

Gafisa S.A.  
Form 6-K  
February 09, 2010

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

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**FORM 6-K**

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

**For the month of February, 2010**

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

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**Gafisa S.A.**

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

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

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

Form 20-F  Form 40-F

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

Yes  No

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

Yes  No

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

Yes  No

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

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**Gafisa Reports Results for 2009 Full Year and Fourth Quarter**

- Full Year Pre-Sales reached R\$ 3.25 billion, Sales Velocity for the Quarter Increased to 28.6%
- Adjusted EBITDA grew to R\$ 604 million from R\$300 million in 2008, on Adj. EBITDA Margin of 20% ---
- Over R\$ 1.4 billion in Cash and Cash Equivalents ---

**FOR IMMEDIATE RELEASE - São Paulo, February 8<sup>th</sup>, 2010** Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil's leading diversified national homebuilder, today reported financial results for 2009 full year and fourth quarter ended December 31, 2009.

Commenting on results, Wilson Amaral, CEO of Gafisa, said: "We closed out the year in a strong position, capitalizing on the economic recovery during the second half to deliver R\$ 2.3 billion in launches and R\$ 3.25 in sales for 2009. R\$ 1 billion in launches were delivered in the fourth quarter alone. Revenue growth and improved operating performance allowed us to report a significant expansion in Adjusted EBITDA margin to 20.0%, which includes the positive impact associated with the acquisition of Tenda. Excluding Tenda's Goodwill and net of provisions, the Adjusted EBITDA margin would have been 17.5%, above our guidance range. We are on track to continue delivering profitable growth moving forward and expect to achieve an EBITDA margin of between 18.5% - 20.5% for 2010, compared to the 17.5% margin achieved in 2009, on average a 200 basis point expansion over 2009.

Amaral added, "During the year we continued to execute on our strategy of being a leader in the Brazilian homebuilding market with the most extensive portfolio of brands and the broadest geographic reach, which allows us to provide high value housing options to all income segments. We are now poised to accelerate our launches over the coming years, furthering our reach in the Brazilian market and ability to serve all income segments. During 2010 we plan to launch between R\$ 4 - R\$ 5 billion, of which the affordable entry level segment will represent 40 - 45% of the total value. We are currently putting in place the appropriate financing and capital structure to comfortably support these plans.

**Operating & Financial Highlights**

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**FY & 4Q09 Earnings  
Results Conference Call**

Pre-sales reached R\$ 3,248 million for the year, a 26.0% increase as compared to 2008. In 4Q09, Pre-sales were R\$ 1,054 million, an increase of 79.1% as compared to the same period last year.

In 4Q09, launches were R\$ 1.0 billion, an increase of 55.1% compared to 4Q08. Consolidated launches totaled R\$ 2,301 million in 2009. For the full year of 2010, the Company expects to double launches as compared to FY09 due to the strong improvement of market conditions. We sold 57% of 4Q09 launches.

4Q09 Net operating revenues, recognized by the Percentage of Completion (PoC) method, rose 60% to R\$ 897.5 million from R\$ 561.7 million in the

Tuesday, February 9, 2009

**> In English**

9:00 AM US EST

12:00 PM Brasilia Time

Phones:

+1 800 860-2442 (US only)

+1 412 858-4600 (other countries)

Code: Gafisa

**> In Portuguese**

7:00 AM US EST

10:00 AM Brasilia Time

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Code: Gafisa

4Q08.

4Q09 Adjusted EBITDA reached R\$ 174.7 million with a 19.5% margin (or R\$ 167.8 million with 18.7% Margin net of Tenda Goodwill and provisions), a 112% increase compared to Adjusted EBITDA of R\$ 82.3 million reached in 4Q08 (or R\$ 41.2 million 7.3% margin - net of Tenda Goodwill and provisions), mainly due to the strong performance of Gafisa.

Net Income before minorities, stock option and non recurring expenses was R\$ 86.1 million for the quarter, (9.6% adjusted net margin), an increase of 97% compared with R\$ 43.6 million in 4Q08.

The Backlog of Revenues to be recognized under the PoC method reached R\$ 3.02 billion, a 5% increase over 4Q08. The Backlog Margin to be recognized reached 35.2%.

Gafisa's consolidated land bank was R\$15.8 billion at the end of 2009, reflecting the internal policy of the Company to keep an average of 2-3 years of Land bank.

Gafisa's consolidated cash position exceeded R\$ 1.4 billion at the end of December, facilitating the Company's ability to fund and execute its growth strategy.

On December 30, the Company approved the merger of its subsidiary, CONSTRUTORA TENDA S.A

Due to a generally favorable domestic scenario, Gafisa intends to proceed with a primary follow-on equity offering worth an estimated R\$ 1 billion.

The financial statements were prepared and presented in accordance with Brazilian GAAP and in Brazilian Reais (R\$). Only financial data derived from the Company's accounting system were subject to review by the Company's auditors. Operating and financial information not directly linked to the accounting system (i.e., launches, pre-sales, average sales price, land bank, PSV and others) or non-Brazilian GAAP measures were not reviewed by the auditors. Additionally, financial statements and operating information consolidate the numbers for Gafisa and its subsidiaries, and refer to Gafisa's stake (or participation) in its developments. The fourth quarter of 2009 has been adjusted in accordance with Law 11638, which brings accounting standards closer to the IFRS, for comparison purposes to the fourth quarter of 2009.

**CEO Commentary and Corporate Highlights for 2009**

Despite a rocky economic climate during much of the first half of 2009, Gafisa successfully navigated the year, emerging with a strengthened business structure, including three respected brands with a presence in all income segments, expanded geographic reach and a large land bank of R\$ 15.8 billion that positions the Company for continued robust growth. In the final quarter, sales doubled from the end of 2008, reaching a record quarterly high of R\$ 1.0 billion. We were also able to exceed our expectations for operating profitability for the year. Looking forward, Gafisa will benefit from what is expected to be sustainable GDP growth at a rate of over 5% per year in one of the strongest global economies today. This year, we expect to continue to drive leadership in our sector while transforming this Company into a national powerhouse by launching developments totaling between R\$ 4 – R\$ 5 billion, nearly double the total launch value of 2009 to meet the current and growing demand for housing across all socioeconomic segments.

We expect the favorable operating environment enjoyed by homebuilders during the latter part of 2009, spurred by the government's prudent macroeconomic policies aimed at curtailing a recession and improving consumer confidence, to continue to prevail in 2010 on the basis of strong fundamentals. Unemployment rates of as low as 7%, continued real wage expansion, and a renewal in consumer confidence during the fourth quarter underpinned strong demand for housing in all segments that approached pre-crisis levels.

Mortgage lending capacity from both private and public sources is ample, highlighted by Caixa Econômica Federal's current 2010 FGTS budget of R\$ 24 billion, some 25% higher than granted in 2009, as well as an additional R\$ 6 billion for corporate funding, and the popular federal housing program, Minha Casa Minha Vida ( MCMV ). MCMV is aimed at addressing the large deficit in affordable housing by facilitating the construction and purchase of one million new homes for low and middle-income buyers by the end of 2010. The program appears to be on track and we are all working to extend the Government's commitment to this sector beyond 2010. Brazil's nominal and real interest rates continue to be at historic lows and, while a Selic rate increase of 200 to 300 bps during 2010 is widely anticipated, we expect the effect of monetary policy on housing demand to be slight, as most mortgage rates are now based on TR, which has a low correlation to the Selic. In addition, the availability of loan tenors of up to 30 years on mortgages is helping to reduce even more the monthly payment burden on consumers.

Gafisa enters 2010 with a streamlined corporate structure that features three leading businesses and brands, with Gafisa, Alphaville, and Tenda each serving their respective market segments in a total of 100 cities throughout Brazil. While we did not anticipate some of the hurdles encountered during 2009, which were exacerbated by a global economic downturn, we are confident, now that we have fully integrated Tenda into the Gafisa corporate structure, that we will see substantial improvement in both top line and operating performance within that business in 2010. We have a track record of success within our other business segments and have already restructured the Tenda management team, begun integrating the back office and initiated the implementation of business control systems such as SAP.

Our substantial achievements during 2009 position us to increase our reach within the Brazilian marketplace during the next few years. With cash and cash equivalents of R\$ 1.4 billion, an increase of 29% over the end of the third quarter, and a planned equity offering of an estimated R\$ 1 billion in the coming weeks, we will enhance our current capital structure and have ample financing to support an accelerated pace of growth. We expect to launch between R\$ 4 – R\$ 5 billion in 2010 with the affordable entry-level segment accounting for approximately 40-45% of those amounts.

Our people are the foundation of our success and we thank each and every one of them for a successful 2009 as we look forward to an even stronger performance in 2010 and beyond.

Wilson Amaral, CEO -- Gafisa S.A.





## Recent Developments

**Consolidation of TENDA's Remaining Shares:** On December 30, 2009, a majority of shareholders at the Extraordinary Shareholders Meetings of Gafisa and Constructora TENDA approved an increase by Gafisa of its controlling stake in TENDA from 60% to 100%, enhancing Gafisa's exposure to the fast-growing affordable entry-level segment and streamlining its corporate structure in the process. TENDA, an affordable entry-level homebuilder featuring the lowest price points in the industry, will now be operated as a wholly-owned subsidiary, resulting in further scale advantages and reductions in costs and SG&A expenses upon the full integration of the back office and management systems. Tenda will retain its dedicated brand manager, differentiated retail infrastructure and innovative, low-cost construction methods. At the Meeting, Tenda shareholders also approved the exchange ratio of 0.205 common shares of Gafisa for each common share held by Tenda shareholders. February 8, 2010 is the final trading date of Tenda shares (TEND3) on the BM&FBOVESPA.

**Approval of R\$ 600 Million in Debentures:** On December 10, 2009, Gafisa closed a transaction for the issuance of debentures from CAIXA in the amount of up to R\$ 600 million to partially fund Gafisa's expansion plans. The debentures act as a revolving line of credit, allowing Gafisa to fund up to 90% of the total project cost including land and construction costs of units up to R\$ 500,000 in sales price. Interest rates depend on the number of units priced in the range of R\$ 130,000 to R\$ 500,000 starting as low as TR+8.25 up to TR+10.25%. The Tenda subsidiary already benefits from a very similar, R\$ 600 million debentures vehicle through CAIXA.

**Minha Casa Minha Vida:** With a national presence and designation as a CAIXA Bank Representative in 6 regions, Gafisa's Tenda subsidiary is well-positioned to leverage this expanded opportunity for continued growth in the low-income segment. CAIXA is well on its way to achieving its objective of adding 1 million new homes in this segment, with some 71% (713,990 units as of December 2009) of the one million planned units already under analysis (275,528 units approved) and a rate of approval of over 4,900 units per business day. While there is no current governmental commitment to a renewal of the housing program support beyond 2010, industry participants have already been working with the government on promoting such initiatives.

**Strong Sales in Middle and Mid-High Segments:** Gafisa continues to witness strong demand throughout Brazil for the middle and middle to high income products represented by the Gafisa and Alphaville brands, which sold over R\$ 670 million during the quarter, logging sales velocities of 23% and 44% respectively. Almost 60% of the Alphaville launches of R\$ 286 million and 64% of sales were outside of the markets of Sao Paulo and Rio de Janeiro in the fourth quarter. Projects demonstrating especially strong sales velocities during the final quarter of the year included Paulista Corporate, which was launched in October, and Vision Brooklin, a November launch, which were each more than 70% sold at year's end.

**Diversified Geographies and Products:** In December 2006, higher income products represented by the Gafisa brand represented 100% of the Company's revenues, pre-sales and launches and the Company had a presence in 10 states and 16 cities with a total of 70 developments. During 2009, with a more diversified and balanced portfolio, Gafisa's mid/mid-high products accounted for 58% of pre-sales, while TENDA's affordable offerings represented 42% of pre-sales. The Company's well-known brands were present in 21 states and 100 cities with 188 projects (consisting of 383 project phases).

**Opportunities in 2010:** We are optimistic about the Brazilian economy as well as Gafisa's opportunities within our sector. Gafisa's geographic and segment diversification strategies give it a national footprint and tremendous flexibility in execution. Given the present economic outlook, Gafisa expects to launch projects totaling R\$ 4 billion to R\$ 5 billion during 2010, of which 40-45% will be dedicated to the affordable entry-level segment through Tenda. Additionally, with the move to fully consolidate the management and operations of Tenda and our ability to achieve further operating synergies, we expect to achieve 2010 launch levels at an enhanced rate of operating profitability. We expect the Company's full year 2010 EBITDA margins to reach between 18.5% - 20.5%.

**Follow-on Share Offering:** Today we are announcing that Gafisa intends to proceed with a follow-on equity offering worth an estimated R\$ 1 billion. Given the strong internal economic climate, growing demand for housing and expansion of the public and private mortgage markets, we believe there is a significant opportunity to profitably expand our presence in Brazilian housing. A follow-on offering will afford us the opportunity to comfortably fund our business objectives over the next few years while enhancing our current capital structure and M&A opportunities.

| <b>Operating and Financial Highlights<br/>(R\$000)</b> | <b>4Q09</b> | <b>4Q08</b> | <b>Var.<br/>(%)</b> | <b>2009</b> | <b>2008</b> | <b>Var.<br/>(%)</b> |
|--|-------------|-------------|---------------------|-------------|-------------|---------------------|
| Launches (%Gafisa)                                     | 1,000,353   | 644,969     | 55.1%               | 2,301,224   | 4,195,698   | -45.2%              |
| Launches (100%) <sup>1)</sup>                          | 1,262,374   | 953,342     | 32.4%               | 2,789,671   | 5,157,195   | -45.9%              |
| Launches, units (%Gafisa)                              | 4,258       | 1,469       | 189.9%              | 10,795      | 30,016      | -64.0%              |
| Launches, units (100%) <sup>1)</sup>                   | 5,662       | 2,207       | 156.5%              | 13,386      | 33,251      | -59.7%              |
| Contracted sales (%Gafisa)                             | 1,053,810   | 588,370     | 79.1%               | 3,248,065   | 2,577,762   | 26.0%               |
| Contracted sales (100%) <sup>1)</sup>                  | 1,218,564   | 865,338     | 40.8%               | 3,806,485   | 3,245,187   | 17.3%               |
| Contracted sales, units (% Gafisa)                     | 6,413       | 3,760       | 70.5%               | 22,012      | 17,114      | 28.6%               |
| Contracted sales, units (100%) <sup>1)</sup>           | 7,155       | 4,597       | 55.6%               | 24,407      | 19,417      | 25.7%               |
| Net revenues   | 897,540     | 561,738     | 59.8%               | 3,022,346   | 1,740,404   | 73.7%               |
| Gross profit   | 277,418     | 147,644     | 87.9%               | 878,584     | 526,003     | 67.0%               |
| Gross margin   | 30.9%       | 26.3%       | 463 bps             | 29.1%       | 30.2%       | -115 bps            |
| Adjusted Gross Margin <sup>2)</sup>                    | 34.7%       | 30.6%       | 404 bps             | 32.2%       | 33.3%       | -109 bps            |
| Adjusted EBITDA <sup>3)</sup>                          | 174,722     | 82,272      | 112.4%              | 604,476     | 300,472     | 101.2%              |
| Adjusted EBITDA margin <sup>3)</sup>                   | 19.5%       | 14.6%       | 482 bps             | 20.0%       | 17.3%       | 274 bps             |
| Adjusted Net profit <sup>4)</sup>                      | 86,074      | 43,624      | 97.3%               | 312,825     | 192,792     | 62.3%               |
| Adjusted Net margin <sup>4)</sup>                      | 9.6%        | 7.8%        | 182 bps             | 10.4%       | 11.1%       | -73 bps             |
| Net profit   | 55,321      | 12,844      | 330.7%              | 213,540     | 109,921     | 94.3%               |
| EPS (R\$)  | 0.33        | 0.10        | 235.6%              | 1.28        | 0.85        | 51.4%               |
| Number of shares ('000 final)                          | 166,777     | 129,963     | 28.3%               | 166,777     | 129,963     | 28.3%               |
| Revenues to be recognized                              | 3,024,992   | 2,887,518   | 4.8%                | 3,024,992   | 2,887,518   | 4.8%                |
| Results to be recognized <sup>5)</sup>                 | 1,065,777   | 1,014,591   | 5.0%                | 1,065,777   | 1,014,591   | 5.0%                |
| REF margin <sup>5)</sup>                               | 35.2%       | 35.1%       | 10 bps              | 35.2%       | 35.1%       | 10 bps              |
| Net debt and Investor obligations                      | 1,998,079   | 1,246,619   | 60.3%               | 1,998,079   | 1,246,619   | 60.3%               |
| Cash and availabilities                                | 1,424,053   | 605,502     | 135.2%              | 1,424,053   | 605,502     | 135.2%              |
| Equity   | 2,325,634   | 1,612,419   | 44.2%               | 2,325,634   | 1,612,419   | 44.2%               |
| Equity + Minority shareholders                         | 2,384,181   | 2,083,822   | 14.4%               | 2,384,181   | 2,083,822   | 14.4%               |
| Total assets   | 7,688,323   | 5,538,858   | 38.8%               | 7,688,323   | 5,538,858   | 38.8%               |
| (Net debt + Obligations) / (Equity + Minorities)       | 83.8%       | 59.8%       | 2400 bps            | 83.8%       | 59.8%       | 2400 bps            |

<sup>1)</sup> Gafisa's and Alphaville's numbers at 100% and Tenda's numbers at company stake

<sup>2)</sup> Adjusted for capitalized interest

<sup>3)</sup> Adj. for expenses with stock options plans (non-cash). Excl. Tenda's goodwill and net of provisions the 2009 EBITDA margins was 17.5% (14.9 in 2008).

<sup>4)</sup> Adjusted for expenses with stock options plans (non-cash), minority shareholders and non recurring expenses

<sup>5)</sup> Results to be recognized net from PIS/Cofins - 3.65%; excludes the AVP method introduced by law 11638

## Launches

During most of 2009, Gafisa adopted a conservative approach to new launch activity with a focus on inventory reduction and maintenance of financial flexibility. In the 4Q09, launches were R\$ 1.0 billion, an increase of 55.1% compared to the 4Q08. During FY09, consolidated launches totaled R\$ 2,301 million, a decline of 45.5% as compared to 2008, due to the Company's strategy to reduce inventory during 2009. The Gafisa segment accounted for 57% of launches with a price per unit below R\$ 500 thousand, while nearly 75% of Tenda's launches had prices per unit below R\$ 130 thousand. The Gafisa segment was responsible for 55% of launches, Alphaville accounted for 18% and Tenda for the remaining 27%. **Company**

The tables below detail new projects launched during the fourth quarter and the full year 2009, as compared to 2008:

**Table 1 - Launches per company per region**

| % Gafisa - R\$000          |                       | 4Q09             | 4Q08           | Var. (%)    | 2009             | 2008             | Var. (%)    |
|----------------------------|-----------------------|------------------|----------------|-------------|------------------|------------------|-------------|
| <b>Gafisa</b>              | São Paulo             | 436,837          | 280,667        | 56%         | 804,937          | 918,156          | -12%        |
|                            | Rio de Janeiro        | 32,753           | 112,616        | -71%        | 95,955           | 443,516          | -78%        |
|                            | Other                 | 107,994          | -65,826        | -264%       | 363,628          | 551,728          | -34%        |
|                            | Total                 | 577,584          | 327,458        | 76%         | 1,264,520        | 1,913,401        | -34%        |
|                            | Units                 | 1,472            | 715            | 106%        | 3,413            | 4,949            | -31%        |
| <b>Alphaville</b>          | São Paulo             | 52,929           | 29,443         | 80%         | 99,498           | 29,443           | 238%        |
|                            | Rio de Janeiro        | 62,834           | 59,625         | 5%          | 98,729           | 88,968           | 11%         |
|                            | Other                 | 170,268          | 12,073         | 1310%       | 221,285          | 194,104          | 14%         |
|                            | Total                 | 286,030          | 101,141        | 183%        | 419,512          | 312,514          | 34%         |
|                            | Units                 | 1,451            | 348            | 317%        | 2,096            | 1,818            | 15%         |
| <b>Tenda <sup>1)</sup></b> | São Paulo             | 69,032           | 10,489         | 558%        | 240,287          | 390,761          | -39%        |
|                            | Rio de Janeiro        | -29,250          | 88,660         | -133%       | 99,824           | 471,444          | -79%        |
|                            | Other                 | 96,957           | 117,221        | -17%        | 277,080          | 1,107,579        | -75%        |
|                            | Total                 | 136,739          | 216,371        | -37%        | 617,191          | 1,969,783        | -69%        |
|                            | Units                 | 1,335            | 406            | 229%        | 5,286            | 23,249           | -77%        |
| <b>Consolidated</b>        | <b>Total - R\$000</b> | <b>1,000,353</b> | <b>644,969</b> | <b>55%</b>  | <b>2,301,224</b> | <b>4,195,698</b> | <b>-45%</b> |
|                            | <b>Total - Units</b>  | <b>4,258</b>     | <b>1,469</b>   | <b>190%</b> | <b>10,795</b>    | <b>30,016</b>    | <b>-64%</b> |

**Table 2 - Launches per company per unit price - Units**

| % Gafisa - R\$000 |                      | 4Q09    | 4Q08    | Var. (%) | 2009      | 2008      | Var. (%) |
|-------------------|----------------------|---------|---------|----------|-----------|-----------|----------|
| <b>Gafisa</b>     | ≤ R\$500K            | 328,283 | 98,116  | 235%     | 612,866   | 1,103,926 | -44%     |
|                   | > R\$500K            | 249,301 | 229,342 | 9%       | 651,654   | 809,475   | -19%     |
|                   | Total                | 577,584 | 327,458 | 76%      | 1,264,520 | 1,913,401 | -34%     |
| <b>Alphaville</b> | ≤ R\$100K;           | 24,030  | -       | -        | 24,030    | 41,342    | -42%     |
|                   | > R\$100K; ≤ R\$500K | 262,000 | 41,516  | 531%     | 395,482   | 211,547   | 87%      |
|                   | > R\$500K            | -       | 59,625  | -100%    | -         | 59,625    | -100%    |

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|                     |                         |                  |                |            |                  |                  |             |
|---------------------|-------------------------|------------------|----------------|------------|------------------|------------------|-------------|
|                     | Total                   | 286,030          | 101,141        | 183%       | 419,512          | 312,514          | 34%         |
| <b>Tenda</b>        | <sup>1)</sup> ≤ R\$130K | 102,507          | 128,255        | -20%       | 288,013          | 1,663,275        | -83%        |
|                     | > R\$130K               | 34,232           | 88,115         | -61%       | 329,179          | 306,508          | 7%          |
|                     | Total                   | 136,739          | 216,371        | -37%       | 617,191          | 1,969,783        | -69%        |
| <b>Consolidated</b> |                         | <b>1,000,353</b> | <b>644,969</b> | <b>55%</b> | <b>2,301,224</b> | <b>4,195,698</b> | <b>-45%</b> |

<sup>1)</sup> Includes Tenda, Fit Residencial and Bairro Novo in 2008

## Pre-Sales

Pre-sales in the quarter increased by 79% to R\$ 1,054 million as compared to 4Q08, equivalent to 105% of launches. In 2009, pre-sales totaled R\$ 3,248 million, an increase of 26% as compared to 2008. The Gafisa segment was responsible for 46% of total pre-sales, while Alphaville and Tenda accounted for 12% and 42% respectively. Considering Gafisa's pre-sales, 40% corresponded to units priced below R\$ 500 thousand, while 86% of Tenda's pre-sales came from units priced below R\$ 130 thousand. Overall, sales from inventory were robust. Pre-sales for projects launched before 2009 accounted for 57% of our total consolidated sales. Our sales level came in over the top of our 2009 guidance range of R\$ 2.7 - 3.2 billion.

The tables below illustrate a detailed breakdown of our pre-sales for the fourth quarters and the full year periods of 2009 compared to 2008:

**Table 3 - Sales per company per region**

| % Gafisa - R\$000          |                       | 4Q09             | 4Q08           | Var. (%)   | 2009             | 2008             | Var. (%)   |
|----------------------------|-----------------------|------------------|----------------|------------|------------------|------------------|------------|
| <b>Gafisa</b>              | São Paulo             | 308,023          | 144,087        | 114%       | 829,795          | 598,817          | 39%        |
|                            | Rio de Janeiro        | 75,311           | 114,740        | -34%       | 268,209          | 365,650          | -27%       |
|                            | Other                 | 83,245           | 41,932         | 99%        | 412,072          | 380,944          | 8%         |
|                            | Total                 | 466,579          | 300,758        | 55%        | 1,510,075        | 1,345,412        | 12%        |
|                            | Units                 | 1,210            | 772            | 57%        | 4,190            | 3,733            | 12%        |
| <b>Alphaville</b>          | São Paulo             | 55,344           | 24,017         | 130%       | 110,200          | 30,610           | 260%       |
|                            | Rio de Janeiro        | 10,006           | 56,502         | -82%       | 43,061           | 66,702           | -35%       |
|                            | Other                 | 138,986          | 35,381         | 293%       | 223,624          | 202,577          | 10%        |
|                            | Total                 | 204,336          | 115,901        | 76%        | 376,885          | 299,889          | 26%        |
|                            | Units                 | 968              | 517            | 87%        | 1,951            | 1,518            | 29%        |
| <b>Tenda <sup>1)</sup></b> | São Paulo             | 131,232          | 114,845        | 14%        | 496,773          | 296,857          | 67%        |
|                            | Rio de Janeiro        | 97,048           | 34,341         | 183%       | 405,061          | 214,497          | 89%        |
|                            | Other                 | 154,615          | 22,525         | 586%       | 459,270          | 421,106          | 9%         |
|                            | Total                 | 382,895          | 171,711        | 123%       | 1,361,105        | 932,461          | 46%        |
|                            | Units                 | 4,234            | 2,471          | 71%        | 15,871           | 11,863           | 34%        |
| <b>Consolidated</b>        | <b>Total - R\$000</b> | <b>1,053,810</b> | <b>588,370</b> | <b>79%</b> | <b>3,248,065</b> | <b>2,577,762</b> | <b>26%</b> |
|                            | <b>Total - Units</b>  | <b>6,413</b>     | <b>3,760</b>   | <b>71%</b> | <b>22,012</b>    | <b>17,114</b>    | <b>29%</b> |

<sup>1)</sup> Includes Tenda, Fit Residencial and Bairro Novo in 2008

**Table 4 - Sales per company per unit price - PSV**

| % Gafisa - R\$000 |            | 4Q09    | 4Q08    | Var. (%) | 2009      | 2008      | Var. (%) |
|-------------------|------------|---------|---------|----------|-----------|-----------|----------|
| <b>Gafisa</b>     | ≤ R\$500K  | 185,480 | 170,360 | 9%       | 610,494   | 564,684   | 8%       |
|                   | > R\$500K  | 281,099 | 130,398 | 116%     | 899,581   | 780,727   | 15%      |
|                   | Total      | 466,579 | 300,758 | 55%      | 1,510,075 | 1,345,412 | 12%      |
| <b>Alphaville</b> | ≤ R\$100K; | 7,710   | 12,162  | -37%     | 25,697    | 32,570    | -21%     |

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|                           |                         |                  |                |            |                  |                  |            |
|---------------------------|-------------------------|------------------|----------------|------------|------------------|------------------|------------|
|                           | > R\$100K; ≤ R\$500K    | 194,169          | 46,851         | 314%       | 331,915          | 191,563          | 73%        |
|                           | > R\$500K               | 2,456            | 56,888         | -96%       | 19,272           | 75,756           | -75%       |
|                           | Total                   | 204,336          | 115,901        | 76%        | 376,885          | 299,889          | 26%        |
| <b>Tenda</b>              | <sup>1)</sup> ≤ R\$130K | 311,403          | 143,521        | 117%       | 1,165,171        | 749,774          | 55%        |
|                           | > R\$130K               | 71,491           | 28,190         | 154%       | 195,934          | 182,687          | 7%         |
|                           | Total                   | 382,895          | 171,711        | 123%       | 1,361,105        | 932,461          | 46%        |
| <b>Consolidated Total</b> |                         | <b>1,053,810</b> | <b>588,370</b> | <b>79%</b> | <b>3,248,065</b> | <b>2,577,762</b> | <b>26%</b> |

<sup>1)</sup> Includes Tenda, Fit Residencial and Bairro Novo in 2008



**Table 5 - Sales per company per unit price - Units**

| % Gafisa - Units           |                      | 4Q09         | 4Q08         | Var. (%)      | 2009          | 2008          | Var. (%)   |
|----------------------------|----------------------|--------------|--------------|---------------|---------------|---------------|------------|
| <b>Gafisa</b>              | <= R\$500K           | 250          | 522          | -52%          | 1,012         | 2,905         | -65%       |
|                            | > R\$500K            | 961          | 251          | 252%          | 3,177         | 828           | 284%       |
|                            | <b>Total</b>         | <b>1,210</b> | <b>772</b>   | <b>52%</b>    | <b>4,190</b>  | <b>3,733</b>  | <b>12%</b> |
| <b>Alphaville</b>          | ≤ R\$100K;           | 160          | 135          | 19%           | 358           | 358           | 0%         |
|                            | > R\$100K; ≤ R\$500K | 807          | 302          | 167%          | 1,570         | 1,075         | 46%        |
|                            | > R\$500K            | 2            | 80           | -97%          | 24            | 85            | -72%       |
| <b>Total</b>               | <b>969</b>           | <b>517</b>   | <b>87%</b>   | <b>1,951</b>  | <b>1,518</b>  | <b>29%</b>    |            |
| <b>Tenda <sup>1)</sup></b> | <= R\$130K           | 3,836        | 2,197        | 75%           | 14,655        | 10,364        | 41%        |
|                            | > R\$130K            | 398          | 274          | 45%           | 1,216         | 1,499         | -19%       |
|                            | <b>Total</b>         | <b>4,234</b> | <b>2,471</b> | <b>71%</b>    | <b>15,871</b> | <b>11,863</b> | <b>34%</b> |
| <b>Consolidated Total</b>  | <b>6,413</b>         | <b>3,760</b> | <b>70%</b>   | <b>22,012</b> | <b>17,114</b> | <b>29%</b>    |            |

<sup>1)</sup> Includes Tenda, Fit Residencial and Bairro Novo in 2008

### Sales Velocity

The consolidated company attained a sales velocity of 28.6% in the fourth quarter of 2009, following a velocity of 22% in the 3Q09. Overall company sales velocity increased as compared to the previous period, mainly due to Alphaville and Tenda's improved performances during the quarter. In the case of Gafisa and Alphaville, we had a positive impact in inventory prices in the 4Q09 of R\$ 102 million. In the case of Tenda, our most recent analyses indicated that part of the inventory released in the 3Q09 were not ready to be sold. Accordingly, we adjusted Tenda's inventory blocking an equivalent of R\$ 233 million.

**Table 6 - Sales velocity per company**

| R\$ million  | Inventories beginning of period | Launches       | Sales          | *Inventory Release + Other | Inventories end of period | Sales velocity |
|--------------|---------------------------------|----------------|----------------|----------------------------|---------------------------|----------------|
| Gafisa       | 1,358.1                         | 577.6          | 466.6          | 101.3                      | 1,570.4                   | 22.9%          |
| AlphaVille   | 180.9                           | 286.0          | 204.3          | 0.9                        | 263.5                     | 43.7%          |
| Tenda        | 1,275.9                         | 136.7          | 382.9          | (233.1)                    | 796.6                     | 32.5%          |
| <b>Total</b> | <b>2,814.9</b>                  | <b>1,000.4</b> | <b>1,053.8</b> | <b>(130.9)</b>             | <b>2,630.5</b>            | <b>28.6%</b>   |

**Table 7 - Sales velocity per launch date**

| 4Q09               |       |
|--------------------|-------|
| Inventories end of | Sales |

|               | <b>period</b>    | <b>Sales</b>     | <b>velocity</b> |
|---------------|------------------|------------------|-----------------|
| 2009 launches | 892,875          | 713,451          | 44.4%           |
| 2008 launches | 1,078,581        | 195,255          | 15.3%           |
| 2007 launches | 499,829          | 123,037          | 19.8%           |
| 2006 launches | 159,188          | 22,066           | 12.2%           |
| <b>Total</b>  | <b>2,630,473</b> | <b>1,053,810</b> | <b>28.6%</b>    |

## Operations

Gafisa's geographic reach and execution capacity is substantial. The Company is upholding and advancing its reputation for delivering projects according to schedule and within budget. It was present in 21 different states, with 188 projects (310 phases) under development at the close of the fourth quarter. Some 250 engineers were in the field and close to 500 intern engineers were in training.

One other indicator of the Company's execution capacity is the small, 7% gap between sales and net revenues, demonstrating that the pace of construction execution is closely following the level of sales growth. Gafisa and its subsidiaries continue to selectively launch successful projects in new regions and in multiple market segments, maximizing returns in accordance with market demand. In 2009 Tenda transferred to CEF 5.114 units and we have over 25.000 under Caixa's analysis.

## Completed Projects

During the fourth quarter, Gafisa completed 31 projects with 1,533 units equivalent at an approximate PSV of R\$ 150 million. Gafisa and Alphaville delivered 1 project and Tenda delivered the remaining 30 projects/phases.

During 2009, the Company completed 152 project phases, representing 10,831 units and a PSV of R\$ 1.4 billion.

**Table 8 - Completed projects**

|                     | Number of<br>Projects | Completed | PSV<br>(% Gafisa - R\$<br>million) | Units<br>(% Gafisa) |
|---------------------|-----------------------|-----------|------------------------------------|---------------------|
| Gafisa              | 1                     | 4Q09      | 21.0                               | 55                  |
| Gafisa              | 5                     | 3Q09      | 170.3                              | 392                 |
| Gafisa              | 6                     | 2Q09      | 263.7                              | 856                 |
| Gafisa              | 5                     | 1Q09      | 239.5                              | 543                 |
| <b>Total</b>        | <b>17</b>             |           | <b>694.5</b>                       | <b>1,846</b>        |
| Alphaville          | 0                     | 4Q09      | 0                                  | 0                   |
| Alphaville          | 3                     | 3Q09      | 129.8                              | 1,058               |
| Alphaville          | 1                     | 2Q09      | 43.1                               | 777                 |
| Alphaville          | 1                     | 1Q09      | 31.6                               | 799                 |
| <b>Total</b>        | <b>5</b>              |           | <b>204.5</b>                       | <b>2,634</b>        |
| Tenda               | 30                    | 4Q09      | 128.4                              | 1,478               |
| Tenda               | 51                    | 3Q09      | 102.7                              | 1,417               |
| Tenda               | 28                    | 2Q09      | 169.3                              | 2,151               |
| Tenda               | 21                    | 1Q09      | 95.3                               | 1,305               |
| <b>Total</b>        | <b>130</b>            |           | <b>495.7</b>                       | <b>6,351</b>        |
| <b>Consolidated</b> | <b>152</b>            |           | <b>1,394.7</b>                     | <b>10,831</b>       |

## Land Bank

The Company's land bank of approximately R\$ 15.8 billion is composed of 383 different projects in 21 states, equivalent to more than 90 thousand units. In line with our strategy, 50.7% of our land bank was acquired through swaps which require no cash obligations.

The table below shows a detailed breakdown of our current land bank:

**Table 9 - Landbank per company per unit price**

|  | PSV - R\$<br>million<br>(% Gafisa) | %Swap<br>Total | %Swap<br>Units | %Swap<br>Financial | Potential<br>units<br>(% Gafisa) |
|--|------------------------------------|----------------|----------------|--------------------|----------------------------------|
|--|------------------------------------|----------------|----------------|--------------------|----------------------------------|

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|                     |                    |               |              |              |              |               |
|---------------------|--------------------|---------------|--------------|--------------|--------------|---------------|
| <b>Gafisa</b>       | ≤ R\$500K          | 4,149         | 47.2%        | 39.0%        | 8.3%         | 4,490         |
|                     | > R\$500K          | 3,427         | 38.0%        | 36.0%        | 2.1%         | 14,235        |
| Total               |                    | 7,576         | 42.1%        | 37.3%        | 4.8%         | 18,725        |
| <b>Alphaville</b>   | ≤ R\$100K;         | 404           | 94.2%        | 0.0%         | 94.2%        | 5,340         |
|                     | > R\$100K; R\$500K | 3,458         | 99.7%        | 0.0%         | 99.7%        | 18,705        |
|                     | > R\$130K          | 100           | 0.0%         | 0.0%         | 0.0%         | 50            |
| Total               |                    | 3,962         | 98.5%        | 0.0%         | 98.5%        | 24,094        |
| <b>Tenda</b>        | ≤ R\$130K          | 3,822         | 24.3%        | 24.3%        | 0.0%         | 44,876        |
|                     | > R\$130K          | 463           | 5.7%         | 5.7%         | 0.0%         | 2,826         |
| Total               |                    | 4,285         | 19.4%        | 19.4%        | 0.0%         | 47,703        |
| <b>Consolidated</b> |                    | <b>15,823</b> | <b>50.7%</b> | <b>23.6%</b> | <b>27.1%</b> | <b>90,522</b> |

| Number of projects/phases |            |
|---------------------------|------------|
| Gafisa                    | 139        |
| AlphaVille                | 40         |
| Tenda                     | 204        |
| <b>Total</b>              | <b>383</b> |

Table 10 - Consolidated landbank per region

| % Gafisa - PSV<br>(R\$000) | 4Q09          | 4Q08          | Var. (%)     |
|----------------------------|---------------|---------------|--------------|
| São Paulo                  | 5,721         | 6,713         | -15%         |
| Rio de Janeiro             | 2,332         | 2,960         | -21%         |
| Alagoas                    | 1,377         | 1,457         | -5%          |
| Amazonas                   | 46            | -             | -            |
| Bahia                      | 375           | 528           | -29%         |
| Ceará                      | 62            | 59            | 4%           |
| Distrito Federal           | 1,187         | 779           | 52%          |
| Espírito Santo             | 284           | 285           | 0%           |
| Goiás                      | 359           | 375           | -4%          |
| Maranhão                   | -             | 40            | -100%        |
| Mato Grosso do Sul         | 36            | 36            | 0%           |
| Minas Gerais               | 1,197         | 1,418         | -16%         |
| Pará                       | 747           | 411           | 82%          |
| Paraíba                    | 32            | 64            | -49%         |
| Paraná                     | 209           | 237           | -12%         |
| Pernambuco                 | 498           | 487           | 2%           |
| Piauí                      | 70            | -             | -            |
| Rio Grande do Norte        | 87            | 118           | -27%         |
| Rio Grande do Sul          | 893           | 782           | 14%          |
| Roraima                    | 32            | 52            | -38%         |
| Santa Catarina             | 188           | 208           | -10%         |
| Sergipe                    | 91            | 32            | 183%         |
| <b>Total</b>               | <b>15,823</b> | <b>17,041</b> | <b>-7.1%</b> |

#### 4Q09 and 2009- Revenues

On the strength of solid sales performance in 4Q09, both from launched projects and inventories, and an accelerated pace of construction, the Company was able to recognize substantial Net operating revenues for 4Q09, which rose by 60% to R\$ 897.5 million from R\$ 561.7 million in 4Q08, with Tenda contributing 29% of the consolidated revenues.

Revenues for the industry are recognized based on actual cost versus total budgeted costs of land and construction (Percentage of Completion method or PoC method).

The table below presents detailed information about pre-sales and recognized revenues by launch year:

Table 11 - Sales vs. Recognized revenues

| 4Q09  |         |          | 2009  |         |          |
|-------|---------|----------|-------|---------|----------|
| Sales | % Sales | Revenues | Sales | % Sales | Revenues |

|               |                  | %<br>Revenues    |      |                |      | %<br>Revenues    |      |                  |      |
|---------------|------------------|------------------|------|----------------|------|------------------|------|------------------|------|
| <b>Gafisa</b> | 2009<br>launches | 509,505          | 76%  | 159,238        | 25%  | 928,805          | 49%  | 259,251          | 13%  |
|               | 2008<br>launches | 79,044           | 12%  | 168,116        | 26%  | 450,257          | 24%  | 437,648          | 22%  |
|               | 2007<br>launches | 60,300           | 9%   | 244,427        | 38%  | 319,747          | 17%  | 793,369          | 39%  |
|               | 2006<br>launches | 22,066           | 3%   | 63,415         | 10%  | 188,151          | 10%  | 543,633          | 27%  |
|               | Total<br>Gafisa  | 670,915          | 100% | 635,195        | 100% | 1,886,960        | 100% | 2,033,902        | 100% |
| <b>Tenda</b>  |                  |                  |      |                |      |                  |      |                  |      |
| 1)            | Total Tenda      | 382,895          | ---  | 262,346        | ---  | 1,361,105        | ---  | 988,444          | ---  |
| <b>Total</b>  |                  | <b>1,053,810</b> |      | <b>897,540</b> |      | <b>3,248,065</b> |      | <b>3,022,346</b> |      |

1) Includes Tenda, Fit Residencial and Bairro Novo in 2008

**4Q09 and 2009 - Gross Profits**

On a consolidated basis, gross profit for 4Q09 totaled R\$ 277.4 million, an increase of 88% over 4Q08 and 8.7% over 3Q09, reflecting continued growth and business expansion. The gross margin for 4Q09 reached 30.9% (34.7% w/o capitalized interest), 404 basis points higher than in 4Q08, mainly due to the business improvement and SAP enterprise software implementation that reduced the recognition of construction costs in the 3Q08, subsequently adjusted in the 4Q08. When compared to the 3Q09, the gross margin was 182 basis points higher, mainly due to the improvement of margins at Gafisa/Alphaville.

**Table 12 - Capitalized interest**

| <b>(R\$000)</b>            |                             | <b>4Q09</b>   | <b>4Q08</b>   | <b>3Q09</b>   |
|----------------------------|-----------------------------|---------------|---------------|---------------|
| <b>Gafisa</b>              | Initial balance             | 87,002        | 66,531        | 89,983        |
|                            | Capitalized interest        | 23,118        | 42,736        | 14,806        |
|                            | Interest transfered to COGS | (28,064)      | (22,702)      | (17,787)      |
|                            | <b>Final balance</b>        | <b>82,056</b> | <b>86,565</b> | <b>87,002</b> |
| <b>Tenda <sup>1)</sup></b> | Initial balance             | 9,509         | 588           | 7,255         |
|                            | Capitalized interest        | 5,646         | 2,752         | 6,272         |
|                            | Interest transfered to COGS | (5,643)       | (1,705)       | (4,018)       |
|                            | <b>Final balance</b>        | <b>9,512</b>  | <b>1,635</b>  | <b>9,509</b>  |
| <b>Consolidado</b>         | Initial balance             | 96,511        | 67,119        | 97,238        |
|                            | Capitalized interest        | 28,763        | 45,488        | 21,078        |
|                            | Interest transfered to COGS | (33,707)      | (24,407)      | (21,805)      |
|                            | <b>Final balance</b>        | <b>91,568</b> | <b>88,200</b> | <b>96,511</b> |

<sup>1)</sup> Includes Tenda, Fit Residencial and Bairro Novo in 2008

**4Q09 and 2009 Selling, General, and Administrative Expenses (SG&A)**

Integrating Tenda into Gafisa has begun in the 4Q09 and operational, commercial and administrative areas started to work together. Consequently, it no longer makes sense to continue showing the breakdown between Gafisa and Tenda SG&A. Therefore, starting in the 4Q09 we are presenting the consolidated figures of these topics.

In the 4Q09, SG&A expenses totaled R\$ 133.6 million, compared to R\$ 142.7 in the same quarter of 2008, mainly due to Tenda's improved results after the merge of FIT into Tenda. In the 4Q08 we had charges related to cancellations and restructuring and also a higher consolidated stock option expense.

When compared to the 3Q09, the SG&A increased from R\$ 113.2 million to R\$ 133.6 million, mainly due to higher sales volume that increased the sales expenses by R\$ 17.7 million, but with flat selling expenses/sales of 7%. The G&A also increased by R\$ 3 million, mainly due to the expenses related to the SOX compliance in Tenda. As Tenda's sales and revenues ramp up in the following quarters, the costs associated with its sales platform will be diluted and its fixed cost ratios improved.

The synergies coming from the Integrating processes of Tenda into Gafisa should start to show out the benefits in the coming quarters mainly due to better dilutions to come, since we are not expecting to increase the sales expense of Tenda to reach a higher expected volume of launches and sales. We also expect synergies to be achieved through shared back office functions, leveraging office infrastructure, and the accelerated implementation of systems such as SAP across Tenda's operations, all of which are expected to contribute to a better SG&A/net revenue ratio in the

coming quarters.

When compared to the 4Q08, the ratios of Consolidated Selling Expenses/Sales and G&A/Net revenue improved, falling respectively by 442 and 677 basis points. We can not compare SG&A with Launches and Revenues because expenses do not include 12 months of Tenda's operations in 2008.



**Table 13 - Sales and G&A Expenses**

| <b>Company</b>                  | <b>4Q09</b> | <b>4Q08</b> | <b>2009</b> | <b>2008</b> |
|---------------------------------|-------------|-------------|-------------|-------------|
| <b>Consolidated</b>             |             |             |             |             |
| Selling expenses                | 73,277      | 66,897      | 226,621     | 154,401     |
| G&A expenses                    | 60,298      | 75,787      | 233,129     | 180,838     |
| SG&A                            | 133,575     | 142,684     | 459,750     | 335,239     |
| Selling expenses / Sales        | 7.0%        | 11.4%       | 7.0%        | 6.0%        |
| G&A expenses / Sales            | 5.7%        | 12.9%       | 7.2%        | 7.0%        |
| SG&A / Sales                    | 12.7%       | 24.3%       | 14.2%       | 13.0%       |
| Selling expenses / Net revenues | 8.2%        | 11.9%       | 7.5%        | 8.9%        |
| G&A expenses / Net revenues     | 6.7%        | 13.5%       | 7.7%        | 10.4%       |
| SG&A / Net revenues             | 14.9%       | 25.4%       | 15.2%       | 19.3%       |

**4Q09 and 2009 Other Operating Results and Non recurring expenses**

In 4Q09, our results reflected a positive impact of R\$11.3 million, net of provisions, R\$ 11.7 million of which was due to the amortization of Tenda's goodwill (R\$ 74.5 million in 2009). The 4Q09 results also included R\$ 13.5 million of non-recurring expenses associated with the merger of Tenda into Gafisa, related to financial advisors, legal counsel and consulting fees.

**4Q09 and 2009 Adjusted EBITDA**

Integrating Tenda into Gafisa has begun in the 4Q09 and operational, commercial and administrative areas started to work together. Therefore it no longer makes sense to continue showing the breakdown between Gafisa and Tenda EBITDA figures.

We adjust our EBITDA for expenses associated with stock options plans, as it represents a non-cash expense. Our Adjusted EBITDA for the fourth quarter totaled R\$ 174.7 million, 112% higher than the R\$ 82.3 million for 4Q08, with a consolidated adjusted margin of 19.5%, an increase of 482 basis points from 4Q08.

In the FY2009, the Adjusted EBITDA reached R\$ 604.5 million (20.0% margin). Without Tenda's goodwill and net of provisions, the Adjusted EBITDA reached R\$ 529.9 million, with a 17.5% margin, when compared to R\$ 259.5 million in 2008 (14.9% Margin). Full year 2009 results exceeded the 2009 guidance of 16% - 17% EBITDA margin by 50 basis points. We are confident that the synergies to come related to the merger of Tenda and also the better dilution of SG&A will continue to benefit our margins for the coming quarters, and accordingly we are providing guidance of 18.5% to 20.5% EBITDA margin for 2010, on average a 200 basis point increase as compared to the 2009 margin.

**Table 14 - Adjusted EBITDA per company**

| <b>(R\$000)</b>                   | <b>4Q09</b> | <b>4Q08</b> | <b>2009</b> | <b>2008</b> |
|-----------------------------------|-------------|-------------|-------------|-------------|
| <b>Consolidated</b>               |             |             |             |             |
| Net Profit                        | 55,321      | 12,844      | 213,540     | 109,921     |
| (+) Financial result              | 27,891      | (1,729)     | 80,828      | (41,846)    |
| (+) Income taxes                  | 30,502      | (7,058)     | 95,406      | 43,397      |
| (+) Depreciation and Amortization | 10,004      | 23,029      | 34,170      | 52,635      |
| (+) Capitalized Interest Expenses | 33,707      | 24,407      | 94,704      | 53,494      |
| (+) Minority shareholders         | 17,929      | 21,193      | 71,400      | 56,733      |
| EBITDA                            | 175,356     | 72,685      | 590,048     | 274,334     |
|                                   | (634)       | 9,588       | 14,428      | 26,138      |

|   |                |               |                |                |
|---|----------------|---------------|----------------|----------------|
| (+) Stock option plan expenses                      |                |               |                |                |
| Adjusted EBITDA                                     | 174,722        | 82,272        | 604,476        | 300,472        |
| Net Revenues  | 897,540        | 561,738       | 3,022,346      | 1,740,404      |
| Adjusted EBITDA margin                              | 19.5%          | 14.6%         | 20.0%          | 17.3%          |
| <b>Consolidated <sup>(1)</sup></b>                  |                |               |                |                |
| Adjusted EBITDA                                     | 174,722        | 82,272        | 604,476        | 300,472        |
| (+) Tenda s goodwill and net of provisions          | (6,897)        | (41,008)      | (74,546)       | (41,008)       |
| Adjusted EBITDA Without Tenda s goodwill and net of | <b>167,825</b> | <b>41,264</b> | <b>529,930</b> | <b>259,463</b> |
| Adjusted EBITDA margin                              | 18.7%          | 7.3%          | 17.5%          | 14.9%          |

(1) Without Tenda s goodwill and net of provisions

#### **4Q09 and 2009 - Depreciation and Amortization**

Depreciation and amortization in 4Q09 was R\$ 10.0 million, a decline from the R\$ 23.0 million recorded in 4Q08. The Company no longer amortizes goodwill because of a new accounting rule that requires the assessment of such assets on a yearly basis to determine a reserve for impairment.

**4Q09 and 2009 - Financial Results**

Net financial expenses totaled R\$ 27.9 million in 4Q09, compared to net financial revenue of R\$ 1.7 million in the 4Q08 and a net expense of R\$ 31 million in the 3Q09. The increase in the 4Q09 was mainly due to the higher net debt position, lower interest capitalization and higher spread between the interest paid and received.

**4Q09 and 2009 - Taxes**

Income taxes, social contribution and deferred taxes for 4Q09 amounted to R\$ 30.5 million compared to a tax credit of R\$7.0 million in 4Q08. The effective tax rate was 29% in 4Q09 compared to a credit of 26% in 4Q08, when the company accounted for a credit in deferred taxes mainly due to the recognition of deferred income tax over the amortization of Tenda's negative goodwill of investments.

**4Q09 and 2009 - Adjusted Net Income**

Net income in 4Q09 was R\$ 55.3 million. However, if we consider the adjusted net income (before deduction of expenses related to minority shareholders and stock options), this figure reached R\$ 86.1 million, with an adjusted net margin of 9.6% , representing growth of R\$ 42.5 million as compared to the R\$ 43.6 million in the 4Q08 (7.8% net margin).

**4Q09 and 2009 - Earnings per Share**

Earnings per share were R\$ 1.28 in 2009 compared to R\$ 0.85 in 2008, a 51.4% increase. Shares outstanding at the end of the period were R\$ 166.8 million in 4Q09 (inclusive of the merger of Tenda) and R\$ 130.0 million in 4Q08.

**Backlog of Revenues and Results**

The backlog of results to be recognized under the PoC method reached R\$ 1.07 billion in 4Q09, R\$ 51 million higher than 4Q08 and 3Q09. Tenda's backlog of results to be recognized comprises 42% of the consolidated amount. The consolidated margin in 4Q09 was 35.2%, reflecting margins of 37.2% from Gafisa and 32.9% from Tenda.

The table below shows our revenues, costs and results to be recognized, as well as the expected margin:

**Table 15 - Results to be recognized (REF)**

| (R\$000)                   |                                | 4Q09    | 4Q08    | 3Q09    | 4Q09 x<br>4Q08 | 4Q09 x<br>3Q09 |
|----------------------------|--------------------------------|---------|---------|---------|----------------|----------------|
| <b>Gafisa</b>              | Revenues to be recognized      | 1,662   | 1,870   | 1,661   | -11.1%         | 0.1%           |
|                            | Costs to be recognized         | (1,044) | (1,220) | (1,051) | -14.4%         | -0.7%          |
|                            | Results to be recognized (REF) | 618     | 650     | 609     | -4.9%          | 1.4%           |
|                            | REF margin                     | 37.2%   | 34.8%   | 36.7%   | 2423 bps       | 48 bps         |
|                            |                                |         |         |         |                |                |
| <b>Tenda <sup>1)</sup></b> | Revenues to be recognized      | 1,363   | 1,018   | 1,245   | 33.9%          | 9.5%           |
|                            | Costs to be recognized         | (915)   | (653)   | (839)   | 40.2%          | 9.1%           |
|                            | Results to be recognized (REF) | 448     | 365     | 406     | 22.8%          | 10.3%          |
|                            | REF margin                     | 32.9%   | 35.8%   | 32.6%   | -298 bps       | 24 bps         |
|                            |                                |         |         |         |                |                |
| <b>Consolidated</b>        | Revenues to be recognized      | 3,025   | 2,888   | 2,905   | 4.8%           | 4.1%           |
|                            | Costs to be recognized         | (1,959) | (1,873) | (1,890) | 4.6%           | 3.7%           |
|                            | Results to be recognized (REF) | 1,066   | 1,015   | 1,015   | 5.0%           | 5.0%           |
|                            | REF margin                     | 35.2%   | 35.1%   | 35.0%   | 10 bps         | 28 bps         |
|                            |                                |         |         |         |                |                |

Note: Revenues to be recognized are net from PIS/Cofins (3.65%); excludes the AVP method introduced by law 11638

<sup>1)</sup> Includes Fit Residencial and Bairro Novo in 2008

**Balance Sheet****Cash and Cash Equivalents**

On December 31, 2009, cash and cash equivalents exceeded R\$ 1.4 billion, 29% higher than the balance of R\$ 1.1 billion as of September 30, 2009, and 135% higher than the R\$ 605.5 million recorded at the close of 4Q08.

**Accounts Receivable**

At the conclusion of the 4Q09, total accounts receivable increased by 9% to R\$ 6.9 billion, compared to R\$ 6.4 billion in 3Q09, and an increase of 36% as compared to the R\$ 5.1 billion balance one year ago, reflecting Tenda's acquisition and higher sales velocity from new launches.

**Table 16 - Total receivables per company**

| (R\$000)                   |                                    | 4Q09             | 4Q08             | 3Q09             | 4Q09 x<br>4Q08 | 4Q09 x<br>3Q09 |
|----------------------------|------------------------------------|------------------|------------------|------------------|----------------|----------------|
| <b>Gafisa</b>              | Receivables from developments - ST | 972,114          | 1,350,174        | 794,640          | -28%           | 22%            |
|                            | Receivables from developments - LT | 752,913          | 568,656          | 894,943          | 32%            | -16%           |
|                            | Receivables from PoC - ST          | 1,511,469        | 1,102,212        | 1,196,271        | 37%            | 26%            |
|                            | Receivables from PoC - LT          | 1,062,176        | 449,574          | 1,125,009        | 136%           | -6%            |
|                            | <b>Total</b>                       | <b>4,298,672</b> | <b>3,470,616</b> | <b>4,010,862</b> | <b>24%</b>     | <b>7%</b>      |
| <b>Tenda <sup>1)</sup></b> | Receivables from developments - ST | 584,396          | 283,941          | 779,767          | 106%           | -25%           |
|                            | Receivables from developments - LT | 830,163          | 772,127          | 512,093          | 8%             | 62%            |
|                            | Receivables from PoC - ST          | 496,995          | 152,382          | 521,839          | 226%           | -5%            |
|                            | Receivables from PoC - LT          | 706,006          | 414,376          | 537,291          | 70%            | 31%            |
|                            | <b>Total</b>                       | <b>2,617,560</b> | <b>1,622,826</b> | <b>2,350,990</b> | <b>61%</b>     | <b>11%</b>     |
| <b>Consolidated</b>        | Receivables from developments - ST | 1,556,510        | 1,634,115        | 1,574,407        | -5%            | -1%            |
|                            | Receivables from developments - LT | 1,583,076        | 1,340,783        | 1,407,036        | 18%            | 13%            |
|                            | Receivables from PoC - ST          | 2,008,464        | 1,254,594        | 1,718,110        | 60%            | 17%            |
|                            | Receivables from PoC - LT          | 1,768,182        | 863,950          | 1,662,300        | 105%           | 6%             |
|                            | <b>Total</b>                       | <b>6,916,232</b> | <b>5,093,442</b> | <b>6,361,852</b> | <b>36%</b>     | <b>9%</b>      |

Notes:

ST = short term; LT = long term

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

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

<sup>1)</sup> Includes Fit Residencial and Bairro Novo in 2008

**Table 17- Total receivables maturity per company**

| (R\$000) | Total     | Until<br>Dec/2010 | Until<br>Dec/2011 | Until<br>Dec/2012 | Until<br>Dec/2013 | After<br>Dec/2013 |
|----------|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Gafisa   | 4,298,672 | 2,114,018         | 1,399,592         | 416,922           | 149,368           | 218,772           |

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|                     |                  |                  |                  |                |                |                |
|---------------------|------------------|------------------|------------------|----------------|----------------|----------------|
| Tenda <sup>1)</sup> | 2,617,560        | 1,449,190        | 771,571          | 176,948        | 37,955         | 181,895        |
| <b>Consolidated</b> | <b>6,916,232</b> | <b>3,563,209</b> | <b>2,171,163</b> | <b>593,870</b> | <b>187,323</b> | <b>400,667</b> |

<sup>1)</sup> Includes Fit Residencial and Bairro Novo in 2008

**Inventory (Properties for Sale)**

The inventory balance totaled R\$ 1.75 billion in 4Q09, a decline of 13.8% when compared to R\$ 2.03 billion registered in 4Q08. Inventory reduction was mainly driven by a solid sales performance in this quarter. The higher inventory totals for projects that are less than 30% completed partly reflect an uptick in development activity since signs of economic recovery began to emerge during the second half of the year. Finished units accounted for only 6.9% of the inventory.

**Table 18 - Inventories per company**

| <b>(R\$000)</b>            |                          | <b>4Q09</b>      | <b>4Q08</b>      | <b>3Q09</b>      | <b>4Q09 x<br/>4Q08</b> | <b>4Q09 x<br/>3Q09</b> |
|----------------------------|--------------------------|------------------|------------------|------------------|------------------------|------------------------|
| <b>Gafisa</b>              | Land                     | 545,036          | 559,775          | 605,201          | -2.6%                  | -9.9%                  |
|                            | Units under construction | 618,329          | 819,684          | 579,179          | -24.6%                 | 6.8%                   |
|                            | Completed units          | 106,572          | 96,268           | 115,519          | 10.7%                  | -7.7%                  |
|                            | <b>Total</b>             | <b>1,269,937</b> | <b>1,475,727</b> | <b>1,299,899</b> | <b>-13.9%</b>          | <b>-2.3%</b>           |
| <b>Tenda <sup>1)</sup></b> | Land                     | 187,202          | 190,780          | 181,682          | -1.9%                  | 3.0%                   |
|                            | Units under construction | 276,756          | 362,246          | 247,863          | -23.6%                 | 11.7%                  |
|                            | Completed units          | 14,562           | 223.00           | 32,988           | ---                    | -55.9%                 |
|                            | <b>Total</b>             | <b>478,520</b>   | <b>553,249</b>   | <b>462,533</b>   | <b>-13.5%</b>          | <b>3.5%</b>            |
| <b>Consolidated</b>        | Land                     | 732,238          | 750,555          | 786,883          | -2.4%                  | -6.9%                  |
|                            | Units under construction | 895,085          | 1,181,930        | 827,042          | -24.3%                 | 8.2%                   |
|                            | Completed units          | 121,134          | 96,491           | 148,507          | 25.5%                  | -18.4%                 |
|                            | <b>Total</b>             | <b>1,748,457</b> | <b>2,028,976</b> | <b>1,762,432</b> | <b>-13.8%</b>          | <b>-0.8%</b>           |

<sup>1)</sup> Includes Fit Residencial and Bairro Novo in 2008

**Table 19 - Inventories at market value per company**

| <b>(R\$000)</b>            |                           | <b>4Q09</b>      | <b>4Q08</b>      | <b>3Q09</b>      | <b>4Q09 x<br/>4Q08</b> | <b>4Q09 x<br/>3Q09</b> |
|----------------------------|---------------------------|------------------|------------------|------------------|------------------------|------------------------|
| <b>Gafisa</b>              | 2009 launches             | 644,384          | ---              | 293,757          | ---                    | 119%                   |
|                            | 2008 launches             | 685,613          | 1,208,296        | 686,259          | -43%                   | 0%                     |
|                            | 2007 launches             | 344,716          | 584,919          | 380,894          | -41%                   | -9%                    |
|                            | 2006 and earlier launches | 159,188          | 221,456          | 178,159          | -28%                   | -11%                   |
|                            | <b>Total</b>              | <b>1,833,901</b> | <b>2,014,671</b> | <b>1,539,069</b> | <b>-9%</b>             | <b>19%</b>             |
| <b>Tenda <sup>1)</sup></b> | <b>Total</b>              | <b>796,573</b>   | <b>1,401,979</b> | <b>1,275,876</b> | <b>-43%</b>            | <b>-38%</b>            |
| <b>Consolidated</b>        | <b>Total</b>              | <b>2,630,473</b> | <b>3,416,650</b> | <b>2,814,945</b> | <b>-23%</b>            | <b>-7%</b>             |

<sup>1)</sup> Includes Fit Residencial and Bairro Novo in 2008

**Table 20 - Inventories per conclusion status**

| <b>Company</b> | <b>Not started</b> | <b>Total 4Q09</b> |
|----------------|--------------------|-------------------|
|----------------|--------------------|-------------------|

|              |                | <b>Up to 30%<br/>constructed</b> | <b>30% to 70%<br/>constructed</b> | <b>More than<br/>70%<br/>constructed</b> | <b>Finished<br/>units</b> |                  |
|--------------|----------------|----------------------------------|-----------------------------------|--|---------------------------|------------------|
| Gafisa       | 657,846        | 164,282                          | 530,970                           | 314,193                                  | 166,609                   | 1,833,901        |
| Tenda        | 27,621         | 503,254                          | 175,657                           | 36,673                                   | 53,368                    | 796,573          |
| <b>Total</b> | <b>685,467</b> | <b>667,536</b>                   | <b>706,627</b>                    | <b>350,867</b>                           | <b>219,977</b>            | <b>2,630,473</b> |

### Liquidity

On December 31, 2009, Gafisa had a cash position of R\$ 1.4 billion. On the same date, Gafisa's debt and obligations to investors totaled R\$ 3.42 billion, resulting in a net debt and obligations of R\$ 2.0 billion. As of December 31, 2009, the net debt and obligation to investors to equity and minorities ratio was 83.8% compared to 74.1% in 3Q09. When excluding Project Finance, this ratio reached only 13.3%, a comfortable leverage level.

Gafisa's cash burn rate increased in the quarter to R\$ 348 million. This increase reflects the resumption of launches, sales, land acquisition and higher pace of construction activity at the Company.

Currently we have access to a total of R\$ 3.9 billion in construction finance lines of credit provided by all of the major banks in Brazil. At this time we have R\$ 2.3 billion in signed contracts and R\$ 317 million in contracts in process, giving us additional availability of R\$ 1.3 billion.

We also have performed receivable (from units already delivered) of R\$ 190 million ready for securitization.



The following tables set forth information on our debt position as of December 31, 2009.

**Table 21 - Indebtedness and Investor obligations**

| <b>Type of obligation (R\$000)</b>  | <b>4Q09</b>      | <b>4Q08</b>      | <b>3Q09</b>      | <b>4Q09 x<br/>4Q08</b> | <b>4Q09 x<br/>3Q09</b> |
|---|------------------|------------------|------------------|------------------------|------------------------|
| Debentures - FGTS (project finance)                                       | 602,648          | -                | -                | -                      | -                      |
| Debentures - Working Capital  | 704,473          | 503,945          | 704,920          | 39.8%                  | -0.1%                  |
| Project financing (SFH)   | 406,643          | 320,252          | 394,820          | 27.0%                  | 3.0%                   |
| Working capital   | 686,082          | 590,285          | 684,956          | 16.2%                  | 0.2%                   |
| Incorporation of controlling company                                      | ---              | 8,106            | ---              | ---                    | ---                    |
| <b>Total debt - Gafisa</b>  | <b>2,399,846</b> | <b>1,422,588</b> | <b>1,784,696</b> | <b>69%</b>             | <b>34%</b>             |
| Debentures - FGTS (project finance)                                       | 611,256          | 0                | 619,861          | ---                    | -1%                    |
| Project financing (SFH)   | 60,376           | 57,432           | 78,795           | 5%                     | -23%                   |
| Working capital   | 50,654           | 65,922           | 48,375           | -23%                   | 5%                     |
| Incorporation of controlling company                                      | 0                | 6,179            | 0                | -100%                  | ---                    |
| <b>Total debt - Tenda <sup>1)</sup></b>                                   | <b>722,286</b>   | <b>129,533</b>   | <b>747,031</b>   | <b>458%</b>            | <b>-3%</b>             |
| <b>Total consolidated debt</b>  | <b>3,122,132</b> | <b>1,552,121</b> | <b>2,531,727</b> | <b>101%</b>            | <b>23%</b>             |
| <b>Consolidated cash and availabilities</b>                               | <b>1,424,053</b> | <b>605,502</b>   | <b>1,099,687</b> | <b>135%</b>            | <b>29%</b>             |
| <b>Investor Obligations</b>   | <b>300,000</b>   | <b>300,000</b>   | <b>300,000</b>   | <b>0%</b>              | <b>0%</b>              |
| <b>Net debt and investor obligations</b>                                  | <b>1,998,079</b> | <b>1,246,619</b> | <b>1,732,040</b> | <b>60%</b>             | <b>15%</b>             |
| <b>Equity + Minority shareholders</b>                                     | <b>2,384,181</b> | <b>2,083,822</b> | <b>2,336,365</b> | <b>14%</b>             | <b>2%</b>              |
| <b>(Net debt + Obligations) / (Equity + Minorities)</b>                   | <b>83.8%</b>     | <b>59.8%</b>     | <b>74.1%</b>     |                        |                        |
| <b>(Net debt + Ob.) / (Eq + Min.) - Exc. Project Finance (SFH + FGTS)</b> | <b>13.3%</b>     | <b>41.7%</b>     | <b>27.3%</b>     |                        |                        |

**Table 22 - Debt maturity per company**

| <b>Company (R\$000)</b>             | <b>Total</b>     | <b>Until<br/>December/2010</b> | <b>Until<br/>December/2011</b> | <b>Until<br/>December/2012</b> | <b>Until<br/>December/2013</b> | <b>After<br/>December/2013</b> |
|-------------------------------------|------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Debentures - FGTS (project finance) | 602,648          | 2,648                          | 0                              | 0                              | 300,000                        | 300,000                        |
| Debentures - Working Capital        | 704,473          | 108,473                        | 346,000                        | 125,000                        | 125,000                        | 0                              |
| Project financing (SFH)             | 406,643          | 225,453                        | 152,894                        | 23,536                         | 4,760                          | 0                              |
| Working capital                     | 686,082          | 397,418                        | 221,626                        | 36,078                         | 30,960                         | 0                              |
|                                     | <b>2,399,846</b> | <b>733,992</b>                 | <b>720,520</b>                 | <b>184,614</b>                 | <b>460,720</b>                 | <b>300,000</b>                 |

| <b>Total debt - Gafisa</b>              |                  |                |                |                |                |                |
|---|------------------|----------------|----------------|----------------|----------------|----------------|
| Debtures - FGTS (project finance)       | 611,256          | 11,256         | 0              | 150,000        | 300,000        | 150,000        |
| Project finance (SFH)                   | 60,376           | 44,533         | 15,843         | 0              | 0              | 0              |
| Working capital                         | 50,654           | 10,908         | 23,220         | 12,240         | 4,286          | 0              |
| <b>Total debt - Tenda <sup>1)</sup></b> | <b>722,286</b>   | <b>66,697</b>  | <b>39,063</b>  | <b>162,240</b> | <b>304,286</b> | <b>150,000</b> |
| <b>Total consolidated debt</b>          | <b>3,122,132</b> | <b>800,689</b> | <b>759,583</b> | <b>346,854</b> | <b>765,006</b> | <b>450,000</b> |
| % Total                                 |                  | 26%            | 24%            | 11%            | 25%            | 14%            |

### **Tenda Incorporation**

On December 30, 2009 at the Extraordinary Shareholders Meetings of Gafisa and Tenda, with a majority of shareholders present, the merger of Construtora Tenda S.A by Gafisa S.A was approved. This transaction consolidates and strengthens Gafisa's leadership in the affordable entry-level segments of the Brazilian housing market, and simplifies the Company's corporate structure.

At the Meeting, Tenda shareholders approved the exchange ratio of 0.205 common shares by Gafisa for each common share held by Tenda shareholders. February 8, 2010 will be the final trading date of Tenda shares (TEND3) on the BM&FBOVESPA.

While each of Gafisa's brands will continue to focus on their unique segments, Mr. Antonio Carlos Ferreira Rosa, currently responsible for the Gafisa brand, will now also include Tenda under his broader operational responsibilities. Mr. Flavio Fernandes has joined the Company to oversee Tenda's day-to-day operations, business development, marketing and sales. Mr. Fernandes brings more than 15 years of operational experience in consumer product companies in Brazil and throughout Latin America, with much of his career spent in sales and marketing, brand development and business planning leadership roles. He also has experience in finance, budget management and post-merger change management.

Tenda's financial Division, including credit and mortgage delivery, will report into Alceu Duilio Calciolari, Gafisa's Chief Financial Officer. The Tenda construction teams will report to Mario Rocha, who manages construction for all of the Gafisa brands, enabling the Company to further leverage its scale and purchasing power.

## Outlook

Given the present economic outlook, Gafisa expects to launch R\$ 4 billion to R\$ 5 billion through 2010, of which 40-45% will be dedicated to the affordable entry-level segment through Tenda. Additionally, with the move to fully consolidate the management and operations of Tenda and the ability to achieve further operating synergies, the Company expects to achieve 2010 launch levels at an enhanced rate of operating profitability. We expect full year 2010 EBITDA margins to reach between 18.5% - 20.5% .

## Glossary

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

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

**Backlog Margin** Equals to Backlog of Results divided Backlog of Revenues to be recognized in future periods.

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

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

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

**Affordable Entry Level** residential units targeted to the mid-low and low income segments with prices below R\$ 1,800 per square meter.

**LOT (Urbanized Lots)** land subdivisions, or lots, with prices ranging from R\$ 150 to R\$ 600 per square meter

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

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

**PSV** Potential Sales Value.

## About Gafisa

Gafisa is a leading diversified national homebuilder serving all demographic segments of the Brazilian market. Established over 55 years ago, we have completed and sold more than 980 developments and built more than 11 million square meters of housing, more than any other residential development company in Brazil. Recognized as one of the foremost professionally managed homebuilders, "Gafisa" is also one of the most respected and best-known brands in the real estate market, recognized among potential homebuyers, brokers, lenders, landowners, competitors, and investors for its quality, consistency, and professionalism. Our pre-eminent brands include Tenda, serving the affordable/entrylevel housing segment, and Gafisa and Alphaville, which offer a variety of residential options to the midto higher-income segments. Gafisa S.A. is traded on the Novo Mercado of the BM&FBOVESPA (BOVESPA:GFSA3) and on the New York Stock Exchange (NYSE:GFA).

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

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The following table sets projects launched during 2009:

| Project                  |                           | Launch Date | Local        |    | % Gafisa | Units (% Gafisa) | PSV (% Gafisa)   | % sales 3/Dec/09 |
|--------------------------|---------------------------|-------------|--------------|----|----------|------------------|------------------|------------------|
| Gafisa                   | Verdemar Fase 2           | January     | Guarujá      | SP | 100%     | 77               | 50,931           | 42%              |
| Centro Empresarial       |                           |             | Rio de       |    |          |                  |                  |                  |
| Gafisa                   | Madureira                 | March       | Janeiro      | RJ | 100%     | 195              | 24,208           | 77%              |
| Gafisa                   | Brink F2 Campo Limpo      | March       | São Paulo    | SP | 100%     | 95               | 23,019           | 71%              |
| Gafisa                   | Alegria Fase 2            | April       | Guarulhos    | SP | 100%     | 139              | 38,456           | 59%              |
| Porto                    |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | Canto dos Pássaros        | April       | Alegre       | RS | 80%      | 90               | 15,930           | 30%              |
| Grand Park Parque        |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | Árvores Seringueira(1)    | May         | São Luiz     | MA | 50%      | 38               | 6,769            | 99%              |
| Gafisa                   | Supremo Ipiranga          | June        | São Paulo    | SP | 100%     | 108              | 54,860           | 63%              |
| Vila Nova São José       |                           |             | São José dos |    |          |                  |                  |                  |
| Gafisa                   | F1 Metropolitan           | June        | Campos       | SP | 100%     | 96               | 30,028           | 41%              |
| Rio de                   |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | Sorocaba                  | June        | Janeiro      | RJ | 100%     | 81               | 38,995           | 84%              |
| Gafisa                   | Vista Santana             | June        | São Paulo    | SP | 100%     | 179              | 117,964          | 79%              |
| Grand Park Parque        |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | Árvores Salgueiro(1)      | June        | São Luiz     | MA | 50%      | 38               | 6,844            | 100%             |
| Gafisa                   | The Place                 | August      | Goiânia      | GO | 80%      | 17               | 35,945           | 50%              |
| Gafisa                   | Brotas                    | August      | Salvador     | BA | 50%      | 178              | 24,525           | 99%              |
| Grand Park               |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | Árvores Bambu             | August      | São Luiz     | MA | 50%      | 38               | 6,989            | 99%              |
| PA 11 Reserva Ibiapaba   |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | F1                        | September   | Belém        | PA | 80%      | 210              | 35,271           | 72%              |
| Gafisa                   | Magno                     | September   | São Paulo    | SP | 100%     | 34               | 52,841           | 93%              |
| Gafisa                   | Acupe BA                  | September   | Salvador     | BA | 50%      | 95               | 16,439           | 93%              |
| Gafisa                   | Paulista Corporate        | October     | São Paulo    | SP | 100%     | 97               | 72,213           | 71%              |
| Reserva Ibiapaba Fase II |                           |             |              |    |          |                  |                  |                  |
| Gafisa                   | (2)                       | October     | Belém        | PA | 80%      | 106              | 17,635           | 72%              |
| Gafisa                   | London Ville              | October     | Barueri      | SP | 100%     | 195              | 70,507           | 25%              |
| Gafisa                   | Parque Maceió F2          | October     | Maceió       | AL | 50%      | 126              | 14,931           | 18%              |
| Gafisa                   | Vision Brooklin           | November    | São Paulo    | SP | 100%     | 266              | 117,029          | 71%              |
| Gafisa                   | Vista Patamares           | November    | Salvador     | BA | 50%      | 168              | 36,990           | 34%              |
| Gafisa                   | Reserva Eco Office Life   | November    | Curitiba     | PR | 50%      | 78               | 26,138           | 5%               |
| Gafisa                   | City Park Exclusive       | November    | Salvador     | BA | 50%      | 73               | 12,300           | 34%              |
| Gafisa                   | IT STYLE FASE 1           | December    | São Paulo    | SP | 100%     | 204              | 177,089          | 37%              |
| Gafisa                   | Global Offices            | December    | Niterói      | RJ | 100%     | 160              | 32,753           | 49%              |
| Gafisa                   | Stake Acquisition 1)      |             |              |    |          | 234              | 106,923          | 84%              |
| <b>Gafisa</b>            |                           |             |              |    |          | <b>3,413</b>     | <b>1,264,520</b> | <b>61%</b>       |
| Alphaville               | AlphaVille Caruaru        | mar 09      | Caruaru      | PE | 70%      | 172              | 21,881           | 100%             |
| Alphaville               | AlphaVille Granja Viana   | jun 09      | São Paulo    | SP | 33%      | 110              | 36,264           | 100%             |
| Alphaville               | AlphaVille Votorantim F2  | jun 09      | São Paulo    | SP | 30%      | 51               | 10,306           | 83%              |
| Rio das                  |                           |             |              |    |          |                  |                  |                  |
| Alphaville               | Conceito A Rio das Ostras | jun 09      | Ostras       | RJ | 100%     | 106              | 35,896           | 27%              |
| Alphaville               |                           | set 09      |              |    | 53%      | 205              | 29,135           | 49%              |

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| AlphaVille Campina Grande |   |        | Campina Grande PB     |      |              |                |            |  |  |
|---------------------------|---|--------|-----------------------|------|--------------|----------------|------------|--|--|
|                           |   |        | Porto Alegre          |      |              |                |            |  |  |
| Alphaville                | AlphaVille Porto Alegre                         | out 09 | Alegre RS             | 64%  | 429          | 118,198        | 86%        |  |  |
| Alphaville                | AlphaVille Piracicaba                           | nov 09 | Piracicaba SP         | 63%  | 216          | 52,929         | 100%       |  |  |
| Alphaville                | AlphaVille Gravataí 2                           | dez 09 | Gravataí RS           | 64%  | 225          | 28,040         | 2%         |  |  |
| Alphaville                | AlphaVille Rio Costa do Sol 3                   | dez 09 | Rio das Ostras RJ     | 58%  | 293          | 62,834         | 14%        |  |  |
| Alphaville                | Terras Alpha Foz do Iguaçu                      | dez 09 | Foz do Iguaçu PR      | 74%  | 288          | 24,030         | 36%        |  |  |
| <b>Alphaville</b>         |   |        |                       |      | <b>2,096</b> | <b>419,512</b> | <b>63%</b> |  |  |
| Tenda                     | Vila Real Life Sitio Cia                        | abr 09 | Salvador              | 100% | 178          | 14,866         | 99%        |  |  |
| Tenda                     | FIT Giardino fase 1                             | abr 09 | Caxias do Sul         | 80%  | 207          | 31,916         | 10%        |  |  |
| Tenda                     | FIT Icoaraci                                    | abr 09 | Belém                 | 80%  | 235          | 40,065         | 44%        |  |  |
| Tenda                     | Le Grand Vila Real Tower                        | mai 09 | Belo Horizonte        | 100% | 92           | 9,162          | 100%       |  |  |
| Tenda                     | Green Park Life Residence                       | jun 09 | Juiz de Fora          | 100% | 220          | 23,540         | 69%        |  |  |
| Tenda                     | Vermont Life                                    | jun 09 | Governador Valadares  | 100% | 192          | 16,512         | 29%        |  |  |
| Tenda                     | FIT Dom Jaime Bosque dos Passaros               | jun 09 | São Bernardo do Campo | 100% | 364          | 55,757         | 53%        |  |  |
| Tenda                     | Bairro Novo Fase 3                              | jul 09 | Cotia                 | 100% | 448          | 38,000         | 99%        |  |  |
| Tenda                     | Bariloche                                       | ago 09 | Belo Horizonte        | 100% | 80           | 8,400          | 91%        |  |  |
| Tenda                     | Mirante do Lago Fase 2A                         | ago 09 | Ananindeua            | 70%  | 132          | 20,700         | 59%        |  |  |
| Tenda                     | Diamond   | ago 09 | Rio de Janeiro        | 100% | 312          | 46,800         | 7%         |  |  |
| Tenda                     | Parma   | set 09 | BH                    | 100% | 36           | 4,500          | 100%       |  |  |
| Tenda                     | Marumbi Fase 01                                 | set 09 | Curitiba              | 100% | 335          | 61,808         | 46%        |  |  |
| Tenda                     | Bosque das Palmeiras                            | set 09 | Recife                | 100% | 144          | 10,768         | 100%       |  |  |
| Tenda                     | Club Gaudi                                      | set 09 | Guarulhos             | 100% | 300          | 23,578         | 81%        |  |  |
| Tenda                     | Tony Passos F1 Recanto das Rosas                | set 09 | Ribeirão das Neves    | 100% | 240          | 20,160         | 80%        |  |  |
| Tenda                     | Jardim Alvorada                                 | set 09 | Guarulhos             | 100% | 180          | 16,020         | 93%        |  |  |
| Tenda                     | Bosque Itaquera                                 | set 09 | São Paulo             | 100% | 256          | 37,900         | 83%        |  |  |
| Tenda                     | Lago dos Patos                                  | out 09 | Guarulhos             | 100% | 140          | 24,300         | 99%        |  |  |
| Tenda                     | Cotia Fase 4 Etapa I                            | out 09 | Cotia                 | 100% | 96           | 8,183          | 91%        |  |  |
| Tenda                     | Clube Garden Mônaco                             | out 09 | São Paulo             | 100% | 186          | 16,800         | 100%       |  |  |
| Tenda                     | Vivenda do Sol I                                | out 09 | Porto Alegre          | 100% | 200          | 14,000         | 7%         |  |  |
| Tenda                     | Parque Green Village                            | out 09 | Aparecida de Goiania  | 100% | 176          | 15,800         | 31%        |  |  |
| Tenda                     | Fit Marodin Jardins                             | out 09 | Porto Alegre          | 70%  | 120          | 24,600         | 64%        |  |  |
| Tenda                     | Mirante do Lago Fase 2B                         | out 09 | Ananindeua            | 70%  | 217          | 32,132         | 50%        |  |  |
| Tenda                     | Residencial Monet Life Le Grand Villa das Artes | nov 09 | Lauro de Freitas      | 100% | 200          | 18,125         | 79%        |  |  |
| Tenda                     | Cotia Fase 4 Estapa II                          | nov 09 | Cotia                 | 100% | 224          | 19,749         | 49%        |  |  |
| Tenda                     | Portal do Sol Life I                            | dez 09 | Belford Roxo          | 100% | 64           | 5,800          | 67%        |  |  |
| Tenda                     | Portal do Sol Life II                           | dez 09 | Belford Roxo          | 100% | 64           | 5,800          | 66%        |  |  |
| Tenda                     | Portal do Sol Life III                          | dez 09 | Belford Roxo          | 100% | 64           | 5,950          | 41%        |  |  |
| Tenda                     |   | dez 09 |                       | 100% | 120          | 10,200         | 76%        |  |  |

| Residencial Monet II<br>(Grand Ville das Artes<br>Fase III |  |        | Lauro de<br>Freitas |      |               |                  |            |
|--|--|--------|---------------------|------|---------------|------------------|------------|
| Tenda  | Diamond (empreendimento<br>revertido)          | dez 09 | Rio de Janeiro      | 100% | (312)         | 46,800           | 0%         |
| Tenda  | Ilha de Capri<br>(empreendimento<br>revertido) | dez 09 | Goiânia             | 100% | (224)         | 17,900           | 0%         |
| <b>Tenda</b>   |  |        |                     |      | <b>5,286</b>  | <b>617,191</b>   | <b>66%</b> |
| <b>Total</b>   |  |        |                     |      | <b>10,795</b> | <b>2,301,224</b> | <b>63%</b> |

1) Includes the part acquired from partners in 10 different projects; %  
Gafisa is a weight average

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The following table sets forth the financial completion of the construction in progress and the related revenue recognized (R\$000) during the quarter ended on December 31, 2009.

| Project |                      | Construction status |      | % Sold |      | Revenues recognized (R\$000) |        |
|---------|----------------------|---------------------|------|--------|------|------------------------------|--------|
|         |                      | 4Q09                | 3Q09 | 4Q09   | 3Q09 | 4Q09                         | 3Q09   |
| Gafisa  | VISION BROOKLIN      | 38%                 | -    | 71%    | -    | 31,273                       | -      |
| Gafisa  | LONDON GREEN         | 92%                 | 81%  | 83%    | 74%  | 27,392                       | 21,624 |
| Gafisa  | IT STYLE - FASE 1    | 42%                 | -    | 37%    | -    | 27,036                       | -      |
| Gafisa  | PARC PARADISO        | 76%                 | 60%  | 100%   | 99%  | 26,234                       | 27,846 |
| Gafisa  | ENSEADA DAS ORQUÍDEA | 68%                 | 57%  | 97%    | 95%  | 20,847                       | 57,559 |
| Gafisa  | VP HORTO - FASE 2 (O | 72%                 | 50%  | 97%    | 96%  | 18,571                       | 13,718 |
| Gafisa  | VP HORTO - FASE 1 (O | 81%                 | 66%  | 97%    | 98%  | 17,218                       | 17,627 |
| Gafisa  | SUPREMO              | 63%                 | 54%  | 96%    | 96%  | 13,104                       | 9,581  |
| Gafisa  | ACQUA RESIDENCIAL    | 87%                 | 75%  | 62%    | 54%  | 12,706                       | 9,392  |
| Gafisa  | PQ BARUERI COND - FA | 51%                 | 39%  | 65%    | 63%  | 12,622                       | 11,674 |
| Gafisa  | TERRAÇAS ALTO DA LAP | 84%                 | 72%  | 93%    | 88%  | 12,436                       | 13,248 |
| Gafisa  | VISION               | 76%                 | 66%  | 94%    | 90%  | 12,170                       | 11,264 |
| Gafisa  | JATIUCA TRADE RESIDE | 72%                 | 58%  | 75%    | 47%  | 11,366                       | 8,111  |
| Gafisa  | MAGIC                | 88%                 | 74%  | 76%    | 74%  | 11,076                       | 16,637 |
| Gafisa  | NOVA PETROPOLIS SBC  | 60%                 | 49%  | 54%    | 49%  | 9,832                        | 8,429  |
| Gafisa  | ACQUARELLE           | 71%                 | 54%  | 88%    | 82%  | 8,764                        | 6,017  |
| Gafisa  | Vila Nova São José - | 49%                 | 31%  | 72%    | 64%  | 8,443                        | 8,567  |
| Gafisa  | Parque Arvores       | 30%                 | 19%  | 99%    | 64%  | 8,135                        | 8,089  |
| Gafisa  | Vistta Santana       | 47%                 | 44%  | 79%    | 69%  | 7,687                        | 35,502 |
| Gafisa  | GRAND VALLEY         | 97%                 | 84%  | 78%    | 69%  | 7,135                        | 6,174  |
| Gafisa  | PRIVILEGE RESIDENCIA | 77%                 | 59%  | 85%    | 85%  | 6,593                        | 7,036  |
| Gafisa  | Parque Aguas         | 29%                 | 21%  | 67%    | 27%  | 6,144                        | 6,388  |
| Gafisa  | ISLA RESIDENCE CLUBE | 100%                | 93%  | 94%    | 93%  | 6,039                        | 10,561 |
| Gafisa  | OLIMPIC BOSQUE DA SA | 75%                 | 67%  | 92%    | 89%  | 5,998                        | 5,406  |
| Gafisa  | SECRET GARDEN        | 94%                 | 75%  | 72%    | 70%  | 5,775                        | 4,470  |
| Gafisa  | ECOLIVE              | 37%                 | 23%  | 84%    | 75%  | 5,440                        | 3,741  |
| Gafisa  | SOLARES DA VILA MAR  | 66%                 | 52%  | 100%   | 100% | 5,196                        | 4,977  |
| Gafisa  | QUINTAS DO PONTAL    | 71%                 | 62%  | 35%    | 31%  | 5,125                        | 4,454  |
| Gafisa  | GRAND VALLEY NITERÓI | 43%                 | 35%  | 92%    | 92%  | 5,101                        | 4,068  |
| Gafisa  | Chácara Santana      | 47%                 | 37%  | 94%    | 94%  | 5,029                        | 3,468  |
| Gafisa  | PENÍNSULA FIT        | 100%                | 100% | 97%    | 92%  | 4,724                        | 3,840  |
| Gafisa  | Magno                | 37%                 | 36%  | 93%    | 72%  | 4,655                        | 13,145 |
| Gafisa  | Mansão Imperial - F1 | 39%                 | 32%  | 78%    | 67%  | 4,532                        | 7,558  |
| Gafisa  | RESERVA DO LAGO - FA | 100%                | 92%  | 91%    | 92%  | 4,421                        | 5,487  |
| Gafisa  | ART VILLE            | 93%                 | 71%  | 91%    | 95%  | 4,311                        | 2,996  |
| Gafisa  | EVIDENCE             | 71%                 | 58%  | 76%    | 74%  | 4,165                        | 5,015  |
| Gafisa  | COLLORI              | 100%                | 92%  | 100%   | 100% | 4,028                        | 8,332  |
| Gafisa  | Dubai Residencial    | 26%                 | 19%  | 77%    | 42%  | 3,981                        | 3,981  |
| Gafisa  | CITY PARK BROTAS EMP | 17%                 | -    | 99%    | 99%  | 3,965                        | 3,856  |
| Gafisa  | CSF ACACIA           | 100%                | 93%  | 100%   | 100% | 3,963                        | 8,501  |
| Gafisa  | RUA DAS LARANJEIRAS  | 69%                 | 63%  | 100%   | 100% | 3,935                        | 3,591  |
| Gafisa  | LAGUNA DI MARE - FAS | 18%                 | 9%   | 62%    | 41%  | 3,819                        | 2,025  |
| Gafisa  | TERRAÇAS TATUAPE     | 45%                 | 37%  | 74%    | 67%  | 3,800                        | 4,852  |
| Gafisa  | BLUE LAND SPE 36     | 100%                | 100% | 99%    | 96%  | 3,683                        | 5,450  |



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|                   |                      |      |     |      |      |                |                |
|-------------------|----------------------|------|-----|------|------|----------------|----------------|
| Gafisa            | Details              | 55%  | 47% | 63%  | 57%  | 3,592          | 4,499          |
| Gafisa            | MISTRAL              | 28%  | 20% | 80%  | 77%  | 3,537          | 2,060          |
| Gafisa            | VIVANCE RES. SERVICE | 100% | 93% | 98%  | 95%  | 3,499          | 8,526          |
| Gafisa            | Alphaville Barra da  | 77%  | 74% | 73%  | 9%   | 3,152          | 25,606         |
| Gafisa            | HORIZONTE            | 77%  | 63% | 100% | 100% | 3,109          | 3,242          |
| Gafisa            | ICARAÏ CORPORATE     | 89%  | 82% | 97%  | 97%  | 3,082          | 3,183          |
| Gafisa            | GRANJA VIANA         | 59%  | 41% | 50%  | 48%  | 3,002          | 2,034          |
| Gafisa            | RESERVA BOSQUE RESOR | 21%  | 14% | 97%  | 98%  | 2,951          | 2,992          |
| Gafisa            | CARPE DIEM - BELEM   | 39%  | 29% | 61%  | 63%  | 2,948          | 1,440          |
| Gafisa            | Costa Maggiore       | 55%  | 49% | 82%  | 82%  | 2,178          | 2,099          |
| Gafisa            | Outros               | ---  | --- | ---  | ---  | 89,522         | 51,697         |
| <b>Gafisa</b>     |                      | ---  | --- | ---  | ---  | <b>539,040</b> | <b>531,633</b> |
| Alphaville        | Jacuhy               | 86%  | 73% | 97%  | 97%  | 17,900         | 29,951         |
| Alphaville        | Rio das Ostras       | 92%  | 79% | 100% | 100% | 12,784         | 20,200         |
| Alphaville        | Londrina 2           | 84%  | 72% | 99%  | 99%  | 8,869          | -              |
| Alphaville        | Cuiabá II            | 91%  | 78% | 99%  | 79%  | 7,525          | -              |
| Alphaville        | João Pessoa          | 86%  | 72% | 100% | 100% | 5,270          | 4,872          |
| Alphaville        | Piracicaba           | 17%  | 0%  | 91%  | 0%   | 4,346          | 2,286          |
| Alphaville        | Porto Alegre         | 9%   | 0%  | 86%  | 0%   | 3,965          | 2,553          |
| Alphaville        | Caruaru              | 38%  | 16% | 99%  | 98%  | 3,513          | 6,196          |
| Alphaville        | Litoral Norte II     | 44%  | 20% | 67%  | 57%  | 3,125          | 4,056          |
| Alphaville        | Outros               | ---  | --- | ---  | ---  | 28,858         | 20,357         |
| <b>Alphaville</b> |                      | ---  | --- | ---  | ---  | <b>96,154</b>  | <b>90,471</b>  |
| <b>Tenda</b>      |                      | ---  | --- | ---  | ---  | <b>262,346</b> | <b>261,428</b> |
| <b>Total</b>      |                      | ---  | --- | ---  | ---  | <b>897,540</b> | <b>883,532</b> |

**Consolidated Income  
Statement**

| <b>R\$ 000</b>  | <b>4Q09</b>      | <b>4Q08</b>      | <b>3Q09</b>      | <b>2009</b>        | <b>2008</b>        | <b>4Q09 x<br/>4Q08</b> | <b>4Q09 x<br/>3Q09</b> | <b>2009 x<br/>2008</b> |
|---|------------------|------------------|------------------|--------------------|--------------------|------------------------|------------------------|------------------------|
| <b>Gross Operating Revenue</b>                          |                  |                  |                  |                    |                    |                        |                        |                        |
| Real Estate Development and Sales                       | 912,764          | 557,894          | 902,196          | 3,096,881          | 1,768,200          | 63.6%                  | 1.2%                   | 75.1%                  |
| Construction and Services Rendered                      | 17,647           | 24,067           | 13,265           | 47,999             | 37,268             | -26.7%                 | 33.0%                  | 28.8%                  |
| Deductions  | (32,871)         | (20,224)         | (38,360)         | (122,534)          | (65,064)           | 62.5%                  | -14.3%                 | 88.3%                  |
| <b>Net Operating Revenue</b>                            | <b>897,540</b>   | <b>561,737</b>   | <b>877,101</b>   | <b>3,022,346</b>   | <b>1,740,404</b>   | <b>59.8%</b>           | <b>2.3%</b>            | <b>73.7%</b>           |
| <b>Operating Costs</b>                                  | <b>(620,122)</b> | <b>(414,093)</b> | <b>(621,927)</b> | <b>(2,143,762)</b> | <b>(1,214,401)</b> | <b>49.8%</b>           | <b>-0.3%</b>           | <b>76.5%</b>           |
| <b>Gross profit</b>                                     | <b>277,418</b>   | <b>147,644</b>   | <b>255,174</b>   | <b>878,584</b>     | <b>526,003</b>     | <b>87.9%</b>           | <b>8.7%</b>            | <b>67.0%</b>           |
| <b>Operating Expenses</b>                               |                  |                  |                  |                    |                    |                        |                        |                        |
| Selling Expenses General and Administrative Expenses    | (73,277)         | (66,897)         | (55,556)         | (226,621)          | (154,401)          | 9.5%                   | 31.9%                  | 46.8%                  |
| Amortization of gain on partial sale of FIT Residential | (60,298)         | (75,788)         | (57,601)         | (233,129)          | (180,839)          | -20.4%                 | 4.7%                   | 28.9%                  |
| Other Operating Revenues / Expenses                     | 11,689           | 41,008           | 52,600           | 169,394            | 41,008             | -                      | -                      | 313.1%                 |
| Depreciation and Amortization                           | (427)            | 2,310            | (40,031)         | (79,427)           | (10,931)           | -118.5%                | -98.9%                 | 626.6%                 |
| Non recurring expenses                                  | (10,004)         | (23,029)         | (9,784)          | (34,170)           | (52,635)           | -56.6%                 | 2.2%                   | -35.1%                 |
|   | (13,457)         | -                | -                | (13,457)           | -                  | 0.0%                   | 0.0%                   | 0.0%                   |
| <b>Operating results</b>                                | <b>131,644</b>   | <b>25,249</b>    | <b>144,802</b>   | <b>461,174</b>     | <b>168,205</b>     | <b>421.4%</b>          | <b>-9.1%</b>           | <b>174.2%</b>          |
| Financial Income  | 23,167           | 38,465           | 33,104           | 129,566            | 102,854            | -39.8%                 | -30.0%                 | 26.0%                  |
| Financial Expenses                                      | (51,058)         | (36,736)         | (64,112)         | (210,394)          | (61,008)           | 39.0%                  | -20.4%                 | 244.9%                 |
| <b>Income Before Taxes on Income</b>                    | <b>103,753</b>   | <b>26,978</b>    | <b>113,794</b>   | <b>380,346</b>     | <b>210,051</b>     | <b>284.6%</b>          | <b>-8.8%</b>           | <b>81.1%</b>           |
| Deferred Taxes  | (26,014)         | 17,857           | (23,142)         | (75,259)           | (18,960)           | -245.7%                | 12.4%                  | 296.9%                 |
| Income Tax and Social Contribution                      | (4,488)          | (10,798)         | (4,828)          | (20,147)           | (24,437)           | -58.4%                 | -7.0%                  | -17.6%                 |
| <b>Income After Taxes on Income</b>                     | <b>73,251</b>    | <b>34,037</b>    | <b>85,824</b>    | <b>284,940</b>     | <b>166,654</b>     | <b>115.2%</b>          | <b>-14.6%</b>          | <b>71.0%</b>           |
| Minority Shareholders                                   | (17,929)         | (21,193)         | (22,107)         | (71,400)           | (56,733)           | -15.4%                 | -18.9%                 | 25.9%                  |
| <b>Net Income</b>                                       | <b>55,322</b>    | <b>12,844</b>    | <b>63,717</b>    | <b>213,540</b>     | <b>109,921</b>     | <b>330.7%</b>          | <b>-13.2%</b>          | <b>94.3%</b>           |

|                                       |                |                |                |                |                |               |               |              |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|--------------|
| <b>Net Income Per Share<br/>(R\$)</b> | <b>0.33171</b> | <b>0.09883</b> | <b>0.48886</b> | <b>1.28039</b> | <b>0.84579</b> | <b>235.6%</b> | <b>-32.1%</b> | <b>51.4%</b> |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|--------------|

**Consolidated Balance Sheet**

|  | <b>4Q09</b>      | <b>4Q08</b>      | <b>3Q09</b>      | <b>4Q09 X<br/>4Q08</b> | <b>4Q09 X<br/>3Q09</b> |
|--|------------------|------------------|------------------|------------------------|------------------------|
| <b>ASSETS</b>  |                  |                  |                  |                        |                        |
| <b>Current Assets</b>                                      |                  |                  |                  |                        |                        |
| Cash and banks   | 241,193          | 73,538           | 215,133          | 228.0%                 | 12.1%                  |
| Financial investments                                      | 1,182,860        | 531,964          | 884,554          | 122.4%                 | 33.7%                  |
| Receivables from clients                                   | 2,008,464        | 1,254,594        | 1,718,110        | 60.1%                  | 16.9%                  |
| Properties for sale  | 1,332,374        | 1,695,130        | 1,376,236        | -21.4%                 | -3.2%                  |
| Other accounts receivable                                  | 108,791          | 182,775          | 93,722           | -40.5%                 | 16.1%                  |
| Deferred selling expenses                                  | 6,633            | 13,304           | 7,205            | -50.1%                 | -7.9%                  |
| Deferred taxes   | 0                | 0                | 13,099           | -                      | -100.0%                |
| Prepaid expenses   | 12,133           | 25,396           | 13,522           | -52.2%                 | -10.3%                 |
|  | <b>4,892,448</b> | <b>3,776,701</b> | <b>4,321,581</b> | <b>29.5%</b>           | <b>13.2%</b>           |
| <b>Long-term Assets</b>                                    |                  |                  |                  |                        |                        |
| Receivables from clients                                   | 1,768,182        | 863,950          | 1,662,300        | 104.7%                 | 6.4%                   |
| Properties for sale  | 416,083          | 333,846          | 386,196          | 24.6%                  | 7.7%                   |
| Deferred taxes   | 281,288          | 190,252          | 250,846          | 47.9%                  | 12.1%                  |
| Other  | 69,160           | 110,606          | 52,140           | -37.5%                 | 32.6%                  |
|  | <b>2,534,713</b> | <b>1,498,654</b> | <b>2,351,482</b> | <b>69.1%</b>           | <b>7.8%</b>            |
| <b>Permanent Assets</b>                                    |                  |                  |                  |                        |                        |
| Investments  | 195,088          | 195,088          | 195,088          | 0.0%                   | 0.0%                   |
| Property, plant and equipment                              | 56,476           | 50,348           | 53,698           | 12.2%                  | 5.2%                   |
| Intangible assets  | 9,598            | 18,067           | 9,690            | -46.9%                 | -0.9%                  |
|  | <b>261,162</b>   | <b>263,503</b>   | <b>258,476</b>   | <b>-0.9%</b>           | <b>1.0%</b>            |
| <b>Total Assets</b>  | <b>7,688,323</b> | <b>5,538,858</b> | <b>6,931,539</b> | <b>38.8%</b>           | <b>10.9%</b>           |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                |                  |                  |                  |                        |                        |
| <b>Current Liabilities</b>                                 |                  |                  |                  |                        |                        |
| Loans and financings                                       | 678,312          | 447,503          | 570,307          | 51.6%                  | 18.9%                  |
| Debentures   | 122,377          | 61,945           | 80,781           | 97.6%                  | 51.5%                  |
| Obligations for purchase of land and advances from clients | 475,409          | 421,584          | 488,935          | 12.8%                  | -2.8%                  |
| Materials and service suppliers                            | 194,331          | 112,900          | 194,302          | 72.1%                  | 0.0%                   |
| Taxes and contributions                                    | 138,177          | 113,167          | 132,216          | 22.1%                  | 4.5%                   |
| Taxes, payroll charges and profit sharing                  | 61,320           | 29,692           | 61,206           | 106.5%                 | 0.2%                   |
| Provision for contingencies                                | 11,266           | 17,567           | 10,512           | -35.9%                 | 7.2%                   |
| Dividends  | 54,279           | 26,106           | 26,106           | 107.9%                 | 107.9%                 |
| Deferred taxes   | 79,474           | -                | 52,375           | -                      | 51.7%                  |

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|   |                  |                  |                  |              |              |
|---|------------------|------------------|------------------|--------------|--------------|
| Other   | 205,657          | 97,931           | 181,312          | 110.0%       | 13.4%        |
|   | <b>2,020,602</b> | <b>1,328,395</b> | <b>1,798,052</b> | <b>52.1%</b> | <b>12.4%</b> |
| <b>Long-term Liabilities</b>                    |                  |                  |                  |              |              |
| Loans and financings                            | 525,443          | 600,673          | 636,639          | -12.5%       | -17.5%       |
| Debentures                                      | 1,796,000        | 442,000          | 1,244,000        | 306.3%       | 44.4%        |
| Obligations for purchase of land                | 146,401          | 231,199          | 147,168          | -36.7%       | -0.5%        |
| Deferred taxes                                  | 336,291          | 239,131          | 322,870          | 40.6%        | 4.2%         |
| Provision for contingencies                     | 61,687           | 35,963           | 59,509           | 71.5%        | 3.7%         |
| Other   | 407,323          | 389,759          | 362,843          | 4.5%         | 12.3%        |
| Deferred income on acquisition                  | 10,395           | 18,522           | 12,499           | -43.9%       | -16.8%       |
| Unearned income from partial sale of investment | 0                | 169,394          | 11,594           | -100.0%      | -100.0%      |
|   | <b>3,283,540</b> | <b>2,126,641</b> | <b>2,797,122</b> | <b>54.4%</b> | <b>17.4%</b> |
| <b>Minority's Shareholders' Equity</b>          |                  |                  |                  |              |              |
| Capital   | 1,627,275        | 1,229,517        | 1,233,897        | 32.4%        | 31.9%        |
| Treasury shares                                 | (1,731)          | (18,050)         | (18,050)         | -90.4%       | -90.4%       |
| Capital reserves                                | 318,439          | 182,125          | 190,585          | 74.8%        | 67.1%        |
| Revenue reserves                                | 381,651          | 218,827          | 218,827          | 74.4%        | 74.4%        |
| Retained earnings/accumulated losses            | 0                | 0                | 158,217          | -            | -100.0%      |
|   | <b>2,325,634</b> | <b>1,612,419</b> | <b>1,783,476</b> | <b>44.2%</b> | <b>30.4%</b> |
| <b>Liabilities and Shareholders' Equity</b>     | <b>7,688,323</b> | <b>5,538,858</b> | <b>6,931,539</b> | <b>38.8%</b> | <b>10.9%</b> |

**Consolidated Cash Flows**

|  | <b>2,009</b>     | <b>2,008</b>     |
|--|------------------|------------------|
| <b>Net Income</b>  | <b>213,540</b>   | <b>109,921</b>   |
| Expenses (income) not affecting working capital              |                  |                  |
| Depreciation and amortization                                | 42,298           | 50,421           |
| Goodwill / Negative goodwill amortization                    | (9,114)          | 2,214            |
| Expense with stock option plan                               | 14,427           | 26,138           |
| Unearned income from partial sale of investment              | (169,394)        | (41,008)         |
| Unrealized interest and charges, net                         | 171,327          | 116,771          |
| Deferred Taxes   | 75,260           | 18,960           |
| Disposal of fixed asset                                      | 5,251            | -                |
| Warranty provision   | 7,908            | 5,112            |
| Provision for contingencies                                  | 63,975           | 13,933           |
| Profit sharing provision                                     | 28,237           | -                |
| Allowance (reversal) for doubtful debts                      | (974)            | 10,359           |
| Minority interest  | 71,400           | 56,733           |
| Decrease (increase) in assets                                |                  |                  |
| Clients  | (1,657,128)      | (591,202)        |
| Properties for sale  | 280,519          | (703,069)        |
| Other receivables  | 130,438          | (61,510)         |
| Escrow deposits  | (44,552)         | (3,834)          |
| Deferred selling expenses                                    | 1,870            | (5,211)          |
| Prepaid expenses   | 13,263           | (19,172)         |
| Decrease (increase) in liabilities                           |                  |                  |
| Obligations for purchase of land and advances from customers | (38,881)         | 184,181          |
| Taxes and contributions                                      | 25,010           | 38,977           |
| Trade accounts payable                                       | 81,431           | (14,363)         |
| Salaries, payroll charges                                    | 3,390            | (19,475)         |
| Other accounts payable                                       | 13,806           | 12,612           |
| <b>Cash used in operating activities</b>                     | <b>(676,693)</b> | <b>(812,512)</b> |
| <b>Investing activities</b>                                  |                  |                  |
| Cash acquired at Tenda                                       | -                | 66,904           |
| Purchase of property and equipment and deferred charges      | (45,109)         | (63,127)         |
| Capital contribution to subsidiary companies                 | -                | -                |
| Restricted cash in guarantee to loans                        | 29,663           | (67,077)         |
| Acquisition of investments                                   | -                | (15,000)         |
| <b>Cash used in investing activities</b>                     | <b>(15,446)</b>  | <b>(78,300)</b>  |
| <b>Financing activities</b>                                  |                  |                  |
| Capital increase   | 9,736            | 7,671            |
| Alienação ações em tesouraria                                | 16,319           | -                |
| <i>Ganho na alienação de ações em tesouraria</i>             | 65,727           | -                |

|  |                  |                |
|--|------------------|----------------|
| Contributions from venture partners  | -                | 300,000        |
| Increase in loans and financing  | 2,259,663        | 775,906        |
| Repayment of loans and financing   | (860,979)        | (145,697)      |
| Assignment of credit receivables, net                                      | 860              | 916            |
| Proceeds from subscription of redeemable equity interest in securitization | 41,308           | -              |
| Cessão de Crédito Imobiliário - CCI  | 69,316           | -              |
| Dividends paid   | (26,058)         | (26,979)       |
| Dividends paid to venture partners   | (35,539)         | -              |
| <b>Net cash provided by financing activities</b>                           | <b>1,540,353</b> | <b>911,817</b> |
| <br>   |                  |                |
| <b>Net increase (decrease) in cash and cash equivalents</b>                | <b>848,214</b>   | <b>21,005</b>  |
| <br>   |                  |                |
| Cash and cash equivalents  |                  |                |
| At the beginning of the period   | 528,574          | 507,569        |
| At the end of the period   | 1,376,788        | 528,574        |
| <b>Net increase (decrease) in cash and cash equivalents</b>                | <b>848,214</b>   | <b>21,005</b>  |

