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

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K/A

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

For the month of April, 2016

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

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

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

Form 20-F ___X___ Form 40-F ______

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

Yes ______ No ___X___

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

Yes ______ No ___X___

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

Yes ______ No ___X___

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

GAFISA S.A.

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

Corporate Registry (NIRE) No. 35.300.147.952

Publicly-held Company

MANAGEMENT PROPOSAL

ANNUAL GENERAL MEETING

APRIL 25, 2016

INDEX

GAFISA S.A.

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

Corporate Registry (NIRE) No. 35.300.147.952

Publicly-held Company

Dear Shareholders,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4

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

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

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

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

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

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

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

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

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

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

São Paulo, March 24, 2016.

The Management

Gafisa S.A.

5

APPENDIX I

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

10. MANAGEMENT COMMENTS

10.1.

a) general financial condition and assets

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b) capital structure

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

Fiscal Year ended December 31

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

f) levels of indebtedness and debt characteristics

i) significant loan and financing agreements

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

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

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

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

Project Financing (SFH and SFI)

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

FGTS Debentures

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

Debentures

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

Working Capital

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

Obligations with Investor

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

ii) other long-term arrangements with financial institutions

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

iii) degree of Company debt subordination

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

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

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

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

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

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

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

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

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

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

- amendment to or change in the Company's business purpose so that the Company no longer operates as a real estate developer and construction Company;
- change in the corporate nature of the Company to limited liability, under articles 220 through 222 of the Brazilian Corporate Law;
- spin-off, or merger of the Company into another Company, unless such transaction is approved by the holders of debt securities or holders are granted the right to withdraw;
- reduction in the Company's capital stock that results in a capital stock lower than ninety-five percent (95%) of the existing capital stock, except (i) in the case the capital reduction is carried out to absorb losses under article 173 of the Brazilian Corporate Law, or (ii) it is previously approved by the holders of debt securities;
- Disposal, expropriation, seizure, or any other form of disposal of fixed assets by the Company in equivalent amount, as determined in indentures or contracts, and that may affect the Company's financial capacity.

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

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

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

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

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

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

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

(4) Total accounts receivable.

(5) Total inventory.

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

12

g) limits of contracted financing and percentages already used

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

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

h) significant alterations in each item of the financial statements

CONSOLIDATED STATEMENT OF INCOME FOR THE FISCAL YEAR

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

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

13

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

Gross Revenue from Sales and/or Services

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

Deductions from Gross Revenue – Taxes on Property Sales and Services

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

Net Revenue from Sales and/or Services

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

Cost of Development and Sale of Property

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

Gross Profit

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

Selling expenses

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

General and Administrative Expenses, and Stock Option Plan Expenses

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

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

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

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

Depreciation and Amortization

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

Other Operating Expenses

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

Financial revenue

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

Financial expenses

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

Provision for Income Tax and Social Contribution and Deferred Income Tax

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

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

Minority Interests

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

Net Income (Loss)

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

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

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

	Company (i)	**Tenda**	**Total 2014**
Net operating revenue	1,580,860	570,138	2,150,998
Operating cost	(1,164,998)	(444,248)	