million were mainly composed of: (1) decreased expenses which did not affect the working capital totaling R$279.9 million in 2015; (2) an increase in properties for sale of R$130.9 million mainly imputed to landbank and properties under construction; and (3) other less relevant variations in other operating categories.

Investment activities

The net cash verified in investment activities, including the acquisition of assets, equipment and new investments came to R$361.5 million in 2015. The cash applied in 2015 was mainly related to investments in securities, sureties and credits.

Financing activities

The cash burn registered by financing activities in 2015 totaled R$480.5 million, compared to a generation of R$899.1 million in 2014. This cash burn is mainly due to the amortization of loans and financing, net of new releases, totaling

R$524.7 million, reiterating the Company’s conservative position in relation to its capital discipline and the stock repurchase amounting to R$24.2 million.

Below is the change in cash during the year:

	1,157,254	**1,116,169**	**876,813**	**921,828**	**712,311**
Change in Cash(1)		(41,085)	(239,356)	45,015	(209,517)
	2,597,554	**2,651,383**	**2,440,095**	**2,493,639**	**2,155,688**
Change in Total Debt + Obligation with Investors (2)		53,829	(211,288)	53,544	(337,950)
	426,509	**208,740**	**208,740**	**210,761**	**210,761**
Change in other investments (3)		25,162	-	2,021	-
		(69,753)	**(28,068)**	**(6,508)**	**128,433**
Final Cash Accumulated Generation		**(69,753)**	**(97,821)**	**(104,329)**	**24,106**

Cash Flow referring to the Fiscal Year Ended December 31, 2014 compared to 2013

Operating Activities

In 2014, net cash verified in operations totaled R$41.9 million compared to R$297.7 million in 2013. The R$41.9 million was mainly composed of: (1) decreased expenses (revenues) not affecting working capital, totaling R$305.0 million in 2014; (2) an increase in properties for sale of R$462.4 million imputed to landbank and construction; (3) decreased accounts receivable of R$391.6 million; and (4) other less significant increases/decreases in other operating categories. Decreased cash generated from 2013 to 2014 may be mainly attributed to an increase in properties for sale, due to a higher volume of deliveries, combined with lower sales in last year. In addition, Gafisa had an additional disbursement with taxes on capital capital in the sale of 70% stake in Alphaville.

Investment activities

The net cash verified in investment activities, including the acquisition of assets, equipment and new investments came to R$752.0 million in 2014. The cash variation in 2015 was mainly related to investments in securities, sureties and credits amounting to R$761.6 million and investments in the acquisition of assets and equipment totaling R$88.5 million.

Financing Activities

During 2013 and 2014 the Company applied part of proceeds obtained with Alphaville transaction concluded on December 9, 2013, to reduce its gross debt. The amount amortized in 2014 totaled R$1.6 billion in gross debt, besides R$423 million amortized in December 2013. In addition, R$208.7 million were used to finance stock repurchase programs over the past 24 months. In 2014, the cash burn seen in financing activities totaled R$899.1 million compared to R$568.1 million in 2013. The cash burn in 2014 was mainly due to the amortization of loans and financing, net of new releases, amounting to R$541.7 million, payment of dividends and interest on equity totaling R$150.0 million and stock repurchase in the amount of R$115.3 million.

Below the change in cash during the year:

	2,024,162	**1,563,226**	**1,279,568**	**1,463,425**	**1,157,254**
Change in Cash (1)	-	(460,937)	(283,658)	183,857	(306,200)
	3,183,208	**2,967,050**	**2,687,851**	**2,848,249**	**2,597,554**
Change in Total Debt + Obligation with Investors (2)	-	(216,158)	(279,199)	160,399	(250,695)
	64,241	**329,524**	**332,711**	**332,711**	**426,509**
Change in other investments (3)	-	265,284	3,187	-	93,798
	-	**20,505**	**(1,273)**	**23,488**	**38,293**
Final Accumulated Cash Generation	**-**	**20,505**	**19,233**	**42,721**	**81,014**

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10.2.

a) the company's operating results

Description of any significant revenue items

The Company's revenues come mainly from the development and sale of real estate properties. To a lesser extent, it also earns revenue from providing real estate services, such as construction, technical and real estate management to third parties.

	2015	**2014**	**2013**
Development, sale of real estate properties and construction services	2,475,928	2,256,189	2,618,737
(Recording) reversal of provision for doubtful accounts and termination	9,363	69,479	81,122
Taxes on sales of properties and services	(190,972)	(174,670)	(218,648)
Total net revenue	2,294,319	2,150,998	2,481,211

Factors that materially affected the operating results

Net operating revenues were down 11.5% for the fiscal year ended December 31, 2013 year-over-year, due to the lower number of launches compared to 2012 and 2011, and to the volume of deliveries, which generates a lower recognition of revenue from pre-sales in prior periods.

For the fiscal year ended December 31, 2014, net operating revenue decreased by 13.3% compared to 2012 due to the lower volume of launches in the last two years in the Gafisa segment. During the year, the Gafisa brand accounted for 73% of net revenue and Tenda for the remaining 27%.

In the fiscal year ended December 31, 2015, net operating revenue was up 6.7% year-over-year, due to higher volume of launches in Tenda segment and lower contribution from legacy projects to the Company's results. During 2015, Gafisa segment accounted for 63% of net revenues and Tenda for the remaining 37%.

b) changes in revenue attributable to variations in prices, exchange rates, inflation, changes in volumes or the introduction of new products and services

The Company recognizes revenue from real estate developments according to their construction, based on a financial calculation of project completion and not at the moment that the sale contract is signed. The main impacts on revenue variations between the 2015, 2014 and 2013 fiscal years are changes in sales volumes and the Company's introduction of new products and services, as well as a detailed review of the Company's operations and strategy in 2011.

The 6.7% increase in net revenues in 2015 compared to 2014, is due to lower representativeness of legacy projects in the Company's results and the expansion of launches in Tenda's new business model.

The reduction by 13.3% of net revenues in 2014 compared to 2013 is due to Gafisa segment's lower volume of launches in the last two years and the consequent lower revenue recognition for the progress of projects for sale from previous periods.

The decrease of 11.5% in revenues in 2013 year-over-year is due to the lower number of launches compared to 2012 and 2011, and to the volume of deliveries, which generates a lower recognition of revenue from pre-sales in prior periods.

R$'000	2015	2014	2013	2015 vs 2014	2014 vs 2013
Contracted Sales	1,930,927	1,207,013	1,451,603	60.0%	-16.8%
Launches	2,085,257	1,636,311	1,424,117	27.4%	14.9%
Net revenue	2,294,319	2,150,998	2,481,211	6.7%	-13.3%

c) impact of inflation, variation in the prices of the company's main inputs and products, exchange rates and interest rates on the company's operating and financial results, when relevant

As mentioned in item 5.1 of the Reference Form, the main indexers used in Company's business plan are the INCC, IGP-M, CDI and TR:

INCC (National Building Cost Index): most of the Company's costs and its entire revenue portfolio from unfinished projects are adjusted according to this index. Hypothetically, an increase of 1% in the INCC would represent an increase of R$2.558 million in the Company's operating income based on the current level of assets linked to this index.

IGP-M (General Market Price Index) and IPCA (Extended Consumer Price Index): the Company's entire revenue portfolio from completed projects is adjusted according to these indexes. Hypothetically, an increase of 1% in the IGP-M or IPCA would not represent a significant variation in the Company's operating income based on the current level of assets linked to these indexes.

CDI (Interbank Deposit Certificate): all of the Company's financial investments and roughly 30% of total indebtedness are pegged to the CDI. Hypothetically, an increase of 1% in the CDI would represent a decrease of R$489,000 in the Company's financial results based on the current level of indebtedness linked to this index.

TR (Reference Rate): approximately 70% of the Company's total debt is indexed to the TR. Hypothetically, an increase of 1% in the TR would represent a decrease of R$218,000 in the Company's financial results based on the current level of indebtedness linked to this index.

Exchange rates: the Company does not have any debts or amounts receivable denominated in foreign currency, and none of the Company's significant costs are denominated in foreign currency.

10.3. Significant events and impacts on the company's financial statements and results:

a) introduction or disposal of operations

The Company operates in practically all income segments of the Brazilian residential real estate market and has an appropriate business platform to execute its future plans.

On February 7, 2014, the Company announced that the Board is studying a potential separation of the Gafisa and Tenda business units into two public and independent companies. The separation would be the next step in a comprehensive plan initiated by management to enhance and reinforce the ability of each business to generate value.

The process of dividing business units is still in progress and currently, the brands already operate independently, with their own structures and in conformity with the particularities of their business models and the Company is working with partners and financial agents aiming at achieving conditions considered appropriate for the capital structure model corresponding the business cycles of each business unit.

According to the Material Fact released to the market on April 29, 2015, these actions are still in progress, but more time consuming than initially foreseen. Due to this fact, and as such definition is a measure required in the spin-off process, it is still not possible to define the period to complete such potential spin-off.

b) establishment, acquisition or disposal of shareholdings

Over the past three years, the main relevant events related to the constitution, acquisition or disposal of equity interest refers to the former subsidiary Alphaville Urbanismo S.A..

In June 2013, the Company entered into the "Stock Purchase and Sale Agreement" with Private Equity AE Investimentos e Participações S.A., a company controlled by Pátria Investimentos Ltda. and Blackstone Real Estate Advisors L.P., for the sale of the majority interest held by the Company in Alphaville Urbanismo S.A, a residential community development company, focusing on the identification, development and sale of high quality residential communities in Brazilian metropolitan areas, with a target audience belonging to high and medium class families.

In July 2013, the third and final step for the acquisition of all the shares of EVP Participações S.A. (formerly Alphaville Urbanismo S.A.) – the main asset of which consisted of shares representing 20% of the stock capital of Alphaville Urbanism SA – by Construtora Tenda S.A., a subsidiary of the Company, was completed. As a result, the partners of EVP Participações S.A., Renato de Albuquerque and Nuno Lúis de Carvalho Lopes Alves, received an amount corresponding to R$366,661,985.11, paid by the Company in local currency. Following the completion of this transaction, the Company holds, directly and indirectly, 100% of the stock capital of Alphaville Urbanismo S.A..

On December 9, 2013, the Company and Construtora Tenda S.A. announced the completion of the sale of Alphaville Urbanismo S.A., through the sale of a 50% interest by the Company and a 20% interest by Construtora Tenda S.A. to Private Equity AE Investimentos e Participações S.A.. With the completion of this transaction, Alphaville Urbanismo S.A.'s capital is now composed as follows: (i) 70% held directly by Private Equity AE Investimentos e Participações S.A.; and (ii) 30% held by the Company – 10% of capital held directly, and the remaining 20% indirectly through Shertis Empreendimentos e Participações S.A.. In October 2014, Shertis Empreendimentos e Participações S.A. was merged into the Company, which became a direct holder of 30% of the stock capital of Alphaville Urbanismo S.A..

c) exceptional events or operations

There were no exceptional events or operations.

10.4.

a) significant changes in accounting practices

New standards, alterations and interpretations of standards already issued but not yet adopted as at December 31, 2015

- IFRS 9 – Financial Instruments

IFRS 9 includes revised standard on the classification and measurement of financial instruments, a new model of credit expected loss to calculate the impaitment of financial assets and hedge accounting new requirements. This standard maintains current guidance on recognition and derecognition of financial instruments of IAS 39. IFRS 9 is effective for the fiscal years starting or as of January 1, 2018.

- IFRS 15 – Revenue from contracts with customers

This standards brings new requirements to measure and recognize revenue in both IFRS and U.S. GAAP. IFRS 15 – Revenue from contracts with customers requires from an entity the recognition of revenue amount reflecting the consideration expected to receive in exchange of control of these assets or services. This new standard will replace most of detailed guidance on the revenue recognition currently effective under IFRS and U.S. GAAP when this is adopted. This new standard shall apply as of January 1, 2018. This standard may be adopted retrospectively, using an approach of cumulative effects.

- IFRS 16 – Leases

This standard replaces the previous standard IAS 17/CPC 06 (R1) – Leases and related interpretations and establishes the recognition, measurement, reporting and disclosure of leases for both parties of an agreement, i.e., customers (lessees) and suppliers (lessors). Lessees are required to recognize a lease liability reflecting lease future payment and the “right of use of an asset” in virtually all lease agreements, except for certain short term leases and lower amount asset agreements. For lessors, the lease recognition and measurement criteria in the financial statements were substantially maintained. This standard shall take effect as of January 1, 2019.

The Company is assessing the effects of IFRS 9, 15 and 16 on its financial statements and has not concluded yet its analyses on the impact of its adoption.

The Brazilian Accounting Pronouncement Committee has not issued yet an accounting pronouncement or alteration in the prevailing pronouncements corresponding to all new IFRS. Therefore, the early adoption of these IFRS is not authorized for entities reporting their financial statements pursuant to the accounting practices adopted in Brazil.

There are no other standards, amendments to standards and interpretations issued but not yet adopted, according to the Management’s opinion, which could have a relevant impact deriving from their application over its financial statements.

Pronouncements (new or revised) and interpretations adopted starting January 1, 2014

The Company adopted all pronouncements (new or revised) and interpretations issued by the CPC, applicable to its operations, that were in force on December 31, 2014.

The pronouncements (new or revised) and interpretations listed below, which were issued by CPC and deliberated by CVM, have mandatory application for the fiscal years beginning on or after January 1, 2014. They are:

- OCPC 07 – Disclosure in the Release of Accounting and Financial Reports for General Purposes – CVM Resolution 727 of November 11, 2014;

The purpose of the resolution is to address the basic requirements of the preparation and disclosure of accounting and financial reporting releases for general purposes. It provides for the disclosure of information in annual and interim accounting and financial statements, in particular those contained in the explanatory notes.

The standard verifies if the information is relevant for external users. They are relevant if they influence the decision making process of investors and creditors. Consequently, the irrelevant information should not to be disclosed.

- ICPC 09 (R2) – Individual, separate and consolidated financial statements and application of the Equity Method – CVM Resolution 729 of November 27, 2014.

The purpose of the review of ICPC 09 is mainly due to the issuance of the technical pronouncements CPC 18 (R2), CPC 19 (R2) and CPC 36 (R3), in accordance with the alterations made by the International Accounting Standards Board (IASB) in the international accounting standards IAS 28, IFRS 10 and IFRS 11. Other items were also reviewed in order to adjust their text to the current needs and keep them in line with international standards.

- ICPC 19 – Taxes – CVM Resolution 730 of November 27, 2014;

The Interpretation is correlated with IFRIC Interpretation 21 – Levies, issued by the International Accounting Standards Board (IASB). The document provides for the accounting obligation to pay a tribute, if it is in the scope of IAS 25 and also addresses the accounting requirement to pay tributes at the right time and value.

- Alteration of CPC 01/IAS 36 – "Reduction in Impairment of Assets" on the disclosure of impairment of non-financial assets. This alteration eliminates certain disclosures of the impairment of Cash Generating Units (CGU) that had been included in IAS 36 with the issuance of IFRS 13.

- Alteration of CPC 39/IAS 32 – "Financial Instruments: Presentation" on compensation of financial assets and liabilities. This amendment clarifies that the countervailing duty should not be contingent on a future event. It must also be legally applicable to all counterparties in the normal course of business, as well as in case of default, insolvency or bankruptcy. The alteration also considers settlement arrangements.

- Review of the Technical Pronouncement nº 07 – "Equity Method in Separate Financial Statements", alters the text of CPC 35 – "Separate Financial Statements" to incorporate amends made by the IASB in the IAS 27 – Separate Financial Statements, which will enable the adoption of the equity method in subsidiaries in separate financial statements, aligning Brazilian accounting practices with international accounting standards. For IFRS purposes, the changes to IAS 27 have been early adopted.

There are no other standards and interpretations issued and not yet adopted that, according to the Management, have a significant impact on net income or equity disclosed by the Company.

Standards and new and revised interpretations issued and not yet adopted on December 31, 2014

- IFRS 9 – "Financial Instruments", addresses the classification, measurement and recognition of financial assets and liabilities.

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The normative review on financial instruments consists of three phases:

Phase 1: Classification and measurement of financial assets and liabilities

Regarding the classification and measurement in accordance with IFRS 9, all recognized financial assets that are currently included in the scope of IAS 39, are subsequently measured at amortized cost or at fair value.

Phase 2: Impairment Methodology

The impairment reduction model of IFRS 9 reflects the expected credit losses, instead of incurred credit losses pursuant to IAS 39. According to the impairment reduction approach in IFRS 9, it is no longer necessary that a credit event has occurred before the recognition of credit losses. Instead, an entity always accounts for expected credit losses and the changes in these expected credit losses. The value of expected credit losses should be updated at each financial statement date to reflect changes in credit risk since the initial recognition.

Phase 3: Hedge Accounting

The hedge accounting requirements introduced by IFRS 9 maintain the three types of hedge accounting mechanism in IAS 39. Furthermore, the new standard brought greater flexibility regarding the types of transactions eligible for hedge accounting, specifically the expansion of the types of instruments that qualify as hedging instruments and the types of risk components of non-financial items eligible for hedge accounting. In addition, the effectiveness test was renovated and replaced by the principle of "economic relationship". The retrospective evaluation of the effectiveness of the hedge is no longer needed. Additional disclosure requirements related to risk management activities of an entity were introduced.

The resolution is effective for annual periods beginning on or after January 1, 2018. Its early adoption, although encouraged by the IASB, is not permitted in Brazil by the Brazilian Accounting Standards Committee (CPC – Comitê de Pronunciamento Contábeis).

- IFRS 15 – Revenue from customer contracts

On May 28, 2014, the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) issued new requirements for revenue recognition in both the IFRS and the U.S. GAAP, respectively. The IFRS 15 – Customer Contract Revenue requires an entity to recognize the amount of revenue reflecting the consideration, which is expected in exchange for control of those goods or services. The new standard will replace most of the detailed guidance on revenue recognition that currently exists in the IFRS and the U.S. GAAP, when adopted. The application is required for annual periods beginning on or after January 1, 2017. Its earlier adoption is permitted for IFRS purposes and not allowed locally before harmonization and approval by the CPC and CVM.

The Company is evaluating the effects of IFRS 15 and IFRS 9 on its financial statements and has not yet completed its analysis to date, and cannot estimate the impact of the adoption of these standards.

No other IFRS standards or IFRIC interpretations that have been effective could have a significant impact on the Company.

Pronouncements (new or revised) and interpretations adopted from 2013 or applicable from January 1, 2014 and 2015

Pronouncements (new or revised) and interpretations adopted from January 1, 2013

The Company adopted all pronouncements (new or revised) and interpretations issued by the CPC, applicable to its operations that were effective on December 31, 2013.

The Pronouncements (new or revised) and interpretations listed below, issued by the CPC and resolved on by the CVM, have mandatory application for the fiscal years beginning on or after January 1, 2013. They are:

- CPC 18 (R2) – Investment in Subsidiaries, Affiliates and Joint Ventures – CVM Resolution 696 of December 13, 2012;

- CPC 19 (R2) – Joint Ventures – CVM Resolution 694 of November 23, 2012;

- CPC 33 (R1) – Benefits and employees – CVM Resolution 695 of December 13, 2012;

- CPC 36 (R3) – Consolidated Statements – CVM Resolution 698 of December 20, 2012;

- CPC 44 – Combined Financial Statements – CVM Resolution 708 of May 2, 2013;

- CPC 45 – Disclosure of shareholdings in other entities – CVM Resolution 697 of December 13, 2012;

- CPC 46 – Fair value measurements – CVM Resolution 699 of December 20, 2012; and

- OCPC 06 – Presentation of Pro Forma Financial Information – CVM Resolution 709 of May 2, 2013.

Of the pronouncements listed above, the only ones that impacted the Company were the CPC 19 (R2), and, consequently, the CPC 18 (R2) and the CPC 36 (R3). Those standards require that the subsidiaries are fully consolidated from the date of control acquisition, and continue to be consolidated until the date that control is ceased, excluding joint ventures with other entities, which should be valued using the equity method in the separate and consolidated financial statements.

There are no other standards and interpretations issued and not yet adopted that, according to management, have a significant impact on net income or equity disclosed by the Company.

Pronouncements (new or revised) and interpretations applicable for fiscal years beginning on or after January 1, 2014 and 2015

- IFRIC 21 – "Taxes", issued in May 2013. IFRIC 21 clarifies when an entity should recognize an obligation to pay fees in accordance with the law. The requirement should only be recognized when the occurrence of the event that generates the obligation. This interpretation is applicable from January 1, 2014.

- IFRS 9 – "Financial Instruments", addresses the classification, measurement and recognition of financial assets and liabilities. IFRS 9 was issued in November 2009 and October 2010 and replaces parts of the IAS 39 relating to classification and measurement of financial instruments.

The IFRS 9 requires the classification of financial assets into two categories: measured at fair value and measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard maintains most of the requirements established by the IAS 39. The main change is that in cases where the fair value option is adopted for financial liabilities, the change in fair value due to the risk of the entity's own credit is recorded in other comprehensive income and not in other income statement, except when it results in accounting mismatch. The Company is assessing the impact of IFRS 9.

These standards were issued but are not yet effective for 2013. Its early adoption, although encouraged by the IASB, is not permitted in Brazil by the Brazilian Accounting Standards Committee (CPC – Comitê de Pronunciamento Contábeis).

There are no other IFRS standards or IFRIC interpretations, which are not yet effective, which could have a material impact on the Company.

b) Material effects of the changes in accounting practices

In the fiscal year ended December 31, 2015, as shown above, new pronouncements have not been adopted, thus, without relevant impact on the Company’s financial statements.

The Company is assessing the effects of IFRS 9, 15 and 16 on its financial statements and has not concluded yet its analyses on the impact of their adoption.

For the fiscal year ended December 31, 2014, the adoption of the pronouncements did not significantly impact the Company's financial statements.

The Company is evaluating the effects of the IFRS 15 and the IFRS 9 on its financial statements and has not yet completed its analysis to date and cannot estimate the impact of the adoption of this standard.

For the fiscal year ended December 31, 2013, as mentioned on item 10.4.a, of the above listed pronouncements, the only ones that impacted the Company were the CPC 19 (R2) and, consequently, the CPC 18 (R2) and the CPC 36 (R3). Those standards require that the subsidiaries are fully consolidated from the date of control acquisition, and continue to be consolidated until the date that control is ceased, excluding joint ventures with other entities, which should be valued using the equity method in the separate and consolidated financial statements.

The financial statements of subsidiaries and joint ventures are prepared for the same fiscal year that the parent company's financial statements, using accounting policies in line with those adopted by the Company. For the consolidation, the following criteria were adopted:

(i) elimination of investments in subsidiaries and equity in their results;

(ii) elimination of the profits from transactions between consolidated companies, as well as the corresponding balances of assets and liabilities; and

(iii) the value of the minority interest is calculated and shown separately.

The following joint ventures, which until December 31, 2012 were accounted for in the consolidated statements by the proportional consolidation method, started to be accounted for using the equity method as of January 1, 2013 and the periods corresponding presented in these financial statements.

	% - Interest	
Portfolio	**2013**	2012
Gafisa SPE 48 S.A. (**)	**80%**	80%
Sítio Jatiuca Emp Im.SPE Ltda.	**50%**	50%
GAFISA SPE-116 Emp. Imob. Ltda.	**50%**	50%
Gafisa SPE 47 Emp. Imob. Ltda. (**)	**80%**	80%
Gafisa SPE 85 Emp. Imob. Ltda. (**)	**80%**	80%
Gafisa SPE 71 Emp. Imob. Ltda. (**)	**80%**	80%
Manhattan Square Emp. Imob. Coml. 1 SPE Ltda.	**50%**	50%
Manhattan Square Emp. Imob. Residencial. 1 SPE Ltda.	**50%**	50%
Jardins da Barra Des. Imob. S.A.	**50%**	50%
Gafisa SPE 65 Emp. Imob. Ltda. (**)	**80%**	80%
Costa Maggiore Emp. Imob. Ltda	**50%**	50%
Gafisa SPE 73 Emp. Imob. Ltda. (**)	**80%**	80%
Gafisa SPE 46 Emp. Imob. Ltda.	**60%**	60%
Dubai Residencial Emp. Imob. Ltda.	**50%**	50%
Gafisa SPE 113 Emp. Imob. Ltda.	**60%**	60%
Grand Park-Parque das Arvores Em. Im. Ltda	**50%**	50%
O Bosque Empr. Imob. Ltda.	**60%**	60%
Grand Park - Parque das Aguas Emp Im Ltda.	**50%**	50%
Other (*)	Various	Various

(*) Includes companies with a balance of investments of less than R$ 5,000.

(**) In the adoption of the CPC 18 (R2) – Investments in Associates, Subsidiaries and Joint Ventures, after analysis of corporate and historical decisions acts, the Company identified that does not have control of these companies, after applying the equity method.

There are no other standards and interpretations issued and not yet adopted that, according to Management, have a significant impact on net income or equity disclosed by the Company.

c) reservations and emphasis in the auditor’s report

The independent auditors’ report on the financial statements for the fiscal year ended December 31, 2015, 2014 and 2013 contains no restrictions.

The independent auditors’ report on the financial statements for the fiscal year ended December 31, 2015 emphasized the fact that the separate and consolidated financial statements have been prepared in accordance with the IFRS applicable to real estate development entities, which also considers the Guidance OCPC04 issued by the Brazilian Accounting Standards Committee. This guidance addresses the recognition of revenue from this sector and covers issues related to the meaning and application of the concept of continuous transfer of risks, benefits and sale control of real estate units, as it is further detailed in Note 2.2.2 to the financial statements. The independent auditors’ report is not modified due to this matter.

The independent auditors' report on the financial statements for the fiscal year ended December 31, 2014 emphasized the fact that the separate and consolidated financial statements have been prepared in accordance with the IFRS applicable to real estate development entities, which also considers the Guidance OCPC04 issued by the Brazilian Accounting Standards Committee. This guidance addresses the recognition of revenue from this sector and covers issues related to the meaning and application of the concept of continuous transfer of risks, benefits and sale control of real estate units, as it is further detailed in Note 2.2.2 to the financial statements. The independent auditors' report is not modified due to this matter.

The report of the independent auditors on the financial statements for the fiscal year ended on December 31, 2013 emphasized the fact that the separate (parent company) and consolidated financial statements were prepared in accordance with the accounting practices adopted in Brazil, as stated in Note 2.1 to the financial statements. The consolidated financial statements prepared in accordance with the IFRS standards applicable to real estate development entities also consider Guidance OCPC 04 published by the Accounting Standards Committee which addresses recognition of revenue for this sector. Certain issues regarding the meaning and application of the concept of continuous transfer of risk, benefits and control in the sale of residential units will be analyzed by the International Financial Reporting Interpretation Committee (IFRIC). Furthermore, due to the project to publish a revised standard for revenue recognition, IFRIC is discussing this matter, arguing that the concept of revenue recognition is addressed in the standard currently under discussion. Thus, it is expected that the matter be finalized only after publication of the revised standard for revenue recognition.

The emphases presented in the independent auditors' report on the preparation of the financial statements for the fiscal years ended on December 31, 2015, 2014 and 2013 are those applicable to all entities in the real estate segment in the country, according to the OCPC04 Guidance and the application of the ICPC 02 Technical Interpretation of Brazilian Real Estate Development Entities. The Company's management believes that this emphasis paragraph is standardized between audit firms and is aligned with the entities of the real estate industry and regulatory bodies due to the application of the OCPC04 Guidance, in addition to International Financial Reporting Standards (IFRS) and with no additional comments to the emphases in question. The auditors reinforced that their opinion is not modified due to this matter.

The Company's management does not have any comments on the auditors' reservations, given there was no reservations in the independent auditors' report on the preparation of the financial statements for the fiscal years ended on December 31, 2015, 2014 and 2013.

10.5. Critical Accounting Policies of the Company:

The separate financial statements, identified as "parent company", were prepared and have been reported in accordance with accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Standards Committee (CPC) reference by the Brazilian Securities Exchange Commission (CVM) and are disclosed together with the consolidated financial statements.

The consolidated financial statements are prepared and presented in accordance with accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Standards Committee (CPC), endorsed by the Brazilian Securities Commission (CVM) and according to the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The separate financial statements are not considered in compliance with the International Financial Reporting Standards (IFRS) since the statements consider the capitalization of interest on investees' qualifiable assets in separate financial statements of the parent company. Due to the fact there is no difference between net assets and parent company and consolidated results, the Company decided to report these separate and consolidated information in a single set.

Specifically, the consolidated financial statements are in compliance with the International Financial Reporting Standards (IFRS) applicable to real estate entities in Brazil, including Orientation OCPC 04 – Application of Technical Interpretation ICPC 02 to Brazilian real estate entities regarding to the processing of recognition of revenue from this sector and involves matters relating to the application of the concept of continuous transfer of risks, benefits and control in the sale of real estate units.

The financial statements were prepared in the normal course of business. The Management conducts a review of the Company's ability to continue its activities during the preparation of financial statements.

All amounts reported in these financial statements are expressed in thousands of reais, unless otherwise indicated.

Consolidated financial statements

The Company’s consolidated financial statements include the financial statements of Gafisa, its direct and indirect subsidiaries. The Company controls an entity when it is exposed or has rights to variable returns resulting from its involvement with the organization and has the ability to interfere with these returns because of the power it exercises over the entity. The existence and the effects of potential voting rights, that are currently exercisable or convertible, are taken into consideration when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date that control is transferred and are no longer consolidated from the date that control ceases.

The accounting practices were equally applied in all subsidiaries included in the consolidated financial statements and their fiscal year is the same as the Company.

Functional and presentation currency

The functional and presentation currency of the Company is the Real.

Presentation of information by segment

The information by operating segment is in line with the internal reporting provided to the main operating decision makers, represented by the Executive Board and Board of Directors, who are responsible for allocation of resources, performance evaluation of the operating segments and strategic decisions.

Judgments, estimates and accounting premises

Estimates and accounting judgments are continually evaluated and are based on historical experience and other factors, including future events expectations that are considered reasonable under the circumstances.

(i) Judgments

The preparation of the Company’s separate and consolidated financial requires that the Management make certain judgments and estimates, as well as adopt premises that affect the values presented for revenue, expenses, assets and liabilities, and the amount of contingent liabilities, on the base date of the financial statements.

(ii) Estimates and premises

Assets and liabilities subject to estimates and premises include the provision for impairment of assets, transactions with stock-based payments, litigation provision, fair value of financial instruments, measurement of budgets for projects, deferred asset taxes, among others.

The main premises related to the sources of uncertainty regarding future estimates and other important doubts about estimates on the date of the balance sheet and that could result in different values to those booked, are discussed below:

a) Impairment of assets

The impairment loss exists when the carrying amount of an asset exceeds is recoverable value, which is the highest amount between fair value less cost of sale and the value in use.

The fair value calculation less costs of sale is based on information available on transactions of similar sale of assets or market prices less additional costs to discard the asset. The value in use calculation is based on the discounted cash flow model.

The cash flows are derived from the budget for the next five years and do not include reorganization activities that the Company has still not committed to, or significant future investment that would improve the asset base of the cash generating unit subject to the test. The recoverable value is sensitive to the discount value used in the discounted cash flow method, as well as the future expected cash receivables and the growth rate used for extrapolation purposes.

The impairment test of intangible assets with undefined useful life and premium for expectation of future profitability is carried out once a year and/or when the circumstances indicate loss by devaluation of the accounting value. The main assumptions adopted to determine the recoverable value of cash generating units are detailed in Note 11 to the Company’s Financial Statements.

b) *Transactions with stock-based payments*

The Company measures the cost of transactions to be settled with shares with employees based on the fair value of the equity instruments on the date they are granted. For stock-based payments settled with cash, the liabilities needs to be remeasured at the end of each reporting period until the settlement date, recognizing in results any variation in fair value, which requires a reassessment of the estimates adopted at the end of each reporting period. The estimated fair value of payments made with shares requires the use of a valuation model more suited to the granting of such equity instruments and that depends on the terms and conditions they are offered under.

This also requires the definition of more adequate data for the valuation model, including the useful life of the option, volatility, dividend yield and corresponding premises. The premises and models used to estimate the fair value of stock-based payments are disclosed in Note 18.3 of the Financial Statements.

c) *Provision for lawsuits*

The Company recognizes a provision for ongoing/pending tax, labor and civil cases (Note 16 of the 2015 Financial Statements). The estimate of the probability of loss includes the evaluation of all the evidence available, the legal hierarchy, available jurisprudence, the most recent and pertinent decisions in the courts and their relevance to the ruling in question, as well an opinion from external counsel. The provisions are revised and adjusted to take any changes in circumstances into account, such as the statute of limitations, completion of tax audits or additional exposure identified based on new matters or court rulings.

There are uncertainties concerning interpretation of complex tax regulations and about the value and time of future tax results. The Company and its subsidiaries are subject, in the normal course of business, to investigations, audits, lawsuits and administrative proceedings in civil, tax and labor matters.

d) *Fair value of financial instruments*

When the fair value of financial assets and liabilities presented on the balance sheet cannot be obtained from the relevant market, it is determined using technical evaluation methods, including the discounted cash flow method.

The data for these methods is based on those practiced in the market, as and when possible. However, when this is not feasible, discretion is required to establish the fair value. This judgment includes considerations about the data used such as, for example, interest rate, liquidity risk, credit risk and volatility. Changes in the premises concerning these factors may affect the fair value of the financial instruments presented.

e) *Budgeted Project Costs*

The total budgeted costs, mainly comprised of the costs incurred and expected to be complete when the construction work is concluded, are regularly revised during the course of the project and any adjustments identified based on that review are reflected in the Company’s results. The effect of these reviews on the estimates affects the result.

f) *Realization of the deferred income tax*

The initial and following analyses of the realization of deferred income tax occur when is it probable that the taxable profit of the next years will be available for offsetting the deferred tax asset based on results forecasts prepared and based on internal assumptions and future economic scenarios that enable their total or partial use.

Other provisions recognized in the Company are described in Note 2.2.23 of the Financial Statements.

A summary of the financial information related to Company's main accounting practices is shown below.

Revenue and expense recognition

(i) Determination of profit or loss from the development and sale of property

(a) For payments made for completed units, the result is appropriated when the sale is made, independent of the contractual term for these receivables.

(b) For sales of incomplete units, the following procedures are observed:

The cost incurred (including the cost of land and other expenses directly related with inventory formation) corresponding to the units sold is fully appropriated in the result. For units not yet sold, the cost incurred is appropriated to inventory.

- Sales revenues are stated in the result, using the percentage of completion method for each project, and this percentage is calculated based on the cost incurred in relation to the total budgeted cost of the respective project;

- The amounts of sales revenue recognized which are higher than the values effectively received from clients are booked under "Accounts Receivable from services provided" in current or long-term assets; The amounts received related to the sale of units which are higher than the recognized revenue values are booked under the item: "Obligations for property purchases and client advances";

- The interest and monetary restatement over the balance of accounts receivable after the keys are delivered, as well as the adjustment to present value of the balance of accounts receivable are appropriated to the result of contracted sales and property sales as and when incurred, observing the accrual basis of accounting for the fiscal years "pro rata temporis";

- The financial charges on accounts payable arising from the acquisition of land and directly related to construction financing are capitalized and registered to inventory of properties for sale and appropriated to the cost incurred with units under construction until completion, observing the same appropriation criteria of the real estate development cost in proportion to units sold under construction;

- The tax levied and deferred on the difference existing between the real estate revenue and the accumulated revenue subject to taxation are calculated and included in the accounting upon recognition of this revenue difference.

- Other revenue and expenses, including advertising and publicity, are booked in the result when incurred.

(ii) Construction services provided

Revenue derived from real estate services provided are recognized as the services are rendered and are linked to the activity of construction management for third parties and technical consulting.

(iii) Swap operations

A land swap is intended for the receipt of third party land for settlement by delivery of real estate units or the transfer of installments from sales of real estate units. The land acquired by the Company and its subsidiaries is registered based on its fair value, as a component of the inventory, in a contra account to advances from clients. The revenues and costs derived from swap operations are appropriated into the result throughout the construction period, as previously mentioned in item (b).

Accounts receivable from services provided

The present and realized values are disclosed. The classification between current and non-current is made based on the expected maturity of the contract's installments.

The outstanding installments are adjusted based on the National Building Cost Index (INCC) for the construction phase of the project and by the General Market Price Index (IGP-M) plus interest of 12% per year after the date of delivery of completed units.

The adjustment to present value is calculated from the time of signing the contract and the expected date of delivery of keys to the prospective buyer, using a discount rate represented by the average rate on loans obtained by the Company, net of the inflationary effect.

The reversal of adjustment to present value, considering that an important part of the Company's operating environment is to finance its customers until the delivery of the keys, was held, being offset by real estate development revenues, consistently in line with accrued interest on the accounts receivable portion related to the "post-keys".

Properties for sale

The Company also acquires land for future developments, with payment conditions in local currency or through swap operations. The land acquired through swap operations is stated at fair value of the units to be delivered and the revenue and costs are recognized following the criteria previously described.

The properties are stated at construction cost and reduced by provisions when such value exceeds their net realizable value. In the case of properties under construction, the portion in inventory corresponds to the cost incurred of units not yet sold. The cost incurred comprises construction spending (materials, own labor force or outsourced and others), the costs of legalization of land and development, the cost of land and financial charges applied in the project incurred during the construction phase.

The classification of land between current assets and non-current assets is performed by the Management based on the expected term for the launch of real estate projects. The Management periodically reviews the estimates of launches of real estate projects.

The accounting practices have been applied consistently in all subsidiaries and joint ventures included in the consolidated financial statements and the fiscal year of these companies coincides with that of the Company.

10.6. Significant items not shown in the Company's financial statements:

a) assets and liabilities held by the company, directly or indirectly, that do not appear on the balance sheet
The Company does not have any material assets or liabilities that are not reflected in this form and in the Company's financial statements and the notes thereto.

b) other items not shown in the financial statements
The Company does not have any other items that are not shown in its financial statements.

10.7. Regarding each item not shown in the financial statements, as indicated in item 10.6:

a) how such items altered or could alter the revenue, expenses, operating results, net financial expenses or other items in the company's financial statements
As explained in item 10.6, above, there are no items that are not shown in the financial statements.
b) nature and purpose of the operation
As explained in item 10.6, above, there are no items that are not shown in the financial statements.
c) nature and amount of obligations assumed and rights generated for the company as a result of the operation
As explained in item 10.6, above, there are no items that are not shown in the financial statements.

10.8. Key elements of the company's business plan:

a) investments (including a quantitative and qualitative description of investments in course and that are foreseen, sources of investment financing and significant divestments that are in course or that are foreseen)

i. quantitative and qualitative description of investments that are in course or are foreseen

Net cash for 2015, generated in investing activities, including the acquisition of goods, equipment and new investments amounted to R$361.47 million, mainly due to net investments in securities of R$417.69 million and investments in goods and equipment in the amount of R$54.59 million.

Net cash for 2014, generated in investing activities, including the acquisition of goods, equipment and new investments amounted to R$751.95 million, mainly due to net redemption of securities of R$761.61 million and the R$49.85 million dividend received.

Net cash for 2013, generated in investing activities, including the acquisition of goods, equipment and new investments amounted to R$53.46 million, mainly due to dividend received in the amount of R$342.17 million, investment addition of R$102.64 million, and investments in goods and equipment in the amount of R$80.99 million.

The Company's disbursements in 2015 were mainly related to investments in goods, sales stands, software, and improvements, totaling R$54.59 million versus R$88.53 million and a net investment in securities of R$361.47 million in 2014, compared to a net investment of R$761.61 million in 2014.

The Company's disbursements in 2014 were mainly related to investments in goods, sales stands, software, and improvements, totaling R$88.53 million versus R$80.99 million in 2013, and a net investment in securities of R$761.61 million in 2014, compared to a net investment of R$992.94 million in 2013.

The Company’s disbursements in 2013 mainly referred to investments in goods, sales stands, software, and improvements, and totaled R$80.99 million versus R$108.73 million in 2012, and a net investment in securities of R$992.94 million in 2013, compared to a net investment of R$27.3 million in 2012.

ii. *sources of investment financing*

The Company relies on proceeds from the sale of treasury shares, the abovementioned fundings of corporate debts, debentures issues and lines of credit from the SFH (National Housing Finance System).

iii. *significant divestments that are in course or are foreseen*

No significant divestments are in course or foreseen.

b) previously disclosed acquisitions of plant, equipment, patents or other assets that can materially affect the company’s production capacity

There have been no acquisitions of plant, equipment, patents or other assets that can materially affect the Company’s production capacity.

c) new products and services

There are no new products or services.

10.9. Other factors materially impacting the company’s operating performance that have not been identified or discussed in other items in this section.

All significant information relevant to this subject has been disclosed in the items above.

APPENDIX II

(as per Appendix 9-1-II of CVM Instruction No. 481 of December 17, 2009)

1. Net income for the year:
R$74,449,586.20
2. Overall amount and value per share of dividends, including prepaid dividends and interest on equity already declared:

Dividends

Overall dividend amount	R$17,681,776.72
Value per share of dividends	R$0.048116112760 1

3. Percentage of net income for the year distributed:

Percentage over net income	23.75%

4. Overall amount and value per share of dividends distributed based on the net income for previous years:
There is no proposal for distribution of dividends based on the net income for previous years.
5. Inform, less prepaid dividends and interest on equity already declared:
a) The gross amount of dividend and interest on equity separately, per share of each type and class.

Minimum mandatory dividends: R$17,681,776.72, corresponding to R$0.048116112760 per share, excluding treasury shares, and referred value per share may be adjusted in view of the issue of new shares by the Company or the repurchase of shares by the Company, pursuant to the Repurchase Program in effect, until the date of the Annual General Meeting.
b) Payment conditions and term of dividends and interest on equity.

To be subsequently resolved by the Board of Directors.
c) Any restatement and interest rates on dividends and interest on equity.

None.
d) Date of declaration of payment of dividends and interest on equity considered to identify shareholders entitled to receive these dividends.

April 25, 2016 for shareholders with shares traded at BM&FBovespa S.A. – Securities, Commodities and Futures Exchange (after trading session close) and April 28, 2016 for shareholders with ADRs traded at NYSE
6. In case of declaration of dividends or interest on equity based on the profit verified in half-yearly balance sheets or for shorter periods:
a) Inform the amount of dividends or interest on equity already declared.

None.
b) Inform the date of respective payments.

None.
7. Comparative table indicating the following amounts per share of each type and class:
a) Net income for the year and 3 previous years.

Fiscal Year:	Net Income (Loss) for the Year (R$)

2015	R$74,449,586.20
2014	(R$42,547,280.82)
2013	R$867,442,195.74
2012	(R$127,042,177.04)

[1] Value per share on the date of Management proposal, excluding the treasury shares, and referred amount may be adjusted in view of the issue of new shares by the Company or repurchase of shares by the Company, pursuant to the Repurchase Program in effect, until the date of the Annual General Meeting.

b) Dividends and interest on equity distributed in 3 previous years.

2015	**Total Amount and Value Per Share (R$)**
Dividends	R$17,681,776.72, R$0.048116112760 per share2
Interest on equity (gross)	–
Interest on equity (net)	–
2014	**Total Amount and Value Per Share (R$)**
Dividends	–
Interest on equity (gross)	–
Interest on equity (net)	–
2013	**Total Amount and Value Per Share (R$)**
Dividends	R$32,919,915.4568822, 0.081668296907 per share
Interest on equity (gross)	R$130,192,023.82, R$0.3111221723 per share
Interest on equity (net)	R$117,146,996.95, R$0.279948088 per share
2012	**Total Amount and Value Per Share (R$)**
Dividends	–
Interest on equity (gross)	–
Interest on equity (net)	–

8. Allocation of profit to the legal reserve:
a) Identify the amount allocated to the legal reserve.

R$3,722,479.31
b) Detail the calculation of the legal reserve.

According to Paragraph 2, Article 47 of the Company’s Bylaws, from net income for the year, 5% is allocated to the legal reserve, until it reaches 20% of the paid-up capital or the limit provided for in Paragraph 1, Article 193 of Law No. 6.404/76.
9. Fixed or minimum dividends:
a) Describe the calculation of fixed or minimum dividends.

Not applicable, since the Company does not issue preferred shares.
b) Inform if the net income for the year is sufficient to fully pay fixed or minimum dividends.

Not applicable, since the Company does not issue preferred shares.
c) Identify if any unpaid amount is cumulative.

Not applicable, since the Company does not issue preferred shares.
d) Identify the overall amount of fixed or minimum dividends payable to each class of preferred shares.

Not applicable, since the Company does not issue preferred shares.
e) Identify the fixed or minimum dividends payable per preferred share to each class.

Not applicable, since the Company does not issue preferred shares.
10. Mandatory Dividend:
a) Describe the calculation under the Company’s Bylaws

Pursuant to Paragraph 2, Article 47 of the Company’s Bylaws, after the allocation of 5% of net income for the year to the legal reserve, until it reaches the 20% limit of paid-up capital stock or that one provided for in Paragraph 1, Article 193 of Law No. 6.404/76, shall be destined, from adjusted balance as provided for in Article 202 of Law No.

6.404/76, 25% to pay mandatory dividend to all Company's shareholders.

b) Inform if it has been fully paid.

Yes

c) Inform the amount eventually withheld.

Not applicable, as mandatory dividends will be fully paid.

11. Retention of Mandatory Dividend:

a) Inform the retention amount.

Not applicable, as no retention will occur.

b) Describe in detail, the Company's financial condition, also discussing aspects related to the analysis of liquidity, working capital and positive cash flows.

Not applicable, as no retention will occur.

[2] Value per share on the date of Management proposal, excluding the treasury shares, and referred amount may be adjusted in view of the issue of new shares by the Company or repurchase of shares by the Company, pursuant to the Repurchase Program in effect, until the date of the Annual General Meeting.

d) Justify the retention of dividends.

Not applicable, as no retention will occur.

12. Allocation of profit to reserve for contingencies:

a) Identify the amount allocated to reserve.

Not applicable, as no allocation will be made to reserve for contingencies.

b) Identify the loss considered probable and its cause.

Not applicable, as no allocation will be made to reserve for contingencies.

c) Explain the reasons why the loss was considered probable.

Not applicable, as no allocation will be made to reserve for contingencies.

d) Justify the recording of reserve.

Not applicable, as no allocation will be made to reserve for contingencies.

13. Allocation of profit to unrealized profit reserve

a) Inform the amount allocated to unrealized profit reserve.

Not applicable, as no allocation will be made to unrealized profit reserve.

b) Inform the nature of unrealized profit, which originated the reserve.

Not applicable, as no allocation will be made to unrealized profit reserve.

14. Allocation of profit to statutory reserve

a) Describe the statutory clauses recording the reserve.

The Company's Bylaws set forth that from net income for the year, an amount not exceeding 71.25% of net income may be allocated to the Reserve for Investments, aiming at financing the expansion of activities of the Company and subsidiaries, also by means of the subscription of capital increases or the creation of new projects, interest in consortia or other types of partnership concerned with the company purpose. The amount allocated to this statutory reserve cannot exceed 80% of the Company's capital stock. Once reached this limit of profit, it shall be incumbent upon the General Meeting to resolve on the balance, its distribution to shareholders or the capital increase.

b) Identify the amount allocated to reserve.

	Statutory Reserve
Allocation proposal	R$53,045,330.17

c) Describe the calculation of amount.

Statutory Reserve Calculation (R$)	
Net income for the year	**R$74,449,586.20**
Legal reserve	R$3,722,479.31
Sub-total (i)	**R$70,727,106.89**
Minimum Mandatory Dividends (ii)	R$17,681,776.72
Dividends Payable per Share (Excluding Treasury Shares)	R$0.048116112760 per share
Subtotal (i) – (ii)	**R$53,045,330.17**
Statutory Reserve (Article 47, Paragraph 2, (c) of the Company's Bylaws)	**R$53,045,330.17**

15. Profit retention estimated in the budget:

a) Identify the retention amount.

Not applicable, as no profit will be retained estimated in budget.

b) Provide a copy of the capital budget

Not applicable, as no profit will be retained estimated in budget.

16. Allocation of profit to reserve for tax incentives:

a) Inform the amount allocated to reserve.

Not applicable, as no allocation will be made to reserve for tax incentives.

b) Explain the nature of allocation.

Not applicable, as no allocation will be made to reserve for tax incentives.

APPENDIX III

(as per Appendix 24, items 12.5 and 12.10 of CVM Instruction No. 480 of December 17, 2009)

12.5./6. Composition and Professional Experience of Candidates to the Board of Directors appointed by the Company's Management:

The Company's Management proposes the election of the following members of the Board of Directors, whose main information is as follows:

Name	Birth Date	Management Body	Date of election	Term of office	Nº of consecutive terms of office
CPF	Profession	Position held	Date of investiture	Elected by controlling shareholder	Percentage of interest at meetings
Other positions and duties performed at the issuer			Description of another position/title		
Odair Garcia Senra	12/05/1946	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	3 (if elected, this new term of office will be the 4th consecutive)
380.915.938-72	Civil Engineer	Chairman of the Independent Board of Directors	Not applicable	Candidate appointed by Management	100%
He does not hold other positions or title at the Company					
Cláudio José Carvalho de Andrade	10/04/1971	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	2 (if elected, this new term of office will be the 3rd consecutive)
595.998.045-20	Business Administrator	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by shareholders Polo Fundo de Investimento em Ações, enrolled with the national corporate taxpayer register (CNPJ/MF) under No. 07.914.903/0001-27, Polo Norte Master FIM, enrolled with CNPJ/MF under No. 17.373.839/0001-78, Polo Macro Fundo de Investimento Multimercado,	100%

				enrolled with CNPJ/MF under No. 11.228.500/0001-00 and Polo Ações Fundo de Investimento em Ações, enrolled with CNPJ/MF under No. 13.591.860/0001-99	
Chairman of the Compensation Committee and Nomination and Corporate Governance Committee					
Francisco Vidal Luna	07/11/1946	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	1 (if elected, this new term of office will be the 2nd consecutive)
031.950.828-53	Economist	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by Management	96.00%
Member of the Audit Committee					
Guilherme Affonso Ferreira	05/09/1951	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	3 (if elected, this new term of office will be the 4th consecutive)
762.604.298-00	Businessman	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by shareholder Teorema Fundo de Investimento em Ações, enrolled with CNPJ/MF under No. 08.869.576/0001-00	96.00%
Member of the Compensation Committee and Nomination and Corporate Governance Committee					
José Écio Pereira da Costa Junior	09/11/1951	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	5 (if elected, this new term of office will be the 6th consecutive)
359.920.858-15	Business Administrator and Accountant	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by Management	98.00%
Chairman of the Audit Committee					

Maurício Marcellini Pereira	06/21/1973	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	2 (if elected, this new term of office will be the 3rd consecutive)
838.823.836-15	Business Administrator	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by shareholder Federal Savings and Loans Bank Employees' Foundation – FUNCEF, enrolled with CNPJ/MF under No. 00.436.923/0001-90	100%
Member of the Audit Committee					
Rodolpho Amboss	05/10/1963	Only a member of the Board of Directors	Proposal to be elected at the Annual General Meeting of 04/25/16	If elected, until the 2018 Annual General Meeting	2 (if elected, this new term of office will be the 3rd consecutive)
742.664.117-15	Civil Engineer	Independent Board of Directors (sitting member)	Not applicable	Candidate appointed by Management	94.00%
Member of the Compensation Committee and Nomination and Corporate Governance Committee					

Name	CPF
Professional Experience / Declaration of Any Conviction / Independence Criteria	
Odair Garcia Senra	380.915.938-72

Professional Experience: Mr. Senra worked as engineer intern at formerly Gomes de Almeida, Fernandes and held positions at the Company as construction engineer, construction manager, construction officer, chief development officer, Institutional Relations Officer and currently he is the Chairman of the Board of Directors. Currently, he holds the following positions: (i) member of the Board of Directors of Construtora Tenda S.A., a publicly-held corporation operating in the construction and development of real estate projects and wholly-owned subsidiary of the Company; (ii) member of the Board of Directors of Alphaville Urbanismo S.A., a company operating in the construction and urban development projects, and the Company holds 30% interest in Alphaville Urbanismo S.A.'s capital; (iii) Officer of SECOVI SP – Union of Purchase, Sale, Lease and Administration Companies of Residential and Business Properties of São Paulo; (iv) Vice-President of SINDUSCON SP – Union of the Civil Constrution Industry of the State of São Paulo; (v) member representing SINDUSCON SP at the Board of Directors of Instituto Mauá de Tecnologia; (vi) member of the Advisory Council of FIABCI/Brasil – International Federation of Real Estate Professions; and (vii) Officer of BRIO Investimentos Imobiliários S.A., asset managent company for real estate investments.

Over the past five years, Mr. Senra also held the positions of (i) Chief Operating Officer of Construtora Tenda S.A.; (ii) member of the Board of Directors of São Carlos Empreendimentos e Participações S.A., an asset management company of business real properties; and (iii) member representing SINDUSCON SP at the Technical Chamber of Urban Legislation of the Municipality of São Paulo (CTLU).

None of the companies mentioned above holds relevant interest in the Company's capital, is controlled by Company's shareholder holding direct or indirect interest of 5% or more of same class or type of Company's securities or composes its economic group, except for Construtora Tenda S.A. and Alphaville Urbanismo S.A.

Declaration of Any Conviction: Mr. Odair Garcia Senra, Chairman of the Board of Directors to be elected on April 25, 2016, declared for all legal purposes that over the past five years, he was not subject to the effects of any criminal conviction, any adverse judgment or application of penalty in Brazilian Securities and Exchange Commission (CVM) administrative proceeding or any final and unappealable judgment, at the judicial or administrative level to suspend or disqualify him to practice any profession or business activity.

Independence Criteria: In order to determine the independence of this member of the Board of Directors, the Company adopted as criterion the provisions of BM&FBovespa's *Novo Mercado* Rules, and the rules of the New York Stock Exchange, noting that it has securities registered in these two markets. Paragraph 2, Article 18 of the Company's Bylaws reproduces the provisions of BM&FBovespa's *Novo Mercado* Rules, providing for the following: "For the purposes of these Bylaws, the "Independent Board Member" is characterized as: (i) who does not have any link with the Company, except for his interest in the capital stock; (ii) who is not a controlling shareholder, spouse or relative up to the second degree of kinship of a controlling shareholder, or who is not or has not been, during the last three (3) years linked to a company or entity connected with a controlling shareholder (individuals linked to research and/or educational institutions are excluded from such restriction); (iii) who has not been, during the last three (3) years, an employee or executive officer of the Company, any controlling shareholder or corporation controlled by the Company; (iv) who is not a supplier or buyer, direct or indirect, of the Company's services or products, to such an extent that suggests the loss of independence; (v) who is not an employee or administrator of a company or entity rendering or requesting the Company's services and/or products in magnitude to suggest the loss of independence; (vi) who is not a spouse or relative up to the second degree of kinship of any Company's administrator; or (vii) who does not receive any other compensation from the Company other than as board member (cash dividends deriving from interest on equity shall be excluded from such restriction)".

Cláudio José Carvalho de Andrade 595.998.045-20

Professional Experience: Currently, Mr. Andrade holds the following positions: (i) partner of Polo Capital Gestão de Recursos Ltda., an asset management company; (ii) partner of Polo Capital Securitizadora S.A., financial credit securitization company; (iii) partner of Polo Capital Real Estate Gestão de Recursos Ltda., an asset management company; (iv) partner of Polo Capital Internacional Gestão de Recursos Ltda., an asset management company; (v) partner of Polo Capital Consultoria Ltda., an asset management company; (vi) partner of Santa Elisa Participações Ltda., a company which holds interest in other companies; (vii) partner of Pergale Empreendimentos Imobiliários Ltda., a company which holds interest in other companies; (viii) officer of the following venture capital companies and real estate development companies: Kohav Participações S.A., Yogo Participações e Empreendimentos Imobiliários S.A., SPEPREFIP I Participações e Empreendimentos Imobiliários S.A., SPE Magallon Participações Empreendimentos S.A., Birsa Participações Empreendimentos S.A., SPE Charisteas Participações Empreendimentos S.A., SPE Khedira Participações e Empreendimentos S.A., SPE Riveros Participações Empreendimentos S.A., SPE Vittek Participações Empreendimentos S.A., SPE Gazal Participações e Empreendimentos S.A., SPE DaVeiga Participações e Empreendimentos S.A. e Jandaia Empreendimentos Imobiliários Ltda.; (ix) member of the Board of Directors of Casa e Video Rio de Janeiro S.A., retail chain of electronic appliances; (ix) member of the Board of Directors of Construtora Tenda S.A., a publicly-held corporation operating in the construction and development of real estate projects and wholly-owned subsidiary of the Company; and (x) member of the Company's Board of Directors.

Over the past five years, he also held the positions of (i) deputy member of the Fiscal Council of Banco Panamericano S.A., financial institution; (ii) deputy of the Fiscal Council of Banco Sofisa S.A., financial institution acting in the middle-market; (iii) deputy member of the Fiscal Council of Copel – Companhia Paranaense de Energia, a company operating in the energy sector. In addition, he already held the following managerial positions in publicly-held corporations: member of the Board of Directors of Telefônica Data Holding, a company operating in the telecommunications segment.

None of the companies above composes the Company's economic group, except for Construtora Tenda S.A., wholly-owned subsidiary and Yogo Participações e Empreendimentos Imobiliários Ltda. which holds 20% interest in Gafisa SPE-113 Empreendimentos Imobiliários Ltda., and the remaining capital stock is held by the Company. Polo Capital Gestão de Recursos Ltda. and Polo Capital Internacional Gestão de Recursos Ltda. jointly hold 18.28% interest in the Company's capital, as per Notice to the Market of July 7, 2015.

Declaration of Any Conviction: Mr. Cláudio José Carvalho de Andrade, independent member of the Board of Directors to be elected on April 25, 2016, declared for all legal purposes that over the past five years, he was not subject to the effects of any criminal conviction, any adverse judgment or application of penalty in the Brazilian Securities and Exchange Commission (CVM) administrative proceeding or any final and unappealable judgment at the judicial or administrative level to suspend or disqualify him to practice any profession or business activity.
Independence Criteria: In order to determine the independence of this member of the Board of Directors, the Company adopted as criterion the provisions of BM&FBovespa's *Novo Mercado* Rules, and the rules of the New York Stock Exchange, noting that it has securities registered in these two markets. Paragraph 2, Article 18 of the Company's Bylaws reproduces the provisions of BM&FBovespa's *Novo Mercado* Rules, providing for the following: "For the purposes of these Bylaws, the "Independent Board Member" is characterized as: (i) who does not have any link with the Company, except for his interest in the capital stock; (ii) who is not a controlling shareholder, spouse or relative up to the second degree of kinship of a controlling shareholder, or who is not or has not been, during the last three (3) years linked to a company or entity connected with a controlling shareholder (individuals linked to research and/or educational institutions are excluded from such restriction); (iii) who has not been, during the last three (3) years, an employee or executive officer of the Company, any controlling shareholder or corporation controlled by the Company; (iv) who is not a supplier or buyer, direct or indirect, of the Company's services or products, to such an extent that suggests the loss of independence; (v) who is not an employee or administrator of a company or entity rendering or requesting the Company's services and/or products in magnitude to suggest the loss of independence; (vi) who is not a spouse or relative up to the second degree of kinship of any Company's administrator; or (vii) who does not receive any other compensation from the Company other than as board member (cash dividends deriving from interest on equity shall be excluded from such restriction)".

Francisco Vidal Luna 031.950.828-53

Professional Experience: Currently Mr. Luna holds the following positions: (a) member of the Board of Directors and Audit Committee of Sabesp – Companhia de Saneamento Básico do Estado de São Paulo, a water supply and basic sanitation mixed-capital company; (b) member of the Board of Directors and Audit Committee of Desenvolve São Paulo, a banking entity; (c) chairman of the Board of Directors of Soccer Museum; (d) chairman of the Board of Directors of the Portuguese Language Museum; (e) member of the Economics Higher Council of FIESP – Federation of Industries of the State of São Paulo; (f) member of the oversight board of the Medicine Faculty Foundation - FFM; (g) member of the oversight board of FIPE – Foundation Institute of Economic Research; (h) member of the oversight board of Padre Anchieta Foundation – TV Cultura; (i) member of the Economy Council and Political and Social Council of Commercial Association of São Paulo; (j) member of the Company's Board of Directors; and (k) member of the Board of Directors of Construtora Tenda S.A., a publicly-held corporation operating in the construction and development of real estate projects and wholly-owned subsidiary of the Company.

Over the past five years, he also held the positions of (i) chairman of the Board of Directors of all companies controlled by the municipal government of São Paulo: SP Urbanismo, SP Obras, SP Tur, SP Trans, CET Cia de Engenharia do Trânsito, Prodam – Information Technology and Communication and Metropolitan Housing Company of São Paulo; (ii) member of the Board of Directors of SPDA São Paulo Company of Social and Economic Development; (iii) chairman of the board of directors of SEADE Foundation– Data Analysis State System; (iv) chairman of the Board of Directors of Faria Lima Foundation – CEPAM; (vii) member of the board of executive officers of Banco Tokyo-Mitsubishi UFJ of Brazil, a banking entity and (v) member of the Board of Directors of Africa-Brazil Museum. In addition, he already held the following managerial positions in publicly-held corporations and third sector companies: (i) member of the board of directors of the Brazilian Development Bank – BNDES; (ii) member of the board of directors of Banco Nossa Caixa Desenvolvimento, a banking entity; (iii) member of the board of directors of Cesp – Cia Energética de São Paulo, an energy company; and (iv) chief executive officer, vice chief executive officer, partner and member of the board of directors of Banco InterAmerican Express (formerly Banco SRL).

None of the companies mentioned above hold relevant interest in the Company's capital, is controlled by Company's shareholder holding direct or indirect interest of 5% or more of same class or type of Gafisa's securities or composes its economic group, except for Construtora Tenda S.A.

Declaration of Any Conviction: Mr. Francisco Vidal Luna, independent member of the Board of Directors to be elected on April 25, 2016, declared for all legal purposes that over the past five years, he was not subject to the effects of any criminal conviction, any adverse judgment or application of penalty in the Brazilian Securities and Exchange Commission (CVM) administrative proceeding or any final and unappealable judgment, at the judicial or administrative level to suspend or disqualify him to practice any profession or business activity.

Independence Criteria: In order to determine the independence of this member of the Board of Directors, the Company adopted as criterion the provisions of BM&FBovespa's *Novo Mercado* Rules, and the rules of the New York Stock Exchange, noting that it has securities registered in these two markets. Paragraph 2, Article 18 of the Company's Bylaws reproduces the provisions of BM&FBovespa's *Novo Mercado* Rules, providing for the following: "For the purposes of these Bylaws, the "Independent Board Member" is characterized as: (i) who does not have any link with the Company, except for his interest in the capital stock; (ii) who is not a controlling shareholder, spouse or relative up to the second degree of kinship of a controlling shareholder, or who is not or has not been, during the last three (3) years linked to a company or entity connected with a controlling shareholder (individuals linked to research and/or educational institutions are excluded from such restriction); (iii) who has not been, during the last three (3) years, an employee or executive officer of the Company, any controlling shareholder or corporation controlled by the Company; (iv) who is not a supplier or buyer, direct or indirect, of the Company's services or products, to such an extent that suggests the loss of independence; (v) who is not an employee or administrator of a company or entity rendering or requesting the Company's services and/or products in magnitude to suggest the loss of independence; (vi) who is not a spouse or relative up to the second degree of kinship of any Company's administrator; or (vii) who does not receive any other compensation from the Company other than as board member (cash dividends deriving from interest on equity shall be excluded from such restriction)".

Guilherme Affonso Ferreira 380.915.938-72

Professional Experience: Currently, Mr. Ferreira acts as Chief Executive Officer of Bahema Participações S.A., a financial investment company. In addition, the holds the following managerial positions: (i) member of the Board of Directors and Finance and Strategic Committees of Petrobras S.A., an oil company; (ii) member of the Board of Directors and Compensation Committee of Sul América S.A., an insurance company; (iii) member of the Board of Directors of Valid Soluções e Serviços de Segurança em Meios de Pagamento e Identificação S.A., a company operating in the means of payment, identification systems and telecommunications sectors; (iv) member of the Board of Directors and Audit Committee of Arezzo Indústria e Comércio S.A., a footwear company; (v) member of the Board of Directors da T4F Entretenimento S.A., a live entertainment publicly-held corporation; (vi) member of the Company's Board of Directors; (vii) member of the Board of Directors of Construtora Tenda S.A., a publicly-held corporation operating in the construction and development of real estate projects and wholly-owned subsidiary of the Company; and (viii) member of the Council of Meritorious Entities Institute of Corporate Citizenship, Solidarity Sports and AACD.

Over the past five years, Mr. Ferreira also held the positions of (i) member of the Board of Directors, Human Resources Committee, Sustainability Committee and Corporate Governance Committee of Companhia Brasileira de Distribuição (Pão de Açúcar), a retail company; (ii) member of the Board of Directors of Ideiasnet S.A., a technology, media and telecommunications company; (iii) member of the Board of Directors do Banco Indusval S.A., financial institution focused on corporate credit for medium and large corporates; (iv) member of the Advisory Board of HSBC Fundo Multipatrocinado; (v) member of the Board of Directors of B2W S.A., e-commerce publicly-held corporation; (vi) member of the Board of Directors of Avipal S.A., agribusiness company operating in the dairy, meat and grains segments; (vii) member of the Advisory Board of Eternit S.A., a company operating in the construction materials segment; (viii) member of the Advisory Board of Signatura Lazard and (ix) member of the Board of Directors of Tavex Algodonera S.A. de C.V., a textile company, hearquartered and listed at the Madrid Stock Exchange. In addition, Mr. Ferreira already held the following management positions in publicly-held coporations and third sector companies: (a) from 2006 to 2008 he was a member of the Board of Directors of Unibanco Holdings and Unibanco S.A., financial institutions; (b) from 2004 to 2006 he was a member of the Board of Directors of Santista Têxtil, a textile company; (c) from 1998 to 2005 he was a member of the Board of Directors of Manah S.A., a fertilizer company; (d) from 1996 to 1998 he was a member of the Board of Directors of Coldex Frigo, air conditioning and refrigeration company.

None of the companies mentioned above hold relevant interest in the Company's capital, is controlled by Company's shareholder holding direct or indirect interest of 5% or more of same class or type of Gafisa's securities or composes its economic group, except for Construtora Tenda S.A.

Declaration of Any Conviction: Mr. Guilherme Affonso Ferreira, independent member of th