SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM 6-K
REPORT OF FOREIGN ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934
For the month of November, 2018 (Commission File No. 001-33356),
Gafisa S.A. (Translation of Registrant's name into English)
Av. Nações Unidas No. 8501, 19th floor São Paulo, SP, 05425- 070 Federative Republic of Brazil (Address of principal executive office)
Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-FX 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 NoX
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)
YesNoX

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.

Quarterly information
September 30, 2018
(A free translation of the original report in Portuguese as published in
Brazil containing Quarterly Information (ITR) prepared in
accordance with the accounting practices adopted in Brazil)

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COMPANY DATA / CAPITAL COMPOSITION

Number of Shares (in thousands)	CURRENT QUARTER 09/30/2018
Paid-in Capital Common Preferred	44,758
Total Treasury shares	44,758
Common Preferred	872 -
Total	872
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INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)

		CURRENT QUARTER I	PRIOR YEAR
CODE	DESCRIPTION	09/30/2018	12/31/2017
1	Total assets	3,522,810	3,538,909
1.01	Current assets	1,442,091	1,369,512
1.01.01	Cash and cash equivalents	3,912	7,461
1.01.01.01	Cash and banks	3,912	7,461
1.01.02	Short-term investments	182,830	110,945
1.01.02.01	Fair value of short-term investments	182,830	110,945
1.01.03	Accounts receivable	477,078	371,228
1.01.03.01	Trade accounts receivable	477,078	371,228
1.01.03.01.01	Receivables from clients of developments	464,580	357,061
1.01.03.01.02	Receivables from clients of construction and services rendered	12,498	14,167
1.01.04	Inventory	686,848	753,748
1.01.04.01	Properties for sale	686,848	753,748
1.01.07	Prepaid expenses	2,728	5,030
1.01.07.01	Prepaid expenses and others	2,728	5,030
1.01.08	Other current assets	88,695	121,100
1.01.08.01	Non-current assets held for sale	30,912	44,997
1.01.08.03	Other	57,783	76,103
1.01.08.03.01	Other assets	31,553	47,640
1.01.08.03.02	Derivative financial instruments	-	404
1.01.08.03.03	Receivables from related parties	26,230	28,059
1.02	Non-current assets	2,080,719	2,169,397
1.02.01	Non-current assets	509,438	534,095
1.02.01.04	Accounts receivable	189,894	160,602
1.02.01.04.01	Receivables from clients of developments	189,894	160,602
1.02.01.05	Inventory	205,112	289,162
1.02.01.05.01	Properties for sale	205,112	289,162
1.02.01.10	Others non current assets	114,432	84,331
1.02.01.10.03	Other assets	87,811	62,152
1.02.01.10.04	Receivables from related parties	26,621	22,179
1.02.02	Investments	1,532,199	1,598,153
1.02.02.01	Investments	1,532,199	1,598,153
1.02.03	Property and equipment	21,707	19,719
1.02.03.01	Operating property and equipment	21,707	19,719
1.02.04	Intangible assets	17,375	17,430
1.02.04.01	Intangible assets	17,375	17,430
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INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)

		CURRENT	
		QUARTER	PRIOR YEAR
CODE	DESCRIPTION	09/30/2018	12/31/2017
2	Total liabilities	3,522,810	3,538,909
2.01	Current liabilities	1,578,334	1,984,597
2.01.01	Social and labor obligations	32,329	25,997
2.01.01.02	Labor obligations	32,329	25,997
2.01.02	Suppliers	91,494	85,690
2.01.03	Tax obligations	45,787	32,114
2.01.03.01	Federal tax obligations	45,787	32,114
2.01.04	Loans and financing	177,601	513,782
2.01.04.01	Loans and financing	146,405	425,605
2.01.04.01.01	Loans and financing in local currency	146,405	425,605
2.01.04.02	Debentures	31,196	88,177
2.01.05	Other obligations	1,152,956	1,210,700
2.01.05.01	Payables to related parties	952,042	971,002
2.01.05.02	Other	200,914	239,698
	Obligations related to purchases of	00.400	100,000
2.01.05.02.04	properties and advances from customers	99,409	132,098
2.01.05.02.06	Other payables	81,076	83,647
	Obligations assumed on the assignment of	20,429	23,953
2.01.05.02.07	receivables	20,429	23,933
2.01.06	Provisions	78,167	116,314
2.01.06.01	Tax, labor and civil lawsuits	78,167	116,314
2.01.06.01.01	Tax lawsuits	637	194
2.01.06.01.02	Labor lawsuits	21,711	19,300
2.01.06.01.04	Civil lawsuits	55,819	96,820
2.02	Non-current liabilities	1,074,224	798,755
2.02.01	Loans and financing	705,357	456,061
2.02.01.01	Loans and financing	455,228	336,525
2.02.01.01.01	Loans and financing in local currency	455,228	336,525
2.02.01.02	Debentures	250,129	119,536
2.02.02	Other liabilities	198,725	189,092
2.02.02.02	Other	198,725	189,092
	Obligations related to purchase of	157,315	137,192
2.02.02.02.03	properties and advances from customers	137,313	137,132
2.02.02.02.04	Other liabilities	10,764	7,041
	Obligations assumed on the assignment of	30,646	44,859
2.02.02.02.06	receivables	30,040	44,009
2.02.03	Deferred taxes	74,473	74,473
	Deferred income tax and social	74,473	74,473
2.02.03.01	contribution	74,475	74,473
2.02.04	Provisions	95,669	79,129
2.02.04.01	Tax, labor and civil lawsuits	95,669	79,129
2.02.04.01.01	Tax lawsuits	-	565
2.02.04.01.02	Tax and labor lawsuits	31,873	36,903

2.02.04.01.04	Civil lawsuits	63,796	41,661
2.03	Equity	870,252	755,557
2.03.01	Capital	2,521,319	2,521,152
2.03.02	Capital reserves	311,583	56,359
2.03.02.05	Treasury shares	(27,057)	(29,089)
2.03.02.07	Constitution of capital reserve	250,599	· -
2.03.02.09	Reserve for granting of stock options	88,041	85,448
2.03.05	Retained earnings/accumulated losses	(1,962,650)	(1,821,954)
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2.03.02.07 2.03.02.09 2.03.05	Constitution of capital reserve Reserve for granting of stock options	250,599 88,041	85,448

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

				SAME	
				QUARTER	PREVIOUS
			YEAR TO	OF	YEAR TO
		CURRENT	DATE	PREVIOUS	DATE
		QUARTER	01/01/2018	YEAR	01/01/2017
		07/01/2018 to	to0	7/01/2017 to	to
CODE	DESCRIPTION	09/30/2018	09/30/2018	09/30/2017	09/30/2017
3.01	Gross sales and/or services	226,353	679,044	113,405	327,706
3.01.01	Revenue from real estate	248,125	745 505	125,001	250 722
3.01.01	development	240,123	745,595	123,001	359,722
3.01.03	Taxes on real estate sales	(21,772)	(66,551)	(11,596)	(32,016)
	and services	(21,772)	(00,551)	(11,590)	(32,010)
3.02	Cost of sales and/or services	(202,961)	(528,582)	(125,556)	(357,987)
3.02.01	Cost of real estate	(202,961)	(528,582)	(125,556)	(357,987)
	development	(202,301)	,	(123,330)	,
3.03	Gross profit	23,392	150,462	(12,151)	(30,281)
3.04	Operating expenses/income	(40,865)	(212,911)	(121,796)	(360,149)
3.04.01	Selling expenses	(18,243)	(63,105)	(19,908)	(54,557)
3.04.02	General and administrative	(19,828)	(50,706)	(16,373)	(50,346)
	expenses	(13,020)	(30,700)	,	,
3.04.05	Other operating expenses	(22,885)	(57,155)	(11,050)	(79,386)
3.04.05.01	Depreciation and amortization	(6,122)	(14,550)	(8,169)	(25,337)
3.04.05.02	Other operating expenses	(16,763)	(42,605)	(2,881)	(54,049)
3.04.06	Income from equity method	20,091	(41,945)	(74,465)	(175,860)
0.04.00	investments	20,031	(+1,5+5)	(74,400)	(175,000)
3.05	Income (loss) before financial	(17,473)	(62,449)	(133,947)	(390,430)
	results and income taxes	,	,	,	
3.06	Financial	(19,752)	(60,060)	(23,894)	(94,987)
3.06.01	Financial income	5,755	14,687	6,131	20,852
3.06.02	Financial expenses	(25,507)	(74,747)	(30,025)	(115,839)
3.07	Income before income taxes	(37,225)	(122,509)	(157,841)	(485,417)
3.09	Income (loss) from continuing	(37,225)	(122,509)	(157,841)	(485,417)
5.03	operations	(37,223)	(122,303)	(137,041)	(405,417)
3.10	Income (loss) from	_	_	_	98,175
5.10	discontinued operations				50,175
3.10.01	Net income (loss) from	_	_	_	98,175
	discontinued operations				
3.11	Income (loss) for the period	(37,225)	(122,509)	(157,841)	(387,242)
3.99	Earnings per share – (Reais /	_	_	_	_
0.00	Share)				
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	ON	(0.89247)	(2.93716)	(5.87343)	(14.40969)
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	ON	(0.89247)	(2.93716)	(5.87343)	(14.40969)

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

, , ,	,			SAME QUARTER	
				OF	PREVIOUS
				PREVIOUS	YEAR TO
		CURRENT	YEAR TO	YEAR	DATE
		QUARTER	DATE	07/01/2017	01/01/2017
		07/01/2018 to	01/01/2018 to	to	to
CODE	DESCRIPTION	09/30/2018	09/30/2018	09/30/2017	09/30/2017
4.01	Income (loss) for the period	(37,225)	(122,509)	(157,841)	(387,242)
4.03	Comprehensive income (loss) for the period	(37,225)	(122,509)	(157,841)	(387,242)

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

CODE 6.01	DESCRIPTION Net cash from operating activities	YEAR TO DATE 01/01/2018 to 09/30/2018 (66,472)	PREVIOUS YEAR TO DATE 01/01/2017 to 09/30/2017 118,278
6.01.01	Cash generated from operations	(72,655)	(176,844)
6.01.01.01	Income (loss) before income and social contribution taxes	(122,509)	(485,417)
6.01.01.02 6.01.01.03	Income from equity method investments Stock option expenses	12,595 1,912	175,860 2,898
6.01.01.04	Unrealized interest and finance charges, net	5,474	35,102
6.01.01.05	Financial instruments	(763)	(790)
6.01.01.06	Depreciation and amortization	14,550	25,337
6.01.01.07	Provision for legal claims	44,641	61,584
6.01.01.08	Provision for profit sharing	3,795	9,395
6.01.01.09	Warranty provision	(3,656)	(7,439)
6.01.01.11	Allowance for doubtful accounts	(19,037)	17,767
6.01.01.12	Provision for realization of non-financial assets - properties for sale	(10,119)	(11,141)
6.01.01.15	Inventory write-off	462	-
6.01.02	Variations in assets and liabilities	6,183	295,122
6.01.02.01	Trade accounts receivable	(150,711)	121,494
6.01.02.02	Properties for sale	204,504	207,441
6.01.02.03	Other accounts receivable	(16,293)	(10,242)
6.01.02.04	Prepaid expenses	2,302	(2,805)
6.01.02.05	Obligations related to purchases of properties and advances from customers	(12,566)	(13,574)
6.01.02.06	Taxes and contributions	13,673	(3,028)
6.01.02.07	Suppliers	6,708	11,732
6.01.02.08	Salaries and charges payable	2,537	(10,577)
6.01.02.09	Transactions with related parties	(12,826)	31,263
6.01.02.10	Other obligations	(31,145)	(36,582)
6.02	Net cash from investment activities	(95,356)	249,250
6.02.01	Purchases of property and equipment and intangible assets	(16,483)	(16,216)
6.02.02	Increase in investments	(6,988)	1,295
6.02.03	Redemption of short-term investments	828,039	732,351
6.02.04	Purchase of short-term investments Proceeds from the exercise of preemptive	(899,924)	(678,145)
6.02.07	rights	-	219,510
6.02.08	Transaction costs	<u>-</u>	(9,545)
6.03	Net cash from financing activities	158,279	(383,015)
6.03.01	Capital increase	167	-
6.03.02	Increase in loans, financing and debentures	339,201	190,252
6.03.03		(431,560)	(599,448)

	Payment of loans, financing and debentures		
6.03.06	Loan transactions with related parties	(843)	5,625
6.03.07	Payables to venture partners	· · · · · · - · · · · · · · · · · · · ·	(1,140)
6.03.08	Disposal of treasury shares	715	317
6.03.10	Assignment of receivables	-	21,379
6.03.12	Subscription and payment of common shares	250,599	-
6.05	Net increase (decrease) of cash and cash equivalents	(3,549)	(15,487)
6.05.01	Cash and cash equivalents at the beginning of the period	7,461	19,811
6.05.02	Cash and cash equivalents at the end of the period	3,912	4,324
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INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2018 TO 09/30/2018 (in thousands of Brazilian reais)

Capital reserves, stock options

			and treasury	Profit	Retained	Other comprehensive	Total
CODE	DESCRIPTION	Capital	shares	reserves	earnings	income	Equity
5.01	Opening balance	2,521,152	56,359	-	(1,821,954)	-	755,557
5.02	Adjusted prior year	-	-	-	(16,869)	-	(16,869)
5.02.01	Adoption of CPC 48 (IFRS 9)	-	-	-	(16,869)	-	(16,869)
5.03	Opening adjusted balance	2,521,152	56,359	-	(1,838,823)	-	738,688
5.04	Capital transactions with shareholders	167	255,224	-	(1,318)	-	254,073
5.04.01	Capital increase	167	250,599	-	-	-	250,766
5.04.03	Stock option plan	-	2,592	=	-	-	2,592
5.04.05	Treasury shares sold	-	2,033	-	(1,318)	-	715
	Total of						
5.05	comprehensive income (loss)	-	-	-	(122,509)	-	(122,509)
5.05.04	Net income (loss)				(400 500)		(400 500)
5.05.01	for the period	-	-	-	(122,509)	-	(122,509)
5.07	Closing balance	2,521,319	311,583	-	(1,962,650)	-	870,252

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 09/30/2017 (in thousands of Brazilian reais) Capital

			reserves, stock options and			Other	
CODE 5.01	DESCRIPTION Opening balance	Capital 2,740,662	treasury shares 49,424	Profit reserves	Retained earnings (861,761)	comprehensive income	Total Equity 1,928,325
5.03	Opening adjusted balance	2,740,662	49,424	-	(861,761)	-	1,928,325
5.04	Capital transactions with shareholders	(219,510)	3,233	-	(107,720)	-	(323,997)
5.04.03	Stock option plan	-	2,916	-	-	-	2,916
5.04.04	Treasury shares acquired	-	317	-	-	-	317
5.04.08	Capital reduction Total	(219,510)	-	-	(107,720)	-	(323,997)
5.05	comprehensive income (loss)	-	-	-	(387,242)	-	(387,242)
5.05.01	Net income (loss) for the period	-	-	-	(387,242)	-	(387,242)
5.07	Closing balance	2,521,152	52,657	-	(1,356,723)	-	1,217,086

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

CODE	DESCRIPTION	YEAR TO DATE 01/01/2018 to 09/30/2018	PREVIOUS YEAR TO DATE 01/01/2017 to 09/30/2017
7.01	Revenue	745,595	359,722
7.01.01	Real estate development, sales and services	726,559	377,489
7.01.04	Allowance for doubtful accounts	19,036	(17,767)
7.02	Inputs acquired from third parties	(533,950)	(278,707)
7.02.01	Cost of sales and/or service	(442,945)	(295,990)
7.02.02	Materials, energy, outsourced labor and other	(91,005)	(80,892)
7.02.04	Other	-	98,175
7.02.04.01	Result of discontinued operations	-	98,175
7.03	Gross value added	211,645	81,015
7.04	Retentions	(14,550)	(25,337)
7.04.01	Depreciation and amortization	(14,550)	(25,337)
7.05	Net value added produced by the Company	197,095	55,678
7.06	Added value received through transfer	(27,258)	(155,008)
7.06.01	Income from equity method investments	(41,945)	(175,860)
7.06.02	Financial income	14,687	20,852
7.07	Total value added to be distributed	169,837	(99,330)
7.08	Value added distribution	169,837	(99,330)
7.08.01	Personnel and payroll charges	51,597	63,447
7.08.01.01	Direct remuneration	51,597	63,447
7.08.02	Taxes and contributions	76,694	43,653
7.08.02.01	Federal	76,694	43,653
7.08.03	Compensation – Interest	164,055	180,812
7.08.03.01	Interest	160,384	177,836
7.08.03.02	Rent	3,671	2,976
7.08.04	Compensation – Company capital	(122,509)	(387,242)
7.08.04.03	Net income (retained losses)	(122,509)	(387,242)

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

		CURRENT QUARTER	PRIOR YEAR
CODE	DESCRIPTION	09/30/2018	12/31/2017
1	Total assets	2,867,551	2,878,138
1.01	Current assets	1,763,850	1,732,925
1.01.01	Cash and cash equivalents	7,931	28,527
1.01.01.01	Cash and banks	7,931	28,527
1.01.02	Short-term investments	186,515	118,935
1.01.02.01	Fair value of short-term investments	186,515	118,935
1.01.03	Accounts receivable	569,166	484,761
1.01.03.01	Trade accounts receivable	569,166	484,761
1.01.03.01.01	Receivables from clients of developments	545,810	469,843
1.01.03.01.02	Receivables from clients of construction and services rendered	23,356	14,918
1.01.04	Inventory	858,726	882,189
1.01.04.01	Properties for sale	858,726	882,189
1.01.07	Prepaid expenses	3,184	5,535
1.01.07.01	Prepaid expenses and other	3,184	5,535
1.01.08	Other current assets	138,328	212,978
1.01.08.01	Non-current assets for sale	34,212	102,352
1.01.08.03	Other	104,116	110,626
1.01.08.03.01	Other accounts receivable and other	38,488	58,332
1.01.08.03.02	Receivables from related parties	-	404
1.01.08.03.03	Derivative financial instruments	65,628	51,890
1.02	Non-current assets	1,103,701	1,145,213
1.02.01	Non-current assets	595,216	625,465
1.02.01.04	Accounts receivable	214,405	199,317
1.02.01.04.01	Receivables from clients of developments	214,405	199,317
1.02.01.05	Inventory	263,937	339,797
1.02.01.05.01	Properties for sale	263,937	339,797
1.02.01.10	Other non-current assets	116,874	86,351
1.02.01.10.03	Other assets	90,253	64,172
1.02.01.10.04	Receivables from related parties	26,621	22,179
1.02.02	Investments	465,438	479,126
1.02.02.01	Interest in associates and affiliates	465,438	479,126
1.02.03	Property and equipment	24,827	22,342
1.02.03.01	Operation property and equipment	24,827	22,342
1.02.04	Intangible assets	18,220	18,280
1.02.04.01	Intangible assets	18,220	18,280

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

	•	CURRENT	
		QUARTER	PRIOR YEAR
CODE	DESCRIPTION	09/30/2018	12/31/2017
2	Total liabilities	2,867,551	2,878,138
2.01	Current liabilities	807,523	1,213,686
2.01.01	Social and labor obligations	34,864	27,989
2.01.01.02	Labor obligations	34,864	27,989
2.01.02	Suppliers	106,363	98,662
2.01.03	Tax obligations	56,822	46,430
2.01.03.01	Federal tax obligations	56,822	46,430
2.01.04	Loans and financing	201,367	569,250
2.01.04.01	Loans and financing	170,171	481,073
2.01.04.01.01	In local currency	170,171	481,073
2.01.04.02	Debentures	31,196	88,177
2.01.05	Other obligations	329,940	355,041
2.01.05.01	Payables to related parties	60,456	63,197
2.01.05.02	Other	269,484	291,844
	Obligations related to purchases of	·	
2.01.05.02.04	properties and advances from customers	145,468	156,457
2.01.05.02.06	Other payables	97,075	104,386
	Obligations assumed on the assignment of	ŕ	
2.01.05.02.07	receivables	26,941	31,001
2.01.06	Provisions	78,167	116,314
2.01.06.01	Tax, labor and civil lawsuits	78,167	116,314
2.01.06.01.01	Tax lawsuits	637	194
2.01.06.01.02	Labor lawsuits	21,711	19,300
2.01.06.01.04	Civil lawsuits	55,819	96,820
2.02	Non-current liabilities	1,188,073	905,048
2.02.01	Loans and financing	758,977	535,648
2.02.01.01	Loans and financing	508,848	416,112
2.02.01.01.01	Loans and financing in local currency	508,848	416,112
2.02.01.02	Debentures	250,129	119,536
2.02.02	Other obligations	256,066	212,864
2.02.02.02	Other	256,066	212,864
	Obligations related of purchases of	·	•
2.02.02.02.03	properties and advances from customers	207,765	152,377
2.02.02.02.04	Other payables	10,587	7,095
2.02.02.02.06	Obligations assumed on the assignment of	37,714	53,392
	receivables	·	
2.02.03	Deferred taxes	74,473	74,473
2.02.03.01	Deferred income tax and social	74,473	74,473
	contribution	·	
2.02.04	Provisions	98,557	82,063
2.02.04.01	Tax, labor and civil lawsuits	98,557	82,063
2.02.04.01.01	Tax lawsuits	0	565
2.02.04.01.02	Labor lawsuits	34,499	39,682
2.02.04.01.04	Civil lawsuits	64,058	41,816

2.03	Equity	871,955	759,404
2.03.01	Capital	2,521,319	2,521,152
2.03.02	Capital reserves	311,583	56,359
2.03.02.05	Treasury shares	(27,057)	(29,089)
2.03.02.07	Constitution of capital reserve	250,599	· -
2.03.02.09	Reserve for granting of stock options	88,041	85,448
2.03.05	Retained earnings/accumulated losses	(1,962,650)	(1,821,954)
2.03.09	Non-controlling interest	1,703	3,847
13			

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

brazilian nea	iis)			SAME QUARTER	
CODE 3.01	DESCRIPTION Gross sales and/or services	CUURENT QUARTER 07/01/2018 to 09/30/2018 252,306	YEAR TO DATE 01/01/2018 to 0 09/30/2018 767,974	OF PREVIOUS YEAR 07/01/2017 to 09/30/2017 160,325	PREVIOUS YEAR TO DATE 01/01/2017 to 09/30/2017 444,117
	Revenue from real estate		·	•	,
3.01.01	development	275,231	838,972	173,520	480,398
3.01.03	Taxes on real estate sales and services	(22,925)	(70,998)	(13,195)	(36,281)
3.02	Cost of sales and/or services	(203,560)	(623,542)	(167,956)	(483,318)
3.02.01	Cost of real estate development	(203,560)	(623,542)	(167,956)	(483,318)
3.03 3.04 3.04.01	Gross profit Operating expenses/income Selling expenses	48,746 (66,822) (20,653)	144,432 (208,317) (73,042)	(7,631) (129,829) (22,929)	(39,201) (361,644) (63,169)
3.04.02	General and administrative expenses	(22,300)	(61,841)	(21,441)	(68,548)
3.04.05	Other operating expenses	(23,971)	(63,020)	(18,408)	(87,266)
3.04.05.01	Depreciation and amortization	(6,393)	(15,518)	(8,379)	(25,962)
3.04.05.02	Other operating expenses	(17,578)	(47,502)	(10,029)	(61,304)
3.04.06	Income from equity method investments	102	(10,414)	(67,051)	(142,661)
3.05	Income (loss) before financial results and income taxes	(18,076)	(63,885)	(137,460)	(400,845)
3.06	Financial	(19,179)	(58,211)	(21,069)	(83,019)
3.06.01 3.06.02	Financial income Financial expenses	6,130 (25,309)	15,211 (73,422)	6,604 (27,673)	23,680 (106,699)
3.00.02	Income before income taxes	(37,255)	(122,096)	(158,529)	(483,864)
3.08	Income and social contribution taxes	(670)	(2,334)	622	(1,673)
3.08.01	Current	(670)	(2,334)	622	(1,673)
3.09	Income (loss) from continuing operations	(37,925)	(124,430)	(157,907)	(485,537)
3.10	Income (loss) from discontinued operations	-	-	-	98,175
3.10.01	Net income (loss) from discontinued operations	-	-	-	98,175
3.11	Income (loss) for the period	(37,925)	(124,430)	(157,907)	(387,362)
3.11.01	Income (loss) attributable to the Company	(37,225)	(122,509)	(157,841)	(387,242)
3.11.02	• •	(700)	(1,921)	(66)	(120)

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3.99 3.99.01 3.99.01.01 3.99.02 3.99.02.01	Net income attributable to non-controlling interests Earnings per Share – (Reais / Share) Basic earnings per share ON Diluted earnings per share ON	(0.89247) (0.89247)	- (2.93716) - (2.93716)	(5.87343) (5.87343)	(14.40969) (14.40969)
14					

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

CODE	DESCRIPTION	CURRENT QUARTER 07/01/2018 to 09/30/2018	YEAR TO DATE 01/01/2018 to 09/30/2018	SAME QUARTER OF PREVIOUS YEAR 07/01/2017 to 09/30/2017	PREVIOUS YEAR TO DATE 01/01/2017 to 09/30/2017
4.01	Consolidated income (loss) for the period Consolidated	(37,925)	(124,430)	(157,907)	(387,362)
4.03	comprehensive income (loss) for the period	(37,925)	(124,430)	(157,907)	(387,362)
4.03.01	Income (loss) attributable to the Company	(37,225)	(122,509)	(157,841)	(387,242)
4.03.02	Net income attributable to the non-controlling interests	(700)	(1,921)	(66)	(120)
15					

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

Diaziliali neais)			
CODE	DESCRIPTION	YEAR TO DATE 01/01/2018 to 09/30/2018	PREVIOUS YEAR TO DATE 01/01/2017 to 09/30/2017
6.01 6.01.01	Net cash from operating activities Cash generated in the operations	(26,940) (98,389)	200,941 (196,146)
6.01.01.01	Income (loss) before income and social contribution taxes	(122,096)	(483,864)
6.01.01.02 6.01.01.03	Income from equity method investments Stock option expenses	10,414 1,912	142,661 2,898
6.01.01.04	Unrealized interest and finance charges, net	10,229	46,975
6.01.01.05 6.01.01.06 6.01.01.07 6.01.01.08 6.01.01.09 6.01.01.11	Financial instruments Depreciation and amortization Provision for legal claims Provision for profit sharing Warranty provision Allowance for doubtful accounts	(763) 15,518 44,764 3,795 (3,656) (19,037)	(790) 25,962 61,431 9,394 (7,439) 17,767
6.01.01.12	Provision for realization of non-financial assets - properties for sale	(39,469)	(11,141)
6.01.02 6.01.02.01 6.01.02.02 6.01.02.03 6.01.02.04	Variations in assets and liabilities Trade accounts receivable Properties for sale Other accounts receivable Prepaid expenses Obligations for purchases of properties	71,449 (117,062) 206,932 (9,364) 2,351	345,128 180,528 263,519 (9,272) (2,978)
6.01.02.05	and advance from customers	44,399	(26,900)
6.01.02.06 6.01.02.07 6.01.02.08 6.01.02.09 6.01.02.10 6.01.02.11 6.01.03	Taxes and contributions Suppliers Salaries and charges payable Transactions with related parties Other obligations Income tax and social contribution payable Other	10,392 8,530 3,080 (12,442) (63,033) (2,334)	(1,430) 10,520 (8,887) (22,906) (35,393) (1,673) 51,959
6.01.03.01	Net cash from operating activities related to discontinued operations	-	51,959
6.02	Net cash from investment activities Purchases of property, equipment and	(89,511)	335,826
6.02.01	intangible assets	(17,943)	(18,370)
6.02.02 6.02.03 6.02.04	Increase in investments Redemption of short-term investments Purchase of short-term investments	(3,988) 882,542 (950,122)	1,294 851,218 (756,944)
6.02.07	Proceeds from the exercise of preemptive rights	-	219,510
6.02.08	Transaction costs	-	(9,545)
6.02.09	Net cash from investing activities related to discontinued operations	-	48,663

6.03	Net cash from financing activities	95,855	(414,964)
6.03.01	Capital increase	167	-
6.03.02	Increase in loans, financing and debentures	377,841	255,805
6.03.03	Payment of loans, financing and debentures	(532,624)	(721,076)
6.03.06	Loan transactions with related parties	(843)	5,625
6.03.07	Payables to venture partners	-	(1,237)
6.03.08	Disposal of treasury shares	715	317
6.03.10	Assignment of receivables	-	21,513
6.03.11	Net cash from financing activities related to discontinued operations	-	24,089
6.03.12	Subscription and payment of common shares	250,599	-
6.04	Foreign exchange gains and losses on cash and cash equivalents	-	(124,711)
6.05	Net increase (decrease) in cash and cash equivalents	(20,596)	(2,908)
6.05.01	Cash and cash equivalents at the beginning of the period	28,527	29,534
6.05.02	Cash and cash equivalents at the end of the period	7,931	26,626
16			

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2018 TO 09/30/2018 (in thousands of Freais)

Capital reserves, stock options

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			options and treasury	Profit	Retained	Other comprehensive	Total Shareholders'	Non controlling
CODE	DESCRIPTION	Capital	shares	reserves	earnings	income	equity	interest C
5.01	Opening balance	2,521,152	56,359	- ((1,821,954)	-	755,557	3,847
5.02	Adjusted prior year	-	-	-	(16,869)	-	(16,869)	-
5.02.01	Adoption of I CPC 48 (IFRS 9)	-	-	-	(16,869)	-	(16,869)	-
5.03	Opening adjusted balance	2,521,152	56,359	- ((1,838,823)	-	738,688	3,847
5.04	Capital transactions with	167	255,224	-	(1,318)	-	254,073	-
5.04.01	shareholders I Capital increase	167	250,599	-	-	-	250,766	-
5.04.03	pian	-	2,592	-	-	-	2,592	-
5.04.05	Treasury shares sold Total	-	2,033	-	(1,318)	-	715	-
5.05	comprehensive income (loss)	-	-	-	(122,509)	-	(122,509)	(1,921)
5.05.01	Net income I (loss) for the period	-	-	-	(122,509)	-	(122,509)	(1,921)
5.06	Reserves	-	-	-	-	-	-	(223)
5.06.01	Constitution of	-	-	-	_	-	-	(223)
5.07	reserves Closing balance	2,521,319	311,583	- ((1,962,650)	-	870,252	1,703

NSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 09/30/2017 (in thousands of Brazilian is)

Capital

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reserves, stock options and Other **Total** Non treasury Retained comprehensive Shareholders' controlling Total equ Profit DE DESCRIPTION Capital shares reserves earnings income equity interest Consolidat Opening 2,740,662 1,928,325 49,424 (861,761)2,128 1,930, balance Opening adjusted 49,424 1,928,325 2,128 1,930, (861,761)2,740,662 balance Capital transactions 3,233 (107,720)(323,997)(323,9)(219,510)with shareholders Stock option 2,916 2,916 2, plan Treasury 317 317 shares sold 4.08 Capital (327,2)(219,510)(107,720)(327,230)reduction Total of (120)comprehensive (387,3)(387,242)(387,242)income (loss) Net income 5.01 (loss) for the (387,242)(387,242)(120)(387,3)period Closing balance 2,521,152 52,657 - (1,356,723) 1,217,086 2,008 1,219,

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

·			PREVIOUS
		YEAR TO	YEAR TO
		DATE	DATE
		01/01/2018 to	01/01/2017 to
CODE	DESCRIPTION	09/30/2018	09/30/2017
7.01	Revenue	838,972	480,398
7.01.01	Real estate development, sales and services	836,804	498,165
7.01.04	Allowance for doubtful accounts	2,168	(17,767)
7.02	Inputs acquired from third parties	(627,853)	(397,028)
7.02.01	Cost of sales and/or services	(524,145)	(392,201)
7.02.02	Materials, energy, outsourced labor and other	(103,708)	(103,002)
7.02.04	Other	-	98.175
7.02.04.01	Result of discontinued operation	-	98.175
7.03	Gross value added	211,119	83,370
7.04	Retentions	(15,518)	(25,962)
7.04.01	Depreciation and amortization	(15,518)	(25,962)
7.05	Net value added produced by the Company	195,601	57,408
7.06	Value added received through transfer	4,797	(118,981)
7.06.01	Income from equity method investments	(10,414)	(142,661)
7.06.02	Financial income	15,211	23,680
7.07	Total value added to be distributed	200,398	(61,573)
7.08	Value added distribution	200,398	(61,573)
7.08.01	Personnel and payroll charges	60,102	72,061
7.08.01.01	Direct remuneration	60,102	72,061
7.08.02	Taxes and contributions	85,378	51,393
7.08.02.01	Federal	85,378	51,393
7.08.03	Compensation – Interest	177,427	202,215
7.08.03.01	Interest	172,819	197,816
7.08.03.02	Rent	4,608	4,399
7.08.04	Compensation – Company capital	(122,509)	(387,242)
7.08.04.03	Net income (retained losses)	(122,509)	(387,242)
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FOR IMMEDIATE RELEASE - São Paulo, November 8, 2018 – Gafisa S.A. (B3: GFSA3; NYSE: GFA), one of Brazil's leading homebuilders, today reported its financial results for the third quarter ended September 30, 2018.

GAFISA ANNOUNCES 3Q18 RESULTS

As management was elected on 09/28/18, it is therefore not liable for 3Q18 operations and results, and hereby releases its first report.

Conference Call November 9, 2018

Firstly, over the past 40 days, our priority was to **cut costs**, processes and contracts, and optimize our structure. Specifically, we reduced our workforce by 50%, which will amount to **R\$36 million/year savings**, which includes the Rio de Janeiro branch shutdown. From now on, we will concentrate our efforts solely on the region of São Paulo, Brazil's largest market.

11:00 a.m.Brasília time

In Portuguese

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

Code: Gafisa

8:30 a.m. US EST

In English

(simultaneous translation from Portuguese)

+1 516 300-1066 (USA)

Code: Gafisa

In addition, we proposed to our shareholders to transfer the Company's headquarters from São Paulo to São Caetano do Sul, at Gafisa's owned property, which, besides sheltering our operations, will save **R\$4.7 million/year** on office lease costs.

In addition to our focus on cost-cutting initiatives, the new management is pursuing **innovation to Gafisa's business model**, highlighting as short-term actions: (i) the launch of *Gafisa Serviços* (Gafisa Services), which offers post-warranty services, house-up (customization of unit to be delivered according to customer's needs) and rental of residential and commercial units, owned and third-party units, and (ii) the setup of an Innovation Committee, headed by Mr. Pedro Carvalho de Melo, one of our independent board members, and comprised of other four executives of the Company, representing the areas of building sites, new business, and sales. Mr. Melo is the academic coordinator of FGV/IDE's international programs and the chairman of Gafisa's Audit Committee.

For the fourth quarter, we have already directed our efforts toward **selling existing inventory**. As to launches, new management will prioritize more profitable projects with higher market acceptance.

Webcast:

Replay:

www.gafisa.com.br/ri

To subpsort the Company's recovery in the upcoming years, we

are analyzing funding alternatives.

Over the next few months, we will be working on the Business Plan for the next two years, which will be released to the market

in due course. Our objective is to continue adjusting the

Company's business model, driving solid performance which

creates value for shareholders and stakeholders.

Portuguese: 35492815

+55 (11) 3127-4999

English: 40262218 **Ana Recart**

CEO, CFO and Investor Relations Officer

Shares

GFSA3 - B3

GFA - NYSE

Total outstanding shares: 44,757,914¹

Average Daily Traded Volume (3Q18):

R\$11.9 million

¹including 871,664 treasury shares

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MAIN CONSOLIDATED INDICATORS

Table 1 - Operational Performance (R\$ 000)

71,144	399,875	-82.2%	463,841	-84.7%	609,734	463,841	31.5%
188,125	405,858	-53.6%	438,429	-57.1%	887,443	914,834	-3.0%
(51,661)	(59,912)	-13.8%	(84,390)	-47.3%	(169, 276)	(316,251)	-46.5%
136,464	345,946	-60.6%	354,039	-61.5%	718,167	598,583	20.0%
9.4%	19.9%	-10.5 bps	18.3%	-8.9 bps	35.3%	27.5%	7.8 bps
346,009	300,991	15.0%	75,227	360.0%	647,001	820,153	-21.1%
1,318,698	1,395,626	-5.5%	1,581,402	-16.6%	1,318,698	1,581,402	-16.6%

Table 2 - Financial Performance (R\$ 000)

252,306	302,271	-16.5%	160,325	57.4%	767,974	444,117	72.9%
80,330	104,366	-23.0%	18,686	329.9%	243,829	51,916	369.7%
31.8%	34.5%	-2.7 bps	11.7%	20.1 bps	31.7%	11.7%	20.0 bps
20,535	29,164	-29.6%	(44,199)	-146.5%	52,942	(156,582)	-133.8%
8.1%	9.6%	-1.5 bps	-27.6%	35.7 bps	6.9%	-35.3%	42.2 bps
(37,225)	(29,359)	26.8%	(157,841)	-76.4%	(122,509)	(485,417)	-74.8%
587,344	701,634	-16.3%	630,168	-6.8%	587,344	630,168	-6.8%
215,778	262,828	-17.9%	220,174	-2.0%	215,778	220,174	-2.0%
36.7%	37.5%	-0.8 bps	34.9%	1.8 bps	36.7%	34.9%	1.8 bps
765,898	751,873	1.9%	1,063,274	-28.0%	765,898	1,063,274	-28.0%
194,446	212,897	-8.7%	155,998	24.6%	194,446	155,998	24.6%
871,955	908,570	-4.0%	1,221,093	-28.6%	871,955	1,221,093	-28.6%
22.7%	17.3%	5.4 bps	12.7%	10.0 bps	22.7%	12.7%	10.0 bps

- ¹ Adjusted by capitalized interests;
- ² Adjusted by stock option plan expenses (non-cash), minority shareholders;
- ³ Backlog results net of PIS/COFINS taxes (3.65%) and excluding the impact of PVA (Present Value Adjustment) method according to Law No. 11.638.
- ⁴ Cash and cash equivalents, and marketable securities.

⁵ Backlog results comprise the projects restricted by condition precedent

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OPERATIONAL RESULTS

Table 3 - Operational Performance (R\$ 000)

71,144	399,875	-82.2%	463,841	-84.7%	609,734	463,841	31.5%
188,125	405,858	-53.6%	438,429	-57.1%	887,443	914,834	-3.0%
(51,661)	(59,912)	-13.8%	(84,390)	-47.3%	(169, 276)	(316,251)	-46.5%
136,464	345,946	-60.6%	354,039	-61.5%	718,167	598,583	20.0%
9.4%	19.9%	-10.5 bps	18.3%	-8.9 bps	35.3%	27.5%	7.8 bps
346,009	300,991	15.0%	75,227	360.0%	647,001	820,153	-21.1%

Launches

The Company launched one project in the quarter, the Vision Pinheiros, in the city of São Paulo, with total PSV of R\$71.1 million. Launch volume in 9M18 reached R\$609.7 million, 31.5% higher than the same period last year.

Table 4 - Launches (R\$ 000)

		609,734
São Paulo/SP	3Q18	71,144
São Paulo/SP	2Q18	86,797
Osasco/SP	2Q18	165,130
São Paulo/SP	2Q18	147,949
São Paulo/SP	1Q18	138,715

^{*}It considers 9M18

Launches 35

Sales

In 3Q18, gross sales totaled R\$188.1 million. Lower sales volume in the period, versus 2Q18 and 3Q17, is due to: (i) heightened political uncertainty, which resulted in an economic slowdown and drop in consumer confidence and (ii) lower volume of launches in the period. It is also worth mentioning that the Vision Pinheiros project was launched on September 29, last weekend of September, with many in-progress sales negotiations that will be included in fourth quarter results. In 9M18, gross sales totaled R\$887.4 million versus R\$914.5 million in 9M17.

Cancellations came to R\$51.7 million in 3Q18, 13.8% lower than in 2Q18, and a sharp drop of 47.3% compared to 3Q17, despite a significant volume of projects delivered in the quarter. Cancellations performance year to date also reflects this downward trend, reaching R\$169.3 million in 9M18. The average monthly Cancellations decreased from R\$35.1 million in 9M17 to R\$18.8 million in 9M18.

The net pre-sales totaled R\$136.5 million in 3Q18. In 9M18, net pre-sales came to R\$718.2 million, 20% higher than in 9M17.

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Sales Over Subpsly (SoS)

Quarterly SoS was 9.4%. The 10.5 bps reduction vs. 2Q18 and 8.9 bps compared to 3Q17 were due to the lower volume of launches in the period. SoS of launches in general is higher than inventories SoS. In the last 12 months, SoS was 39%, in line with 3Q17.

Inventory (Property for Sale)

Inventory at market value was R\$1,318.7 million in 3Q18, down 5.5% quarter-over-quarter. Year-over-year the reduction was 16.6%.

Table 5 – Inventory at Market Value 3Q18 x 2Q18 (R\$ 000)

1.395.626	71.144	51.661	(188.125)	(11.608)	1.318.698	-5.5%
55,068	-	2,583	(7,539)	178	50,290	-8.7%
191,798	-	13,522	(19,677)	(9,047)	176,596	-7.9%
1,148,760	71,144	35,557	(160,909)	(2,739)	1,091,812	-5.0%

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

The inventory turnover at the end of 3Q18 was 19 months, in line with 3Q17.

The inventory of finished units fell from R\$499.8 million (35.8% of total inventory) in 2Q18 to R\$434.2 million in 3Q18 (32.9% of total).

From the total finished units, 47.6% are commercial projects. This percentage is due to lower sales speed in this segment, which has lower liquidity.

Table 6 - Inventory at Market Value - Financial Progress - POC - (R\$ 000)

196,458	80,553	382,692	224,815	434,180	1,318,698
-	-	18,478	-	31,812	50,290
-	-	-	5,188	171,408	176,596
196,458	80,553	364,214	219,628	230,959	1,091,812

Delivered Projects and Transfer

The Company delivered three projects with total PSV of R\$346.0 million, 15.0% higher than in 3Q17. As of September 30, 2018, Gafisa was managing the construction of 19 projects, all of which are on schedule.

Over the past few years, the Company has been taking steps to improve the receivables/transfer process, aiming at maximizing the return rates on capital employed in the projects. Currently, the Company's guideline is to conclude the transfer process of 90% of eligible units within 90 days after project delivery.

PSV transferred in 3Q18 climbed 69.8% to R\$238.6 million quarter-over-quarter and 90.0% year-over-year, bolstered by an increase in PSV of projects delivered in the period. In 9M18, PSV transferred came to R\$438.1 million, 19.6% higher than in 9M17, due to a lower PSV volume of deliveries this year.

Table 7 - Transfer

238,644	140,505	69.8%	125,609	90.0%	438,147	366,392	19.6%
3	5	-40.0%	1	200.0%	8	8	0.0%
780	1,025	-23.9%	296	163.5%	1,805	1,890	-4.5%
346.009	300.991	15.0%	75.227	360.0%	647.001	820.153	-21.1%

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

Landbank

The Company's landbank, with an estimated PSV of R\$3.9 billion, represents 33 potential projects/phases which have been revised by the new management.

Aproximately 58.3% of land was acquired through swaps in the quarter. In 3Q18, Gafisa acquired three new land areas in its strategic market (São Paulo), with potential PSV of R\$324.4 million. The physical swap of these land acquisitions accounted for 79% of total purchase.

² PSV = Potential sales value of delivered units.

Table 8 - Landbank (R\$ 000)

3,919,130	58.3%	55.7 %	2.6%	7,516	8,182
1,273,603	62.5%	62.5%	0.0%	1,712	1,712
2,645,527	55.5%	51.2%	4.3%	5,804	6,470

¹ The swap percentage is measured compared to the historical cost of land acquisition.

Table 9 - Changes in the Landbank (3Q18 x 2Q18 - R\$ 000)

3,739,484 324,4	439 71,144	79,863	6,214	3,919,130
1,353,466 -	-	79,863	-	1,273,603
2,386,018 324,4	439 71,144	-	6,214	2,645,527

FINANCIAL RESULTS

Revenue

Net revenues increased to R\$252.3 million in 3Q18, up by 57.4% from 3Q17. The revenue contribution from projects launched from 2016 to 2017 were boosted by higher work evolution in the period. The MOOV Belém and Upside Pinheiros projects launched in 2Q18 contributed R\$78 million revenue in the quarter.

Table 10 - Revenue Recognition (R\$ 000)

Pre-Sales	Revenue	%	Pre-Sales	Revenue	%
i i c Suics	Itevellae	/0	i i c Saics	itevellae	/0

Landbank 40

² Potential units are net of swaps and refer to Gafisa's and/or its partners' interest in the project.

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	% Sales		Revenue		% Sales		Revenue
26,109	19.1%	81,694	32.4%	_	0.0%		0.0%
,		,				-	
27,290	20.0%	52,958	21.0%	224,814	63.5%	-	0.0%
29,067	21.3%	83,723	33.2%	27,258	7.7%	19,555	12.2%
35,017	25.7%	44,362	17.6%	40,346	11.4%	73,627	45.9%
18,981	13.9%	(10,431)	-4.1%	61,620	17.4%	67,143	41.9%
136,464	100%	252,307	100.0%	354,039	100%	160,324	100.0%
131,507	96.4%	253,513	100.5%	349,248	98.6%	160,757	100.3%
4,956	3.6%	(23,735)	-9.4%	4,791	1.4%	(433)	-0.3%

Gross Profit & Margin

Gafisa's adjusted gross profit totaled R\$80.3 million in 3Q18, 329.9% higher than in 3Q17, due to sales of projects with better margins. In 9M18, such growth was 369.7% higher than in 9M17, totaling R\$243.8 million.

Adjusted gross margin in 3Q18 was 31.8%, 2,018 bps higher than in 3Q17. This margin gain is also reflected in the year-over-year comparison, 31.7% in 9M18.

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Revenue 41

Table 11 – Gross Margin (R\$ 000)

252,306	302,271	-16.5%	160,325	57.4%	767,974	444,117	72.9%
48,746	72,824	-33.1%	(7,631)	738.8%	144,432	(39,201)	468.4%
19.3%	24.1%	-4.8 bps	-4.8%	24.1 bps	18.8%	-8.8%	27.6 bps
31,584	31,542	0.1%	26,317	20.0%	99,397	91,117	9.1%
80,330	104,366	-23.0%	18,686	329.9%	243,829	51,916	369.7%
31.8%	34.5%	-2.7 bps	11.7%	20.1 bps	31.7%	11.7%	20.0 bps

¹ Adjusted by capitalized interests.

Selling, General and Administrative Expenses (SG&A)

General and administrative expenses totaled R\$22.3 million in 3Q18, 7.0% higher than in 2Q18. This increase

is mainly due to a provision for severance pay to the former executive board in September 2018. However, in 9M18, we saw a 9.8% decrease, in line with cost-saving measures.

In 3Q18, selling expenses were 26.5% and 9.9% lower than in 2Q18 and 3Q17, respectively, due to lower commission and launch expenses in the period. By contrast, in the 9M18 vs 9M17 comparison, higher volume of launches increased selling expenses by 15.6% to R\$73.0 million.

Therefore, selling, general and administrative expenses came to R\$43.0 million in 3Q18 and R\$134.9 million in 9M18.

Table 12 - SG&A Expenses (R\$ 000)

(20,653) (28,110) -26.5% (22,929) -9.9% (73,042) (63,169) 15.6% (22,300) (20,845) 7.0% (21,441) 4.0% (61,841) (68,548) -9.8% (42,953) (48,955) -12.3% (44,370) -3.2% (134,883) (131,717) 2.4%

Gross Profit & Margin 42

In 3Q18, other operating revenues/expenses totaled R\$17.6 million, in line with 2Q18. The year-over-increase is mainly due to higher litigation expenses. In 9M18, however, other operating revenues/expenses came in 22.5% lower than in 9M17.

Table 13 - Other Operating Revenues/Expenses (R\$ 000)

(17,241) (15,747) 9.5% (14,654) 17.7% (44,764) (61,431) -27.1% (337) (1,972) -82.9% 4,625 -107.3% (2,738) 127 -2255.9% (17,578) (17,719) -0.8% (10,029) 75.3% (47,502) (61,304) -22.5%

Adjusted EBITDA

Adjusted EBITDA totaled R\$20.5 million in 3Q18 and R\$52.9 million in 9M18, 133.8% higher than in 9M17.

Table 14 - Adjusted EBITDA (R\$ 000)

(37,225)	(29,359)	26.8%	(157,841)	76.4%	(122,509	(387,242)	-68.4%
-	-	0.0%	-	0.0%	-	98,175	-100.0%
(37,225)	(29,359)	26.8%	(157,841)	76.4%	(122,509	(485,417)	74.8%
19,179	19,082	0.5%	21,069	-9.0%	58,211	83,019	-29.9%
670	1,432	-53.2%	(622)	207.6%	2,333	1,673	39.5%
6,393	5,140	24.4%	8,379	-23.7%	15,518	25,962	-40.2%
31,584	31,542	0.1%	26,317	20.0%	99,397	91,117	9.1%
634	1,369	-53.7%	1,194	-46.9%	1,912	2,898	-34.0%
(700)	(42)	1566.7%	(66)	959.1%	(1,920)	(120)	1500.0%
-	-	0.0%	57,371	-100.0%	-	124,286	-100.0%
20,535	29,164	-29.6%	(44,199)	146.5%	52,942	(156,582)	133.8%

¹ Sale of Tenda shares.

Financial Result

In 3Q18, financial result totaled a R\$19.2 million expense, in line with 2Q18. When compared to 3Q17, financial result dropped 9% due to debt reduction. In 9M18, financial result was an expense of R\$58.2 million, 29.9% lower than the same period last year.

Adjusted EBITDA 44

Net Income

In 3Q18, the Company posted a net loss of R\$37.2 million, compared to a net loss of R\$29.4 million in 2Q18 and R\$100.5 million in 3Q17. For 9M18, net loss totaled R\$122.5 million versus a net loss of R\$361.1 million in 9M17.

Table 15 - Net Result (R\$ 000)

48,746	302,271 72,824 24.1%	-33.1%	•	57.4% -738.8% 24.1 bps	144,432	(39,201)	
80,330	104,366	-23.0%	18,686	329.9%	243,829	51,916	369.7%
31.8%	34.5%	-2.7 bps	11.7%	20.1 bps	31.7%	11.7%	20.0 bps
20,535	29,164	-29.6%	(44,199)	-146.5%	52,942	(156,582)	-133.8%
8.1%	9.6%	-1.5 bps	-27.6%	35.7 bps	6.9%	-35.3%	42.2 bps
-	-	0.0%	-	0.0%	-	98,175	-100.0%
(37,225)	(29,359)	26.8%	(157,841)	-76.4%	(122,509)	(485,417)	-74.8%
-	-	0.0%	(57,371)	-100.0%	-	(124,286)	-100.0%
(37,225)	(29,359)	26.8%	(100,470)	-62.9%	(122,509)	(361,131)	-66.1%

¹ Adjusted by capitalized interests;

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Net Income 45

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

³ Sale of Tenda shares;

⁴Adjusted by item 3.

Backlog of Revenues and Results

The balance of backlog revenues totaled R\$215.8 million in 3Q18, 17.9% lower than in 2Q18 and 2.0% lower year-over-year, both mainly due to revenue recognition of MOOV Belém and Upside Paraíso projects in the quarter.

Table 16 - Backlog Results (REF) (R\$ 000)

587,344	701,634	-16.3%	630,168	-6.8%
(371,566)	(438,806)	-15.3%	(409,994)	-9.4%
215,778	262,828	-17.9%	220,174	-2.0%
36.7%	37.5%	-0.8 bps	34.9%	1.8 bps

Note: Backlog results net of PIS/COFINS taxes (3.65%) and excluding the impact of PVA (Present Value Adjustment) method according to Law No. 11.638.

Backlog results comprise the projects restricted by condition precedent.

BALANCE SHEET

Cash and Cash Equivalents and Marketable Securities

On September 30, 2018, cash and cash equivalents and marketable securities totaled R\$194.4 million.

Receivables

At the end of 3Q18, total accounts receivables totaled R\$1.4 billion, down 6.2% and 2.0% versus 2Q18 and 3Q17, respectively. Of this amount, R\$783.5 million was already recognized on the balance sheet and \$285.6 million is expected to be received in 2018.

Table 17 - Total Receivables (R\$ 000)

1,393,16	55 1,485,485	-6.2%	1,421,750	-2.0%
214,405	195,199	9.8%	197,407	8.6%
569,166	562,072	1.3%	570,303	-0.2%
609,594	728,214	-16.3%	654,040	-6.8%

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

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

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

Table 18 - Receivables Schedule (R\$ 000)

783,571	285,602	312,306	114,576	65,019	6,068
103,311	203,002	312,300	117,570	05,015	0,000

Cash Generation

Cash generation was negative R\$14.0 million in 3Q18. Excluding land payment expenses in the period of R\$26.1 million, cash generation would have totaled R\$12.1 million.

Table 19 -Cash Generation (R\$ 000)

212,897	194,445
7,959	-18,452
964,770	960,344
-18,698	-4,426
-	-
26,657	-14,026
-45,203	-59,229

¹ Cash and cash equivalents. and marketable securities.

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BALANCE SHEET 48

Liquidity

In 3Q18, net debt reached R\$765.9 million, down 28.0% year-over-year. The Company's Net Debt/Shareholders' Equity ratio at the end of 3Q18 was 87.8%.

Table 20 - Debt and Investor Obligations (R\$ 000)

-	-	0.0%	154,830	-100.0%
281,325	223,663	25.8%	127,424	120.8%
567,696 111,323	594,917 146,190	-4.6% -23.9%	753,639 183,379	-24.7% -39.3%
960,344	964,770	-0.5%	1,219,272	-21.2%
194,446 765,898	212,897 751,873	-8.7% 1.9%	155,998 1,063,274	24.6% -28.0%
871,955	908,570	-4.0%	1,221,093	-28.6%
87.8%	82.8%	4.9 bps	87.1%	0.7 bps
22.7%	17.3%	5.4 bps	12.7%	10.0 bps

¹ Cash and cash equivalents and marketable securities.

The Company ended 3Q18 with R\$201.4 million of total short-term indebtedness, 21.0% of total debt versus 51.5% at the end of 3Q17. On September 30, 2018, the consolidated average cost of debt stood at 11.46% p.a. or 175.2% of CDI.

Table 21 - Debt Maturity

CDI + 281,325 31,196 182,211 57,977 9,941 3% / IPCA +

BALANCE SHEET 49

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8.37% /
 CDI +
5.25% /
 CDI +
 3.75%
 TR +
8.30% a
14.19% /
12.87% /
567,696
                 169,987
                          285,261112,448
 143%
 CDI
 135%
 CDI /
 CDI +
 2.5% /
 CDI + 111,323
                   184
                           37,364 73,775
3% / CDI
+ 3.70%
/CDI+
4.25%
       960,344
                 201,367
                           504,836244,200 9,941
                  21.0%
                            52.6% 25.4%
                                           1.0%
                  84.4%
                            56.5% 46.0% 0.0%
                  15.6%
                            43.5% 54.0% 100.0%
           40.9% / 59.1%
```

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BALANCE SHEET 50

SUBSEQUENT EVENTS

Extraordinary Shareholders' Meeting Call Notice

Headquarters relocation

On October 04, 2018, Gafisa called for an Extraordinary Shareholders' Meeting (ESM) to resolve on the headquarters relocation from Avenida das Nações Unidas, 8,501, 19o andar, in the City and State of São Paulo, CEP: 05425-070, to Alameda Caulim, 115, in the city of São Caetano do Sul, State of São Paulo, CEP: 09531-195, and accordingly, amend Article 2 of the Company's Bylaws.

Election of Fiscal Council's Members

On October 30, 2018, Gafisa called for an Extraordinary Shareholders' Meeting (ESM) to resolve on the election of new members to the Company's Fiscal Council.

Ratings Review

S&P Global Ratings downgraded Gafisa's rating from 'brBBB' to 'brBB-' with Gafisa under negative CreditWatch after suspending payment to its subpsliers. The downgrade was due to the Company's announcement of temporary suspension of payments to subpsliers, aiming at reassessing its strategies; the ratings agency believes this impacts the Company's reputation, as it reflects a weakened status of is liquidity and intensifies risks of refinancing.

The Company's management clarifies that this suspension was temporary and to reassess internal strategies, and informs that payment to its subpsliers and contractors have resumed and remain on schedule as previously indicated.

Share Buyback Program

On September 28, the Company abpsroved the commencement of its Share Buyback Program. Shares acquired will be held in treasury, and may be subsequently cancelled, sold and/or used, observing the limit of up to 3,516,970 common shares. The maximum term to acquire the Company's shares shall be twelve (12) months, beginning on October $1^{\rm st}$, 2018 and ending on October $1^{\rm st}$, 2019.

SUBSEQUENT EVENTS 51

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From October 01 to 24, 2018, considering the blackout period starting on October 25, 2018, the Company acquired 3,161,300 shares within the Share Buyback Program.

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SUBSEQUENT EVENTS 52



São Paulo, November 8, 2018.

Alphaville Urbanismo SA released its results for the third quarter of 2018.

Financial Results

In 3Q18, net revenue came in at negative R\$4 million and net loss totaled R\$243 million.

Net	-4	<i>1</i> 1	101	153	_1110/	-34%
revenue	-4	41	101	133	-111/0	-54 /0
Net income	-243	-191	-533	-414	n.a	n.a

It is worth mentioning that Gafisa discontinued the recognition of its share in future losses after reducing the accounting balance of its 30% stake in Alphaville's share capital to zero.

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

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SUBSEQUENT EVENTS 53

Consolidated Income Statement

	3Q18	2Q18	Q/Q (%)	3Q17	Y/Y (%)	9M18	9M17	Y/Y (%)
Net Revenue	252,306	302,271	-16.5%	160,325	57.4%	767,974	444,117	72.9%
Operating Costs	(203,560)	•		(167,956)		,	(483,318)	29.0%
Gross Profit	48,746	72,824	-33.1%	(7,631)	-738.8%	. , ,	(39,201)	-468.4%
Gross Margin	19.3%	24.1%	-4.8 bps	. , ,	24.1	18.8%	-8.8%	27.6 bps
0.000 i iai g	23.370	_ 11_/0		11070	bps	20.070	0.070	27.0 505
Operating	(66,822)	(81,711)	-18.2%	(129,829)		(208,317)	(361,644)	42.4%
Expenses								
Selling Expenses	(20,653)	(28,110)	-26.5%	(22,929)	-9.9%	(73,042)	(63,169)	15,6%
General and	(22,300)		7.0%	(21,441)	4.0%	(61,841)	(68,548)	-9.8%
Administrative						,		
Expenses								
Other Operating	(17,578)	(17,719)	-0.8%	(10,029)	75.3%	(47,502)	(61,304)	22.5%
Revenue/Expenses								
Depreciation and	(6,393)	(5,140)	24.4%	(8,379)	-23.7%	(15,518)	(25,962)	40.2%
Amortization								
Equity Income	102	(9,897)	-101.0%				(142,661)	92.7%
Operational Result	(18,076)	(8,887)	103.4%	(137,460)	-86.8%	(63,885)	(400,845)	-84.1%
Financial Income	6,130	3,737	64,0%	6,604	-7.2%	15,211	23,680	-35.8%
Financial Expenses	(25,309)	(22,819)	10,9%	(27,673)	-8.5%	(73,422)	(106,699)	-31.2%
Income Tax and	(37,255)	(27,969)	33.2%	(158,529)	-76.5%	(122,096)	(483,864)	-74.8%
Social Contribution								
Income Tax and	(670)	(1,432)	-53.2%	622	-207.7%	(2,334)	(1,673)	39.5%
Social Contribution								
Net Income After	(37,925)	(29,401)	29.0%	(157,907)	-76.0%	(124,430)	(485,537)	-74.4%
Taxes on Income								
Continued Op, Net	(37,925)	(29,401)	29.0%	(157,907)	-76.0%	(124,430)	(485,537)	-74.4%
Income								
Discontinued Op,	-	-	0.0%	-	0.0%	-	98,175	-100.0%
Net Income	(700)	(42)	1500 70/	(66)	000 00/	(1.001)	(120)	1500.00/
Minority	(700)	(42)	1566.7%	(66)	960.6%	(1,921)	(120)	1500.8%
Shareholders	(27.225)	(20.250)	26.00/	(157.041)	76 40/	(122 500)	(207.242)	CO 40/
Net Income	(37,225)	(29,359)	26.8%	(157,841)	-/6.4%	(122,509)	(387,242)	-68.4%

Consolidated Balance Sheet

	3Q18	2Q18	Q/Q(%)	3Q17	Y/Y(%)
Current Assets Cash and Cash equivalents	7,931	14,161	-44%	26,626	-70.2%
Securities Receivables from clients Properties for sale	186,515	198,736	-6%	129,372	44.2%
	569,166	562,072	1%	570,303	-0.2%
	858,726	777,405	10%	987,657	-13.1%
Other accounts receivable	104,116	104,086	0%	122,968	-15.3%
Prepaid expenses and other	3,184	4,125	-22.8%	5,526	-42.4%
Land for sale	34,212	34,212	0.0%	3,270	946.2%
Subtotal	1,763,850	1,694,797	4.1%	1,845,722	-4.4%
Long-term Assets Receivables from clients Properties for sale Other Subtotal Intangible. Property and Equipment Investments	214,405	195,199	9.8%	197,407	8.6%
	263,937	370,192	-28.7%	475,700	-44.5%
	116,874	114,656	1.9%	193,076	-39.5%
	595,216	680,047	-12.5%	866,183	-31.3%
	43,047	41,011	5.0%	44,613	-3.5%
	465,438	466,987	-0.3%	665,813	-30.1%
Total Assets	2,867,551	2,882,842	-0.5%	3,422,331	-16.2%
Current Liabilities Loans and financing Debentures Obligations for purchase of land advances	170,171	255,144	-33.3%	354,592	-52.0%
	31,196	21,875	42.6%	238,671	-86.9%
	145,468	148,536	-2.1%	170,680	-14.8%
from customers Material and service subpsliers Taxes and contributions Other Subtotal	106,363	94,632	12.4%	89,975	18.2%
	56,822	55,554	2.3%	50,412	12.7%
	297,503	298,213	-0.2%	335,353	-11.3%
	807,523	873,954	-7.6%	1,239,683	-34.9%
Long-term liabilities	508,848	485,963	4.7%	582,426	-12.6%
Loans and financings	250,129	201,788	24.0%	43,583	473.9%
Debentures	207,765	182,723	13.7%	98,117	111.8%

Obligations for Purchase of Land and

advances from customers					
Deferred taxes	74,473	74,473	0.0%	100,405	-25.8%
Provision for Contingencies	98,557	90,516	8.9%	72,381	36.2%
Other Subtotal	48,301 1,188,073	64,855 1,100,318	-25.5% 8.0%	64,643 961,555	-25.3% 23.6%
Shareholders' Equity					
Shareholders' Equity	870,252	905,948	-3.9%	1,217,086	-28.5%
Minority Interest	1,703	2,622	-35.0%	4,007	-57.5%
Subtotal	871,955	908,570	-4.0%	1,221,093	-28.6%
Total liabilities and Shareholders' Equity	2,867,551	2,882,842	-0.5%	3,422,331	-16.2%

Consolidated Cash Flow

	3Q18	3Q17	9M18	9M17
Net Income (Loss) before taxes	(37,255)	(158,533)	(122,096)	(483,864)
Expenses/revenues that does not impact working capital	(5,810)	102,356	(23,707)	287,718
Depreciation and amortization	6,393	8,379	15,518	25,962
Impairment	(14,232)	-	(39,469)	(11,141)
Expense with stock option plan	634	1,195	1,912	2,898
Unrealized interest and fees. net	2,885	4,240	10,229	46,975
Equity Income	(102)	67,051	10,414	142,661
Provision for guarantee	(363)	(4,124)	(3,656)	(7,439)
Provision for contingencies	(17,931)	14,654	44,764	61,431
Profit Sharing provision	1,291	1,037	3,795	9,394
Provision (reversal) for doubtful accounts	(7,884)	10,068	(19,037)	17,767
Gain / Loss of financial instruments	(743)	(144)	(763)	(790)
Clients	(24,860)	22,086	(117,062)	
Properties held for sale	39,166	116,052	206,932	263,519
Other accounts receivable	2,262	(9,673)	(9,364)	(9,272)
Prepaid expenses and differed sales expenses	941	377	2,351	(2,978)
Obligations on land purchase and advances from clients	21,974	2,861	44,399	(26,900)
Taxes and contributions	1,268	4,069	10,392	(1,430)
Subpsliers	11,870	10,939	8,530	10,520
Payroll. charges and provision for bonuses	2,715	(10,701)	3,080	(8,887)
Other liabilities	(20,266)	(6,419)	(63,033)	(35,393)
Related party operations	(3,985)	(13,203)	(12,442)	(22,906)
Taxes paid	(670)	622	(2,334)	(1,673)
Cash provided by/used in operating activities	-	0	-	
/discontinued operation		-		51,959
Net cash from operating activities	(1,030)	60,833	(26,940)	200,941
Investment Activities	-	-	-	_
Purchase of fixed and intangible asset	(8,429)	(7,674)	(17,943)	(18,370)
Capital contribution in subsidiaries	(1,708)	853	(3,988)	1,294
Redemption of securities. collaterals and	216,482	163,743	882,542	851,218
credits		103,743		031,210
Securities abpslication and restricted lending	(204, 261)	(116,521)	(950,122)	(756,944)
Cash provided by/used in investment	-	_	-	48,663
activities / discontinued operation				10,005
Transaction costs from discontinued operation	-	-	-	(9,545)
Receivable of preemptive right exercise ref. Tenda	-	-	-	219,510

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Net cash from investment activities Funding Activities	2,084	40,401	(89,511)	335,826
Related party contributions	-	-	-	(1,237)
Addition of loans and financing	167,511	69,523	377,841	255,805
Amortization of loans and financing	(174,822)	(181,467)	(532,624)	(721,076)
Assignment of credit receivables. net	-	-	-	21,513
Related Parties Operations	(688)	(643)	(843)	5,625
Sale of treasury shares	715	-	715	317
Cash provided by/used in financing activities/	-	_	-	24,089
discontinued operation		_		24,009
Capital Increase	-	-	167	-
Subscription and payment of common shares	-	-	250,599	-
Net cash from financing activities	(7,284)	(112,587)	95,855	(414,964)
Net cash variation for sales operations	-	-	-	(124,711)
Increase (decrease) in cash and cash equivalents	(6,230)	(11,353)	(20,596)	(2,908)
Beginning of the period	14,161	37,979	28,527	29,534
End of the Period	7,931	26,626	7,931	26,626
Increase (decrease) in cash and cash equivalents	(6,230)	(11,353)	(20,596)	(2,908)

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Gafisa is one Brazil's leading residential and commercial properties development and construction companies. Founded over 60 years ago. the Company is dedicated to growth and innovation oriented to enhancing the well-being, comfort, and safety of an increasing number of households. More than 15 million square meters have been built and abpsroximately 1,100 projects delivered under the Gafisa brand - more than any other company in Brazil. Recognized as one of the foremost professionally managed homebuilders. Gafisa's brand is also one of the most respected, signifying both quality and consistency. In addition to serving the ubpser-middle and ubpser class segments through the Gafisa brand, the Company also participates through its 30% interest in Alphaville. a leading urban developer in the national development and sale of residential lots. Gafisa S.A. is a Corporation traded on the Novo Mercado of the B3 – Brasil. Bolsa. Balcão (B3:GFSA3) and is the only Brazilian homebuilder listed on the New York Stock Exchange (NYSE:GFA) with an ADR Level III. which ensures best practices in terms of transparency and corporate governance.

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This release contains forward-looking statements about the business prospects. estimates for operating and financial results and Gafisa's growth prospects. 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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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

1. Operations

Gafisa S.A. ("Gafisa" or "Company") is a publicly traded company with a registered office at Avenida das Nações Unidas, 8.501, 19th floor, in the city and state of São Paulo, Brazil, it commenced its operations in 1997 with the objectives of: (i) promoting and managing all forms of real estate ventures on its own behalf or for third parties (in the latter case, as a construction company or proxy); (ii) selling and purchasing real estate properties; (iii) providing civil construction and civil engineering services; (iv) developing and implementing marketing strategies related to its own and third-party real estate ventures; and (v) investing in other companies with similar objectives.

The Company has stocks traded at B3 S.A. – Brasil, Bolsa, Balcão (former BM&FBovespa) and the New York Stock Exchange (NYSE), reporting its information to the Brazilian Securities and Exchange Commission (CVM) and the U.S. Securities and Exchange Commission (SEC).

The Company enters into real estate development projects with third parties through specific purpose partnerships ("Sociedades de Propósito Específico" or "SPEs") or through the formation of consortia and condominiums. Such companies share management and operating structures, and corporate, management and operating costs with the Company. The SPEs, condominiums and consortia operate solely in the real estate industry and are linked to specific ventures.

On February 28, 2018, the Board of Directors partially ratified the capital increase approved at an ESM held on December 20, 2017, in view of the subscription and full payment of 16,717,752 new common shares, at a price per share of R\$15.00, of which R\$0.01 was allocated to capital, and R\$14.99 was

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allocated to the capital reserve, totaling R\$167 and R\$250,599, respectively. The capital increase is part of the Company's plans for reinforcing the availability of cash, and strengthening its capital structure in view of the current level of indebtedness, as well as making viable the Company's strategic and operational positioning for a new cycle of the real estate market.

On September 25, 2018, an ESM was held, called at the request of its shareholder GWI Asset Management S.A., in which the following main resolutions were taken: (i) the removal from office, by a majority of votes, of all members of the Board of Directors, and (ii) the election, through multiple votes of new members. Immediately thereafter, at the Board of Directors' meeting on September 28, 2018, the following items were resolved as part of the turnaround process and streamlining of the corporate structure of the Company: (i) the removals from office of the Chief Executive Officer, Chief Financial and Investor Relations Officer, and Chief Operating Officer, and the election of new statutory officers; (ii) adoption of new measures for approving the change of the Company's registered office; (iii) shutdown of the branch located in Rio de Janeiro, and (iv) approval of the Company's share repurchase program (Note 18.1).

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Consolidated Cash Flow

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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

2. Presentation of quarterly information and summary of significant accounting policies

2.1. Basis of presentation and preparation of individual and consolidated guarterly information

On November 7, 2018, the Company's Board of Directors approved this individual and consolidated quarterly information of the Company and authorized its disclosure.

The Individual Quarterly Information (ITR) was prepared in accordance with Technical Pronouncement (CPC) 21 (R1) – "Interim Financial Reporting", and the consolidated interim financial information was prepared in accordance with Technical Pronouncement (CPC) 21 (R1) – "Interim Financial Reporting" as well as with International Accounting Standard (IAS) 34 – "Interim Financial Reporting", considering the guidance provided in Circular Letter/CVM/SNC/SEP 01/2018 related to the application of Technical Guidance - OCPC 04, issued by the CPC and approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC), regarding the recognition of revenue over time, as well as being presented consistently with the rules issued by the CVM applicable to the preparation of ITR.

Except for the changes described in Note 3, the quarterly information was prepared using the same accounting practices, judgments, estimates and assumptions adopted for the presentation and preparation of the financial statements for the year ended December 31, 2017. Therefore, the corresponding quarterly information should be read together with the financial statements as at December 31, 2017.

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The individual quarterly information of the Company is not considered to be in compliance with the International Financial Reporting Standards (IFRS), since it considers the capitalization of interest on the qualifying assets of investees in the individual quarterly information of the Company.

The quarterly information was prepared on a going-concern basis. Management periodically assesses the Company's ability to continue as going concern when preparing the quarterly information.

All amounts reported in the accompanying quarterly information are in thousands of Brazilian Reais, except where otherwise stated.

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 2.1 to the individual and consolidated financial statements as at December 31, 2017.

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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

2. Presentation of quarterly information and summary of significant accounting policies --Continued

2.1. Basis of presentation and preparation of individual and consolidated quarterly information -- Continued

2.1.1. Consolidated quarterly information

The accounting practices were consistently adopted for all of the subsidiaries included in the consolidated quarterly information, and the fiscal year of these companies is the same as that of the Company. See further details in Note 9.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 2.1.1 to the individual and consolidated financial statements as of December 31, 2017.

2.1.2. Statement of Cash Flows

In view of the disclosure of the discontinued operations related to Construtora Tenda S.A. in 2017, and in line with CPC 03 – Statement of Cash Flows and CPC 31 - Non-current Assets Held for Sale and Discontinued Operations, the information on operating, financing and investment activities related to discontinued operations are presented in separated lines in the Statement of Cash Flows of the Company

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for the period ended September 30, 2017. Accordingly, the line item "Foreign Exchange Gains and Losses on Cash and Cash Equivalents", shown in the Statement of Cash Flows for the period ended September 30, 2017, refers to the net increase (decrease) in cash and cash equivalents related to discontinued operations and is being presented in this line item as it is impossible to change the line item's name in this Quarterly Information Form.

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Consolidated Cash Flow

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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

3. New standards, changes and interpretation of standards issued and not yet adopted

The following standards are in effect beginning on January 1, 2018:

- (i) The IFRS 15 "Revenue from Contracts with Customers" (CPC 47) introduces new requirements for measurement and timing of revenue recognition. For the specific case of the real estate development sector, maintaining the POC revenue recognition method or adopting the method of keys, for example, depends on the contractual analyses made by Management. In view of Letter CVM/SNC/SEP/ 01/2018, issued by CVM's technical area, which instructed entities to keep following the provisions of OCPC 04 Application of the Technical Interpretation 02 to the Brazilian Real Estate Development Entities, currently in effect, the Company continued to recognize revenue using the POC method for the period ended September 30, 2018, until the regulatory bodies formally express an opinion on the issue.
- (ii) IFRS 9 "Financial Instruments" (CPC 48) includes, among other things, new models for classification and measurement of financial instruments, and measurement of prospective expected credit losses for financial and contractual assets.

Based on its evaluation, the Company concluded that the new classification requirements did not have a significant impact on the recognition of financial assets measured at fair value.

Additionally, according to CPC 48, expected losses are measured using one of the following bases: 12-month expected credit losses, and lifetime expected credit losses. Therefore, the Company measured the measurement of the allowance of the expected credit losses on contracts sold, which is recorded

together with the recognition of the respective revenue.

The impact from the first-time adoption on the opening statement of financial position as of January 1, 2018 is as follows:

	Originally reported balances	Company Impact from application of CPC 48 (Note 5)	Balances after application the CPC 48 as of 01/01/2018	Originally	Consolidate Impact from application of CPC 48 (Note 5)	ed Balances after application of CPC 48 as of 01/01/2018
Statement of financial p	<u>oosition</u>					
Assets						
Trade accounts						
receivable of						
development and						
services	371,228	8 (16,869)	354,359	484,761	(16,869)	467,892
Other current assets	998,284	4 .	- 998,284	1,248,164		1,248,164
Total current assets	1,369,512	2 (16,869)) 1,352,643	3 1,732,925	(16,869)	1,716,056
Total non-current assets	2,169,39	7 .	- 2,169,397	⁷ 1,145,213	}	- 1,145,213
Total Assets	3,538,909	9 (16,869)	3,522,040	2,878,138	(16,869)	2,861,269
Liabilities						
Total current liabilities Total non-current	1,984,59	7	- 1,984,597	7 1,213,686		- 1,213,686
liabilities	798,75	5 .	- 798,755	905,048	}	905,048
Total equity	755,55		738,688	•		•
Total liabilities and	,	, ,		•		
equity	3,538,909	9 (16,869)	3,522,040	2,878,138	(16,869)	2,861,269

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 3 to the individual and consolidated financial statements as of December 31, 2017.

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Notes to the quarterly information

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(Amounts in thousands of Brazilian Reais, except as otherwise stated)

4. Cash and cash equivalents and short-term investments

4.1. Cash and cash equivalents

	Company		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
Cash and banks Total cash and cash equivalents	3,912	7,461	7,931	28,527
(Note 20.i.d, 20.ii.a and 20.iii)	3,912	7,461	7,931	28,527

4.2. Short-term investments

	Company		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
Fixed-income funds (a) Government bonds (LFT) (b)	165,539 -	62,676 1,164	168,285 -	66,885 1,207
Securities purchased under resale agreements (b)	85	2,913	85	3,019
Bank certificates of deposit (c)	11,586	36,847	11,605	37,025

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Restricted cash in guarantee to loans Restricted credits	353 5,267	366 6,979	353 6,187	366 10,433
Total short-term investments				
(Note 20.i.d, 20.ii.a and 20.iii)	182,830	110,945	186,515	118,935

- (a) Exclusive and open-end funds whose purpose is to invest in financial assets and/or fixed-income investment modalities that follow the fluctuations in interest rates in the interbank deposit market (CDI), by investing its funds mostly in investment fund quotas and/or investment funds comprising investment fund quotas.
- (b) On January 12, 2018 the Company discontinued Fundo Square, settling the LFT transactions and the securities linked to Fundo Like. As of September 30, 2018, the IOF-exempt securities purchased under resale agreement include earned interests of 73% of Interbank Deposit Certificates (CDI).
- (c) As of September 30, 2018, Bank Certificates of Deposit (CDBs) include interest earned through the statement of financial position's reporting date, ranging from 90% to 101.2% (from 90% to 100.8% as of December 31, 2017) of Interbank Deposit Certificates (CDI).

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 4.2 to the financial statements as of December 31, 2017.

5. Trade accounts receivable of development and services

	Company		Consolidated	
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
Real estate development and sales	705,383	563,070	812,671	717,006
(-) Allowance for doubtful accounts	(30,792)	(32,959)	(30,792)	(32,959)
(-) Present value adjustments	(20,117)	(12,448)	(21,664)	(14,887)
Services and construction and other receivables	12,498	14,167	23,356	14,918
Total trade accounts receivable of development and services				
(Note 20.i.d and 20.ii.a)	666,972	531,830	783,571	684,078
Current Non-current	477,078 189,894	371,228 160,602	569,166 214,405	484,761 199,317

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Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

5. Trade accounts receivable of development and services -- Continued

The current and non-current portions have the following maturities:

Maturity	Company Consolidated 09/30/2018 12/31/2017 09/30/2018 12/31/2017			
Past due:	54,097	33,935	58,864	70,403
Up to 90 days	11,554	9,338	16,604	17,861
From 91 to 180 days	68,768	80,708	88,685	100,581
Over 180 days	134,419	123,981	164,153	188,845
Falling due: 2018 2019 2020 2021 2022 onwards	121,249	280,801	146,770	329,821
	290,321	90,498	332,012	114,718
	108,515	74,821	119,670	89,099
	57,216	3,527	66,590	4,414
	6,161	3,609	6,832	5,027
	583,462	453,256	671,874	543,079
(-) Present value adjustment(-) Allowance for doubtful accounts	(20,117)	(12,448)	(21,664)	(14,887)
	(30,792)	(32,959)	(30,792)	(32,959)
	666,972	531,830	783,571	684,078

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The change in the allowance for doubtful items for the period ended September 30, 2018 is as follows:

Company and

Consolidated

Balance as at December 31, 2017	(32,959)
CPC 48 first-time adoption at 01/01/2018 (Note 3)	(16,869)
Additions (Note 22)	(362)
Write-offs / Reversals (Note 22)	19,398
Balance as at September 30, 2018	(30,792)

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 5 to the financial statements as at December 31, 2017.

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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

6. Properties for sale

	Compa	ny	Consolidated		
	09/30/2018	12/31/2017	09/30/2018	12/31/2017	
Land	491,452	493,422	575,450	544,057	
(-) Provision for loss on realization of land	(83,742)	(98,752)	(83,742)	(98,752)	
(-) Present value adjustment	(15,661)	(9,689)	(15,869)	(9,829)	
Property under construction (Note 29)	256,678	410,797	360,062	507,619	
Completed units	307,555	327,842	351,084	359,601	
(-) Provision for loss on realization of properties under construction and	·		·		
completed units	(64,322)	(80,710)	(64,322)	(80,710)	
Total properties for sale	891,960	1,042,910	1,122,663	1,221,986	
Current portion Non-current portion	686,848 205,112	753,748 289,162	858,726 263,937	882,189 339,797	

In the period ended September 30, 2018, the change in the provision for loss on realization is summarized as follows:

Company and

Consolidated

(179,462)

Balance as at December 31, 2017

Reclassification of land available for sale (Note 8.1) Write-offs (a)

(3,497) 34,895

Balance as at September 30, 2018

(148,064)

(a) The amount of write-offs refers to the respective units sold over the period.

The amount of properties for sale offered as guarantee for financial liabilities is described in Note 12.

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 6 to the financial statements as of December 31, 2017.

7. Other assets

	Company		Consoli	dated
	09/30/2018	12/31/2017	09/30/2018	12/31/2017
Advances to suppliers	7,012	2,081	7,680	5,358
Recoverable taxes (IRRF, PIS, COFINS, among other)	20,534	26,808	26,243	33,623
Judicial deposits (Note 16.a)	91,818	80,903	94,818	83,523
Total other assets	119,364	109,792	128,741	122,504
Current portion	31,553	47,640	38,488	58,332
Non-current portion	87,811	62,152	90,253	64,172

Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

8. Non-current assets held for sale

8.1 Land available for sale

The changes in land available for sale are summarized as follows:

	Cost	Company Provision for impairment	Net balance	Cost	Consolidated Provision for impairment	Net balance
Balance as at December 31, 2017 Reclassification to Properties for	113,824	(68,827)	44,997	233,522	(131,170)	102,352
Sale (Note 6) Additions (Note 23)	(40,262) 237	3,497	(36,765) 237	(40,262) 274	•	(36,765) 274
Reversals/ Write-offs (a) Balance as at September 30,	(11,481)	33,924	22,443	(127,916)		(31,649)
2018	62,318	(31,406)	30,912	65,618	(31,406)	34,212

⁽a) The amount of write-offs over the period mainly refers to the sale of land in June 2018, located in the city of Salvador, Bahia, through the SPEs Manhattan Residencial 02 and Manhattan Comercial 02, for the amount of R\$28,500, of which R\$12,060 receivable in 24 months, and the remaining balance of R\$16,440 was settled on July 24, 2018.

8.2 Non-current assets held for sale and profit or loss of discontinued operations

	Comp. 09/30/2018	any 09/30/2017	Consolidated 09/30/2018 09/30/2017		
Reversal of impairment loss (i) Portion related to payable for sale	-	215,440	-	215,440	
of shares (iii) Transaction costs Impairment loss on Tenda's profit or loss	-	(107,720) (9,545) (22,780)	-	(107,720) (9,545) (22,780)	
Tenda's profit or loss for the period ended September 30, 2017 (ii) Profit or loss of discontinued operations	-	22,780 98,175	-	22,780 98,175	

- (i) The measurement of non-current assets held for sale at the lower of the carrying value and the fair value less cost to sell. For the period ended May 4, 2017, the fair value of discontinued operations was adjusted, considering the weighted average price per share for exercising preemptive rights at R\$12.12.
- (ii) Amount of the profit or loss from discontinued operations, net of the eliminations related to intercompany transactions.
- (iii) Amount of R\$107,720 related to the obligation to sell 50% of Construtora Tenda S.A.'s shares for the price of R\$8.13 per share, settled on May 4, 2017, reflected in the profit or loss of discontinued operations, in order to reflect the difference between the fair value of the group of assets held for sale and the effective selling price.

For the period ended May 4, 2017, the Company carried out the remeasurement of the fair value of the disposal group held for sale, related to Construtora Tenda S.A., considering the weighted average value per share for exercising preemptive rights traded over the period between March 17 and 31, 2017, as measurement basis, leading to the price of R\$12.12 per share, and, accordingly, valuing Construtora Tenda S.A. at R\$754,460.

The main lines of the statements of profit or loss and cash flows of the subsidiary Tenda are as follows:

Statement of profit or loss	Period ended 05/04/2017	Cash flow	Period ended 05/04/2017
Net operating revenue	404,737	Operating activities	51,959
Operating costs	(269,144)	Investment activities	48,663

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Operating expenses, net Depreciation and	(104,310)	Financing activities	24,089
amortization Income from equity method	(5,723)		
investments Financial income	269		
(expenses) Income tax and social	101		
contribution	(4,519) 21,411		
Non-controlling interests Net income for the year	(1,369) 22,780		
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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

9. Investments in subsidiaries and jointly controlled investees

(i) Information on subsidiaries, jointly-controlled investees and associates

Subsidiaries:	Interest in cap 09/30/201812/3			Total iabilities 9/30/2018 0	Equity and for future increa	capital se	Profit (loss yea	r
	33, 33, 23 13 12,	3.,231, 3	c, cc, <u>_</u> c i c c	5, 55, 2 6 16 6		., 0 . , 20 . ,	20,20,201000	3, 33, 23, 17 00, 0
Gafisa SPE- 130 Emp. Imob. Ltda. Gafisa	- 100%	100%	77,857	10,558	67,299	69,956	(2,656)	(9,998)
SPE-111 Emp. Imob.			66,407	4,754	61,653	62,073	(420)	(174)
Ltda. Maraville	100%	100%						
Gafsa SPE Emp. Imob.			64,259	7,431	56,828	56,743	85	3,367
Ltda. Gafisa	100%	100%						
SPE-89 Emp. Imob. Ltda.	100%	100%	57,841	6,820	51,021	51,214	(193)	2
Gafisa SPE - 51 Emp.	-		48,463	2,484	45,979	45,968	11	137
lmob. Ltda. Gafisa	100%	100%						
SPE-127 Emp. Imob.			46,303	399	45,904	46,135	(230)	(274)
Ltda.	100%	100%						

Gafisa SPE -	-		100 000	00.400	45.007	40.744	4.400	F 704
104 Emp. Imob. Ltda.	100%	100%	128,390	83,183	45,207	40,744	4,463	5,701
Gafisa SPE - 72 Emp.	-		44,157	463	43,694	43,809	(115)	29
lmob. Ltda. Gafisa SPE	100% -	100%						
121 Emp. Imob. Ltda.	100%	100%	45,505	1,920	43,586	44,372	(786)	(617)
Gafisa	-	10070						
SPE-122 Emp. Imob.			46,629	3,722	42,907	49,255	(6,348)	1,872
Ltda. Gafisa	100%	100%						
SPE-110 Emp. Imob.			40,716	772	39,943	40,084	(141)	40
Ltda.	100%	100%						
Gafisa SPE - 120 Emp.	-		37,978	536	37,442	37,469	(27)	(48)
lmob. Ltda. Gafisa	100%	100%	,		,	,	,	,
SPE-107	-		29,526	5	29,520	29,522	(2)	(6)
Emp. Imob. Ltda.	100%	100%				,	(-)	(-)
SPE Parque Ecoville Emp.	-		39,399	9,914	29,485	30,909	(1,424)	(1,610)
lmob. Ltda.	100%	100%	00,000	0,011	20, 100	00,000	(1,121)	(1,010)
Gafisa SPE-134	-		29,373	2,342	27,031	29,635	(2,604)	3,170
Emp. Imob. Ltda.	100%	100%	23,010	2,042	27,001	23,000	(2,004)	0,170
Gafisa SPE- 129 Emp.	-		27,686	828	26,858	26,913	(55)	(2,054)
lmob. Ltda.	100%	100%	21,000	020	20,030	20,913	(33)	(2,054)
Gafisa SPE-41 Emp.	-		26,594	(6)	26,600	26,581	20	_
lmob. Ltda. Gafisa SPE-	100% -	100%						
132 Emp.	1009/	1009/	38,757	14,662	24,095	24,142	(48)	(1,283)
Imob. Ltda. Verdes	100% -	100%						
Pracas Incorp. Imobi.			25,896	3,062	22,834	22,565	270	(3,511)
SPE Ltda. Gafisa	100%	100%						
SPE-112			21,923	94	21,828	21,831	(2)	(3)
Emp. Imob. Ltda.	100%	100%	,		,	,	\- /	(-)
Gafisa SPE - 126 Emp.	-		19,507	2	19,505	19,548	(44)	(820)
Imob. Ltda.	100%	100%	,	-	,	- 2,0 .0	· · · /	(0-0)

Gafisa SPE 46 Emp.	-	1000/	17,809	161	17,648	17,557	91	(392)
lmob. Ltda. Edsp 88	100%	100%						
Participações S.A. Manhattan	100% -	100%	29,222	12,667	16,554	16,466	89	676
Square Em. Im. Res. 02 Ltda	100%	100%	17,778	1,266	16,512	36,026	102	-
Gafisa SPE 30 Emp.	-		16,415	195	16,220	16,276	(57)	(77)
Imob. Ltda. Gafisa	100%	100%						
SPE-92 Emp. Imob. Ltda. Gafisa	100% -	100%	15,793	120	15,673	15,663	10	17
SPE-106 Emp. Imob. Ltda.	100%	100%	15,596	5	15,591	15,596	(5)	(1)
Gafisa SPE 33 Emp.	-		196,401	182,593	13,807	13,480	328	4
Imob. Ltda. Gafisa SPE 71 Emp.	100%	100%	12,659	174	12,485	12,505	(21)	(1,238)
Imob. Ltda. Gafisa SPE 65 Emp.	100%	100%	11,351	285	11,066	11,014	52	(688)
lmob. Ltda. Gafisa	100%	100%	11,331	203	11,000	11,014	52	(000)
Vendas Interm. Imobiliaria			17,063	6,361	10,702	17,727	(7,026)	-
Ltda Gafisa SPE	100%	100%						(7.2)
36 Emp. Imob. Ltda. Gafisa	100%	100%	9,169	324	8,845	8,872	(27)	(56)
SPE-81 Emp. Imob. Ltda. Manhattan	100%	100%	9,296	880	8,416	8,440	(24)	(329)
Square Em. Im. Com. 02	-		8,854	601	8,254	17,958	30	-
Ltda Gafisa SPE-38 Emp.	100%	100%	7,946	_	7,946	7,948	(2)	1
Imob. Ltda. Gafisa	100%	100%	7,540	-	7,540	7,540	(2)	ı
SPE-109 Emp. Imob.	1000/	1000/	7,205	43	7,162	7,181	(19)	(35)
Ltda.	100%	100%						

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Subsidiaries				1,464,804	404,819	1,059,985	1,114,484	(23,051)	(19,071) 1
Other (*) Subtotal	,			78,523	32,887	45,639	53,073	(5,338)	(4,414)
Adjustment – capitalized ((a)			-	-	-	-	-	-
Imob. Ltda. OCPC01		100%	100%	-,	- , -	-,	-, -	(,	(-,,
Gafisa SPE - 123 Emp.	-			15,064	9,707	5,357	6,101	(744)	(6,373)
Gafisa SPE-90 Emp. Imob. Ltda.	-	100%	100%	8,398	1,972	6,426	6,470	(44)	(1)
Gafisa SPE-37 Emp. Imob. Ltda.	-	100%	100%	7,096	633	6,463	6,663	(200)	(85)

Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

9. Investments in subsidiaries and jointly controlled investees -- Continued

(i) Information on subsidiaries, jointly-controlled investees and associates -- Continued

Jointly-controlled investees:	Interest in cap 09/30/201812/		Total assets 9/30/2018	Total liabilities 09/30/2018	Equity and for future incre 09/30/20181	capital ase	Profit (loss yea 09/30/20180	ır
Gafisa SPE-116 - Emp. Imob. Ltda. Gafisa E Ivo Rizzo - SPE-47 Emp.	50%	50%	88,355	9,538	78,817	116,085	(21,266)	(8,058
lmob. Ltda.	80%	80%	33,191	788	32,403	32,393	10	(
Parque Arvores (k Empr. Imob. Ltda. Sitio Jatiuca Emp	50%	50%	34,900	3,861	31,039	30,616	640	2,22
Imob. SPE Ltda Varandas Grand (b	50%	50%	32,112	2,994	29,118	28,143	973	(9,980
Park Emp. Im. Spe Ltda FIT 13 SPE Emp	50%	50%	58,564	32,930	25,634	19,858	3,330	(3,938
Imobiliários Ltda. Atins Emp. Imob.s -	50%	50%	23,152	2,245	20,907	20,885	22	(2
Ltda. Performance - Gafisa General	50%	50%	27,159	6,830	20,329	18,998	1,332	22
Severiano Ltda Other (*) (k	50% 50%	50% 50%	11,634 134,541	45 70,607	,	11,371 84,740	173 (4,654)	(17 (10,335

Citta Ville SPE Emp. Imob. Ltda 50% 50% 17,520 3,508 14,012 12,555 1,473 (2 Other (*) 1,146 16 1,130 1,119 11 Subtotal Associates 2,019,910 2,679,612 (659,703) (127,616) (532,071) (416		Jointly-controlled investees				443,608	129,838	313,770	363,089	(19,440)	(29,877
Citta Ville SPE Emp. Imob. Ltda 50% 50% 17,520 3,508 14,012 12,555 1,473 (2 Other (*) 1,146 16 1,130 1,119 11 Subtotal Associates 2,019,910 2,679,612 (659,703) (127,616) (532,071) (416											
Other (*) 1,146 16 1,130 1,119 11 Subtotal Associates 2,019,910 2,679,612 (659,703) (127,616) (532,071) (416) Subtotal subsidiaries, jointly-controlled			(e)	30%	30%	2,001,244	2,676,088	(674,845)	(141,290)	(533,555)	(414,288
Subtotal Associates 2,019,910 2,679,612 (659,703) (127,616) (532,071) (416) Subtotal subsidiaries, jointly-controlled		Emp. Imob. Ltda.	-	50%	50%	17,520	3,508	14,012	12,555	1,473	(2,615
Subtotal subsidiaries, jointly-controlled		\ /				1,146	16	1,130	1,119	11	-
		Associates				2,019,910	2,679,612	(659,703)	(127,616)	(532,071)	(416,896
investees and associates 3.928.322 3.214.269 /14.052 1,349,95/ (5/4,562) (465											
		investees and asse	ociates			3.928.322	3.214.269	/14.052	1,349,957	(574,562)	(465,844

Goodwill based on inventory surplus (Note 9.iii)-Goodwill from remeasurement of investment in associate(c)

Subtotal

Total investments

(*) Includes companies with investment balances below R\$ 5,000.

Provision fo net capital deficiency (d):	Interest in ca r09/30/201812	•		Total iabilities	Equity and for future increa 9/30/201812	capital ise	Profit (loss) year 0 9/30/2018 09/		Inv 9/30/20
Reserva das Palmeiras Incorp. SPE Ltda. Gafisa SPE	100%	100%	115	3,664	(3,549)	1,597	(5,146)	-	(3,5
128 Emp. Imob. Ltda. Manhattan Square Em.	100%	100%	50,653	52,896	(2,242)	(1)	(2,242)	(1)	(2,2
lm. Res. 01 Ltda	50%	50%	3,986	7,411	(3,425)	(2,481)	(595)	-	(1,7

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100%	100%	-	968	(968)	(519)	(449)	(344)	(9
50%	50%	4,840 126	6,368 238	(1,528) (113)	(1,573) (1,733)	487 (57)	(1,894) (9,573)	(7 (1 (9,3
			50% 50% 4,840	50% 50% 4,840 6,368 126 238	50% 50% 4,840 6,368 (1,528) 126 238 (113)	50% 50% 4,840 6,368 (1,528) (1,573) 126 238 (113) (1,733)	50% 50% 4,840 6,368 (1,528) (1,573) 487 126 238 (113) (1,733) (57)	50% 50% 4,840 6,368 (1,528) (1,573) 487 (1,894) 126 238 (113) (1,733) (57) (9,573)

Total Income from equity method investments

^(*) Includes companies with investment balances below R\$ 5,000.

Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

9. Investments in subsidiaries and jointly controlled investees -- Continued

- (a) Financial charges of the Company not appropriated to the profit or loss of subsidiaries, as required by paragraph 6 of OCPC01.
- (b) The Company recorded an expense of R\$791 in Income arising from equity method investments for the period ended September 30, 2018 related to the recognition, by jointly-controlled entities, of prior year adjustments, in accordance with the ICPC09 (R2) Individual, Separate and Consolidated Financial Statements and the Equity Method of Accounting.
- (c) Amount related to the goodwill arising from the remeasurement of the portion of the remaining investment of 30% in the associate AUSA, in the amount of R\$273.900.
- (d) The provision for net capital deficiency is recorded under the heading "Other payables" (Note 15).
- (e) In view of the net capital deficiency of AUSA, and in line with CPC 18 (R2) Investment in Associates, Subsidiaries and Joint Ventures, the Company discontinued the recognition of its interest in future losses after reducing to zero the carrying amount of the 30% interest.

(ii) Information on significant investees

Significant investee: Other investees:

Alphaville Urbanismo Subsidiaries

S.A.

Jointly-controlled Associates
investees

09/30/201812/31/2017 09/30/201812/31/2017 09/30/201812/31/2017

43,478 **1,759** 10,645 **37,665** 49,912 **1,116** 773

Cash and cash equivalents	Not available										
Current assets Non-current	Not available Not	1,049,221	1,184,269	1,499,490	397,320	499,438	18,651	18,826			
assets Current	available Not	1,195,723	280,535	294,787	46,288	47,030	15	4			
liabilities Non-current	available Not	413,469	343,118	590,836	109,308	149,100	2,164	2,923			
liabilities	available	1,947,452	61,701	88,956	20,530	34,280	1,360	2,233			
Nistance	09/30/201809/30/2017 09/30/2018 09/30/2017 09/30/2018 09/30/2017 09/30/2018 09/30/2017										
Net revenue Operating	101,497 Not	153,051	106,509	127,099	53,039	16,003	1,086	(2,784)			
costs	available	n/a	(115,182)	(105,370)	(59,561)	(28,767)	(1,055)	1,307			
Depreciation and	Not available										
Amortization Financial	Not	n/a	(963)	(390)	(4)	(621)	-	-			
income	available	,	(4.400)	(4.404)	(0.770)	(0.000)	_				
(expenses) Income tax	Not	n/a	(4,163)	(4,131)	(3,773)	(6,209)	4	6			
and social contribution	available	n/a	(2,331)	(3,413)	(1,507)	(520)	(43)	(21)			
Profit (loss) from		.,,	(=,001)	(3,113)	(1,001)	(020)	(10)	(= ·)			
Continued Operations	(533,555)	(414,288)	(23,051)	(19,071)	(19,440)	(29,877)	1,484	(2,608)			

(iii) Change in investments

Company Consolidated Balance as at December 31, 2017 1,598,153 479,126 Income from equity method investments (9,972)(38,752)Capital contribution (decrease) 4,498 4,376 Transfer of investment with net capital deficiency 3,549 Dividends receivable (8,023)(8,411)Write-off of goodwill based on inventory surplus (Note 9.i) (462)Recognition of goodwill (a) 3,000 Reversal of impairment of subsidiary's property (29,350)Other investments (26)(69)Balance as at September 30, 2018 1,532,199 465,438

(a) On September 2018, the Company recognized goodwill related to the acquisition of 100% of the shares in SPE Pavão Arlequim Empreendimentos Imobiliários Ltda.

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 9 to the financial statements as of December 31, 2017.

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Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

10. Property and equipment

During the period ended September 30, 2018, the changes in property and equipment items are summarized below.

			Co	ompany 100%			Conso	lidated	100%	
				depreciated					depreciated	
Type	12/31/2017	Addition V		•	9/30/20181	2/31/2017 <i>A</i>	Addition V	Vrite-off	items	
Cost										
Hardware Leasehold improvements	9,567	2,436	(124)	(2,471)	9,408	9,729	2,486	(124)	(2,497)	
and installations (i) Furniture and	5,166	29	(1,701)	-	3,494	5,272	29	(1,701)	-	
fixtures Machinery and	675	-	-	(35)	640	907	-	-	(121)	
equipment	2,640	-	-	-	2,640	2,640	-	-	-	
Sales stands	9,547	7,632	(4,483)	(172)	12,524	13,881	8,857	(4,483)	(1,579)	
	27,595	10,097	(6,308)	` ,	28,706	32,429	11,372	(6,308)	, ,	
Accumulated depreciation										
Hardware	(1,283)	(2,405)	132	2,471	(1,085)	(1,291)	(2,438)	132	2,497	

Total property and equipment	19,719	2,811	(823)	-	21,707	22,342	3,293	(808)	-
Sales stands	(2,671) (7,876)	(4,244) (7,286)	4,483 5,485	2,678	(2,260) (6,999)	(4,615) (10,087)	(4,983) (8,079)	4,498 5,500	1,579 4,197
Machinery and equipment	(1,872)	(198)	-	- 172	(2,070)	(1,872)	(198)	-	- 1 570
Furniture and fixtures	(419)	(50)	-	35	(434)	(632)	(56)	-	121
Leasehold improvements and installations (i)	(1,631)	(389)	870	-	(1,150)	(1,677)	(404)	870	_

⁽i) Of this amount, R\$1,641 and R\$831 refer to the write-off of cost and depreciation, respectively, from leasehold improvements in the branch of Rio de Janeiro, due to its shutdown (Note 1).

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 10 to the financial statements as of December 31, 2017.

11. Intangible assets

During the period ended September 30, 2018, the changes in intangible asset items are summarized below.

	Company								
	12/31/2017			09/30/2018					
	Balance	Addition	Write-down	Amortization	100% amortized items	Balance			
Software – Cost	31,931	4,416	-	-	(24)	36,323			
Software - Depreciation	(14,501)	-	-	(5,415)	24	(19,892)			
Other	-	1,500	-	(556)	-	944			
Total intangible assets	17,430	5,916	-	(5,971)	-	17,375			

Consolidated

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12/31/2017 09/30/2018

	Balance	Addition	Write-down	Amortization	amortized items	Balance
Software – Cost	32,658	4,586	-	-	(24)	37,220
Software – Depreciation	(14,965)	-	-	(5,590)	24	(20,531)
Other	587	1,500	-	(556)	-	1,531
Total intangible assets	18,280	6,086	-	(6,146)	-	18,220

The other explanations related to this note were not subject to material changes relative to the disclosures in Note 11 to the financial statements as at December 31, 2017.

Gafisa S.A.

Notes to the quarterly information

September 30, 2018

(Amounts in thousands of Brazilian Reais, except as otherwise stated)

12. Loans and financing

		Annual interest	Company		Consolidated	
Туре	Maturity	rate	09/30/2018 1	2/31/2017 0	9/30/20181	2/31/2017
		8.30% to 14.19% + TR				
National Housing System - SFH /SFI	October /2018 to July/2021	12.87% and 143% of CDI	490,310	598,047	567,696	733,103
Certificate of Bank Credit - CCB (i)	January/2021 to August/2021	135% of CDI 2.5%/ 3%/ 3.70%/ 4.25%+CDI	111,323	164,083	111,323	164,082
Total loans and finance 30.ii)	ing (Note 20.i.d, 2	20.ii.a, 20.iii and	601.663	762.130	679,019	897,185
Current portion			146,405	386,605	170,171	442,073
Current portion – reclassion –		-	39,000	-	39,000	
Current portion Non-current portion		146,405 455,228	425,605 336,525	170,171 508,848	481,073 416,112	
Consolidated Cash Flow	V					91

(i) In the period ended September 30, 2018, the Company made payments in the amount of R\$93,355, of which R\$84,001 related to the principal and R\$9,354 related to the interest due. Additionally, it entered into a CCB transaction in the amount of R\$ 40,000, with final maturity in August 2021.

The current and non-current loans have the following maturities:

Company Consolidated Maturity