

Gafisa S.A.
Form 6-K
September 04, 2018

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

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

For the month of September, 2018

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

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

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

Form 20-F Form 40-F

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

Yes No

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

Yes No

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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

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.

Quarterly information

March 31, 2018

(A free translation of the original report in Portuguese as published in
Brazil containing Quarterly Information (ITR) prepared in
accordance with accounting practices adopted in Brazil)

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COMPANY DATA / CAPITAL COMPOSITION

	Number of Shares (in thousands)	CURRENT QUARTER 03/31/2018
Paid-in Capital		
Common		44,758
Preferred		-
Total		44,758
Treasury shares		
Common		938
Preferred		-
Total		938

INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)

CODE	DESCRIPTION	CURRENT QUARTER 3/31/2018	PRIOR YEAR 12/31/2017
1	Total Assets	3,565,829	3,538,909
1.01	Current Assets	1,419,576	1,369,512
1.01.01	Cash and cash equivalents	14,387	7,461
1.01.01.01	Cash and banks	14,387	7,461
1.01.02	Short-term investments	175,244	110,945
1.01.02.01	Fair value of short-term investments	175,244	110,945
1.01.03	Accounts receivable	428,979	371,228
1.01.03.01	Trade accounts receivable	428,979	371,228
1.01.03.01.01	Receivables from clients of developments	414,108	357,061
1.01.03.01.02	Receivables from clients of construction and services rendered	14,871	14,167
1.01.04	Inventories	711,171	753,748
1.01.04.01	Properties for sale	711,171	753,748
1.01.07	Prepaid expenses	4,636	5,030
1.01.07.01	Prepaid expenses and others	4,636	5,030
1.01.08	Other current assets	85,159	121,100
1.01.08.01	Non current assets held for sale	8,415	44,997
1.01.08.03	Others	76,744	76,103
1.01.08.03.01	Other assets	50,082	47,640
1.01.08.03.02	Derivative financial instruments	250	404
1.01.08.03.03	Receivables from related parties	26,412	28,059
1.02	Non current assets	2,146,253	2,169,397
1.02.01	Non current assets	521,877	534,095
1.02.01.03	Accounts receivable	146,622	160,602
1.02.01.03.01	Receivables from clients of developments	146,622	160,602
1.02.01.04	Inventories	285,801	289,162
1.02.01.04.01	Properties for sale	285,801	289,162
1.02.01.09	Others non current assets	89,454	84,331
1.02.01.09.03	Other assets	66,263	62,152
1.02.01.09.04	Receivables from related parties	23,191	22,179
1.02.02	Investments	1,586,514	1,598,153
1.02.03	Property and equipment	21,092	19,719
1.02.03.01	Operation property and equipment	21,092	19,719
1.02.04	Intangible assets	16,770	17,430
1.02.04.01	Intangible assets	16,770	17,430

INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)

CODE	DESCRIPTION	CURRENT QUARTER 3/31/2018	PRIOR YEAR 12/31/2017
2	Total Liabilities	3,565,829	3,538,909
2.01	Current liabilities	1,730,787	1,984,597
2.01.01	Social and labor obligations	27,788	25,997
2.01.01.02	Labor obligations	27,788	25,997
2.01.01.02.01	Salaries, payroll charges and profit sharing	27,788	25,997
2.01.02	Suppliers	86,331	85,690
2.01.03	Tax obligations	40,298	32,114
2.01.03.01	Federal tax obligations	40,298	32,114
2.01.04	Loans and financing	292,739	513,782
2.01.04.01	Loans and financing	281,331	425,605
2.01.04.02	Debentures	11,408	88,177
2.01.05	Other obligations	1,181,643	1,210,700
2.01.05.01	Payables to related parties	959,991	971,002
2.01.05.02	Others	221,652	239,698
2.01.05.02.04	Obligations for purchase of properties and advances from customers	119,004	132,098
2.01.05.02.05	Other payables	79,228	83,647
2.01.05.02.07	Obligations assumed on the assignment of receivables	23,420	23,953
2.01.06	Provisions	101,988	116,314
2.01.06.01	Tax, labor and civil lawsuits	101,988	116,314
2.01.06.01.01	Tax lawsuits	728	194
2.01.06.01.02	Labor lawsuits	14,504	19,300
2.01.06.01.04	Civil lawsuits	86,756	96,820
2.02	Non current liabilities	900,806	798,755
2.02.01	Loans and financing	581,194	456,061
2.02.01.01	Loans and financing	424,561	336,525
2.02.01.01.01	Loans and financing in local currency	424,561	336,525
2.02.01.02	Debentures	156,633	119,536
2.02.02	Other liabilities	169,780	189,092
2.02.02.02	Others	169,780	189,092
2.02.02.02.03	Obligations for purchase of properties and advances from customers	120,338	137,192
2.02.02.02.04	Other liabilities	9,307	7,041
2.02.02.02.06	Obligations assumed on the assignment of receivables	40,135	44,859
2.02.03	Deferred taxes	74,473	74,473
2.02.03.01	Deferred income tax and social contribution	74,473	74,473
2.02.04	Provisions	75,359	79,129
2.02.04.01	Tax, labor and civil lawsuits	75,359	79,129
2.02.04.01.01	Tax lawsuits	-	565
2.02.04.01.02	Tax and labor lawsuits	40,088	36,903

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2.02.04.01.04	Civil lawsuits	35,271	41,661
2.03	Equity	934,236	755,557
2.03.01	Capital	2,521,319	2,521,152
2.03.02	Capital reserves	307,664	56,359
2.03.02.05	Treasury shares	-29,089	-29,089
2.03.02.07	Capital reserves	250,599	-
2.03.02.09	Reserve for granting stock options	86,154	85,448
2.03.05	Retained earnings/accumulated losses	-1,894,747	-1,821,954

INDIVIDUAL FINANCIAL STATEMENTS - INCOME - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
3.01	Gross Sales of goods and/or services	203,076	104,027
3.01.01	Revenue from real estate development	223,538	113,542
3.01.03	Taxes on real estate sales and services	-20,462	-9,515
3.02	Cost of sales of goods and/or services	-173,218	-106,459
3.02.01	Cost of real estate development	-173,218	-106,459
3.03	Gross profit	29,858	-2,432
3.04	Operating expenses/income	-65,562	-118,077
3.04.01	Selling expenses	-20,912	-16,205
3.04.02	General and administrative expenses	-14,739	-18,400
3.04.05	Other operating expenses	-16,063	-28,101
3.04.05.01	Depreciation and amortization	-3,603	-8,489
3.04.05.02	Other operating expenses	-12,460	-19,612
3.04.06	Income from equity method investments	-13,848	-55,371
3.05	Income (loss) before financial results and income taxes	-35,704	-120,509
3.06	Financial	-20,220	-36,608
3.06.01	Financial income	5,229	6,429
3.06.02	Financial expenses	-25,449	-43,037
3.07	Income before income taxes	-55,924	-157,117
3.09	Income (loss) from continuing operation	-55,924	-157,117
3.10	Income (loss) from discontinuing operation	-	107,720
3.10.01	Net income (loss) from discontinued operations	-	107,720
3.11	Income (loss) for the period	-55,924	-49,397
3.99	Earnings per Share – (Reais / Share)	-	-
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	ON	-1.47421	-1.84110
3.99.02	Diluted Earnings per Share	-	-
3.99.02.01	ON	-1.47421	-1.84110

INDIVIDUAL FINANCIAL STATEMENTS - COMPREHENSIVE INCOME (LOSS) - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
4.01	Income (loss) for the period	-55,924	-49,397
4.03	Comprehensive income (loss) for the period	-55,924	-49,397

INDIVIDUAL FINANCIAL STATEMENTS - CASH FLOWS - INDIRECT METHOD - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
6.01	Net cash from operating activities	-77,011	28,280
6.01.01	Cash generated in the operations	-37,185	-54,083
6.01.01.01	Income (loss) before income and social contribution taxes	-55,924	-49,397
6.01.01.02	Income from equity method investments	13,849	55,371
6.01.01.03	Stock options expenses	-91	2,128
6.01.01.04	Unrealized interest and finance charges, net	1,354	21,470
6.01.01.05	Financial instruments	-20	-806
6.01.01.06	Depreciation and amortization	3,603	8,489
6.01.01.07	Provision for legal claims	11,776	16,649
6.01.01.08	Provision for profit sharing	1,231	4,237
6.01.01.09	Warranty provision	-834	-1,601
6.01.01.11	Allowance for doubtful accounts	-2,953	4,141
6.01.01.12	Provision for realization of non-financial assets - properties for sale	-9,176	-7,044
6.01.01.14	Provision for impairment losses on disposal group held for sale	-	-215,440
6.01.01.15	Payable for sale of shares	-	107,720
6.01.02	Variation in assets and liabilities	-39,826	82,363
6.01.02.01	Trade accounts receivable	-62,944	47,458
6.01.02.02	Properties for sale	91,696	45,445
6.01.02.03	Other accounts receivable	-6,968	7,581
6.01.02.04	Prepaid expenses	394	-3,473
6.01.02.05	Obligations for purchase of properties and adv. from customers	-29,948	-2,213
6.01.02.06	Taxes and contributions	8,184	-666
6.01.02.07	Suppliers	250	-4,844
6.01.02.08	Salaries and payable charges	560	-291
6.01.02.09	Transactions with related parties	-9,917	1,478
6.01.02.10	Other obligations	-31,133	-8,112
6.02	Net cash from investing activities	-69,114	-4,933
6.02.01	Purchase of property and equipment and intangible assets	-4,316	-3,115
6.02.02	Increase in investments	-499	-77
6.02.03	Redemption of short-term investments	454,562	159,878
6.02.04	Purchase of short-term investments	-518,861	-161,619
6.03	Net cash from financing activities	153,051	-36,427
6.03.01	Capital increase	167	-
6.03.02	Increase in loans, financing and debentures	40,390	52,592
6.03.03		-137,654	-115,043

	Payment of loans, financing and debentures		
6.03.06	Loan transactions with related parties	-451	4,334
6.03.08	Disposal of treasury shares	-	311
6.03.10	Assignment of receivables	-	21,379
6.03.12	Subscription and payment of common shares	250,599	-
6.05	Net increase (decrease) of cash and cash equivalents	6,926	-13,080
6.05.01	Cash and cash equivalents at the beginning of the period	7,461	19,811
6.05.02	Cash and cash equivalents at the end of the period	14,387	6,731

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2018 TO 03/31/2018 (in thousands of Brazilian reais)

CODE	DESCRIPTION	Capital	Capital reserves, stock options and treasury shares	Profit reserves	Retained earnings	Other comprehensive income	Total Equity
5.01	Opening balance	2,521,152	56,359	-	-1,821,954	-	755,557
5.02	Adjusted prior year	-	-	-	-16,869	-	-16,869
5.02.01	Adoption CPC 48 (IFRS 9)	-	-	-	-16,869	-	-16,869
5.03	Opening adjusted balance	2,521,152	56,359	-	-1,838.823	-	738,688
5.04	Capital transactions with shareholders	167	251,305	-	-	-	251,472
5.04.01	Capital increase	167	250,599	-	-	-	250,766
5.04.03	Stock option plan	-	706	-	-	-	706
5.05	Total of comprehensive income (loss)	-	-	-	-55,924	-	-55,924
5.05.01	Net income (loss) for the period	-	-	-	-55,924	-	-55,924
5.07	Closing balance	2,521,319	307,664	-	-1,894,747	-	934,236

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 03/31/2017 (in thousands of Brazilian reais)

CODE	DESCRIPTION	Capital	Capital reserves, stock options and treasury shares	Profit reserves	Retained earnings	Other comprehensive income	Total Equity
5.01	Opening balance	2,740,662	49,424	-	-861,761	-	1,928,325
5.03	Opening adjusted balance	2,740,662	49,424	-	-861,761	-	1,928,325
5.04	Capital transactions with shareholders	-219,510	1,359	-	-107,720	-	-325,871
5.04.03	Stock option plan	-	1,051	-	-	-	1,051
5.04.05	Treasury shares sold	-	308	-	-	-	308
5.04.08	Capital reduction	-219,510	-	-	-107,720	-	-327,230
5.05	Total of comprehensive income (loss)	-	-	-	-49,397	-	-49,397
5.05.01	Net income (loss) for the period	-	-	-	-49,397	-	-49,397
5.07	Closing balance	2,521,152	50,783	-	-1,018,878	-	1,553,057

INDIVIDUAL STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
7.01	Revenues	223,538	113,542
7.01.01	Real estate development, sales and services	220,585	117,683
7.01.04	Allowance for doubtful accounts	2,953	-4,141
7.02	Inputs acquired from third parties	-168,153	-107,552
7.02.01	Cost of Sales and/or Services	-140,501	-84,585
7.02.02	Materials, energy, outsourced labor and other	-27,652	-22,967
7.03	Gross value added	55,385	5,990
7.04	Retentions	-3,603	-8,489
7.04.01	Depreciation and amortization	-3,603	-8,489
7.05	Net value added produced by the Company	51,782	-2,499
7.06	Added value received on transfer	-8,619	-48,942
7.06.01	Income from equity method investments	-13,848	-55,371
7.06.02	Financial income	5,229	6,429
7.07	Value added total to be distributed	43,163	-51,441
7.08	Value added distribution	43,163	-51,441
7.08.01	Personnel and payroll charges	15,982	25,952
7.08.01.01	Direct remuneration	15,982	25,952
7.08.02	Taxes and contributions	23,765	13,888
7.08.02.01	Federal	23,765	13,888
7.08.03	Compensation – Interest	59,340	65,836
7.08.03.01	Interest	58,166	64,911
7.08.03.02	Rent	1,174	925
7.08.04	Compensation – Company capital	-55,924	-157,117
7.08.04.03	Net income (Retained losses)	-55,924	-157,117

CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)

CODE	DESCRIPTION	CURRENT QUARTER 3/31/2018	PRIOR YEAR 12/31/2017
1	Total Assets	2,885,384	2,878,138
1.01	Current Assets	1,749,958	1,732,925
1.01.01	Cash and cash equivalents	23,654	28,527
1.01.01.01	Cash and banks	23,654	28,527
1.01.02	Short-term investments	181,284	118,935
1.01.02.01	Fair value of short-term investments	181,284	118,935
1.01.03	Accounts receivable	508,421	484,761
1.01.03.01	Trade accounts receivable	508,421	484,761
1.01.03.01.01	Receivables from clients of developments	492,989	469,843
1.01.03.01.02	Receivables from clients of construction and services rendered	15,432	14,918
1.01.04	Inventories	849,737	882,189
1.01.04.01	Properties for sale	849,737	882,189
1.01.07	Prepaid expenses	5,136	5,535
1.01.07.01	Prepaid expenses and others	5,136	5,535
1.01.08	Other current assets	181,726	212,978
1.01.08.01	Non current assets for sale	65,798	102,352
1.01.08.03	Others	115,928	110,626
1.01.08.03.01	Other accounts receivable and others	58,259	58,332
1.01.08.03.02	Receivables from related parties	57,419	51,890
1.01.08.03.03	Derivative financial instruments	250	404
1.02	Non current assets	1,135,426	1,145,213
1.02.01	Non current assets	614,976	625,465
1.02.01.03	Accounts receivable	186,897	199,317
1.02.01.03.01	Receivables from clients of developments	186,897	199,317
1.02.01.04	Inventories	336,511	339,797
1.02.01.04.01	Properties for sale	336,511	339,797
1.02.01.09	Others non current assets	91,568	86,351
1.02.01.09.03	Other assets	68,377	64,172
1.02.01.09.04	Receivables from related parties	23,191	22,179
1.02.02	Investments	479,445	479,126
1.02.02.01	Interest in associates and affiliates	479,445	479,126
1.02.03	Property and equipment	23,440	22,342
1.02.03.01	Operation property and equipment	23,440	22,342
1.02.04	Intangible assets	17,565	18,280
1.02.04.01	Intangible assets	17,565	18,280

CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)

CODE	DESCRIPTION	CURRENT QUARTER 3/31/2018	PRIOR YEAR 12/31/2017
2	Total Liabilities	2,885,384	2,878,138
2.01	Current liabilities	955,491	1,213,686
2.01.01	Social and labor obligations	29,714	27,989
2.01.01.02	Labor obligations	29,714	27,989
2.01.01.02.01	Salaries, payroll charges and profit sharing	29,714	27,989
2.01.02	Suppliers	99,165	98,662
2.01.03	Tax obligations	52,016	46,430
2.01.03.01	Federal tax obligations	52,016	46,430
2.01.04	Loans and financing	335,784	569,250
2.01.04.01	Loans and financing	324,376	481,073
2.01.04.01.01	In Local Currency	324,376	481,073
2.01.04.02	Debentures	11,408	88,177
2.01.05	Other obligations	336,824	355,041
2.01.05.01	Payables to related parties	64,011	63,197
2.01.05.02	Others	272,813	291,844
2.01.05.02.04	Obligations for purchase of properties and advances from customers	142,766	156,457
2.01.05.02.06	Other payables	99,449	104,386
2.01.05.02.07	Obligations assumed on the assignment of receivables	30,598	31,001
2.01.06	Provisions	101,988	116,314
2.01.06.01	Tax, labor and civil lawsuits	101,988	116,314
2.01.06.01.01	Tax lawsuits	728	194
2.01.06.01.02	Labor lawsuits	14,504	19,300
2.01.06.01.04	Civil lawsuits	86,756	96,820
2.02	Non current liabilities	992,989	905,048
2.02.01	Loans and financing	647,684	535,648
2.02.01.01	Loans and financing	491,051	416,112
2.02.01.01.01	Loans and financing in local currency	491,051	416,112
2.02.01.02	Debentures	156,633	119,536
2.02.02	Other obligations	192,539	212,864
2.02.02.02	Others	192,539	212,864
2.02.02.02.03	Obligations for purchase of properties and advances from customers	134,924	152,377
2.02.02.02.04	Other payables	9,723	7,095
2.02.02.02.06	Obligations assumed on the assignment of receivables	47,892	53,392
2.02.03	Deferred taxes	74,473	74,473
2.02.03.01	Deferred income tax and social contribution	74,473	74,473
2.02.04	Provisions	78,293	82,063
2.02.04.01	Tax, labor and civil lawsuits	78,293	82,063
2.02.04.01.01	Tax lawsuits	-	565
2.02.04.01.02	Labor lawsuits	42,867	39,682

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2.02.04.01.04	Civil lawsuits	35,426	41,816
2.03	Equity	936,904	759,404
2.03.01	Capital	2,521,319	2,521,152
2.03.02	Capital reserves	307,664	56,359
2.03.02.05	Treasury shares	-29,089	-29,089
2.03.02.07	Capital reserves	250,599	-
2.03.02.09	Reserve for granting stock options	86,154	85,448
2.03.05	Retained earnings/accumulated losses	-1,894,747	-1,821,954
2.03.09	Non-controlling interest	2,668	3,847

CONSOLIDATED FINANCIAL STATEMENTS - INCOME - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
3.01	Gross sales of goods and/or services	213,397	136,539
3.01.01	Revenue from real estate development	234,484	147,521
3.01.03	Taxes on real estate sales and services	-21,087	-10,982
3.02	Cost of sales of goods and/or services	-190,535	-153,706
3.02.01	Cost of real estate development	-190,535	-153,706
3.03	Gross profit	22,862	-17,167
3.04	Operating expenses/income	-59,783	-109,994
3.04.01	Selling expenses	-24,279	-19,056
3.04.02	General and administrative expenses	-18,696	-27,369
3.04.05	Other operating expenses	-16,190	-28,410
3.04.05.01	Depreciation and amortization	-3,985	-8,708
3.04.05.02	Other operating expenses	-12,205	-19,702
3.04.06	Income from equity method investments	-618	-35,159
3.05	Income (loss) before financial results and income taxes	-36,921	-127,161
3.06	Financial	-19,950	-28,560
3.06.01	Financial income	5,344	7,870
3.06.02	Financial expenses	-25,294	-36,430
3.07	Income before income taxes	-56,871	-155,721
3.08	Income and social contribution taxes	-232	-1,346
3.08.01	Current	-232	-1,346
3.09	Income (loss) from continuing operation	-57,103	-157,067
3.10	Income (loss) from discontinuing operation	-	107,720
3.10.01	Net income (loss) from discontinued operations	-	107,720
3.11	Income (loss) for the period	-57,103	-49,347
3.11.01	Income (loss) attributable to the Company	-55,924	-49,397
3.11.02	Net income attributable to non-controlling interests	-1,179	50
3.99	Earnings per Share – (Reais / Share)	-	-
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	ON	-1.47421	-1.84110
3.99.02	Diluted Earnings per Share	-	-
3.99.02.01	ON	-1.47421	-1.84110

CONSOLIDATED FINANCIAL STATEMENTS - COMPREHENSIVE INCOME (LOSS) - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
4.01	Consolidated Income (loss) for the period	-57,103	-49,347
4.03	Consolidated comprehensive income (loss) for the period	-57,103	-49,347
4.03.01	Income (loss) attributable to the Company	-55,924	-49,397
4.03.02	Net income attributable to the noncontrolling interests	-1,179	50

CONSOLIDATED FINANCIAL STATEMENTS - CASH FLOWS - INDIRECT METHOD - (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
6.01	Net cash from operating activities	-62,761	69,998
6.01.01	Cash generated in the operations	-48,803	-68,302
6.01.01.01	Income (loss) before income and social contribution taxes	-56,871	-48,001
6.01.01.02	Income from equity method investments	618	35,159
6.01.01.03	Stock options expenses	-91	2,128
6.01.01.04	Unrealized interest and finance charges, net	3,781	25,761
6.01.01.05	Financial instruments	-20	-806
6.01.01.06	Depreciation and amortization	3,985	8,708
6.01.01.07	Provision for legal claims	11,527	16,736
6.01.01.08	Provision for profit sharing	1,231	4,237
6.01.01.09	Warranty provision	-834	-1,601
6.01.01.11	Allowance for doubtful accounts	-2,953	4,141
6.01.01.12	Provision for realization of non-financial assets - properties for sale	-9,176	-7,044
6.01.01.14	Provision for impairment losses on disposal group held for sale	-	-215,440
6.01.01.15	Payable for sale of shares	-	107,720
6.01.02	Variation in assets and liabilities	-13,958	104,845
6.01.02.01	Trade accounts receivable	-31,059	75,552
6.01.02.02	Properties for sale	81,468	64,955
6.01.02.03	Other accounts receivable	-4,508	6,386
6.01.02.04	Prepaid expenses	399	-4,291
6.01.02.05	Obligations for purchase of properties and adv. from customers	-31,144	-7,522
6.01.02.06	Taxes and contributions	5,586	-4,710
6.01.02.07	Suppliers	110	-9,874
6.01.02.08	Salaries and payable charges	494	297
6.01.02.09	Transactions with related parties	-5,269	-5,573
6.01.02.10	Other obligations	-29,803	-9,029
6.01.02.11	Income tax and social contribution payable	-232	-1,346
6.01.03	Others	-	33,455
6.01.03.01	Net cash from operating activities related to disposal group held for sale	-	33,455
6.02	Net cash from investing activities	-67,216	-44,211
6.02.01	Purchase of property and equipment and intangible assets	-4,368	-77
6.02.02	Increase in investments	-499	-3,616
6.02.03	Redemption of short-term investments	469,903	216,017
6.02.04	Purchase of short-term investments	-532,252	-205,491
6.02.07		-	-51,044

	Net cash from investing activities related to disposal group held for sale		
6.03	Net cash from financing activities	125,104	-14,406
6.03.01	Capital increase	167	-
6.03.02	Increase in loans, financing and debentures	51,938	75,595
6.03.03	Payment of loans, financing and debentures	-177,149	-151,611
6.03.06	Loan transactions with related parties	-451	4,335
6.03.07	Obligation with investors	-	761
6.03.08	Disposal of treasury shares	-	311
6.03.10	Assignment of receivables	-	21,513
6.03.11	Net cash from financing activities related to disposal group held for sale	-	34,690
6.03.12	Subscription and payment of common shares	250,599	-
6.04	Foreign Exchange Gains and Losses on Cash and Cash Equivalents	-	-17,101
6.05	Net increase (decrease) of cash and cash equivalents	-4,873	-5,720
6.05.01	Cash and cash equivalents at the beginning of the period	28,527	29,534
6.05.02	Cash and cash equivalents at the end of the period	23,654	23,814

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2018 TO 03/31/2018 (in thousands of E

CODE	DESCRIPTION	Capital	Capital reserves, stock options and treasury shares	Profit reserves	Retained earnings	Other comprehensive income	Shareholders equity	Control inte
5.01	Opening balance	2,521,152	56,359	--1,821,954	-	755,557	3	
5.02	Adjusted prior year	-	-	- -16. 869	-	-16. 869		
5.02.01	Adoption CPC 48 (IFRS 9)	-	-	- -16. 869	-	-16. 869		
5.03	Opening adjusted balance	2,521,152	56,359	--1,838,823	-	738,688	3	
5.04	Capital transactions with shareholders	167	251,305	-	-	-	251,472	
5.04.01	Capital increase	167	250,599	-	-	-	250,766	
5.04.03	Stock option plan	-	706	-	-	-	706	
5.05	Total of comprehensive income (loss)	-	-	- -55,924	-	-55,924	-1	
5.05.01	Net income (loss) for the period	-	-	- -55,924	-	-55,924	-1	
5.07	Closing balance	2,521,319	307,664	--1,894,747	-	934,236	2	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 03/31/2017 (in thousands of Brazilian Reals)

CODE	DESCRIPTION	Capital	Capital reserves, stock options and treasury shares	Profit reserves	Retained earnings	Other comprehensive income	Shareholders equity	Total equity	Non Controlling interest	Total equity Consolidated
01	Opening balance	2,740,662	49,424	-	-861,761	-	1,928,325	2,128		1,930,453
03	Opening adjusted balance	2,740,662	49,424	-	-861,761	-	1,928,325	2,128		1,930,453
04	Capital transactions with shareholders	-219,510	1,359	-	-107,720	-	-325,871	-		-325,871
04.03	Stock option plan	-	1,051	-	-	-	1,051	-		1,051
04.05	Treasury shares sold	-	308	-	-	-	308	-		308
04.08	Capital reduction	-219,510	-	-	-107,720	-	-327,230	-		-327,230
05	Total of comprehensive income (loss)	-	-	-	-49,397	-	-49,397	50		-49,397
05.01	Net income (loss) for the period	-	-	-	-49,397	-	-49,397	50		-49,397
06	Reserves	-	-	-	-	-	-	6,906		6,906
06.01	Constitution of reserves	-	-	-	-	-	-	6,906		6,906
07	Closing balance	2,521,152	50,783	-	-1,018,878	-	1,553,057	9,084		1,562,141

CONSOLIDATED STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)

CODE	DESCRIPTION	YEAR TO DATE	
		01/01/2018 to 03/31/2018	FROM PREVIOUS YEAR 01/01/2017 to 03/31/2017
7.01	Revenues	234,484	147,521
7.01.01	Real estate development, sales and services	231,531	151,662
7.01.04	Allowance for doubtful accounts	2,953	-4,141
7.02	Inputs acquired from third parties	-183,984	-147,210
7.02.01	Cost of Sales and/or Services	-154,263	-115,731
7.02.02	Materials, energy, outsourced labor and other	-29,721	-31,479
7.03	Gross value added	50,500	311
7.04	Retentions	-3,985	-8,708
7.04.01	Depreciation and amortization	-3,985	-8,708
7.05	Net value added produced by the Company	46,515	-8,397
7.06	Value added received on transfer	4,726	-27,289
7.06.01	Income from equity method investments	-618	-35,159
7.06.02	Financial income	5,344	7,870
7.07	Total value added to be distributed	51,241	-35,686
7.08	Value added distribution	51,241	-35,686
7.08.01	Personnel and payroll charges	18,808	28,209
7.08.01.01	Direct remuneration	18,808	28,209
7.08.02	Taxes and contributions	25,276	17,203
7.08.02.01	Federal	25,276	17,203
7.08.03	Compensation – Interest	63,081	76,019
7.08.03.01	Interest	61,566	74,405
7.08.03.02	Rent	1,515	1,614
7.08.04	Compensation – Company capital	-55,924	-157,117
7.08.04.03	Net income (Retained losses)	-55,924	-157,117

FOR IMMEDIATE RELEASE - São Paulo, May 10th, 2018 – Gafisa S.A. (B3: GFSA3; NYSE: GFA), one of Brazil’s leading homebuilders, reports today its financial results for the first quarter ended March 31st, 2018.

GAFISA REPORTS RESULTS FOR 1Q18

MANAGEMENT COMMENTS AND HIGHLIGHTS

CONFERENCE CALL

May 11, 2018

9:30 a.m. Brasília time

In Portuguese

**+55 (11) 3127-4971 /
3728-5971 (Brazil)**

Code: Gafisa

8:30 a.m. US EST

In English

**(simultaneous
translation from
Portuguese)**

**+1 516 300-1066
(USA)**

Code: Gafisa

Despite the uncertainties that remain on Brazil’s economic landscape, with direct and relevant impacts on the real estate segment, particularly for the mid and mid-high income residential segment, the first quarter of 2018 consolidated the inflection point on the gradual improvement process of Gafisa's operational and financial performance, which has been signaled on previous quarters. It's important to mention that this inflection, although more notable and distinct, is still gradual and linear.

We launched one project in March, the Upside Pinheiros (São Paulo/SP), with PSV of R\$139 million, reaching an impressive SoS of 77.5%. Such performance, coupled with consistent results on the sales of the inventory of existing units, resulted in gross sales of R\$293.5 million in 1Q18, 35% higher year over year and 25% higher quarter over quarter.

Another highlight in the quarter was a significant decrease of cancellations, which dropped to R\$57.7 million, what we believe should reflect a new level for the upcoming quarters. As a result of these factors, net pre-sales totaled R\$236 million, nearly twice the SoS of 14.4% in 4Q17 and 37.5% in the last 12 months.

Regarding financial performance, net revenue grew by 30% quarter over quarter and 56% year over year, bolstered by inventory sales growth, especially of the more recent projects (2016 and 2017), which have higher work evolution, and are, accordingly, more representative on revenues, as informed on previous quarters.

Sales of more recent projects, with better margins, also contributed to adjusted gross profit reach R\$59 million, with an

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adjusted gross margin of 27.7%, reverting recent negative results. Gross profits considering capitalized interests totaled R\$23 million, and gross margin reached 10.7%.

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The sensible strategy adopted in recent launches resulted in the balance of R\$231 million of Backlog Results (REF) in the quarter, with 37.0% margin to be recognized, 2.2. p.p. higher quarter over quarter, signaling positive prospects for revenue and gross margin.

With our philosophy of austerity and ongoing push to increase efficiency, general and administrative expenses totaled R\$19 million, 23% lower quarter over quarter and 32% year over year. Selling expenses came to R\$24 million, stable quarter over quarter and 27% higher year over year, reflecting the increase in the number of launches in the period.

Shares

**GFS3 – B3 (formerly
BM&FBovespa)**

GFA – NYSE

**Total outstanding
shares: 44,757,914¹**

**Average Daily Traded
Volume (1Q18):**

R\$18.9 million

**¹ including 938,044
treasury shares**

Recurring adjusted EBITDA totaled R\$3.2 million in 1Q18, which compares to negative R\$92.4 million in 4Q17 and negative R\$47.3 million in the 1Q17, reflecting the already mentioned improved margins and demonstrating, once again, the results recovery process.

Net financial expenses of R\$20 million also showed positive evolution in comparison to the net expenses of R\$24 million in 4Q17 and of R\$29 million in 1Q17, with the reductions due to the lower Company's indebtedness.

Thus, Gafisa's net loss came to R\$55.9 million in 1Q18, versus a net loss of R\$463 million in 4Q17 and R\$49 million in 1Q17.

Another highlight of the period was the conclusion of the capital increase process, which totaled R\$251 million, and resulted in the postponement of R\$456.3 million in corporate debts for 2020 and 2021, substantially reducing the pressure on short-term obligations over cash flow. The successful conclusion of this process enhanced the Company's position to operate in this new cycle of the real estate market.

Following the execution of the Company's strategy to adjust its capital structure, gross debt totaled R\$983 million at the end of 1Q18, 11.0% lower quarter over quarter. Net debt, was reduced by 19% quarter over quarter and totaled R\$778.5 million. Leverage, as measured by the ratio of net debt to shareholders' equity, fell from 126.1% at the end of 2017 to 81.6% at the end of 1Q18. Excluding project finance, the net debt to shareholders' equity ratio was 9.6%.

Regarding liquidity and cash management, the operating cash flow was negative at R\$32 million, due to the reduced number of deliveries in the last periods and accordingly, lower transfer volume. Net cash generation came negative at R\$71.9 million.

Even in a scenario still characterized by economic and political uncertainties and as we have signaled in the previous quarters, the evolution on the Company's operational and financial performance leads us to believe that we are experiencing a gradual and linear inflection of the results. This inflection is a consequence of the strategy adopted over the previous periods, including, but not limited to: assertiveness in launches, deleveraging, focus on inventory sales, and operational and administrative efficiency. We are confident that this positive trend should be confirmed throughout the year, with the increased participation of the more recent projects in Gafisa's results combined with the recovery of the Brazilian real estate market.

Sandro Gamba

CEO

OPERATIONAL RESULTS

Table 1 - Operational Performance (R\$ 000)

138,715	90,113	53.9%	-	-
293,460	216,988	35.2%	235,611	24.6%
(57,702)	(95,407)	-39.5%	(118,214)	-51.2%
235,757	121,851	93.5%	117,398	100.8%
14.4%	7.4%	7.0 pp	6.7%	7.7 pp
-	41,171	-	265,058	-

Launches

In 1Q18 Gafisa launched the Upside Pinheiros in the City of São Paulo/SP. Although this project was launched at the end of the quarter, it reached a valuable SoS of 77.5% in the period, validating Gafisa's decision-making process and its careful analysis of the launch process.

Table 2 - Launches (R\$ 000)

São Paulo/SP	1Q18	138,715
		138,715

Net Pre-Sales

In 1Q18, gross sales totaled R\$293.5 million, 35.2% and 24.6% higher than in 4Q17 and 1Q17, respectively, reflecting not only a good performance of launch sales in the quarter, as previously mentioned, but also a consistent performance of inventory gross sales, which grew by 24.6% year over year and 51.1% quarter over quarter.

Cancellations significantly decreased in 1Q18, 39.5% and 51.2% from 4Q17 and 1Q17, respectively, reflecting lower volume of deliveries in the quarter and a more favorable scenario, which should represent a new level for the upcoming quarters.

As a result of gross sales performance and cancellations in 1Q18, net pre-sales grew by 93.5% and 100.8% from 4Q17 and 1Q17, respectively, and totaled R\$235.8 million in the period.

The project launched this quarter accounted for 45.4% of net pre-sales in the period. Out of the R\$128.7 million net pre-sales of remaining inventories (launched in 2017 or before) in 1Q18, 69.6% were projects launched until the end of 2015, improving our inventory profile.

Sales over Supply (SoS)

A good performance of launches drove quarterly SoS, which increased from 7.3% in 4Q17 to 14.4% in 1Q18. Gafisa's efficient business strategy can be seen in SoS LTM, which grew from 32.0% in 4Q17 to 37.5% in 1Q18.

The inventory at market value reached R\$1,396.7 million at the end of 1Q18, 8.8% lower than in 4Q17. Compared to 1Q17, inventory decreased 14.6%, clearly representing the strategy of focusing on the sale of inventories with a reduced number of launches.

Table 3 - Inventory at Market Value 1Q18 x 4Q17 (R\$ 000)

1,212,940	138,715	48,709	(269,845)	(24,877)	1,105,642	-8,8%
257,314	-	7,466	(18,998)	(13,741)	232,040	-9,8%
61,335	-	1,527	(4,616)	777	59,023	-3,8%
1,531,588	138,715	57,702	(293,460)	(37,840)	1,396,706	-8,8%

¹ Adjustments reflect the updates related to the project scope, launch date and pricing update in the period.

Gafisa continues to maintain a commercial balance between more recent projects and finished units. The inventory of finished units totaled R\$446.0 million in 1Q18 (31.9% of total).

The projects inventory located outside of strategic markets, of R\$59.0 million, accounts for 4.2% of the total inventory, of which 56.4% are finished units.

Of the total completed inventory, 62.7% are commercial projects. This proportion is due to lower sales speed in this segment, where liquidity still is significantly lower.

Table 4 – Inventory at Market Value – Financial Progress – POC - (R\$ 000)

94,248	141,996	410,894	245,936	212,569	1,105,642
-	-	5,707	26,215	200,118	232,040
-	-	25,723	-	33,300	59,023
94,248	141,996	442,323	272,151	445,988	1,396,706

Delivered Projects and Transfer

No deliveries occurred in 1Q18. On March 31st, Gafisa managed the construction of 20 projects, **all of which** are on schedule according to the Company's business plan.

Over the past few years, the Company has been taking steps to improve the performance of its receivables/transfer process, aiming to maximize the return rates on capital employed. Currently, the Company's directive is to conclude the sales process of 90% of eligible units in a 90-day period after the delivery of the project. In accordance with this policy, PSV transfers in 1Q18 totaled R\$59.0 million, 21.2% lower than in 4Q17 and 42.0% lower than in 1Q17, due to a reduced number of deliveries in 1Q18 compared to previous periods.

Table 5 – Transfer

58,998	74,824	-21.2%	101,744	-42.0%
-	1	-	3	-
-	293	-	610	-
-	41,171	-	265,058	-

¹ PSV transfers refers to the potential sales value of the units transferred to financial institutions;

² PSV = Potential sales value of delivered units.

Landbank

The Company's landbank, with a PSV of R\$3.9 billion, represents 36 potential projects/phases or nearly 7.3 thousand units. Approximately 55% of land was acquired through swaps. In 1Q18, the Company acquired 1 new land area in São Paulo, with potential PSV of R\$114.1 million with the cancellation of 1 land area in Rio de Janeiro.

Table 6 - Landbank (R\$ 000)

2,466,636	52.2%	45.4%	6.8%	5,371	6,037
1,420,604	60.4%	60.4%	0.0%	2,010	2,065
3,887,240	55.7%	51.8%	3.9%	7,381	8,102

Note: The swap percentage is measured compared to the historical cost of land acquisition.

Potential units are net of swaps and refer to the Gafisa's and/or its partners' participation in the project.

Table 7 - Changes in the Landbank (1Q18 x 4Q17 - R\$ 000)

2,520,511	114,076	138,715	-	(29,235)	2,466,636
1,774,833	-	-	354,755	526	1,420,604
4,295,344	114,076	138,715	354,755	(28,709)	3,887,240

FINANCIAL RESULTS

Revenue

Net revenues totaled R\$213.4 million in 1Q18, up 29.6% from 4Q17 and 56.3% from 1Q17, mainly reflecting the net pre-sales growth of projects launched in 2016 and 2017, which evolved more in its constructions process and, therefore, increased in importance in revenues.

Table 8 – Revenue Recognition (R\$ 000)

Net Pre-Sales	% Sales	Revenue	% Revenue	Net Pre-Sales	% Sales	Revenue	% Revenue
107,028	45.4%	-	0.0%	-	0.0%	-	0.0%
22,264	9.4%	75,983	35.6%	-	0.0%	-	0.0%
19,038	8.1%	84,273	39.5%	21,280	18.1%	12,511	9.2%
62,030	26.3%	11,713	5.5%	33,268	28.3%	43,752	32.0%
25,398	10.8%	41,428	19.4%	62,849	53.5%	80,276	58.8%
235,757	100%	213,398	100.0%	117,398	100%	136,538	100.0%
232,669	98.7%	211,629	99.2%	112,858	96.1%	137,841	101.0%
3,089	1.3%	1,769	0.8%	4,540	3.9%	(1,302)	-1.0%

Gross Profit & Margin

Adjusted gross profit totaled R\$59.1 million in 1Q18, a substantial growth compared to 4Q17 (which was impacted by the impairment in some land areas and inventory units) and 1Q17, with an adjusted gross margin of 27.7%. Improved performance reflects the impact of more recent projects with higher margins on the Company's results. Adjusted by capitalized interests, the gross profit totaled R\$22.9 million in 1Q18, with a gross margin of 10.7%.

Details of Gafisa's gross margin breakdown in 1Q18 are presented below.

Table 9 – Gross Margin (R\$ 000)

213,397	164,706	29.6%	136,539	56.3%
22,862	(170,727)	-	(17,167)	-
10.7%	-103.7%	-	-12.6%	-
36,272	25,399	42.8%	37,975	-4.5%
59,134	(145,328)	-	20,808	184.2%

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27.7%	-88.2%	-	15.2%	1,247 bps
-	147,332	-	-	-
59,134	2,004	2,850.7%	20,808	184.2%
27.7%	1.2%	2,649 bps	15.2%	1,247 bps

¹ Adjusted by capitalized interests.

Selling, General and Administrative Expenses (SG&A)

In 1Q18, selling, general and administrative expenses came to R\$43.0 million, 11.5% lower than in 4Q17 and 7.4% lower than in 1Q17, reflecting a continued pursuit of efficiency gains.

In this regard, general and administrative expenses decreased 22.6% quarter over quarter and 31.7% year over year, totaling R\$18.7 million in 1Q18.

Selling expenses came in line with 4Q17 and totaled R\$24.3 million in 1Q18. Year over year, selling expenses increased 27.4%, an effect of the launch efforts and marketing expenses in 1Q18.

Table 10 – SG&A Expenses (R\$ 000)

(24,279)	(24,399)	-0.5%	(19,056)	27.4%
(18,696)	(24,165)	-22.6%	(27,369)	-31.7%
(42,975)	(48,564)	-11.5%	(46,425)	-7.4%

The Other Operating Revenues/Expenses totaled R\$12.2 million in 1Q18, down 91.9% from 4Q17, which was impacted by Alphaville's impairment and down 38.1% from 1Q17. It is worth mentioning the lower litigation expenses in the annual comparison. The table below contains more details on the breakdown of this expense.

Table 11 – Other Operating Revenues/Expenses (R\$ 000)

(11,776)	(46,417)	-74.6%	(16,736)	-29.6%
-	(101,953)	-	-	-
(429)	(1,876)	-77.1%	(2,966)	-85.5%
(12,205)	(150,246)	-91.9%	(19,702)	-38.1%

Adjusted EBITDA

The recurring adjusted EBITDA totaled R\$3.2 million in 1Q18, compared with negative R\$92.4 million in 4Q17 and negative R\$47.3 million in 1Q17, reflecting the improved margins already explained.

Table 12 – Adjusted EBITDA (R\$ 000)

(55,924)	(462,615)	-87.9%	(49,977)	11.9%
-	-	-	107,720	-
-	(147,332)	-	-	-
(55,924)	(315,283)	-82.3%	(157,117)	-64.4%

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19,950	24,249	-17.7%	28,560	-30.1%
232	(24,773)	-	1,346	-82.8%
3,985	31,560	-87.4%	8,708	-54.2%
36,272	25,399	42.8%	37,975	-4.5%
(91)	2,067	-	2,128	-
(1,179)	(161)	632.3%	50	-
-	62,569	-	31,024	-
-	101,953	-	-	-
3,245	(92,420)	-	(47,326)	-
-	(147,332)	-	-	-
3,245	(239,752)	-	(47,326)	-

¹ Sale of Tenda shares;

² Adjusted by expense with stock option plan (non-cash) and minority shareholders. EBITDA does not consider Alphaville's equity income.

Financial Results

In 1Q18, financial results totaled R\$5.3 million, 11.7% lower than in 4Q17 and 32.1% lower than in 1Q17, mainly reflecting the interest rate drop incurring on balance of cash equivalents in the period. Financial expenses reached R\$25.3 million, compared to R\$30.3 million in 4Q17 and R\$36.4 million in 1Q17, driven by lower debt balance in the period.

Thus, the net financial result was negative R\$19.9 million in 1Q18, compared to negative net financial result of R\$24.2 million in 4Q17 and R\$28.6 million in 1Q17.

Net Income

As a result of previously discussed events, the Company posted a net loss of R\$55.9 million, compared to a net loss of R\$462.6 million in 4Q17 and R\$49.4 million in 1Q17.

Table 13 – Net Income (R\$ 000)

213,397	164,706	29.6%	136,539	56.3%
22,862	(170,727)	-	(17,167)	-
10.7%	-103.7%	11437 bps	-12.6%	2329 bps
-	(147,332)	-	-	-
59,134	2,004	2850.7%	20,808	184.2%
27.7%	1.2%	2649 bps	15.2%	1247 bps
3,245	(92,420)	-	(47,326)	-
1.5%	-56.1%	5763 bps	-34.7%	3618 bps
-	-	-	107,720	-
(55,924)	(315,283)	-82.3%	(157,117)	-64.4%
-	(62,569)	-	(31,024)	-
-	(127,429)	-	-	-
(55,924)	(125,285)	-55.4%	(126,093)	-55.6%

¹ Adjusted by capitalized interests;

² Adjusted by note 1, by expense with stock option plan (non-cash) and minority shareholders. EBITDA does not consider Alphaville's equity income;

³ Sale of Tenda shares;

⁴ Adjusted by item 3.

Backlog of Revenues and Results

The backlog of results to be recognized under the PoC method totaled R\$231.3 million at the end of 1Q18, with margin to be recognized of 37.0%, 2.2 p.p. higher than 4Q17. The backlog performance reflects the good execution of the launches of the year, signaling a positive outlook for revenue volume and gross profit in the next quarters.

Table 14 – Backlog Results (REF) (R\$ 000)

625,251	620,821	0.7%	490,329	27.5%
(393,999)	(405,064)	-2.7%	(312,503)	26.1%
231,253	215,758	7.2%	177,826	30.0%
37.0%	34.8%	223 bps	36.3%	72 bps

Note: Backlog results net of PIS/COFINS taxes (3.65%) and excluding the impact of PVA (Present Value Adjustment) method according to Law 11.638.

Backlog results comprise the projects restricted by condition precedent.

BALANCE SHEET

Cash and Cash Equivalents and Marketable Securities

On March 31st, 2018, cash and cash equivalents and marketable securities totaled R\$204.9 million, 39.0% higher than on December 31st, 2017, mainly reflecting the cash inflow from capital increase, concluded in the quarter.

Receivables

At the end of 1Q18, total accounts receivables totaled R\$1.4 billion, a 2.5% increase compared to 4Q17. On March 31st, 2018, the Company had approximately R\$346.5 million in accounts receivable from finished units.

Table 15 – Total Receivables (R\$ 000)

648,938	644,340	0.7%	508,904	27.5%
508,421	484,761	8.4%	665,071	-21.0%
186,897	199,317	-6.2%	241,563	-22.6%
1,344,256	1,328,418	2.5%	1,415,538	-3.8%

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

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

Receivables from PoC: accounts receivable already recognized according to PoC and BRGAAP.

Table 16 – Receivables Schedule (R\$ 000)

695,318	421,912	161,421	89,372	17,571	5,042
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Cash Generation

The operating cash generation was negative in R\$31.9 million in the 1Q18, mainly due to the lower volume of delivered projects and consequent reduction in transfers, and higher construction cost due to the start of construction works in certain projects.

Table 17 – Cash Generation (R\$ 000)

204,938
57,476
983,468
-121,430
250,766
-71,860

¹ Cash and cash equivalents, and marketable securities.

Liquidity

On February 28th, 2018, Gafisa's Board of Directors ratified the capital increase approved at the Extraordinary General Meeting of December 2017. The capital increase, totaling R\$250.8 million, contributed to adjust the capital structure and reinforces the Company's position to operate in this new growth cycle of the real estate market.

At the end of 1Q18, the Company's Net Debt/Shareholders' Equity ratio was 81.6%, compared to 126.1% at the end of 4Q17, mainly reflecting the Company's capital increase. Excluding project finance, the Net Debt/Shareholders' Equity ratio was 9.6%.

In 1Q18, the gross debt reached R\$983.5 million, down 11.0% q-o-q, with an expressive 38.0% reduction y-o-y. The net debt amounted to R\$778.5 million, 18.7% and 42.2% lower than in 4Q17 and 1Q17, respectively.

Table 18 – Debt and Investor Obligations (R\$ 000)

-	-	-	311,202	-
168,041	207,713	-19.1%	140,485	19.6%
686,728	733,103	-6.3%	970,370	-29.2%
128,699	164,082	-21.6%	165,256	-22.1%
983,468	1,104,898	-11.0%	1,587,313	-38.0%
-	-	-	1,999	-
983,468	1,104,898	-11.0%	1,589,312	-38.1%
204,938	147,462	39.0%	236,934	-13.5%
778,530	957,436	-18.7%	1,352,378	-42.4%
936,904	759,404	25.6%	1,562,141	-38.9%
83.1%	126.1%	-4445 bps	86.6%	-495 bps
9.8%	29.5%	-1992 bps	4.5%	509 bps

¹ Cash and cash equivalents and marketable securities.

The Company ended 1Q18 with R\$335.8 million in total debt maturing in the short term, or 34.1% of the total debt, compared to 51.5% at the end of 4Q17. We point out that Gafisa renegotiated the maturity of debts expiring in 2018 and 2019 in the approximate amount of R\$456.3 million for 2020 and 2021, which was a precedent condition to the capital increase mentioned above. On March 31st, 2017, the consolidated debt average cost was 11.59% p.a.

Table 19 – Debt Maturity

CDI + 3.0% / CDI + 5.25% /	168,041	11,408	115,112	41,521	-
IPCA + 8.37% TR + 8.30% to 14.19% / 12.87% and 143% CDI 135% CDI / CDI + 2.5% / CDI + 3% /	686,728	266,056	201,909	173,475	45,288
CDI + 4.25% / CDI + 5%	128,699	58,320	17,139	47,009	6,231
	983,468	335,784	334,160	262,005	51,519
		34.1%	34.0%	26.6%	5.2%
		79.2%	60.4%	66.2%	87.9%
		20.8%	39.6%	33.8%	12.1%
	30.2% / 69.8%				

São Paulo, May 10th, 2018.

Alphaville Urbanismo SA releases its results for the first quarter of 2018.

Financial Results

In the first quarter of 2018, net revenues were R\$ 86 million and net profit was R\$-92 million.

Net revenues	86	61	39%
Net income	-92	-103	n/a

For further information, please contact our Investor Relations team at ri@alphaville.com.br or +55 11 3038-7131.

Consolidated Financial Statements

	1Q18	4Q17	Q/Q (%)	1Q17	Y/Y (%)
Net Revenue	213,397	164,706	29.6%	136,539	56.3%
Operating Costs	(190,535)	(335,433)	-43.2%	(153,706)	24.0%
Gross Profit	22,862	(170,727)	-	(17,167)	-
Gross Margin	10.7%	-103.7%	-	-12.6%	-
Operating Expenses	(59,783)	(292,573)	-79.6%	(109,994)	-45.6%
Selling Expenses	(24,279)	(24,399)	-0.5%	(19,056)	27.4%
General and Administrative Expenses	(18,696)	(24,165)	-22.6%	(27,369)	-31.7%
Other Operating Revenue/Expenses	(12,205)	(150,246)	-91.9%	(19,702)	-38.1%
Depreciation and Amortization	(3,985)	(31,560)	-87.4%	(8,708)	-54.2%
Equity Income	(618)	(62,203)	-99.0%	(35,159)	-98.2%
Operational Result	(36,921)	(463,300)	-92.0%	(127,161)	-71.0%
Financial Income	5,344	6,053	-11.7%	7,870	-32.1%
Financial Expenses	(25,294)	(30,302)	-16.5%	(36,430)	-30.6%
Net Income Before taxes on Income	(56,871)	(487,549)	-88.3%	(155,721)	-63.5%
Deferred Taxes	-	25,932	-	-	-
Income Tax and Social Contribution	(232)	(1,159)	-80.0%	(1,346)	-82.8%
Net Income After Taxes on Income	(57,103)	(462,776)	-87.7%	(157,067)	-63.6%
Continued Op. Net Income	(57,103)	(462,776)	-87.7%	(157,067)	-63.6%
Discontinued Op. Net Income	-	-	-	107,720	-
Minority Shareholders	(1,179)	(161)	632.3%	50	-
Net Income	(55,924)	(462,615)	-87.9%	(49,397)	13.2%

Consolidated Balance Sheet

	1Q18	4Q17	Q/Q(%)	1Q17	Y/Y(%)
Current Assets					
Cash and Cash equivalents	23,654	28,527	-17.1%	23,814	-0.7%
Securities	181,284	118,935	52.4%	213,120	-14.9%
Receivables from clients	508,421	484,761	8.4%	665,071	-21.0%
Properties for sale	849,737	882,189	-3.7%	1,058,742	-19.7%
Other accounts receivable	115,928	110,626	4.8%	76,656	51.2%
Prepaid expenses and other	5,136	5,535	-7.2%	6,839	-24.9%
Land for sale	65,798	102,352	-35.7%	3,270	1912.2%
Long-term Assets for sale	-	-	-	1,412,682	-
Subtotal	1,749,958	1,732,925	2.0%	3,460,194	-48.9%
Long-term Assets					
Receivables from clients	186,897	199,317	-6.2%	241,563	-22.6%
Properties for sale	336,511	339,797	-1.0%	599,046	-43.8%
Other	91,568	86,351	6.0%	93,983	-2.6%
Subtotal	614,976	625,465	-1.7%	934,592	-34.2%
Intangible, Property and Equipment	41,005	40,622	0.9%	47,113	-13.0%
Investments	479,445	479,126	0.1%	764,852	-37.3%
Total Assets	2,885,384	2,878,138	0.8%	5,206,751	-44.3%
Current Liabilities					
Loans and financing	324,376	481,073	-32.6%	650,152	-50.1%
Debentures	11,408	88,177	-87.1%	335,317	-96.6%
Obligations for purchase of land advances from customers	142,766	156,457	-8.8%	194,283	-26.5%
Material and service suppliers	99,165	98,662	0.5%	68,788	44.2%
Taxes and contributions	52,016	46,430	12.0%	47,132	