

Gafisa S.A.
Form 6-K
June 01, 2011

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 June, 2011

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

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

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

Form 20-F Form 40-F

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

Yes No

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

Yes No

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

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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

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDEX

Company data

Capital Composition

Individual Financial Statements

Balance Sheet - Assets

Balance Sheet – Liabilities

Income Statements

Comprehensive Income

Cash Flow Statement

Statements of Changes in Shareholders' Equity

01/01/2011 to 03/31/2011

01/01/2010 to 03/31/2010

Statement of value added

Consolidated Financial Statement

Balance Sheet - Assets

Balance Sheet – Liabilities

Income Statements

Comprehensive Income

Cash Flow Statement

Statements of Changes in Shareholders' Equity

01/01/2011 to 03/31/2011

01/01/2010 to 03/31/2010

Statement of value added

Management Report

Notes to quarterly information

Outlook

Reports and Statements

Review Report of Quarterly Information - Unqualified

Management Statement of Quarterly Information

Management Statement on the Review Report

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CAPITAL COMPOSITION

| Number of Shares | CURRENT QUARTER |
|------------------------|-----------------|
| (in thousands) | 3/31/2011 |
| Paid-in Capital | |
| 1 - Common | 431,984 |
| 2 - Preferred | 0 |
| 3 - Total | 431,984 |
| Treasury share | |
| 4 - Common | 600 |
| 5 - Preferred | 0 |
| 6 - Total | 600 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL BALANCE SHEET – ASSETS (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|---------------|--|-----------|------------|
| 1 | Total Assets | 7,053,543 | 7,005,270 |
| 1.01 | Current Assets | 2,688,627 | 2,839,648 |
| 1.01.01 | Cash and cash equivalents | 13,617 | 66,092 |
| 1.01.01.01 | Cash and banks | 10,184 | 30,524 |
| 1.01.01.02 | Financial Investments | 3,433 | 35,568 |
| 1.01.02 | Fair value of marketable securities | 326,369 | 491,295 |
| 1.01.02.01 | Fair value of marketable securities | 326,369 | 491,295 |
| 1.01.02.01.02 | Marketable securities – held for sale | 326,369 | 491,295 |
| 1.01.03 | Trade accounts receivable | 1,116,827 | 1,039,549 |
| 1.01.03.01 | Trade accounts receivable | 1,116,827 | 1,039,549 |
| 1.01.03.01.01 | Receivables from clients of developments | 1,062,346 | 974,890 |
| 1.01.03.01.02 | Receivables from clients of construction and services rendered | 43,234 | 57,826 |
| 1.01.03.01.03 | Other Receivables | 11,247 | 6,833 |
| 1.01.04 | Inventory | 787,090 | 653,996 |
| 1.01.04.01 | Properties for sale | 787,090 | 653,996 |
| 1.01.07 | Prepaid expenses expenses | 13,542 | 12,480 |
| 1.01.07.01 | Prepaid expenses and others | 13,542 | 12,480 |
| 1.01.08 | Other current assets | 431,182 | 576,236 |
| 1.01.08.03 | Others | 431,182 | 576,236 |
| 1.01.08.03.01 | Others trade accounts receivable and others | 431,182 | 576,236 |
| 1.02 | Non Current Assets | 4,364,916 | 4,165,622 |
| 1.02.01 | Long Term Receivables | 1,128,945 | 1,198,548 |
| 1.02.01.03 | Trade accounts receivable | 715,746 | 699,551 |
| 1.02.01.03.01 | Receivables from clients of developments | 715,746 | 699,551 |
| 1.02.01.04 | Properties for sale | 173,566 | 227,894 |
| 1.02.01.06 | Deferred taxes | 135,848 | 141,037 |
| 1.02.01.06.01 | Deferred income tax and social contribution | 135,848 | 141,037 |
| 1.02.01.09 | Others non current assets | 103,785 | 130,006 |
| 1.02.01.09.03 | Others trade accounts receivable and others | 103,785 | 130,006 |
| 1.02.02 | Investments | 3,187,238 | 2,918,659 |
| 1.02.02.01 | Interest in associated and similar companies | 2,993,695 | 2,725,116 |
| 1.02.02.01.02 | Interest in Subsidiaries | 2,678,627 | 2,397,319 |
| 1.02.02.01.04 | Other Investments | 315,068 | 327,797 |
| 1.02.02.02. | Interest in Subsidiaries | 193,543 | 193,543 |
| 1.02.02.02.01 | Interest in Subsidiaries - goodwill | 193,543 | 193,543 |
| 1.02.03 | Property and equipment | 36,163 | 38,474 |
| 1.02.03.01 | Operation property and equipment | 36,163 | 38,474 |

| | | | |
|------------|-------------------|--------|-------|
| 1.02.04 | Intangible assets | 12,570 | 9,941 |
| 1.02.04.01 | Intangible assets | 12,570 | 9,941 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|---------------|---|-----------|------------|
| 2 | Total Liabilities and Shareholders' Equity | 7,053,543 | 7,005,270 |
| 2.01 | Current Liabilities | 1,054,072 | 1,014,252 |
| 2.01.01 | Salaries and social charges | 41,559 | 38,416 |
| 2.01.01.02 | Salaries and social charges | 41,559 | 38,416 |
| 2.01.01.02.01 | Salaries and social charges | 41,559 | 38,416 |
| 2.01.02 | Suppliers | 64,095 | 59,335 |
| 2.01.02.01 | Suppliers | 64,095 | 59,335 |
| 2.01.03 | Tax obligations | 60,546 | 85,894 |
| 2.01.03.01 | Federal tax obligations | 56,060 | 81,652 |
| 2.01.03.03 | Municipal tax obligations | 4,486 | 4,242 |
| 2.01.04 | Loans and Financing | 521,731 | 486,006 |
| 2.01.04.01 | Loans and Financing | 476,188 | 471,909 |
| 2.01.04.01.01 | Loans and Financing | 476,188 | 471,909 |
| 2.01.04.02 | Debentures | 45,543 | 14,097 |
| 2.01.05 | Others obligations | 349,601 | 330,446 |
| 2.01.05.02 | Others | 349,601 | 330,446 |
| 2.01.05.02.02 | Minimum mandatory dividends | 98,812 | 98,812 |
| 2.01.05.02.04 | Obligations for purchase of real estate and advances from customers | 146,109 | 126,294 |
| 2.01.05.02.05 | Other liabilities | 104,680 | 105,340 |
| 2.01.06 | Provisions | 16,540 | 14,155 |
| 2.01.06.01 | Tax, Labor and Civil lawsuits | 16,540 | 14,155 |
| 2.01.06.01.01 | Tax lawsuits | 359 | 640 |
| 2.01.06.01.02 | Labor lawsuits | 6,561 | 5,168 |
| 2.01.06.01.04 | Civil lawsuits | 9,620 | 8,347 |
| 2.02 | Non Current Liabilities | 2,258,852 | 2,268,783 |
| 2.02.01 | Loans and Financing | 1,607,366 | 1,678,493 |
| 2.02.01.01 | Loans and Financing | 350,311 | 425,094 |
| 2.02.01.01.01 | Loans and Financing | 350,311 | 425,094 |
| 2.02.01.02 | Debentures | 1,257,055 | 1,253,399 |
| 2.02.02 | Others obligations | 414,898 | 351,472 |
| 2.02.02.02 | Others | 414,898 | 351,472 |
| 2.02.02.02.03 | Obligations for purchase of real estate and advances from customers | 79,953 | 42,998 |
| 2.02.02.02.04 | Other liabilities | 334,945 | 308,474 |
| 2.02.03 | Deferred taxes | 163,749 | 166,012 |
| 2.02.03.01 | Deferred income tax and social contribution | 163,749 | 166,012 |

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| | | | |
|------------|--------------------------------------|-----------|-----------|
| 2.02.04 | Provisions | 72,839 | 72,806 |
| 2.02.04.01 | Tax, Labor and Civil lawsuits | 72,839 | 72,806 |
| 2.03 | Shareholders' equity | 3,740,619 | 3,722,235 |
| 2.03.01 | Capital Stock | 2,730,787 | 2,729,198 |
| 2.03.02 | Capital Reserves | 298,968 | 295,879 |
| 2.03.04 | Profit Reserves | 697,158 | 697,158 |
| 2.03.04.01 | Legal Reserves | 52,561 | 52,561 |
| 2.03.04.02 | Statutory Reserves | 607,795 | 607,795 |
| 2.03.04.05 | Retained earnings | 38,533 | 38,533 |
| 2.03.04.09 | Treasury shares | (1,731) | (1,731) |
| 2.03.05 | Retained earnings/accumulated losses | 13,706 | - |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL STATEMENT OF INCOME (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|------------|--|--------------------------|--------------------------|
| 3.01 | Gross Sales and/or Services | 251,148 | 413,691 |
| 3.01.01 | Real estate development and sales | 265,337 | 376,895 |
| 3.01.02 | Construction services rendered revenue | 3,428 | 7,208 |
| 3.01.03 | Barter transactions revenue | 12,465 | 42,666 |
| 3.01.04 | Taxes on sales and services | (25,140) | (10,282) |
| 3.01.05 | Brokerage fee on sales | (4,942) | (2,796) |
| 3.02 | Cost of Sales and/or Services | (212,127) | (322,722) |
| 3.02.01 | Cost of Real estate development | (199,662) | (280,056) |
| 3.02.02 | Barter transactions cost | (12,465) | (42,666) |
| 3.03 | Gross Profit | 39,021 | 90,969 |
| 3.04 | Operating Expenses/Income | (4,604) | 7,575 |
| 3.04.01 | Selling Expenses | (16,406) | (15,844) |
| 3.04.02 | General and Administrative | (21,298) | (23,909) |
| 3.04.02.02 | Stock option plan expenses | (2,536) | (2,228) |
| 3.04.02.03 | Other Administrative Expenses | (18,762) | (21,681) |
| 3.04.04 | Other operating income | - | 9,771 |
| 3.04.05 | Other operating expenses | (24,592) | (4,544) |
| 3.04.05.01 | Depreciation | (7,550) | (3,776) |
| 3.04.05.02 | Other operating expenses | (17,042) | (768) |
| 3.04.06 | Equity in results of investees | 57,692 | 42,101 |
| 3.05 | Net income before financial results and taxes | 34,417 | 98,544 |
| 3.06 | Financial | (17,785) | (24,478) |
| 3.06.01 | Financial income | 11,141 | 14,641 |
| 3.06.02 | Financial expenses | (28,926) | (39,119) |
| 3.07 | Net income before taxes | 16,632 | 74,066 |
| 3.08 | Provision for income tax and social contribution | (2,926) | (9,247) |
| 3.08.02 | Deferred Income Tax | (2,926) | (9,247) |
| 3.09 | Net income from continuing operation | 13,706 | 64,819 |
| 3.11 | Net income for the Period | 13,706 | 64,819 |
| 3.99 | EARNINGS PER SHARE (<i>Reais</i>) | | |
| 3.99.01 | EARNINGS BASIC PER SHARE | | |
| 3.99.01.01 | ON | 0,03180 | 0,17860 |
| 3.99.02 | EARNINGS DILUTED PER SHARE | | |
| 3.99.02.01 | ON | 0,03170 | 0,17720 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL COMPREHENSIVE INCOME (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|------|-----------------------------------|--------------------------|--------------------------|
| 4.01 | Gross Sales and/or Services | 13,706 | 64,819 |
| 4.03 | Real estate development and sales | 13,706 | 64,819 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|------------|---|--------------------------|--------------------------|
| 6.01 | Net cash from operating activities | (124,811) | (47,823) |
| 6.01.01 | Cash generated in the operations | 2,846 | 92,996 |
| 6.01.01.01 | Net Income before taxes | 16,633 | 74,066 |
| 6.01.01.02 | Stock options expenses | 2,536 | 2,228 |
| 6.01.01.03 | Unrealized interest and finance charges, net | 28,926 | 49,777 |
| 6.01.01.04 | Depreciation and amortization | 7,550 | 3,776 |
| 6.01.01.06 | Provision for contingencies | 4,331 | 3,158 |
| 6.01.01.07 | Warranty provision | 562 | 2,092 |
| 6.01.01.09 | Equity in the results of investees | (57,692) | (42,101) |
| 6.01.02 | Variation in Assets and Liabilities | (127,657) | (140,819) |
| 6.01.02.01 | Trade accounts receivable | (93,473) | (105,870) |
| 6.01.02.02 | Properties for sale | (78,766) | (5,314) |
| 6.01.02.03 | Other Receivables | (38,970) | (61,195) |
| 6.01.02.04 | Prepaid expenses and others | (1,062) | 4,741 |
| 6.01.02.05 | Suppliers | 4,760 | 3,330 |
| 6.01.02.06 | Obligations for purchase of real estate and adv. from customers | 56,770 | (22,294) |
| 6.01.02.07 | Taxes, charges and contributions | (25,348) | 8,559 |
| 6.01.02.08 | Obligation to venture partners and others | 45,289 | 41,074 |
| 6.01.02.09 | Payroll, profit sharing and related charges | 3,143 | (3,850) |
| 6.02 | Net cash from investments activities | 156,477 | (809,027) |
| 6.02.01 | Purchase of property and equipment and deferred charges | (7,868) | (7,070) |
| 6.02.02 | Restricted cash in guarantee to loans | 164,927 | (784,834) |
| 6.02.05 | Capital contribution in subsidiary companies | (582) | (17,122) |
| 6.03 | Net cash from financing activities | (84,141) | 868,024 |
| 6.03.01 | Capital increase | 1,589 | 1,063,943 |
| 6.03.02 | Loans and financing obtained | 60,793 | 64,411 |
| 6.03.03 | Repayment of loans and financing | (146,523) | (218,266) |
| 6.03.04 | Assignment of credits receivable, net | - | (1,094) |
| 6.03.06 | Public offering expenses | - | (40,971) |
| 6.05 | Net increase (decrease) of Cash and Cash Equivalent | (52,475) | 11,174 |
| 6.05.01 | Cash at the beginning of the period | 66,092 | 44,445 |
| 6.05.02 | Cash at the end of the period | 13,617 | 55,619 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

INDIVIDUAL STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2011 TO 03/31/2011 (in thousands of Brazilian reais)

| CODE | DESCRIPTION | CAPITAL STOCK | CAPITAL RESERVES | PROFIT RESERVES | RETAINED EARNINGS/ ACCUMULATED DEFICIT | OTHERS COMPREHENSIVE INCOME | TOTAL SHAREHOLDERS' EQUITY |
|---------|------------------------------------|---------------|------------------|-----------------|---|-----------------------------|----------------------------|
| 5.01 | Opening balance | 2,729,198 | 294,148 | 698,889 | - | - | 3,722,235 |
| 5.03 | Opening Adjusted balance | 2,729,198 | 294,148 | 698,889 | - | - | 3,722,235 |
| 5.04 | Increase/decrease in capital stock | 1,589 | 3,088 | - | - | - | 4,677 |
| 5.04.03 | Stock options program | 1,589 | 3,088 | - | - | - | 4,677 |
| 5.05 | Comprehensive Income | - | - | - | 13,706 | - | 13,706 |
| 5.05.01 | Net Income/Loss for the period | - | - | - | 13,706 | - | 13,706 |
| 5.13 | Closing balance | 2,730,787 | 297,236 | 698,889 | 13,706 | - | 3,740,618 |

(A free translation of the original in Portuguese)

INDIVIDUAL STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Brazilian reais)

| CODE | DESCRIPTION | CAPITAL STOCK | CAPITAL RESERVES | PROFIT RESERVES | RETAINED EARNINGS/ ACCUMULATED DEFICIT | OTHERS COMPREHENSIVE INCOME | TOTAL SHAREHOLDERS' EQUITY |
|---------|-------------------|---------------|------------------|-----------------|---|-----------------------------|----------------------------|
| 5.01 | Opening balance | 1,627,275 | 316,708 | 381,651 | | 0 | 2,325,634 |
| | Opening Adjusted | | | | | | |
| 5.03 | balance | 1,627,275 | 316,708 | 381,651 | | 0 | 2,325,634 |
| | Increase/decrease | | | | | | |
| 5.04 | in capital stock | 1,063,943 | (24,813) | 0 | | 0 | 1,039,130 |
| 5.04.02 | Public offering | 1,063,750 | (27,041) | 0 | | 0 | 1,036,709 |
| | Stock options | | | | | | |
| 5.04.03 | program | 193 | 2,228 | 0 | | 0 | 2,421 |
| | Comprehensive | 0 | | 0 | 64,819 | | 64,819 |
| 5.05 | Income | | 0 | | | | 0 |
| | Net Income/Loss | 0 | | 0 | 64,819 | | 64,819 |
| 5.05.01 | for the period | | 0 | | | | 0 |
| 5.13 | Closing balance | 2,691,218 | 291,651 | 381,651 | 64,819 | 0 | 3,429,339 |

(A free translation of the original in Portuguese)**INDIVIDUAL STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)**

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|------------|---|-----------|------------|
| 7.01 | Revenues | 281,230 | 426,769 |
| 7.01.01 | Real estate development, sale and services | 281,230 | 426,769 |
| 7.02 | Inputs acquired from third parties | (197,556) | (281,496) |
| 7.02.01 | Cost of Sales and/or Services | (186,725) | (307,792) |
| 7.02.02 | Materials, energy, outsourced labor and other | (10,831) | 26,296 |
| 7.03 | Gross added value | 83,674 | 145,273 |
| 7.04 | Retentions | (7,550) | (3,776) |
| 7.04.01 | Depreciation, amortization and depletion | (7,550) | (3,776) |
| 7.05 | Net added value produced by the Company | 76,124 | 141,497 |
| 7.06 | Added value received on transfer | 68,833 | 56,742 |
| 7.06.01 | Equity accounts | 57,692 | 42,101 |
| 7.06.02 | Financial income | 11,141 | 14,641 |
| 7.07 | Total added value to be distributed | 144,957 | 198,239 |
| 7.08 | Added value distribution | 144,957 | 198,239 |
| 7.08.01 | Personnel and payroll charges | 39,149 | 49,977 |
| 7.08.01.01 | Personnel and payroll charges | 39,149 | 49,977 |
| 7.08.02 | Taxes and contributions | 37,774 | 29,394 |
| 7.08.02.01 | Federal | 37,774 | 29,394 |
| 7.08.03 | Compensation - Interest | 54,328 | 54,049 |
| 7.08.03.01 | Interest | 54,328 | 54,049 |
| 7.08.04 | Compensation – Company capital | 13,706 | 64,819 |
| 7.08.04.03 | Retained earnings | 13,706 | 64,819 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

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

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|---------------|--|-----------|------------|
| 1 | Total Assets | 9,623,032 | 9,549,554 |
| 1.01 | Current Assets | 6,283,192 | 6,127,729 |
| 1.01.01 | Cash and cash equivalents | 228,700 | 256,382 |
| 1.01.01.01 | Cash and banks | 213,852 | 172,336 |
| 1.01.01.02 | Financial Investments | 14,848 | 84,046 |
| 1.01.02 | Fair value of marketable securities | 698,277 | 944,766 |
| 1.01.02.01 | Fair value of marketable securities | 698,277 | 944,766 |
| 1.01.02.01.02 | Marketable securities – held for sale | 698,277 | 944,766 |
| 1.01.03 | Trade accounts receivable | 3,357,360 | 3,158,074 |
| 1.01.03.01 | Trade accounts receivable | 3,357,360 | 3,158,074 |
| 1.01.03.01.01 | Receivables from clients of developments | 3,301,170 | 3,091,684 |
| 1.01.03.01.02 | Receivables from clients of construction and services rendered | 44,943 | 59,737 |
| 1.01.03.01.03 | Other Receivables | 11,247 | 6,653 |
| 1.01.04 | Inventory | 1,765,570 | 1,568,986 |
| 1.01.07 | Prepaid expenses expenses | 22,292 | 21,216 |
| 1.01.07.01 | Prepaid expenses and others | 22,292 | 21,216 |
| 1.01.08 | Other current assets | 210,993 | 178,305 |
| 1.01.08.03 | Others | 210,993 | 178,305 |
| 1.02 | Non Current Assets | 3,339,840 | 3,421,825 |
| 1.02.01 | Long Term Receivables | 3,047,129 | 3,131,019 |
| 1.02.01.03 | Trade accounts receivable | 2,106,770 | 2,113,314 |
| 1.02.01.03.01 | Receivables from clients of developments | 2,106,770 | 2,113,314 |
| 1.02.01.04 | Properties for sale | 461,561 | 498,180 |
| 1.02.01.06 | Deferred taxes | 330,739 | 337,804 |
| 1.02.01.06.01 | Deferred income tax and social contribution | 330,739 | 337,804 |
| 1.02.01.09 | Others non current assets | 148,059 | 181,721 |
| 1.02.01.09.03 | Others trade accounts receivable and others | 148,059 | 181,721 |
| 1.02.03 | Property and equipment | 79,821 | 80,852 |
| 1.02.03.01 | Operation property and equipment | 79,821 | 80,852 |
| 1.02.04 | Intangible assets | 212,890 | 209,954 |
| 1.02.04.01 | Intangible assets | 19,347 | 16,411 |
| 1.02.04.02 | Goodwill | 193,543 | 193,543 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|---------------|---|-----------|------------|
| 2 | Total Liabilities and Shareholders' Equity | 9,623,032 | 9,549,554 |
| 2.01 | Current Liabilities | 2,197,739 | 2,017,172 |
| 2.01.01 | Salaries and social charges | 84,897 | 72,153 |
| 2.01.01.02 | Salaries and social charges | 84,897 | 72,153 |
| 2.01.01.02.01 | Salaries and social charges | 84,897 | 72,153 |
| 2.01.02 | Suppliers | 178,443 | 190,461 |
| 2.01.02.01 | Suppliers | 178,443 | 190,461 |
| 2.01.03 | Tax obligations | 259,690 | 243,050 |
| 2.01.03.01 | Federal tax obligations | 259,690 | 243,050 |
| 2.01.04 | Loans and Financing | 909,896 | 824,435 |
| 2.01.04.01 | Loans and Financing | 838,334 | 797,903 |
| 2.01.04.01.01 | Loans and Financing | 838,334 | 797,903 |
| 2.01.04.02 | Debentures | 71,562 | 26,532 |
| 2.01.05 | Others obligations | 748,273 | 672,918 |
| 2.01.05.02 | Others | 748,273 | 672,918 |
| 2.01.05.02.02 | Minimum mandatory dividends | 102,897 | 102,767 |
| 2.01.05.02.04 | Obligations for purchase of real estate and advances from customers | 438,462 | 420,199 |
| 2.01.05.02.05 | Obligation to venture partners and others | 206,914 | 149,952 |
| 2.01.06 | Provisions | 16,540 | 14,155 |
| 2.01.06.01 | Tax, Labor and Cível lawsuits | 16,540 | 14,155 |
| 2.01.06.01.01 | Tax lawsuits | 359 | 640 |
| 2.01.06.01.02 | Labor lawsuits | 6,561 | 5,168 |
| 2.01.06.01.04 | Cível lawsuits | 9,620 | 8,347 |
| 2.02 | Non Current Liabilities | 3,616,118 | 3,748,713 |
| 2.02.01 | Loans and Financing | 2,378,763 | 2,465,674 |
| 2.02.01.01 | Loans and Financing | 521,708 | 612,275 |
| 2.02.01.01.01 | Loans and Financing | 521,708 | 612,275 |
| 2.02.01.02 | Debentures | 1,857,055 | 1,853,399 |
| 2.02.02 | Others obligations | 718,827 | 734,093 |
| 2.02.02.02 | Others | 718,827 | 734,093 |
| 2.02.02.02.03 | Obligations for purchase of real estate and advances from customers | 187,920 | 177,860 |
| 2.02.02.02.04 | Other liabilities | 530,907 | 556,233 |
| 2.02.03 | Deferred taxes | 391,687 | 424,409 |
| 2.02.03.01 | Deferred income tax and social contribution | 391,687 | 424,409 |
| 2.02.04 | Provisions | 126,841 | 124,537 |

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| | | | |
|---------------|--------------------------------------|-----------|-----------|
| 2.02.04.01 | Tax, Labor and Civil lawsuits | 126,841 | 124,537 |
| 2.02.04.01.01 | Tax lawsuits | 11,934 | 11,468 |
| 2.02.04.01.02 | Labor lawsuits | 19,417 | 18,588 |
| 2.02.04.01.04 | Civil lawsuits | 95,490 | 94,481 |
| 2.03 | Shareholders' equity | 3,809,175 | 3,783,669 |
| 2.03.01 | Capital Stock | 2,730,787 | 2,729,198 |
| 2.03.02 | Capital Reserves | 298,968 | 295,879 |
| 2.03.04 | Profit Reserves | 697,158 | 697,158 |
| 2.03.04.01 | Legal Reserves | 52,561 | 52,561 |
| 2.03.04.02 | Statutory Reserves | 607,795 | 607,795 |
| 2.03.04.05 | Retained earnings | 38,533 | 38,533 |
| 2.03.04.09 | Treasury shares | (1,731) | (1,731) |
| 2.03.05 | Retained earnings/accumulated losses | 13,706 | - |
| 2.03.09 | Non-controlling interest | 68,556 | 61,434 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED STATEMENT OF INCOME (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|------------|--|--------------------------|--------------------------|
| 3.01 | Gross Sales and/or Services | 800,356 | 907,585 |
| 3.01.01 | Real estate development and sales | 840,970 | 884,666 |
| 3.01.02 | Construction services rendered revenue | 8,207 | 7,877 |
| 3.01.03 | Barter transactions revenue | 18,919 | 46,333 |
| 3.01.04 | Taxes on sales and services | (58,787) | (25,512) |
| 3.01.05 | Brokerage fee on sales | (8,953) | (5,779) |
| 3.02 | Cost of Sales and/or Services | (615,588) | (654,929) |
| 3.02.01 | Cost of Real estate development | (596,669) | (608,596) |
| 3.02.02 | Barter transactions cost | (18,919) | (46,333) |
| 3.03 | Gross Profit | 184,768 | 252,656 |
| 3.04 | Operating Expenses/Income | (131,158) | (120,930) |
| 3.04.01 | Selling Expenses | (51,505) | (51,294) |
| 3.04.02 | General and Administrative | (56,307) | (57,418) |
| 3.04.02.01 | Statutory Profit Sharing/Contributions | (2,133) | (1,693) |
| 3.04.02.02 | Stock option plan expenses | (3,363) | (3,183) |
| 3.04.02.03 | Other Administrative Expenses | (50,811) | (52,542) |
| 3.04.05 | Other operating expenses | (23,346) | (12,218) |
| 3.04.05.01 | Depreciation | (12,365) | (10,238) |
| 3.04.05.02 | Other operating expenses | (10,981) | (1,980) |
| 3.05 | Net income before financial results and taxes | 53,610 | 131,726 |
| 3.06 | Financial | (30,998) | (39,673) |
| 3.06.01 | Financial income | 24,664 | 23,929 |
| 3.06.02 | Financial expenses | (55,662) | (63,602) |
| 3.07 | Net income before taxes | 22,612 | 92,053 |
| 3.08 | Income tax and social contribution | (1,847) | (22,489) |
| 3.08.01 | Provision for income tax and social contribution | (8,150) | (7,746) |
| 3.08.02 | Deferred Income Tax | 6,303 | (14,743) |
| 3.09 | Net income from continuing operation | 20,765 | 69,564 |
| 3.11 | Net income for the Period | 20,765 | 69,564 |
| 3.11.01 | Net income (loss) attributable to Gafisa | 13,706 | 64,819 |
| 3.11.02 | Net income (loss) attributable to the noncontrolling interests | 7,059 | 4,745 |
| 3.99 | EARNINGS PER SHARE (<i>Reais</i>) | | |
| 3.99.01 | EARNINGS BASIC PER SHARE | | |
| 3.99.01.01 | ON | 0,03180 | 0,17860 |
| 3.99.02 | EARNINGS DILUTED PER SHARE | | |
| 3.99.02.01 | ON | 0,03170 | 0,17720 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED COMPREHENSIVE INCOME (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|---------|--|--------------------------|--------------------------|
| 4.01 | Gross Sales and/or Services | 20,765 | 69,564 |
| 4.03 | Real estate development and sales | 20,765 | 69,564 |
| 4.03.01 | Net income (loss) attributable to Gafisa | 13,706 | 64,819 |
| 4.03.02 | Net income (loss) attributable to the noncontrolling interests | 7,059 | 4,745 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED STATEMENT OF CASH FLOW – INDIRECT METHOD (in thousands of Brazilian Reais)

| CODE | DESCRIPTION | 1/1/2011 to 3/31/2011 | 1/1/2010 to 3/31/2010 |
|------------|---|--------------------------|--------------------------|
| 6.01 | Net cash from operating activities | (192,198) | (120,491) |
| 6.01.01 | Cash generated in the operations | 113,464 | 177,643 |
| 6.01.01.01 | Net Income | 22,612 | 92,053 |
| 6.01.01.02 | Stock options expenses | 3,363 | 3,183 |
| 6.01.01.03 | Unrealized interest and finance charges, net | 55,662 | 64,501 |
| 6.01.01.04 | Depreciation and amortization | 12,365 | 10,238 |
| 6.01.01.06 | Provision for contingencies | 8,484 | 3,158 |
| 6.01.01.07 | Warranty provision | 2,460 | 2,703 |
| 6.01.01.08 | Profit sharing provision | 2,133 | 1,693 |
| 6.01.01.09 | Allowance for doubtful accounts | 6,385 | 114 |
| 6.01.02 | Variation in Assets and Liabilities | (305,662) | (298,134) |
| 6.01.02.01 | Trade accounts receivable | (199,127) | (339,600) |
| 6.01.02.02 | Properties for sale | (159,965) | (8,058) |
| 6.01.02.03 | Other Receivables | 7,792 | 29,027 |
| 6.01.02.04 | Prepaid expenses and others | (7,892) | (12,286) |
| 6.01.02.05 | Suppliers | (12,018) | 40,317 |
| 6.01.02.06 | Obligations for purchase of real estate and adv. from customers | 28,323 | 7,666 |
| 6.01.02.07 | Taxes, charges and contributions | 16,640 | 5,019 |
| 6.01.02.08 | Payroll, profit sharing and related charges | 10,611 | 3,531 |
| 6.01.02.09 | Obligation to venture partners and others | 9,974 | (23,750) |
| 6.02 | Net cash from investments activities | 232,219 | (637,776) |
| 6.02.01 | Restricted cash in guarantee to loans | 246,489 | (620,090) |
| 6.02.03 | Purchase of property and equipment and deferred charges | (14,270) | (17,686) |
| 6.03 | Net cash from financing activities | (67,703) | 839,738 |
| 6.03.01 | Capital increase | 1,589 | 1,063,943 |
| 6.03.02 | Loans and financing obtained | 117,922 | 104,105 |
| 6.03.03 | Repayment of loans and financing | (184,342) | (257,138) |
| 6.03.04 | Assignment of credits receivable, net | 8,150 | (12,787) |
| 6.03.06 | Public offering expenses | - | (40,971) |
| 6.03.09 | Proceeds from subscription of redeemable equity interest in securitization fund | (2,872) | (9,668) |
| 6.03.11 | Taxes paid | (8,150) | (7,746) |
| 6.05 | Net increase (decrease) of Cash and Cash Equivalent | (27,682) | 81,471 |
| 6.05.01 | Cash at the beginning of the period | 256,382 | 292,940 |
| 6.05.02 | Cash at the end of the period | 228,700 | 374,411 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2011 TO 03/31/2011 (in thousands of Brazilian reais)

| CODE | DESCRIPTION | CAPITAL STOCK | CAPITAL RESERVES | PROFIT RESERVES | RETAINED EARNINGS/ ACCUMULATED DEFICIT | OTHERS COMPREHENSIVE INCOME | TOTAL SHAREHOLDERS' EQUITY |
|---------|------------------------------------|---------------|------------------|-----------------|---|-----------------------------|----------------------------|
| 5.01 | Opening balance | 2,729,198 | 294,148 | 698,889 | - | - | 3,722,235 |
| 5.03 | Opening Adjusted balance | 2,729,198 | 294,148 | 698,889 | - | - | 3,722,235 |
| 5.04 | Increase/decrease in capital stock | 1,589 | 3,088 | - | - | - | 4,677 |
| 5.04.03 | Stock options program | 1,589 | 3,088 | - | - | - | 4,677 |
| 5.05 | Comprehensive Income | - | - | - | 13,706 | - | 13,706 |
| 5.05.01 | Net Income/Loss for the period | - | - | - | 13,706 | - | 13,706 |
| 5.13 | Closing balance | 2,730,787 | 297,236 | 698,889 | 13,706 | - | 3,740,618 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FROM 01/01/2010 TO 03/31/2010 (in thousands of Brazilian reais)

| CODE | DESCRIPTION | CAPITAL STOCK | CAPITAL RESERVES | PROFIT RESERVES | RETAINED EARNINGS/ ACCUMULATED DEFICIT | OTHERS COMPREHENSIVE INCOME | TOTAL SHAREHOLDERS' EQUITY |
|---------|------------------------------------|---------------|------------------|-----------------|---|-----------------------------|----------------------------|
| 5.01 | Opening balance | 1,627,275 | 316,708 | 381,651 | 0 | 0 | 2,325,634 |
| | Opening Adjusted balance | 1,627,275 | 316,708 | 381,651 | 0 | 0 | 2,325,634 |
| 5.03 | Increase/decrease in capital stock | 1,063,943 | (24,813) | 0 | 0 | 0 | 1,039,130 |
| 5.04.02 | Public offering | 1,063,750 | (27,041) | 0 | 0 | 0 | 1,036,709 |
| 5.04.03 | Stock options program | 193 | 2,228 | 0 | 0 | 0 | 2,421 |
| 5.05 | Comprehensive Income | 0 | 0 | 0 | 64,819 | 0 | 64,819 |
| 5.05.01 | Net Income/Loss for the period | 0 | 0 | 0 | 64,819 | 0 | 64,819 |
| 5.13 | Closing balance | 2,691,218 | 291,651 | 381,651 | 64,819 | 0 | 3,428,739 |

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.****CONSOLIDATED STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)**

| CODE | DESCRIPTION | 3/31/2011 | 12/31/2010 |
|------------|---|-----------|------------|
| 7.01 | Revenues | 861,711 | 938,288 |
| 7.01.01 | Real estate development, sale and services | 868,096 | 938,402 |
| 7.01.04 | | (6,385) | (114) |
| 7.02 | Inputs acquired from third parties | (630,247) | (689,449) |
| 7.02.01 | Cost of Sales and/or Services | (578,407) | (632,089) |
| 7.02.02 | Materials, energy, outsourced labor and other | (51,840) | (57,360) |
| 7.03 | Gross added value | 231,464 | 248,839 |
| 7.04 | Retentions | (12,365) | (14,014) |
| 7.04.01 | Depreciation, amortization and depletion | (12,365) | (14,014) |
| 7.05 | Net added value produced by the Company | 219,099 | 234,825 |
| 7.06 | Added value received on transfer | 24,664 | 34,228 |
| 7.06.02 | Financial income | 24,664 | 34,228 |
| 7.07 | Total added value to be distributed | 243,763 | 269,053 |
| 7.08 | Added value distribution | 243,763 | 269,053 |
| 7.08.01 | Personnel and payroll charges | 59,105 | 63,689 |
| 7.08.01.01 | Personnel and payroll charges | 59,105 | 63,689 |
| 7.08.02 | Taxes and contributions | 78,109 | 60,508 |
| 7.08.02.01 | Federal | 78,109 | 60,508 |
| 7.08.03 | Compensation - Interest | 92,843 | 80,037 |
| 7.08.03.01 | Interest | 92,843 | 80,037 |
| 7.08.04 | Compensation – Company capital | 13,706 | 64,819 |
| 7.08.04.03 | Retained earnings | 13,706 | 64,819 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Gafisa Reports Results for First Quarter 2011

--- Backlog margin to be recognized improved to 39.0% on strength of newer higher margin development execution ---

--- Pre-sales reached R\$822 million, reflecting strong sales velocity of 58% over the R\$ 513 million launched in the quarter ---

--- Cash position of over R\$ 0.9 billion, comfortably within debt covenants ---

--- Gafisa CFO Alceu Duilio Calciolari, named interim CEO ---

IR Contact **FOR IMMEDIATE RELEASE - São Paulo, May 9th, 2011** – Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil’s leading diversified national homebuilder, today reported financial results for the first quarter ended March 31, 2011.

Luiz Mauricio Garcia
Rodrigo Pereira
Email: ri@gafisa.com.br
IR Website: www.gafisa.com.br/ir

1Q11 Earnings Results Conference Call
Tuesday, May 10th, 2011

> In English (simultaneous translation from Portuguese)
09:00 AM US EST
10:00 PM Brasilia Time

Phones:
+1 (888) 700-0802 (US only)
+1 (786) 924-6977 (Others)
+55 (11) 4688-6361 (Brazil)
Code: Gafisa
> In Portuguese

Commenting on the results, Wilson Amaral, CEO of Gafisa, said, “Our first quarter performance was in-line with our expectations and was reflective of impacts from the past. While demand for housing remains strong as demonstrated by the solid sales velocity of launches we achieved at the end of the quarter, and there is confidence in the Brazilian economy, our margins were impacted by lower margin Gafisa product and legacy Tenda developments that we are clearing out of inventory and will be delivering mainly throughout the first half and beginning of the second half of the year.”

“While we project our second quarter to be impacted by some of the same factors that we experienced in the first, looking ahead we expect to see improvement in our financial performance throughout the second half of the year. Demand should remain strong and as a national homebuilder with scale, we are well-positioned to benefit from the positive side of the macroeconomic environment and tremendous growth cycle that Brazil is currently experiencing.”

Amaral continued, “I am pleased to report that the Board has decided to elect Duilio Calciolari, who has been with Gafisa for 11 years and worked as my partner for the last five, as the interim CEO. He has been a professional colleague of mine for over 10 years, and I can think of no one better than Duilio to maintain continuity at Gafisa while I focus on our search for a CEO and dedicate more of my time to Board related matters.

I also want to highlight that our shareholders recently elected three new independent board members so that today, eight of our nine directors are independent. We have

09:00 AM US EST
10:00 AM Brasilia
Time
Phone: +55 (11)
4688-6361
Code: Gafisa
Shares
GFSA3 – Bovespa
GFA – NYSE
Total Outstanding
Shares: 431,983,717¹

Average daily trading
volume (90 days²):
R\$ 122.7 million
1) Including
599,486 treasury
shares
2) Up to May
6th, 2011

always been at the forefront of our industry and will continue to take steps to ensure that we remain there.”

1Q11 - Operating & Financial Highlights

Consolidated launches totaled R\$ 513 million for the quarter, a 27% decrease over 1Q10. AlphaVille launches reached R\$ 182 million in the quarter, 87% higher than 1Q10, reflecting strong performance from this segment.

Pre-sales reached R\$ 822 million in the quarter, a 4% decrease as compared to 1Q10 mainly due to lower launches, partially offset by strong sales velocity of 58% over 1Q11 launches.

Net operating revenues, recognized by the Percentage of Completion (“PoC”) method, reached R\$800.4 million, a 12% decrease from 1Q10, mainly due to fewer 2009 launches with lower recognition of revenue in respect of work in progress.

Adjusted Gross Profit (w/o capitalized interest) reached R\$ 221.9 million, 19% lower than the same period of 2010, with a 27.7% Adjusted Gross Margin.

Adjusted EBITDA reached R\$ 106.5 million with a 13.3% margin, a 36.8% decrease when compared to the R\$ 168.5 million reached in the 1Q10, which can be attributed to the delivery of lower margin products by Tenda and Gafisa and lower SG&A dilution.

Net Income was R\$ 13.7 million for the 1Q11 (3% Adj. Net Margin), a decrease of 79%, when compared to 1Q10.

As expected, Net Debt/Equity reached 72% at the end of the quarter. We continue to expect an increase by the end of 2Q11 before it decreases, given positive cash flow generation in the 2H11 that should result in a Net Debt/Equity ratio below 60% by 2011 year end.

The Backlog of Revenues to be recognized under the PoC method reached R\$ 4.06 billion, a 38% increase over the 1Q10. The Margin to be recognized improved 390 bps to 39.0%.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Index

| | |
|--|----|
| CEO Comments and Corporate Highlights for 1Q11 | 04 |
| Recent Developments | 05 |
| Launches | 07 |
| Pre-Sales | 08 |
| Sales Velocity | 09 |
| Operations | 09 |
| Land Bank | 10 |
| Gross Profit | 12 |
| SG&A | 12 |
| EBITDA | 13 |
| Net Income | 14 |
| Backlog of Revenues and Results | 14 |
| Liquidity | 15 |
| Outlook | 16 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

CEO Comments and Corporate Highlights for 1Q11

We experienced a weaker first quarter of 2011 than 1Q10 which represented an exceptionally strong start to 2010. Gafisa first quarter operational results were affected by timing delays of some of our launches. Our financial results reflected our expectations for the first quarter and indeed we continue to expect compressed margins, primarily due to the legacy Tenda projects and prior lower margin Gafisa product, during the second quarter as detailed in our first half guidance for 2011. Despite this, demand for housing remains strong across all of our business segments reflected in the strong sales velocity of 58% of the launches we achieved towards the end of the quarter. We continue to be able to pass through much of the cost increases for our Gafisa and AlphaVille developments. At the same time we expect more efficiencies from Tenda's construction technology replacement with aluminum molds. We are still in range of the financial and operating numbers we expected and we continue to be on target for year-end previously stated guidance.

A few project delays were related to slowed licensing approvals during the beginning of the year, mainly in the Tenda segment. These delayed projects held back in Q1 are expected to launch in Q2. We are confident that in the first half of 2011 we will reach our expected share of full year launch guidance, typically in the range of 30%-40%, to be followed by what is a traditionally stronger second half of the year.

On the macroeconomic scenario, confidence in the Brazilian economy, especially given the extraordinary GDP growth of 7.5% in the past year, the highest growth rate in nearly 25 years, remains high, although there are increasing concerns about inflationary pressure. With a large and robust domestic market and a stable democracy, Brazil has moved up to be the world's 7th largest economy in the world, claiming the position formerly held by Italy. Investors continue to look to Brazil for expansion and despite the fact that the country is projected to have slower growth in 2011 overall demand for housing in Brazil and Gafisa properties remains strong.

Concerns about rising inflation linger and it is impacting the cost of doing business for all. However, the Central Bank of Brazil is working to fight price increases without hampering growth by pushing interest rates even higher. By the end of April, the Central Bank raised its benchmark interest rate by 0.25 percentage points, moving the Selic rate to 12.0%. As mentioned before, there is only a little correlation between this rate and the mortgage-financing rate. We anticipate that current concerns about inflation and rising interest rates in Brazil are short to medium term issues that will not affect long term demand in the housing market.

Brazil's property market is still set to lead the Latin American housing boom in 2011. The enormous acceleration in social mobility and the rise of Brazil's middle class coupled with increased availability for credit is driving much of the boom. According to IBGE, the A and B classes of Brazil grew by 60% to 42 million people and the C Class, by 62% to 102 million people between 2005 and 2010. During the quarter, the unemployment rate continued to be low, reaching 6.1% in March though rising less than forecast for the month.

Guidance for 2011 included providing a more detailed look at our expected momentum in EBITDA during the first and second half of the year. Based on this, we expect to see pressure on profitability in the second quarter and the continued impact on costs as we complete the delivery of legacy Tenda projects and lower margin Gafisa projects

launched during our geographic expansionary period in 2007/2008. We also continue to expect this to turn around during the second half of this year. It's also important to highlight that we are also confident that Gafisa is far from the debt covenant limits and our guidance for positive operational cash flow generation to happen in 2H11 prevails.

With the advantages of being a homebuilder with significant scale, we expect to continue to operate at full capacity and ensure long-term profitability. The growth of housing in Brazil is a sustainable business – there has and will continue to be a shortage of housing and pent up demand. We are managing rising inflation and expect to see a positive year overall, taking advantage of growth opportunities and an increase in demand.

Wilson Amaral, CEO -- Gafisa S.A.

Recent Developments and Highlights

Alceu Duílio Calciolari appointed interim CEO

On May 9th, the Board of Gafisa appointed the Company's CFO, Alceu Duílio Calciolari to the position of interim CEO effective today. Mr. Calciolari will retain his position as CFO and IRO of the Company. With almost 11 years at Gafisa as CFO, Mr. Calciolari has had responsibility for various areas of the Company including, Human Resources, Information Technology and, Finance and Controllershship. Over the last five years he has worked closely with the Company's CEO to develop the strategic direction of Gafisa, while executing three successful capital markets transactions, a number of joint ventures and the acquisitions of AlphaVille and Tenda. Duilio will retain this role until a CEO has been named.

Eight of nine board members are now independent

On April 29, 2011, at Gafisa's annual general shareholder's meeting, the election of three new independent shareholders was approved, bringing the total number of board members to nine, eight of whom are independent. In addition, the currently elected directors were ratified for an additional term. Henri Phillippe Reichstul, Guilherme Affonso Ferreira and Maria Leticia de Freitas Costa join the board, each bringing a depth of experience in corporate leadership positions, public and private company board directorships and financial and strategic advisory expertise.

Proposal to reform the company's by-laws in line with fully independent public companies

As a fully independent publicly listed company without the presence of a controlling shareholder and a Board of Directors with a majority of independent members, the Nomination and Corporate Governance committee, proposed a series of

corporate governance reforms to be adopted by the Company's shareholders that ensure adherence to best practices and protect the on-going interests of all shareholders. Due to the lack of a minimum legal quorum required for an extraordinary general shareholders' meeting, the package of reforms, as presented, was not approved on April 29, 2011. At the request of shareholders, and in order to facilitate a process of deliberation, the voting process related to the amendments and additions proposed to the By-laws was modified in its format. The detailed proposal may be found on Gafisa's IR website.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Tenda to benefit from approval of MCMV2

On April 27, 2011 the Congress approved the second phase of the Minha Casa, Minha Vida program with the goal of constructing 2 million new homes through 2014. It also limits beneficiaries of the program to earners of no more than 10 times the minimum salary of 2009. Tenda remains well-positioned to leverage this on-going program with among the lowest price points in the industry and housing aimed at between 3x – 10x salary earners.

AlphaVille

Gafisa continues to pioneer innovative concepts in the homebuilding sector and a leading example of this is residential community living offered through its AlphaVille unit, which continues to launch high demand developments. Two projects (Pernambuco and Campo Grande) were launched in March with sales in excess of 56% for each in just the final month of the quarter.

Investment in Customer Satisfaction

The strong demand for our product is not only a result of our reputation for delivering high value products, but our investment in building ongoing relationships through advanced CRM tools to thoroughly understand what our clients want and how their tastes change. Customer satisfaction is one of the most important measures of our success and we have expanded the area that is dedicated to CRM focusing on different customer relationship platforms such as social networks, online communications - through our Viver Bem (“Live Well”) portal and through off-line communications. An investment of R\$ 6 million in new software and R\$ 4 million in infrastructure and human capital have been made over the last year to reinforce this crucial area of our business.

| Operating and Financial Highlights (R\$000, unless otherwise specified) | 1Q11 | 1Q10 | 1Q11 vs. 1Q10 (%) | 4Q10 | 1Q11 vs. 4Q10 (%) |
|--|-------------|-------------|------------------------------------|-------------|------------------------------------|
| Launches (%Gafisa) | 512,606 | 703,209 | -27.1% | 1,543,149 | -66.8% |
| Launches (100%) | 594,214 | 849,874 | -30.1% | 2,279,358 | -73.9% |
| Launches, units (%Gafisa) | 2,254 | 3,883 | -42.0% | 7,742 | -70.9% |
| Launches, units (100%) | 2,736 | 4,141 | -33.9% | 9,334 | -70.7% |
| Contracted sales (%Gafisa) | 822,220 | 857,321 | -4.1% | 1,240,818 | -33.7% |
| Contracted sales (100%) | 935,722 | 1,024,850 | -8.7% | 1,426,165 | -34.4% |
| Contracted sales, units (% Gafisa) | 3,361 | 5,253 | -36.0% | 5,933 | -43.4% |

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| | | | | | |
|--|-----------|-----------|----------|-----------|-----------|
| Contracted sales, units (100%) | 3,945 | 5,955 | -33.8% | 6,853 | -42.4% |
| Contracted sales from Launches (%Gafisa) | 296,317 | 234,716 | 26.2% | 409,160 | -27.6% |
| Contracted sales from Launches (%) | 57.8% | 33.4% | 2443 bps | 26.5% | 3129 bps |
| Completed Projects (%Gafisa) | 524,942 | 325,902 | 61.1% | 435,818 | 20.4% |
| Completed Projects, units (%Gafisa) | 3,060 | 2,715 | 12.7% | 2,899 | 5.5% |
| Net revenues | 800,356 | 907,585 | -11.8% | 928,637 | -13.8% |
| Gross profit | 184,768 | 252,656 | -26.9% | 278,235 | -33.6% |
| Gross margin | 23.1% | 27.8% | -475 bps | 30.0% | -688 bps |
| Adjusted Gross Margin ¹⁾ | 27.7% | 30.4% | -262 bps | 36.1% | -841 bps |
| Adjusted EBITDA ²⁾ | 106,519 | 168,459 | -36.8% | 197,769 | -46.1% |
| Adjusted EBITDA margin ²⁾ | 13.3% | 18.6% | -525 bps | 21.3% | -799 bps |
| Adjusted Net profit ²⁾ | 24,127 | 79,625 | -69.7% | 148,464 | -83.7% |
| Adjusted Net margin ²⁾ | 3.0% | 8.8% | -576 bps | 16.0% | -1297 bps |
| Net profit | 13,706 | 64,819 | -78.9% | 137,363 | -90.0% |
| EPS (R\$) ³⁾ | 0.0318 | 0.1548 | -79.5% | 0.3188 | -90.0% |
| Number of shares ('000 final) ³⁾ | 431,384 | 418,737 | 3.0% | 430,910 | 0.1% |
| Revenues to be recognized | 4,062 | 2,934 | 38.4% | 3,963 | 2.5% |
| Results to be recognized ⁴⁾ | 1,585 | 1,030 | 53.9% | 1,540 | 2.9% |
| REF margin ⁴⁾ | 39.0% | 35.1% | 391 bps | 38.9% | 16 bps |
| Net debt and Investor obligations | 2,741,682 | 1,207,988 | 127% | 2,468,961 | 11% |
| Cash and cash equivalent | 926,977 | 2,125,613 | -56% | 1,201,148 | -23% |
| Equity | 3,809,175 | 3,492,889 | 9% | 3,783,669 | 1% |
| Equity + Minority shareholders | 3,809,175 | 3,492,889 | 9% | 3,783,669 | 1% |
| Total assets | 9,623,032 | 8,752,813 | 10% | 9,549,554 | 1% |
| (Net debt + Obligations) / (Equity + Minorities) | 72.0% | 34.6% | 3739 bps | 65.3% | 672 bps |

1) Adjusted for capitalized interest

2) Adjusted for expenses on stock option plans (non-cash), minority shareholders and non-recurring expenses

3) Adjusted for 1:2 stock split in the 1Q10

4) Results to be recognized net of PIS/Cofins - 3.65%; excludes the AVP method introduced by Law nº 11,638

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Quarterly information - 03/31/2011 – Gafisa S.A.

Launches

In 1Q11, launches totaled R\$ 512.6 million, a decrease of 27% compared to 1Q10, represented by 10 projects/phases, located in 10 cities.

51% of Gafisa launches represented a price per unit below R\$ 500 thousand, while nearly 22% of Tenda's launches had prices per unit below R\$ 130 thousand. Tenda TOP, a segment of Tenda, launched 2 projects with an average price per unit of R\$ 205 thousand. These projects represented a PSV of R\$ 55 million or 54% of Tenda's launches in the quarter. Excluding these projects, the average price per unit of Tenda was R\$ 124 thousand.

In the quarter, the Gafisa segment was responsible for 45% of launches, Alphaville accounted for 35% and Tenda for the remaining 20%.

The tables below detail new projects launched during 1Q11:

Table 1 - Launches per company per region

| %Gafisa - (R\$000) | | 1Q11 | 1Q10 | Var. (%) | 4Q10 |
|--------------------|----------------|---------|---------|----------|---------|
| Gafisa | São Paulo | 157,779 | 183,218 | -14% | 582,269 |
| | Rio de Janeiro | 70,523 | 49,564 | 42% | 18,100 |
| | Other | - | 76,516 | -100% | 223,053 |
| | Total | 228,302 | 309,298 | -26% | 823,422 |
| | Units | 755 | 743 | 2% | 2,109 |
| AlphaVille | São Paulo | - | 97,269 | -100% | 923 |
| | Other | 181,914 | - | - | 191,094 |
| | Total | 181,914 | 97,269 | 87% | 192,016 |
| | Units | 849 | 352 | 141% | 1,359 |
| Tenda | São Paulo | 11,220 | 32,671 | -66% | 84,419 |
| | Rio de Janeiro | - | 49,292 | -100% | 40,156 |
| | Other | 91,169 | 214,680 | -58% | 403,136 |

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| | | | | | |
|---------------------|-----------------------|----------------|----------------|-------------|------------------|
| | Total | 102,389 | 296,643 | -65% | 527,711 |
| | Units | 650 | 2,788 | -77% | 4,275 |
| Consolidated | Total - R\$000 | 512,606 | 703,209 | -27% | 1,543,149 |
| | Total - Units | 2,254 | 3,883 | -42% | 7,742 |

Table 2 - Launches per company per unit price

| %Gafisa - (R\$000) | | 1Q11 | 1Q10 | Var. (%) | 4Q10 |
|---------------------|-----------------------|----------------|----------------|-------------|------------------|
| Gafisa | <= R\$500K | 115,359 | 142,816 | -19% | 522,007 |
| | > R\$500K | 112,943 | 166,481 | -32% | 301,415 |
| | Total | 228,302 | 309,298 | -26% | 823,422 |
| AlphaVille | ~ R\$100K; <= R\$500K | 181,914 | 97,269 | 87% | 192,016 |
| | Total | 181,914 | 97,269 | 87% | 192,016 |
| Tenda | = R\$130K | 22,262 | 219,849 | -90% | 280,509 |
| | > R\$130K ; < R\$200K | 80,127 | 76,794 | 4% | 247,202 |
| | Total | 102,389 | 296,643 | -65% | 527,711 |
| Consolidated | | 512,606 | 703,209 | -27% | 1,543,149 |

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Quarterly information - 03/31/2011 – Gafisa S.A.

Pre-Sales

Pre-sales in the quarter reached R\$ 822.2 million, a decrease of 4%, when compared to 1Q10, mainly due to lower launches, partially offset from strong sales velocity of launches that reached 58%, reflected in better Gafisa and AlphaVille performances, that increased 13% and 47% over 1Q10, respectively. In the case of Tenda, the 38% decrease is a consequence of 90% lower launches in the segment of unit price below R\$ 130 thousand.

The Gafisa segment was responsible for 52% of total pre-sales, while Tenda and AlphaVille accounted for approximately 28% and 21% respectively. Among Gafisa's pre-sales, 44% corresponded to units priced below R\$ 500 thousand, while 32% of Tenda's pre-sales came from units priced below R\$ 130 thousand. The tables below illustrate a detailed breakdown of our pre-sales for 1Q11:

Table 3 - Sales per company per region

%Gafisa - (R\$000)

| | | 1Q11 | 1Q10 | Var. (%) | 4Q10 |
|-------------------|----------------|---------|---------|----------|---------|
| Gafisa | São Paulo | 328,520 | 201,784 | 63% | 439,456 |
| | Rio de Janeiro | 58,943 | 52,741 | 12% | 61,282 |
| | Other | 36,049 | 121,354 | -70% | 121,294 |
| | Total | 423,512 | 375,879 | 13% | 622,032 |
| | Units | 910 | 950 | -4% | 1,427 |
| AlphaVille | São Paulo | 3,835 | 66,163 | -94% | 5,792 |
| | Rio de Janeiro | 3,064 | 8,535 | -64% | 9,594 |
| | Other | 164,020 | 41,945 | 291% | 177,584 |
| | Total | 170,919 | 116,643 | 47% | 192,971 |
| | Units | 896 | 573 | 56% | 1,173 |
| Tenda | São Paulo | 23,136 | 96,093 | -76% | 58,607 |
| | Rio de Janeiro | (3,919) | 84,953 | -105% | 40,239 |
| | Other | 208,571 | 183,753 | 14% | 326,969 |
| | Total | 227,789 | 364,799 | -38% | 425,815 |

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| | | | | |
|---------------------|-----------------------|----------------|---------------------|------------------|
| | Units | 1,555 | 3,729-58% | 3,332 |
| Consolidated | Total - R\$000 | 822,220 | 857,321-4.1% | 1,240,818 |
| | Total - Units | 3,361 | 5,253-36% | 5,933 |

Table 4 - Sales per company per unit price - PSV

| %Gafisa - (R\$000) | | 1Q11 | 1Q10 | Var. (%) | 4Q10 |
|---------------------------|-----------------------|----------------|----------------|-----------------|------------------|
| Gafisa | <= R\$500K | 187,426 | 322,697 | -42% | 418,520 |
| | > R\$500K | 236,087 | 53,182 | 344% | 203,512 |
| | Total | 423,512 | 375,879 | 13% | 622,032 |
| AlphaVille | > R\$100K; <= R\$500K | 170,919 | 116,643 | 47% | 192,971 |
| | Total | 170,919 | 116,643 | 47% | 192,971 |
| Tenda | = R\$130K | 73,296 | 262,473 | -72% | 234,321 |
| | > R\$130K ; < R\$200K | 154,493 | 102,326 | 51% | 191,493 |
| | Total | 227,789 | 364,799 | -38% | 425,815 |
| Consolidated | Total | 822,220 | 857,321 | -4.1% | 1,240,818 |

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Quarterly information - 03/31/2011 – Gafisa S.A.

Table 5 - Sales per company per unit price - Units

| %Gafisa - Units | | 1Q11 | 1Q10 | Var. (%) | 4Q10 |
|---------------------|-----------------------|--------------|--------------|-------------|--------------|
| Gafisa | <= R\$500K | 608 | 837 | -27% | 1.195 |
| | > R\$500K | 301 | 113 | 166% | 232 |
| | Total | 910 | 950 | -4% | 1.427 |
| AlphaVille | > R\$100K; <= R\$500K | 896 | 573 | 56% | 1.173 |
| | Total | 896 | 573 | 56% | 1.173 |
| Tenda | = R\$130K | 619 | 3.092 | -80% | 2.328 |
| | > R\$130K ; < R\$200K | 937 | 637 | 47% | 1.004 |
| | Total | 1.555 | 3.729 | -58% | 3.332 |
| Consolidated | Total | 3.361 | 5.253 | -36% | 5.933 |

Sales Velocity

On a consolidated basis, the Company attained a sales velocity of 21.4% in 1Q11, compared to a velocity of 25.2% in 1Q10. Sales velocity decreased when compared to the previous period, mainly due to lower volume of launches in the period. Sales velocity over 1Q11 launches reached 58%, reflecting a strong and continuing demand for the sector. Tenda segment reached a sales velocity over its 1Q11 launches of 72%.

Table 6 - Sales velocity per company

| R\$ million | Beginning of period Inventories | Launches | Sales | Price Increase + Other | End of period Inventories | Sales velocity |
|--------------|------------------------------------|--------------|--------------|------------------------------|------------------------------|----------------|
| Gafisa | 1.857,2 | 228,3 | 423,5 | 62,2 | 1.724,2 | 19,7% |
| AlphaVille | 418,6 | 181,9 | 170,9 | 7,1 | 436,7 | 28,1% |
| Tenda | 1.019,7 | 102,4 | 227,8 | (38,1) | 856,2 | 21,0% |
| Total | 3.295,4 | 512,6 | 822,2 | 31,2 | 3.017,0 | 21,4% |

**Table 7 - Sales velocity per launch date
1Q11**

| | End of period Inventories | Sales | Sales velocity |
|-----------------|--------------------------------------|----------------|-----------------------|
| 2011 launches | 216,654 | 296,317 | 57.8% |
| 2010 launches | 1,398,314 | 437,993 | 23.9% |
| 2009 launches | 345,271 | 27,415 | 7.4% |
| = 2008 launches | 1,056,771 | 60,495 | 5.4% |
| Total | 3,017,010 | 822,220 | 21.4% |

Operations

Gafisa's geographic reach and execution capacity is substantial. The Company was present in 22 different states plus the Federal District, with 203 projects under development at the end of the first quarter. This diversified platform also helps to mitigate execution risk, since each region of the country has a different dynamic of growth, supply and costs. Some 443 engineers and architects were in the field, in addition to 676 intern engineers in training.

We perceived a seasonality slow down from Caixa contracted units during the summer vacation period (January and February) that negatively affected the performance of these months, but we are already seeing gradual ramp-up. Due to this fact, through the end of March, Tenda contracted 1,835 units with CEF, 87% of which were in the MCMV program.

Delivered Projects

During the first quarter, Gafisa delivered 18 projects with 3,060 units equivalent to an approximate PSV of R\$ 524.9 million. The Gafisa segment delivered 7 projects, Tenda and AlphaVille delivered the remaining 9 and 2 projects/phases, respectively. The delivery date is based on the "delivery meeting" that takes place with customers, and not upon the physical completion which is prior to the delivery meeting.

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Throughout 2011, we expect to almost double the delivered number when compared to the prior year, to 25,000 units, mainly due to the delivery of older Tenda units along with some of Gafisa's leveraged 2007 launches.

The tables below list the products delivered in the 1Q11:

Table 8 - Delivered projects

| Company | Project | Delivery | Launch | Local | % Gafisa | Units (%Gafisa) | PSV (%Gafisa) |
|-----------------|---|----------|--------|--------------------------|----------|--------------------|------------------|
| Gafisa 1Q11 | | | | | | 1,379 | 387,330 |
| Gafisa | Altavista | Jan-11 | Nov-06 | Maceio - AL | 50% | 86 | 9,907 |
| Gafisa | Evidence | Jan-11 | Apr-07 | São Paulo - SP | 50% | 72 | 32,425 |
| Gafisa | Icarai Corporate | Feb-11 | Dec-06 | Niterói - RJ | 100% | 137 | 34,940 |
| Gafisa | London Green | Feb-11 | Jun-07 | Rio de Janeiro - RJ | 100% | 440 | 156,856 |
| Gafisa | Vision - Campo Belo | Feb-11 | Dec-07 | São Paulo - SP | 100% | 284 | 87,336 |
| Gafisa | Grand Park - Águas Fase I | Mar-11 | Dec-07 | São Luis - MA | 50% | 120 | 21,851 |
| Gafisa | GrandValley (Jacarepaguá) | Mar-11 | Mar-07 | Rio de Janeiro - RJ | 100% | 240 | 44,014 |
| AlphaVille 1Q11 | | | | | | 543 | 46,414 |
| Alphaville | Litoral Norte II | Jan-11 | Sep-08 | Salvador-BA | 64% | 251 | 27,790 |
| Alphaville | Terras Alpha Foz do Iguaçu | Mar-11 | Dec-09 | Foz do iguaçu-PR | 74% | 292 | 18,624 |
| Tenda 1Q11 | | | | | | 1,138 | 91,198 |
| Tenda | RESIDENCIAL MONET | Jan-11 | Oct-06 | São Paulo - SP | 100% | 60 | 5,403 |
| Tenda | ARSENAL LIFE II | Jan-11 | Jun-07 | São Gonçalo - RJ | 100% | 108 | 7,649 |
| Tenda | RESIDENCIAL SANTA JULIA | Feb-11 | Sep-07 | São José dos Campos - SP | 100% | 260 | 17,680 |
| Tenda | RESIDENCIAL BAHAMAS LIFE | Feb-11 | Apr-08 | Belo Horizonte - MG | 100% | 40 | 3,576 |
| Tenda | RESIDENCIAL SALVADOR DALI | Feb-11 | Sep-07 | Osasco - SP | 100% | 100 | 8,071 |
| Tenda | RESIDENCIAL ITAQUERA LIFE | Feb-11 | Jun-07 | São Paulo - SP | 100% | 110 | 10,538 |
| Tenda | RESIDENCIAL HILDETE TEIXEIRA LIFE F3/F4 | Mar-11 | Dec-07 | Salvador - BA | 100% | 220 | 14,740 |
| Tenda | RESIDENCIAL HORTO DO IPE LIFE | Mar-11 | Oct-06 | São Paulo - SP | 100% | 180 | 18,703 |
| Tenda | RESIDENCIAL SÃO MIGUEL LIFE | Mar-11 | Jul-07 | São Paulo - SP | 100% | 60 | 4,838 |
| Total 1Q11 | | | | | | 3,060 | 524,942 |

Land Bank

The Company's land bank of approximately R\$ 18.1 billion is composed of 183 different projects in 22 states, equivalent to more than 90 thousand units. In line with our strategy, 40.8% of our land bank was acquired through swaps – which require no cash obligations.

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During 1Q11 we recorded a gross increase of R\$ 522 million in the land bank, reflecting acquisitions that more than compensate for R\$ 513 million launches in the quarter.

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

Table 9 - Landbank per company per unit price

| | | PSV - R\$ million (%Gafisa) | %Swap Total | %Swap Units | %Swap Financial | Potential units (%Gafisa) |
|---------------------|-----------------------|--------------------------------|----------------|----------------|--------------------|------------------------------|
| Gafisa | < R\$500K | 4,612 | 40.5% | 35.1% | 5.5% | 15,565 |
| | > R\$500K | 3,821 | 41.0% | 37.3% | 3.7% | 4,759 |
| | Total | 8,433 | 40.8% | 36.3% | 4.5% | 20,324 |
| AlphaVille | < R\$100K; | 562 | 100.0% | 0.0% | 100.0% | 6,964 |
| | > R\$100K; < R\$500K | 4,498 | 97.1% | 0.0% | 97.1% | 20,791 |
| | > R\$500K | 23 | 0.0% | 0.0% | 0.0% | 26 |
| | Total | 5,083 | 97.2% | 0.0% | 97.2% | 27,781 |
| Tenda | = R\$130K | 3,113 | 33.2% | 22.2% | 10.9% | 33,674 |
| | > R\$130K ; < R\$200K | 1,434 | 50.2% | 48.8% | 1.4% | 8,933 |
| | Total | 4,547 | 40.3% | 33.4% | 6.9% | 42,607 |
| Consolidated | | 18,063 | 40.8% | 35.5% | 5.3% | 90,712 |

Number of projects/phases

| | |
|------------|-----|
| Gafisa | 58 |
| AlphaVille | 42 |
| Tenda | 83 |
| Total | 183 |

Table 10 - Landbank Changes (based on PSV)

| Land Bank (R\$ million) | Gafisa | Alphaville | Tenda | Total | |
|-------------------------------|--------|--------------|--------------|--------------|---------------|
| Land Bank - BoP | | 8,245 | 5,223 | 4,586 | 18,054 |
| 1Q11 - Net Acquisitions | | 416.3 | 41.7 | 63.9 | 522 |
| 1Q11 - Launches | | (228.3) | (181.9) | (102.4) | (513) |
| Land Bank - EoP (1Q11) | | 8,433 | 5,083 | 4,547 | 18,063 |

1Q11 - Revenues

Due to fewer launches in 2009, compared to 2008 (2009: R\$2.3 billion; 2008 R\$4.2 billion), we are registering lower recognition of revenue based on work in progress (PoC), and the first quarter 2011 is expected to be the most affected during the year, as we are starting to build 2H10 launches and consequently gradually bringing new revenues to be recognized to our results.

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Additionally, Tenda's dissolution of some old units being delivered and fewer consolidated launches in the quarter also contributed to lower revenue recognition, consequently, net operating revenue for 1Q11 reached R\$ 800.4 million compared to R\$ 907.6 million in 1Q10, with Tenda contributing 35% of the consolidated quarter revenues.

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

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

Table 11 - Sales vs. Recognized revenues

| | | 1Q11 | | | 1Q10 | | |
|---------------|-----------------|-------------|------|---------|--------------|------|--------------|
| Gafisa | 2011 launches | 222,468 | 37% | 15,565 | 3% - | 0% - | 0% |
| | 2010 launches | 264,995 | 45% | 147,859 | 28% 172,527 | 35% | 7,017 1% |
| | 2009 launches | 25,324 | 4% | 125,260 | 24% 186,918 | 38% | 165,513 26% |
| | = 2008 launches | 81,644 | 14% | 232,227 | 45% 133,077 | 27% | 454,855 73% |
| | Total Gafisa | 594,431 | 100% | 520,910 | 100% 492,522 | 100% | 627,386 100% |
| Tenda | Total Tenda | 227,789 | --- | 279,446 | --- 364,799 | --- | 280,199 --- |
| Total | | 822,220 | | 800,356 | 857,321 | | 907,585 |

1Q11 - Gross Profits

On a consolidated basis, gross profit for 1Q11 totaled R\$ 184.8 million, a decrease of 26.9% over 1Q10. The gross margin for the quarter reached 23.1% (27.7% w/o capitalized interest).

This reduction is mainly due to the reasons already detailed in the 2011 guidance, such as the delivery of lower margin Tenda and Gafisa products passing through the P&L as well as lower recognition from recent projects (as explained above).

Table 12 - Capitalized interest

| (R\$000) | | 1Q11 | 1Q10 | 4Q10 |
|---------------------|------------------------------|----------------|---------------|----------------|
| Consolidated | Opening balance | 146,544 | 91,568 | 115,323 |
| | Capitalized interest | 41,454 | 25,373 | 88,591 |
| | Interest transferred to COGS | (37,181) | (22,840) | (57,370) |
| | Closing balance | 150,817 | 94,101 | 146,544 |

1Q11 - Selling, General, and Administrative Expenses (SG&A)

In the first quarter 2011, SG&A expenses totaled R\$ 107.8 million. When compared to 4Q10, SG&A decreased 24%, from R\$ 141.1 million. This was mainly due to lower selling expenses, which is in line with reduced launches of new

projects, as well as lower bonus expenses provision in the G&A.

When compared to 1Q10, the SG&A/Net Revenue ratio increased 150 bps and the SG&A/Sales ratio slightly increased 40 bps. This is mainly a consequence of the reduction in launches during 2009, that affected revenue recognition in 1Q11 and also fewer launches in 1Q11.

While we are at a comfortable level of SG&A/net revenues, we do foresee additional improvements in the long-term, but due to the lower revenue growth expected for full year 2011, we don't expect further SG&A dilution during this year.

Table 13 - Sales and G&A Expenses

| (R\$'000) | | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|---------------------|-----------------------------------|-------------|-------------|-------------|--------------------|--------------------|
| Consolidated | Selling expenses | 51,505 | 51,294 | 76,243 | 0% | -32% |
| | G&A expenses | 56,307 | 57,418 | 64,894 | -2% | -13% |
| | SG&A | 107,812 | 108,712 | 141,137 | -1% | -24% |
| | Selling expenses / Launches | 10.0% | 7.3% | 4.9% | 275 bps | 511 bps |
| | G&A expenses / Launches | 11.0% | 8.2% | 4.2% | 282 bps | 678 bps |
| | SG&A / Launches | 21.0% | 15.5% | 9.1% | 557 bps | 1189 bps |
| | Selling expenses / Sales | 6.3% | 6.0% | 6.1% | 28 bps | 12 bps |
| | G&A expenses / Sales | 6.8% | 6.7% | 5.2% | 15 bps | 162 bps |
| | SG&A / Sales | 13.1% | 12.7% | 11.4% | 43 bps | 174 bps |
| | Selling expenses / Net revenue | 6.4% | 5.7% | 8.2% | 78 bps | -177 bps |
| | G&A expenses / Net revenue | 7.0% | 6.3% | 7.0% | 71 bps | 5 bps |
| | SG&A / Net revenue | 13.5% | 12.0% | 15.2% | 149 bps | -173 bps |

1Q11 - Other Operating Results

In 1Q11, our results reflected a negative impact of R\$11.0 million, compared to R\$ 2.0 million in 1Q10 primarily due to a higher level of contingency provisions in the quarter. These included an R\$ 5 million contingency at Tenda, related to delayed delivery of units from legacy Tenda projects and R\$ 4 million for labor contingency mainly related to outsourced tasks, where we preferred to take a conservative stance by making this provision.

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Quarterly information - 03/31/2011 – Gafisa S.A.

1Q11 - Adjusted EBITDA

As anticipated in our guidance, our Adjusted EBITDA for the 1Q11 totaled R\$ 106.5 million, 36.8% lower than the R\$ 168.5 million for 1Q10, with a consolidated adjusted margin of 13.3%, compared to 18.6% in 1Q10.

For the 2H11 we continue to expect an improved EBITDA margin. However, 1Q11 was impacted by the delivery of Tenda's older low-margin projects, in addition with some lower margin inventory units sold in the quarter and some of Gafisa's lower margin projects (related to the learning curve of geographic diversification and certain Rio de Janeiro projects coming in over budget) being delivered during the 1H11/beginning of 2H11. Due to the continuity of this scenario we continue to expect a negative impact on our 2Q11 operating results. On the other hand, we expect to see Gafisa delivering more normalized operating margins in the 2H11, after this delivery of lower margin projects is completed. We adjusted our EBITDA for expenses associated with stock option plans, as it is non-cash expense.

Table 14 - Adjusted EBITDA

| (R\$'000) | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q1 0 |
|---|---------|---------|----------|----------------|-----------------|
| Consolidated | | | | | |
| Net Profit | 13,706 | 64,819 | 137,363 | -79% | -90% |
| (+) Financial result | 30,999 | 33,268 | 1,576 | -7% | 1867% |
| (+) Income taxes | 2,866 | 22,489 | (16,133) | -87% | -118% |
| (+) Depreciation and Amortization | 11,346 | 10,238 | 6,492 | 11% | 75% |
| (+) Capitalized Interest Expenses | 37,181 | 22,840 | 57,370 | 63% | -35% |
| (+) Minority shareholders and non recurring expenses | 7,058 | 11,623 | 7,019 | -39% | 1% |
| (+) Stock option plan expenses | 3,363 | 3,183 | 4,082 | 6% | -18% |
| Adjusted EBITDA | 106,519 | 168,459 | 197,769 | -37% | -46% |
| Net Revenue | 800,356 | 907,585 | 928,637 | -11.8% | -13.8% |
| Adjusted EBITDA margin | 13.3% | 18.6% | 21.3% | -525 bps | -799 bps |

1Q11 - Depreciation and Amortization

Depreciation and amortization in the 1Q11 was R\$ 11.3 million, an increase of R\$ 1.1 million when compared to the R\$ 10.2 million recorded in 1Q10, mainly due to higher showroom amortizations.

1Q11 – Financial Result

Net financial expenses totaled R\$ 30.0 million in 1Q11, compared to net financial expenses of R\$ 33.3 million in 1Q10. Since we did our equity offering at the end of March 2010, our cash only improved after March 28th, 2010, due to this fact there was no huge gap between average net debt along 1Q11 when compared to 1Q10. Additionally, this quarter we capitalized R\$ 45.5 million, compared to R\$ 25.4 million in 1Q10, mainly due to higher project finance debt, reflecting leveraging activity, and the capitalization of some short term land investments.

1Q11 - Taxes

Income taxes, social contribution and deferred taxes for the 1Q11 amounted to R\$ 2.9 million, compared to R\$ 22.5 million in 1Q10. This result is mainly due to lower income before tax reached this quarter and also optimization of tax planning announced last quarter. In the future, we continue to expect income tax to represent approximately 2% of net revenue.

1Q11 - Adjusted Net Income

Net income in 1Q11 was R\$ 13.7 million compared to R\$ 64.8 million in the 1Q10. However, net income on an adjusted basis (before deduction of expenses related to minority shareholders and stock options), reached R\$ 24.1 million, with an adjusted net margin of 3%, representing a decrease of 69.7% when compared to R\$ 79.6 million in 1Q10, mostly due to above mentioned facts.

1Q11 - Earnings per Share

Earnings per share was R\$ 0.03/share in the 1Q11 compared to R\$ 0.15/share in 1Q10, a 79.5% decrease. Shares outstanding at the end of the period were 431.4 million (ex. Treasury shares) and 418.7 million in the 1Q10.

Backlog of Revenues and Results

The backlog of results to be recognized under the PoC method reached R\$ 1.6 billion in 1Q11, R\$ 555 million higher than in 1Q10. The consolidated margin in the quarter was 39.0%, 390 bps higher than in 1Q10 and 16 bps higher than 4Q10, reflecting the fact that recent projects continued to post favorable margins while the impact of our older-lower margin projects are low.

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

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Table 15 - Results to be recognized (REF)

| (R\$ million) | | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|---------------------|--------------------------------|---------|---------|---------|-------------|-------------|
| Consolidated | Revenues to be recognized | 4,062 | 2,934 | 3,963 | 38.4% | 2.5% |
| | Costs to be recognized | (2,477) | (1,904) | (2,423) | 30.1% | 2.2% |
| | Results to be recognized (REF) | 1,585 | 1,030 | 1,540 | 53.9% | 2.9% |
| | REF margin | 39.0% | 35.1% | 38.9% | 391 bps | 16 bps |

Note: Revenues to be recognized are net of pis/Cofins (3,65%);excludes the AVP method in troduced byLaw n° 11,638

Balance Sheet

Cash and Cash Equivalents

On March 31, 2011, cash and cash equivalents reached R\$ 0.9 billion, 23% lower than 4Q10, mainly due to the cash burn from the period. While our cash position is sufficient to execute our development plans, with the expected positive cash flow generation in 2H11, we will see improvement in our cash cushion.

Accounts Receivable

At the end of 4Q10, total accounts receivable increased by 3% to R\$ 9.7 billion, compared to R\$ 9.4 billion in 4Q10, and increased 35% as compared to the R\$ 7.2 billion balance in 1Q10, reflecting increased sales activity.

Table 16 - Total receivables

| (R\$ million) | | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|---------------------|-------------------------------------|----------------|----------------|----------------|-------------|-------------|
| Consolidated | Receivables from developm ents - ST | 2,554.2 | 1,502.9 | 2,465.8 | 70% | 4% |
| | Receivables from developm ents - LT | 1,661.6 | 1,542.2 | 1,646.9 | 8% | 1% |
| | Receivables from PoC - ST | 3,357.4 | 2,193.7 | 3,158.1 | 53% | 6% |
| | Receivables from PoC - LT | 2,106.8 | 1,922.5 | 2,113.3 | 10% | 0% |
| | Total | 9,679.9 | 7,161.2 | 9,384.1 | 35% | 3% |

Notes:

ST = short term ; LT = long term

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

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

Inventory (Properties for Sale)

Inventory at market value totaled R\$ 3.0 billion in 1Q11, an decrease of 8.4% when compared to the R\$ 3.3 billion registered in the 4Q10. On a consolidated basis, our inventory is at a comfortable level of 9 months of sales based on LTM sales figures.

Finished units of inventory at market value represented 14% by the end of the quarter, or 100 bps higher than this ratio at 4Q10, mainly due to the completion of unsold Gafisa's units that more than compensate finished units sold in the quarter. We continue to focus on finished inventory reduction.

At the end of 1Q11, 57.5% of the total inventory reflected units where construction is up to 30% complete.

Table 17 - Inventories

| (R\$000) | | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|---------------------|--------------------------|------------------|------------------|------------------|--------------------|--------------------|
| Consolidated | Land | 1,014,630 | 745,119 | 837,510 | 36.2% | 21.1% |
| | Units under construction | 879,333 | 842,022 | 956,733 | 4.4% | -8.1% |
| | Completed units | 333,168 | 169,373 | 272,923 | 96.7% | 22.1% |
| | Total | 2,227,131 | 1,756,514 | 2,067,166 | 26.8% | 7.7% |

Table 18 - Inventories at market value

| PSV - (R\$000) | | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|-----------------------|---------------------------|------------------|------------------|------------------|--------------------|--------------------|
| Consolidated | 2011 launches | 216,654 | - | - | - | - |
| | 2010 launches | 1,398,314 | 421,520 | 1,899,788 | 232% | -26% |
| | 2009 launches | 345,271 | 581,735 | 316,129 | -41% | 9% |
| | 2008 and earlier launches | 1,056,771 | 1,542,731 | 1,079,518 | -31% | -2% |
| Consolidated | Total | 3,017,010 | 2,545,985 | 3,295,435 | 18.5 % | -8.4% |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Table 19 - Inventories per completion status

| Company | Not started | Up to 30% constructed | 30% to 70% constructed | More than 70% constructed | Finished units | Total 1Q11 |
|----------------|--------------------|----------------------------------|-----------------------------------|--|---------------------------|-------------------|
| Gafisa | 206,589 | 688,241 | 439,766 | 456,863 | 369,364 | 2,160,822 |
| Tenda | 197,632 | 295,694 | 129,033 | 168,800 | 65,029 | 856,188 |
| Total | 404,221 | 983,935 | 568,799 | 625,663 | 434,393 | 3,017,010 |

Liquidity

On March 31, 2011, Gafisa had a cash position of R\$ 0.9 billion. On the same date, Gafisa's debt and obligations to investors totaled R\$ 3.7 billion, resulting in a net debt and obligations of R\$ 2.7 billion. The net debt and investor obligation to equity and minorities ratio was 72.0% compared to 65.3% in 4Q10, mainly due to the R\$ 273 million cash burn in the first quarter. When excluding Project Finance, this ratio reached only 19.6% net debt/equity, a comfortable leverage level with a competitive cost that is equivalent to the Selic rate.

Our 1Q11 cash burn was mainly explained by the over R\$ 658 million in expenditures in construction and development payments and R\$ 72 million in land acquisition payments. We expect cash burn to continue to reduce in the 2Q11. During the 2H11 this ratio should start to diminish, following expected positive cash flow generation, and is expected to close the year with a Net Debt/Equity below 60%, following the previously stated guidance. With the expected positive cash flow for full year 2011, we should be able to deleverage the Company, which together with a greater use of the blue print mortgage - requiring almost no working capital - for Tenda's MCMV units, should contribute to our ability to meet our higher launch volume targets and, at the same time, reduce current leverage and keep it at a comfortable level going forward. On page 17, we also highlighted our current debt covenants ratio, showing a comfortable position by the end of the quarter.

Project finance now represents 54% of the total debt. Currently we have access to a total of R\$ 3.9 billion in construction finance lines of credit provided by all of the major banks in Brazil. At this time we have R\$ 2.1 billion in signed contracts and R\$ 0.9 billion of contracts in process, giving us additional availability of R\$ 0.9 billion.

We also have receivables (from units already delivered) of over R\$ 200 million available for securitization. The following tables set forth information on our debt position.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Table 20 - Indebtedness and Investor obligations

| Type of obligation (R\$000) | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|--|------------------|------------------|------------------|-----------------|----------------|
| Debentures - FGTS (project finance) | 1,239,816 | 1,231,575 | 1,211,304 | 0.7% | 2.4% |
| Debentures - Working Capital | 688,800 | 656,217 | 668,627 | 5.0% | 3.0% |
| Project financing (SFH) | 755,652 | 458,008 | 745,707 | 65.0% | 1.3% |
| Working capital | 604,391 | 687,801 | 664,471 | -12.1% | -9.0% |
| Incorporation of controlling company | - | - | - | - | - |
| Total consolidated debt | 3,288,659 | 3,033,601 | 3,290,109 | 8% | 0% |
| Consolidated cash and availabilities | 926,977 | 2,125,613 | 1,201,148 | -56% | -23% |
| Investor Obligations | 380,000 | 300,000 | 380,000 | - | - |
| Net debt and investor obligations | 2,741,682 | 1,207,988 | 2,468,961 | 127% | 11% |
| Equity + Minority shareholders (Net debt + Obligations) / (Equity + Minorities) | 72.0% | 34.6% | 65.3% | 3739 bps | 672 bps |
| Exc. Project Finance (SFH + FGTS Deb.) | 19.6% | -14% | 13.5% | 3338 bps | 606 bps |

Table 21 - Debt maturity

| (R\$ million) | Average Cost (p.a.) | Total | Until Mar/2012 | Until Mar/2013 | Until Mar/2014 | Until Mar/2015 | After Mar/2015 |
|-------------------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Debentures - FGTS (project finance) | (8.25% - 9.06%) + TR CDI + (1.5% - 1.95%) | 1.239,8 | 43,6 | 150,0 | 597,2 | 449,1 | - |
| Debentures - Working Capital | (8.30% - 12%) + TR CDI + (1.30% - 4.20%) | 688,8 | 28,0 | 122,4 | 125,0 | 257,9 | 155,5 |
| Project financing (SFH) | | 755,7 | 626,0 | 118,4 | 10,7 | 0,6 | - |
| Working capital | | 604,4 | 212,3 | 100,1 | 95,4 | 196,6 | - |
| sub-total consolidated debt | 11,8% | 3.288,7 | 909,9 | 490,9 | 828,3 | 904,2 | 155,5 |
| Investor Obligations | CDI | 380 | - | 127 | 127 | 127 | - |
| Total consolidated debt | | 3.668,7 | 909,9 | 617,6 | 954,9 | 1.030,8 | 155,5 |
| % Total | | | 25% | 17% | 26% | 28% | 4% |

Outlook 2011 vs. Actual

In 1Q11 Gafisa achieved 10% of the full year launches guidance of between R\$ 5.0 billion and R\$ 5.6 billion. The slower launches in the first quarter can be partly attributed to delays in licensing approvals, mainly under Tenda segment. These delayed projects held back in Q1 are expected to be launched in Q2, keeping expected share of full year launch guidance, typically in the range of 30%-40%, to be followed by what is a traditionally stronger second half of the year.

With regard to profitability, the 13.3% EBITDA margin came in according to our expectations for the first half guidance range of between 13% and 17%, mainly due to the reasons anticipated in the 4Q10 related to: i) lower recognition of revenue impacting the diluting of fixed costs; ii) delivery of lower margin products by Tenda, due to a lack of standardization among the older products, and by Gafisa, due to cost overruns associated with geographical expansion and projects in Rio de Janeiro; and iii) discounts on finished units.

We continue to expect lower cash burn in the 2Q11, followed by a positive operating cash flow in the 2H11 that should bring the Net Debt/Equity ratio down below 60% at the end of the year.

Considering the aforementioned, current guidance figures for 2011 are as follows:

| Launches | Guidance | | |
|----------------------------------|-----------------|---------------|----------|
| (R\$ m illion) | 2011 | 1Q11 | % |
| Gafisa | Min. | 5,000 | 10% |
| (consolidated) | Average | 5,300.513 | 10% |
| | Max. | 5,600 | 9% |
| | | | |
| EBITDA Margin (%) | Guidance | | |
| (%) | 1H11 | 1Q11 | % |
| Gafisa | Min. | 13.0% | 30 bps |
| (consolidated) | Average | 15.0% 13.3% | -170 bps |
| | Max. | 17.0% | -370 bps |
| | | | |
| Net Debt/Equity (%) - EoP | Guidance | | |
| (%) | 2011 | 1Q11 | % |
| Gafisa | Max. | < 60.0% 72.0% | 1200 bps |

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.**

Covenants ratios

Table 22 - Debenture Covenants - 5th issuance

| Debenture covenants - 5th issuance | 4Q10 | 1Q11 |
|---|-------------|-------------|
| (Total debt - SFH debt - Cash) / Equity = 75% | 35.5% | 42.2% |
| (Total Receivables + Finished Units) / (Total Debt - Cash) = 2.2x | 4.6x | 4.2x |

| Maturity (in R\$ million) | 5th issuance |
|---------------------------|--------------|
| 2012 | 125 |
| 2013 | 125 |
| Total | 250 |

Table 23 - Debenture Covenants - 7th issuance / 8th issuance

| Debenture covenants - 7th / 8th issuance | 4Q10 | 1Q11 |
|---|-------------|-------------|
| (Total Receivables + Finished Units) / (Total Debt - Cash - Project Debt) > 2 | 73.2x | 27.3x |
| (Total Debt - SFH Debt - Project Debt - Cash) / Equity = 75% | 3.5% | 9.6% |
| EBIT / (Net Financial Result) > 1,3 | 6.84 | 6.58 |

| Maturity (in R\$ million) | 7th issuance | 8th issuance |
|---------------------------|--------------|--------------|
| 2013 | 300 | - |
| 2014 | 300 | 144 |
| After 2015 | - | 156 |
| Total | 600 | 300 |

Table 24 - Selected Financials for Covenant Calculation

| Financial statements (R\$ million) | 4Q10 | 1Q11 | |
|---|-------------|-------------|-------|
| Total debt | | 3,290 | 3,289 |
| Project debt | | 1,211 | 1,240 |
| SFH debt | | 746 | 756 |
| Cash and availabilities | | 1,201 | 927 |
| Total receivables | | 9,384 | 9,680 |
| Receivables - PoC | | 5,271 | 5,464 |
| Receivables - results to be recognized | | 4,113 | 4,216 |
| Finished units | | 273 | 333 |
| Equity | | 3,784 | 3,809 |

Glossary

Affordable Entry Level

Residential units targeted to the mid-low and low income segments with prices below R\$200 thousand per unit.

Backlog of Results

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

Backlog of Revenues

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

Backlog Margin

Equals to “Backlog of Results” divided “Backlog of Revenues” to be recognized in future periods.

Land Bank

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

LOT (Urbanized Lots)

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Land subdivisions, or lots, with prices ranging from R\$ 150 to R\$ 600 per square meter

PoC Method

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

Pre-sales

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

PSV

Potential Sales Value.

SFH Funds

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

Swap Agreements

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

About Gafisa

Gafisa is a leading diversified national homebuilder serving all demographic segments of the Brazilian market. Established over 56 years ago, we have completed and sold more than 1,000 developments and built more than 12 million square meters of housing only under Gafisa’s brand, more than any other residential development company in Brazil. Recognized as one of the foremost professionally managed homebuilders, "Gafisa" is also one of the most respected and best-known brands in the real estate market, recognized among potential homebuyers, brokers, lenders, landowners, competitors, and investors for its quality, consistency, and professionalism. Our pre-eminent brands include Tenda, serving the affordable/entry level housing segment, and Gafisa and AlphaVille, which offer a variety of residential options to the mid to higher-income segments. Gafisa S.A. is traded on the Novo Mercado of the BM&FBOVESPA (BOVESPA:GFSA3) and on the New York Stock Exchange (NYSE:GFA).

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

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

The following table sets projects launched during the 1Q11:

Table 22 - Projects launched

| Company | Project | Launch Date | Local | % Gafisa | Units (%Gafisa) | PSV (%Gafisa) | % sales 31/Mar/11 | sales 31/Mar/11 |
|-------------------|-------------------------|-------------|----------------------|----------|--------------------|------------------|----------------------|--------------------|
| Gafisa | Avant Garde | March | Santos SP | 100% | 168 | 112,943 | 65% | 73,382 |
| Gafisa | Comercial ICON | March | São Gonçalo RJ | 100% | 448 | 70,523 | 15% | 10,400 |
| Gafisa | Alegria Fase 4 | March | Guarulhos SP | 100% | 139 | 44,836 | 55% | 24,578 |
| Gafisa | | | | | 755 | 228,302 | 47% | 108,360 |
| Alphaville | Alphaville Pernambuco | March | Duas Unas PE | 83% | 457 | 119,654 | 56% | 67,560 |
| Alphaville | Alphaville Campo Grande | March | Campo Grande MT | 66% | 391 | 62,260 | 75% | 46,549 |
| Alphaville | | | | | 849 | 181,914 | 63% | 114,108 |
| Tenda | Parque Lumiere | January | São Paulo SP | 100% | 100 | 11,220 | 100% | 11,270 |
| Tenda | Araçagy F3 | January | Paço do Lumiar MA | 50% | 186 | 24,865 | 97% | 24,056 |
| Tenda | Parma Life | January | Belo Horizonte MG | 100% | 60 | 8,884 | 100% | 9,713 |
| Tenda | Parque Arvoredo F3 | March | Curitiba PR | 100% | 210 | 46,378 | 51% | 23,849 |
| Tenda | Piemonte | March | Santa Luzia MG | 100% | 94 | 11,042 | 45% | 4,961 |
| Tenda | | | | | 650 | 102,389 | 72% | 73,849 |
| Total | | | | | 2,254 | 512,606 | 58% | 296,317 |

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.**

The following table sets forth the financial completion of the construction in progress and the related revenue recognized (R\$'000) during the first quarter ended on March 31, 2010.

| Company | Project | Construction status | | %Sold | | Revenues recognized (R\$ '000) | |
|---------|--------------------------------------|---------------------|------|-------|------|--------------------------------|--------|
| | | 1Q11 | 4Q10 | 1Q11 | 4Q10 | 1Q11 | 4Q10 |
| Gafisa | CONDESSA | 29% | 0% | 67% | 16% | 30,771 | - |
| Gafisa | PQ BARUERI COND - FASE 1 | 100% | 94% | 79% | 74% | 16,616 | 19,772 |
| Gafisa | MONT BLANC | 91% | 82% | 56% | 48% | 12,074 | 10,863 |
| Gafisa | RESERVA IBIAPABA | 48% | 31% | 97% | 97% | 11,742 | 8,962 |
| Gafisa | VISION BROOKLIN | 58% | 50% | 98% | 97% | 11,674 | 4,878 |
| Gafisa | ALEGRIA FASE 1 | 81% | 69% | 89% | 84% | 11,188 | 13,989 |
| Gafisa | NOVA PETROPOLIS SBC - 1ª FASE | 100% | 98% | 82% | 75% | 10,328 | 6,759 |
| Gafisa | LAGUNA DI MARE | 93% | 78% | 85% | 82% | 9,533 | 11,371 |
| Gafisa | Chácara Santana | 96% | 90% | 99% | 99% | 8,791 | 8,589 |
| Gafisa | SUPREMO | 100% | 95% | 100% | 100% | 8,648 | 11,022 |
| Gafisa | IT STYLE - FASE 1 | 55% | 53% | 96% | 91% | 8,013 | 8,717 |
| Gafisa | PATIO CONDOMINIO CLUBE | 93% | 84% | 84% | 78% | 7,754 | 5,452 |
| Gafisa | Smart Perdizes | 37% | 36% | 99% | 62% | 7,332 | 10,456 |
| Gafisa | CENTRAL LIFE CLUB F1 | 23% | 18% | 95% | 80% | 7,089 | 13,578 |
| Gafisa | Mansão Imperial - F1 | 75% | 67% | 83% | 78% | 6,987 | 5,487 |
| Gafisa | PAULISTA CORPORATE | 83% | 79% | 97% | 97% | 6,673 | 4,581 |
| Gafisa | Mansão Imperial - Fase 2b | 73% | 65% | 66% | 61% | 6,029 | 8,748 |
| Gafisa | RESERVA DO BOSQUE F2 | 82% | 68% | 89% | 89% | 6,007 | 6,367 |
| Gafisa | Supremo Ipiranga | 66% | 57% | 100% | 99% | 5,782 | 7,531 |
| Gafisa | Alphaville Barra da Tijuca | 95% | 92% | 73% | 73% | 5,710 | 6,383 |
| Gafisa | CENTRAL LIFE CLUB F2 | 20% | 18% | 89% | 66% | 5,588 | 10,994 |
| Gafisa | RESERVA DO BOSQUE F1 | 85% | 73% | 97% | 97% | 5,452 | 4,270 |
| Gafisa | Magno | 64% | 56% | 100% | 100% | 5,305 | 6,017 |
| Gafisa | ALEGRIA F3 | 43% | 33% | 76% | 62% | 5,255 | 3,960 |
| Gafisa | Alegria - Fase2A | 81% | 69% | 88% | 87% | 4,832 | 5,526 |
| Gafisa | PATIO MONDRIAN | 45% | 39% | 81% | 80% | 4,827 | 743 |
| Gafisa | Vila Nova São José F1 - Metropolitan | 92% | 81% | 75% | 66% | 4,726 | 2,671 |
| Gafisa | RESERVA STA CECILIA | 100% | 88% | 33% | 30% | 4,619 | 4,782 |
| Gafisa | Details | 95% | 87% | 96% | 96% | 4,273 | 8,201 |
| Gafisa | TERRAÇAS TATUAPE | 100% | 96% | 99% | 96% | 4,002 | 9,979 |
| Gafisa | MADUREIRA | 84% | 69% | 90% | 86% | 3,975 | 3,539 |
| Gafisa | MISTRAL | 84% | 76% | 98% | 97% | 3,782 | 6,414 |
| Gafisa | SECRET GARDEN | 98% | 96% | 86% | 82% | 3,685 | 1,566 |

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| | | | | | | | |
|------------|---------------------------------------|------|------|-----|-----|----------------|----------------|
| Gafisa | Others | | | | | 148,227 | 170,244 |
| | Total Gafisa | | | | | 407,286 | 412,412 |
| Alphaville | TERESINA | 21% | 21% | 97% | 96% | 10,806 | 17,059 |
| Alphaville | RIBEIRÃO PRETO | 41% | 41% | 93% | 93% | 9,920 | 16,486 |
| Alphaville | PORTO ALEGRE | 30% | 30% | 87% | 86% | 8,236 | 8,693 |
| Alphaville | BRASÍLIA | 39% | 39% | 87% | 86% | 5,857 | 10,019 |
| Alphaville | RIO COSTA DO SOL | 70% | 70% | 67% | 60% | 5,654 | 9,494 |
| Alphaville | MANAUS | 100% | 100% | 99% | 99% | 4,866 | 8,495 |
| Alphaville | CONCEITO A RIO OSTRAS (ex caxias sul) | 46% | 46% | 65% | 54% | 4,326 | 6,350 |
| Alphaville | TERRAS ALPHA FOZ | 81% | 81% | 89% | 82% | 4,311 | 7,615 |
| Alphaville | GRAVATAÍ | 66% | 66% | 51% | 39% | 3,870 | 4,715 |
| Alphaville | Others | | | | | 55,778 | 72,089 |
| | Total AUSA | | | | | 113,624 | 161,016 |
| | Total Tenda | | | | | 279,446 | 355,209 |
| | Consolidated Total | | | | | 800,356 | 928,637 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Consolidated Income Statement

The Income Statement reflects the impact of IFRS adoption, also for 2010.

| R\$ 000 | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|--------------------------------------|------------------|------------------|------------------|---------------|---------------|
| Gross Operating Revenue | 868,096 | 938,876 | 1,058,567 | -7.5% | -18.0% |
| Real Estate Development and Sales | 859,889 | 930,999 | 1,062,182 | -7.6% | -19.0% |
| Construction and Services Rendered | 8,207 | 7,877 | (3,615) | 4.2% | -327.0% |
| Deductions | (67,740) | (31,291) | (129,930) | 116.5% | -47.9% |
| Net Operating Revenue | 800,356 | 907,585 | 928,637 | -11.8% | -13.8% |
| Operating Costs | (615,588) | (654,929) | (650,402) | -6.0% | -5.4% |
| Gross profit | 184,768 | 252,656 | 278,235 | -26.9% | -33.6% |
| Operating Expenses | | | | | |
| Selling Expenses | (51,505) | (51,294) | (76,243) | 0.4% | -32.4% |
| General and Administrative Expenses | (56,307) | (57,418) | (64,894) | -1.9% | -13.2% |
| Other Operating Revenues / Expenses | (10,981) | (1,980) | (781) | 454.7% | 1306.0% |
| Depreciation and Amortization | (12,365) | (10,238) | (6,492) | 20.8% | 90.5% |
| Operating results | 53,610 | 131,726 | 129,825 | -59.3% | -58.7% |
| Financial Income | 24,664 | 23,929 | 26,810 | 3.1% | -8.0% |
| Financial Expenses | (55,662) | (57,197) | (28,387) | -2.7% | 96.1% |
| Income Before Taxes on Income | 22,612 | 98,458 | 128,248 | -77.0% | -82.4% |
| Deferred Taxes | 6,303 | (14,743) | 25,608 | -142.8% | -75.4% |
| Income Tax and Social Contribution | (8,150) | (7,746) | (9,474) | 5.2% | -14.0% |
| Income After Taxes on Income | 20,765 | 75,969 | 144,382 | -72.7% | -85.6% |
| Minority Shareholders | (7,059) | (11,150) | (7,019) | -36.7% | 0.6% |
| Net Income | 13,706 | 64,819 | 137,363 | -78.9% | -90.0% |
| Net Income Per Share (R\$) | 0.03177 | 0.15480 | 0.31877 | -79.5% | -90.0% |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Consolidated Balance Sheet

| | 1Q11 | 1Q10 | 4Q10 | 1Q11 x 1Q10 | 1Q11 x 4Q10 |
|--|------------------|------------------|------------------|--------------|--------------|
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 228,700 | 280,931 | 256,382 | -18.6% | -10.8% |
| Market Securities | 698,277 | 1,844,682 | 944,766 | -62.1% | -26.1% |
| Receivables from clients | 3,357,360 | 2,193,650 | 3,158,074 | 53.0% | 6.3% |
| Properties for sale | 1,765,570 | 1,327,966 | 1,568,986 | 33.0% | 12.5% |
| Other accounts receivable | 210,993 | 95,436 | 178,305 | 121.1% | 18.3% |
| Deferred selling expenses | 10,375 | 18,802 | 2,482 | -44.8% | 318.0% |
| Prepaid expenses | 11,916 | 12,250 | 18,734 | -2.7% | -36.4% |
| | 6,283,191 | 5,773,717 | 6,127,729 | 8.8% | 2.5% |
| Long-term Assets | | | | | |
| Receivables from clients | 2,106,770 | 1,922,482 | 2,113,314 | 9.6% | -0.3% |
| Properties for sale | 461,561 | 428,549 | 498,180 | 7.7% | -7.4% |
| Deferred taxes | 330,739 | 307,132 | 337,804 | 7.7% | -2.1% |
| Other | 148,059 | 53,083 | 181,721 | 178.9% | -18.5% |
| | 3,047,129 | 2,711,246 | 3,131,019 | 12.4% | -2.7% |
| Property, plant and equipment | 79,822 | 60,269 | 80,852 | 32.4% | -1.3% |
| Intangible assets | 212,890 | 207,581 | 209,954 | 2.6% | 1.4% |
| | 292,712 | 267,850 | 290,806 | 9.3% | 0.7% |
| Total Assets | 9,623,032 | 8,752,813 | 9,549,554 | 9.9% | 0.8% |
| LIABILITIES AND SHAREHOLDERS' | | | | | |
| EQUITY | | | | | |
| Current Liabilities | | | | | |
| Loans and financing | 838,334 | 735,741 | 797,903 | 13.9% | 5.1% |
| Debentures | 71,562 | 139,792 | 26,532 | -48.8% | 169.7% |
| Obligations for purchase of land and advances from clients | 438,462 | 470,986 | 420,199 | -6.9% | 4.3% |
| Materials and service suppliers | 178,443 | 234,648 | 190,461 | -24.0% | -6.3% |
| Taxes and contributions | 259,690 | 143,196 | 243,050 | 81.4% | 6.8% |
| Taxes, payroll charges and profit sharing | 84,897 | 64,851 | 72,153 | 30.9% | 17.7% |

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| | | | | | |
|---|------------------|------------------|------------------|--------------|--------------|
| Provision for contingencies | 16,540 | 7,326 | 16,540 | 125.8% | 0.0% |
| Dividends | 102,897 | 54,468 | 102,767 | 88.9% | 0.1% |
| Other | 206,914 | 205,465 | 147,567 | 0.7% | 40.2% |
| | 2,197,739 | 2,056,473 | 2,017,172 | 6.9% | 9.0% |
| Long-term Liabilities | | | | | |
| Loans and financings | 521,708 | 410,067 | 612,275 | 27.2% | -14.8% |
| Debentures | 1,857,055 | 1,748,000 | 1,853,399 | 6.2% | 0.2% |
| Obligations for purchase of land | 187,920 | 161,194 | 177,860 | 16.6% | 5.7% |
| Deferred taxes | 391,687 | 452,496 | 424,409 | -13.4% | -7.7% |
| Provision for contingencies | 126,841 | 51,957 | 126,841 | 144.1% | 0.0% |
| Other | 530,907 | 379,737 | 553,929 | 39.8% | -4.2% |
| | 3,616,118 | 3,203,451 | 3,748,713 | 12.9% | -3.5% |
| Shareholders' Equity | | | | | |
| Capital | 2,730,787 | 2,691,218 | 2,729,198 | 1.5% | 0.1% |
| Treasury shares | (1,731) | (1,731) | (1,731) | 0.0% | 0.0% |
| Capital reserves | 298,968 | 293,626 | 255,145 | 1.8% | 17.2% |
| Revenue reserves | 698,889 | 381,651 | 323,573 | 83.1% | 116.0% |
| Retained earnings/accumulated losses | 13,706 | 64,819 | 416,050 | 0.0% | -96.7% |
| Minority Shareholders | 68,556 | 63,306 | 61,434 | 8.3% | 11.6% |
| | 3,809,175 | 3,492,889 | 3,783,669 | 9.1% | 0.7% |
| Liabilities and Shareholders' Equity | 9,623,032 | 8,752,813 | 9,549,554 | 9.9% | 0.8% |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.**Consolidated Cash Flows**

| | 1Q11 | 1Q10 | |
|---|------------------|-------------|------------------|
| Incom e Before Taxes on Incom e | 22,612 | | 92,053 |
| Expenses (income) not affecting working capital | | | |
| Depreciation and amortization | 12,365 | | 10,238 |
| Expense on stock option plan | 3,363 | | 3,183 |
| Unrealized interest and charges, net | 55,662 | | 64,501 |
| Warranty provision | 2,460 | | 2,703 |
| Provision for contingencies | 8,484 | | 3,158 |
| Profit sharing provision | 2,133 | | 1,693 |
| Allow ance (reversal) for doubtful debts | 6,385 | | 114 |
| | | | |
| Decrease (increase) in assets | | | |
| Clients | (199,127) | | (339,600) |
| Properties for sale | (159,965) | | (8,058) |
| Other receivables | 7,792 | | 29,027 |
| Deferred selling expenses and prepaid expenses | (7,892) | | (12,286) |
| | | | |
| Decrease (increase) in liabilities | | | |
| Obligations on land purchases and advances from customers | 28,323 | | 7,666 |
| Taxes and contributions | 16,640 | | 5,019 |
| Trade accounts payable | (12,018) | | 40,317 |
| Salaries, payroll charges | 10,609 | | 3,531 |
| Other accounts payable | 9,978 | | (23,750) |
| | | | |
| Cash used in operating activities | (192,196) | | (120,491) |
| | | | |
| Investing activities | | | |
| | | | |
| Purchase of property and equipment and deferred charges | (14,272) | | (17,686) |
| Securities inflow /outflow | 246,489 | | (713,570) |
| Cash used in investing activities | 232,217 | | (731,256) |
| | | | |
| Financing activities | | | |
| | | | |
| Capital increase | 1,589 | | 1,063,943 |

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| | | |
|--|-----------------|-----------------|
| Follow on expenses | - | (40,971) |
| Increase in loans and financing | 117,922 | 104,105 |
| Repayment of loans and financing | (184,342) | (257,138) |
| Assignment of credit receivables, net | 8,150 | (12,787) |
| Proceeds from subscription of redeemable equity interest in securitization | (2,872) | (9,668) |
| Taxes paid | (8,150) | (7,746) |
| Net cash provided by financing activities | (67,703) | 839,738 |
| Net increase (decrease) in cash and cash equivalents | (27,682) | (12,009) |
| Cash and cash equivalents | | |
| At the beginning of the period | 256,382 | 292,940 |
| At the end of the period | 228,700 | 280,931 |
| Net increase (decrease) in cash and cash equivalents | (27,682) | (12,009) |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

1. Operations

Gafisa S.A. ("Gafisa" or "Company") is a publicly traded company with headquarters at Av. das Nações Unidas, 8501, 19º andar, in the City and State of São Paulo, and started its commercial operations in 1997 with the objectives of: (a) promoting and managing all forms of real estate ventures on its own behalf or for third parties; (b) purchasing, selling and negotiating real estate properties in general, including provision of financing to real estate customers; (c) carrying out civil construction and civil engineering services; (d) developing and implementing marketing strategies related to its own or third party real estate ventures; and (e) investing in other companies which have similar objectives as the Company's.

The Company forms jointly-controlled ventures (Special Purpose Entities - SPEs) and participates in consortia and condominiums with third parties as a means of meeting its objectives. The controlled entities substantially share the managerial and operating structures and the corporate, managerial and operating costs with the Company.

On February 22, 2010, the split of our common shares was approved in the ratio of one existing share to two newly-issued shares, thus increasing the number of shares from 167,077,137 to 334,154,274. In March 2010, the Company completed an initial public offering of common shares, resulting in a capital increase of R\$ 1,063,750 with the issue of 85,100,000 shares, comprising 46,634,420 shares in Brazil and 38,465,580 ADSs (Note 15).

In May 2010, the Company approved the acquisition of the total amount of shares issued by Shertis Empreendimentos e Participações S.A., whose main asset comprises 20% of the capital stock of Alphaville Urbanismo S.A. (AUSA). The acquisition of shares has the purpose of ensuring the viability of the implementation of the Second Phase of the schedule for investment planned in the Investment Agreement and other Covenants, signed between the Company and Alphaville Participações S.A. (Alphapar) on October 2, 2006, thus increasing the interest of Gafisa in the capital stock of AUSA to 80%. As a result of the acquisition of shares, Shertis was converted into a wholly-owned subsidiary of Gafisa, with the issue of 9,797,792 new common shares to Alphapar, former shareholder of Shertis, thus resulting in a capital

increase amounting to R\$ 20,282 (Note 15).

2. Presentation of interim information

The interim information was approved by the Board of Directors in the meeting held on May 3, 2011.

The interim financial information and the consolidated interim financial information were prepared in accordance with the Technical Pronouncement of the Brazilian FASB (CPC) 21, and the IAS 34 – Interim Financial Reporting, which considers Guideline 04 issued by the CPC on the application of Technical Interpretation ICPC 02 to the Brazilian Real Estate Development Entities regarding revenue recognition, and respective costs and expenses arising from real estate development operations in reference to the state of completion (percentage of completion method), issued by the Brazilian FASB (CPC) and approved by the Brazilian Securities Commission (CVM) and the Brazilian National Association of State Boards of Accountancy (CFC), as well as for the presentation of this information in compliance with the rules issued by the CVM, applicable to the preparation of quarterly information (ITR).

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

Certain matters related to the meaning and application of the continuous transfer of the risks, benefits and control over the real estate unit sales are under consideration by the International Financial Reporting Interpretation Committee (IFRIC). The results of this consideration may cause the Company to revise its accounting practices related to the recognition of results.

The accounting policies adopted in the preparation of interim financial information and the consolidated interim financial information of the Company were applied consistently with those adopted and disclosed in Note 2 to the financial statements for the year ended December 31, and, accordingly, shall be read together with this document.

2.1 Consolidated interim information

The Company's quarterly consolidated information, which includes the financial statements of subsidiaries and the joint ventures indicated in Note 8, was prepared in compliance with the applicable consolidation practices and the legal provisions. Accordingly, intercompany balances, accounts, income and expenses, and unrealized earnings were eliminated. The jointly-controlled investees are consolidated in proportion to the interest held by the Company.

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.****2. Presentation of interim information--Continued****2.2 Interim consolidated information --Continued**

The Company carried out the proportionate consolidation of the financial statements of the jointly-controlled investees listed below, which main information is the following:

| Investees | % ownership interest | Current | | Non-Current | | Equity | Net Revenue | Net Result | Net operating Income | Net Financial Income | Income tax and social contribution | Net income (loss) For the year |
|--|----------------------|---------|-----------|-------------|-----------|---------|-------------|------------|----------------------|----------------------|------------------------------------|--------------------------------|
| | | Asset | Liability | Asset | Liability | | | | | | | |
| Gafisa SPE-46 Emp. Imob. Ltda. | 60% | 15,505 | 996 | 1,040 | 12,615 | 2,934 | 97 | 451 | 0 | 63 | (23) | 491 |
| Gafisa SPE-40 Emp. Imob. Ltda. | 50% | 7,718 | 2,171 | 1,693 | 137 | 7,103 | (383) | 34 | (8) | 23 | 10 | 59 |
| Dolce Vita Bella Vita SPE S/A | 50% | (843) | 1,030 | 5,952 | 7 | 4,071 | 15 | 14 | - | 3 | (2) | 15 |
| Saira Verde Emp. Imob. Ltda. | 70% | 843 | (451) | (604) | 25 | 665 | 39 | 39 | (1) | 4 | (2) | 39 |
| DV SPE S/A | 50% | 1,720 | 474 | 856 | 136 | 1,965 | 12 | 9 | (0) | (1) | (0) | 7 |
| Gafisa e Ivo Rizzo SPE-47 Emp. Imob. Ltda. | 80% | 35,852 | 10,653 | 223 | 9,286 | 16,137 | (67) | (67) | (62) | (2) | - | (131) |
| Gafisa/Tiner Campo Belo I – Emp. Imob. SPE Ltda. | 45% | 3,933 | 285 | 1,517 | 115 | 5,049 | 50 | 11 | (4) | 15 | (19) | 3 |
| Península I SPE S/A | 50% | 9,742 | 11,767 | (277) | 251 | (2,553) | (263) | (271) | (43) | 13 | (10) | (311) |
| Península 2 SPE S/A Villaggio Panamby | 50% | 9,093 | 12,024 | 3,220 | 2,925 | (2,636) | 613 | 229 | (0) | 8 | (2,897) | (2,660) |
| Trust S/A | 50% | 4,954 | 535 | 109 | (31) | 4,560 | 538 | 506 | (2) | 2 | (146) | 360 |
| Gafisa SPE-44 Emp. Imob. Ltda. | 40% | 3,408 | 589 | 921 | 28 | 3,713 | - | - | (0) | - | - | (0) |
| Gafisa SPE-65 Emp. Imob. Ltda. | 80% | 35,202 | 21,274 | 207 | 1,338 | 12,798 | 4,167 | 773 | (80) | 59 | (197) | 556 |
| Gafisa SPE-71 Emp. Imob. Ltda. | 80% | 39,288 | 22,158 | 288 | 4,217 | 13,201 | 4,841 | 1,869 | (67) | (27) | (223) | 1,552 |
| Gafisa SPE-73 Emp. Imob. Ltda. | 80% | 10,045 | 363 | 2,039 | 4,984 | 6,738 | 1 | 1 | (651) | (5) | (10) | (665) |

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| | | | | | | | | | | | | |
|--|-----|---------|--------|--------|--------|---------|--------|---------|-------|-----|-------|---------|
| Gafisa SPE- 76 Emp. Imob. Ltda. | 50% | 141 | 37 | - | 21 | 82 | - | - | (0) | - | - | (0) |
| Gafisa SPE-70 Emp. Imob. Ltda. | 55% | 15,955 | 1,541 | 302 | 1,798 | 12,917 | - | - | (12) | (0) | - | (12) |
| Gafisa SPE-85 Emp. Imob. Ltda. | 80% | 22,359 | 16,474 | 54,243 | 23,342 | 36,786 | 13,596 | 4,920 | 278 | 88 | (412) | 4,874 |
| Gafisa SPE-102 Emp. Imob. Ltda. | 80% | 1,785 | 687 | - | 1,071 | 26 | - | - | (4) | 7 | (2) | 1 |
| Gafisa SPE-104 Emp. Imob. Ltda. | 50% | 1 | 0 | - | - | 1 | - | - | (0) | - | - | (0) |
| Sítio Jatiuca Empreendimento Imobiliário SPE Ltda. | 50% | 114,472 | 52,607 | 795 | 39,495 | 23,069 | 5,420 | 6,409 | (214) | 121 | (244) | 6,071 |
| Deputado José Lajes Empreendimento Imobiliário SPE Ltda. | 50% | 3,905 | 751 | 14 | 3,408 | (241) | 25 | 203 | (2) | 16 | (5) | 218 |
| Alto da Barra de São Miguel Empreendimento Imobiliário SPE Ltda. | 50% | 28,936 | 4,234 | 258 | 27,748 | (2,797) | 514 | 195 | (547) | (4) | (6) | (362) |
| Reserva & Residencial Spazio Natura Empreendimento Imobiliário SPE Ltda. | 50% | 1,747 | 5 | - | 364 | 1,378 | - | - | (1) | - | - | (1) |
| Gafisa SPE 116 Emp. Imob. Ltda | 50% | 57,108 | 49,877 | - | 7,262 | (30) | - | - | (31) | - | - | (31) |
| BKO ENGENHARIA E COMERCIO LTDA | 50% | 10,143 | 2,360 | 147 | 848 | 7,082 | (618) | (1,711) | (61) | 81 | 90 | (1,601) |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

2. Accounting policies--continued

2.2 Interim consolidated information--Continued

| Investees | % | Ownership | | | | Equity | Net | Gross | Net Operating Income | Net financial Income | Income tax and social Contribution | Net income (loss) For the year |
|---|-----|-----------|--------|-----------|------------------|--------|--------|-------|----------------------------|----------------------------|--|--|
| | | Interest | Asset | Liability | Current Asset | | | | | | | |
| O Bosque Empr. Imob. Ltda | 60% | 9,907 | 40 | 288 | 201 | 9,954 | 26 | (3) | (3) | (0) | (1) | (7) |
| Grand Park - Parque das Aguas Emp. Imob. Ltda | 50% | 53,414 | 42,023 | 13,016 | 1,864 | 22,544 | 9,061 | 2,363 | (98) | (755) | (261) | 1,249 |
| Grand Park - Parque das Arvores Emp. Imob. Ltda | 50% | 98,120 | 44,280 | 7,310 | 22,404 | 38,746 | 16,378 | 6,137 | (25) | (1,159) | (503) | 4,450 |
| Dubai Residencial Emp. Imob. Ltda. | 50% | 39,795 | 23,453 | 7,724 | 606 | 23,460 | 9,589 | 4,315 | (0) | (505) | (342) | 3,469 |
| Varandas Grand Park Emp. Imob. Ltda. | 50% | 4,220 | 1,979 | 9,829 | 9,792 | 2,277 | 1,753 | 63 | (17) | (9) | (74) | (37) |
| PRIME SPE FRANERE GAFISA 07 EMP | 50% | 3,168 | 2,630 | 3,437 | 4,256 | (282) | 1,941 | 448 | (448) | (1) | (95) | (97) |
| Costa Maggiore Emp. Imob. Ltda. | 50% | 19,603 | 3,899 | 14,930 | 16,459 | 14,176 | 3,667 | 1,109 | (94) | 32 | (38) | 975 |
| City Park Brotas Emp. Imob. Ltda. | 50% | 5,379 | 1,647 | 29 | 3,191 | 570 | 1,417 | (91) | 2 | 68 | (65) | (86) |
| City Park Acupe Emp. Imob. Ltda. | 50% | 5,226 | 1,559 | 18 | 2,254 | 1,430 | 1,034 | (162) | 10 | 101 | (58) | (109) |
| Patamares 1 Emp. Imob. SPE Ltda. | 50% | 10,610 | 5,179 | 1,786 | 24 | 7,194 | 2,926 | 57 | 3 | 206 | (151) | 115 |
| Graça Emp. Imob. Ltda. | 50% | 11,216 | 242 | - | 10,229 | 744 | - | (10) | - | (0) | - | (10) |
| Acupe Exclusive Emp. Imob. Ltda. | 50% | 2,771 | 1,661 | - | 920 | 189 | 206 | (200) | 2 | 43 | (18) | (173) |
| Manhattan Square Emp. Imob. Comercial 01 SPE Ltda. | 50% | 55,129 | 13,383 | - | 33,417 | 8,329 | 5,059 | (65) | (70) | 79 | - | (56) |

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| | | | | | | | | | | | | |
|--|-----|---------|--------|--------|---------|---------|--------|---------|-------|-------|-------|---------|
| Manhattan Square Emp. Imob. Comercial 02 SPE | | | | | | | | | | | | |
| Ltda. | 50% | 7,798 | 25 | - | 6,539 | 1,234 | - | - | - | (2) | - | (2) |
| Manhattan Square Emp. Imob. Residencial 02 | | | | | | | | | | | | |
| SPE Ltda. | 50% | 19,466 | 4 | - | 16,859 | 2,603 | - | (0) | - | (3) | - | (3) |
| Manhattan Square Emp. Imob. Residencial 01 | | | | | | | | | | | | |
| SPE Ltda. | 50% | 127,626 | 26,053 | 1,441 | 107,539 | (4,525) | 3,360 | (4,533) | (327) | 2,321 | - | (2,539) |
| FIT 13 SPE Emp. Imob. Ltda. | | | | | | | | | | | | |
| API SPE 29 - Planej.e Desenv.de | 50% | 15,432 | 5,887 | 8,891 | (131) | 18,567 | 3,526 | 969 | (198) | 404 | 63 | 1,239 |
| Empreend.Imob.Ltda API SPE 28 - Planej.e Desenv.de | | | | | | | | | | | | |
| Empreend.Imob.Ltda | 50% | 25,926 | 19,702 | 1,364 | 703 | 6,886 | 12,480 | 3,952 | (295) | 96 | (253) | 3,501 |
| Empreend.Imob.Ltda Parque do Morumbi Incorporadora LTDA. | | | | | | | | | | | | |
| Gafisa SPE-48 S/A | 80% | 83,450 | 19,035 | 16 | 28,291 | 36,139 | 17,533 | 7,936 | (102) | (26) | 1,295 | 9,039 |
| Gafisa SPE-55 S.A. | 80% | 17,898 | 13,110 | 151 | 747 | 4,191 | 674 | 331 | (349) | 1 | (55) | (73) |
| Gafisa SPE-77 Emp. Imob. Ltda | 80% | 115,901 | 50,018 | 538 | 6,201 | 60,220 | 738 | (4,087) | (62) | 255 | (117) | (4,011) |
| Sai Amarela S/A | 80% | 79,399 | 22,035 | 355 | 13,139 | 44,579 | 15,102 | 3,841 | (306) | 36 | (577) | 2,993 |
| Sunshine S.A | 65% | 83,350 | 19,571 | 33,204 | 52,316 | 44,667 | 8,785 | 4,223 | 4 | (147) | (985) | 3,095 |
| Cyrela Gafisa SPE Ltda | 50% | 5,532 | 2,583 | (725) | 112 | 2,111 | 90 | 84 | (2) | (73) | 0 | 9 |
| | 60% | 11,553 | 5,830 | 806 | 293 | 6,236 | 54 | 52 | (0) | 13 | (31) | 35 |
| | 50% | 3,640 | 788 | - | 684 | 2,168 | (863) | (428) | (16) | (156) | 22 | (578) |

The SPEs in which interest is over 50% are proportionally consolidated because they are managed jointly.

3. New pronouncements issued by the IASB

Until disclosure date of these interim individual and consolidated financial statements, the following pronouncements and interpretations issued by the IASB were published, however, their application was not mandatory for the year beginning January 1, 2011:

| | Mandatory application for years beginning as from: |
|---|---|
| New Standards | |
| IFRS 9 – Financial Instruments (i) | January 1, 2013 |
| New Interpretations | |
| Amendment to IFRS 7 – Financial Instruments: Disclosures Transfer of Financial Assets | January 1, 2013 |

(i) IFRS 9 ends the first part of the Project for replacing “IAS 39 Financial Instruments: Recognition and Measurement”. IFRS 9 adopts a simple approach to determine if a financial asset is measured at amortized cost or fair value, based on how an entity manages its financial instruments (its business model) and the characteristic contractual cash flow of financial assets. The standard also requires the adoption of only one method for determining impairment of assets. This standard shall be effective for the fiscal years beginning as from January 1, 2013. The Company does not expect this change to cause impact on its consolidated financial statements.

The Company does not expect significant impacts on the consolidated financial statements in the first adoption of the new pronouncements and interpretations.

The following pronouncements and interpretations issued by the IASB shall be mandatorily applied for the year beginning January 1, 2011. Such changes did not have impact on or have already been reflected in the interim consolidated information of the Company.

| New Standards | Mandatory application for years beginning as from: |
|--|---|
| IAS 24 – Revised Related Parties: Disclosure (i) | January 1, 2011 |
| New Interpretations | |
| IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments (ii) | July 1, 2010 |
| Amendment to IFRIC 14 – Prepayments of a minimum funding requirement (iii) | January 1, 2011 |
| Amendments to Existing Standards | |
| Amendment to IAS 32 – Financial Instruments: Presentation and Classification of Rights Issues | February 1, 2010 |
| Amendment to IAS 1 – Presentation of Financial Statements | January 1, 2011 |
| Amendment to IFRS 3 – Business Combinations | January 1, 2011 |

(i) It simplifies the disclosure requirements for government entities and clarifies the definition of the term related party. The revised standard deals with aspects that, according to the previous disclosure requirements and related party definition, were too complex and hardly applicable, mainly in environments with wide governmental control, offering partial exemption to government companies and a revised definition of the related party concept. This amendment was issued in November 2009, and shall be effective for the fiscal years beginning as from January 1, 2011.

(ii) IFRIC 19 was issued in November 2009 and is effective as from July 1, 2010, its early adoption being permitted. This interpretation clarifies the requirements of the International Financial Reporting Standards (IFRS) when an entity renegotiates the terms of a financial liability with its creditor and the latter agrees to accept the shares of the entity or other equity instruments to fully or partially settle the financial liability.

(ii) This amendment applies only to those situations in which an entity is subject to minimum funding requirements and prepays contributions to cover such requirements. This amendment permits that this entity account for the benefit of such prepayment as asset. This amendment shall be effective for the fiscal years beginning as from January 1, 2011. This change will not have impact on the Company's consolidated financial statements.

There are no other standards or interpretations issued, or adopted that may, in Management's opinion, produce significant impact on the income statement or the equity disclosed by the Company.

The Brazilian FASB (CPC) has not issued the respective pronouncements and amendments related to the previously presented new and revised IFRS. Because of CPC and CVM's commitment to keeping the set of standards issued that were based on the updates made by the IASB updated, these pronouncements and amendments are expected to be issued by CPC and approved by CVM until the date of their mandatory application.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

4. Cash and cash equivalents, and marketable securities and collaterals

4.1 Cash and cash equivalents

| | Individual | | Consolidated | |
|--|------------|------------|--------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Cash and cash equivalents | | | | |
| Cash and banks | 10,184 | 30,524 | 213,852 | 172,336 |
| Securities purchased under agreement to resell | 3,433 | 35,568 | 14,848 | 84,046 |
| Total cash and cash equivalents | 13,617 | 66,092 | 228,700 | 256,382 |

Securities purchased under agreement to resell include interest earned from 99.0% to 101.0% (December 31, 2010 – 98.25% to 104.0%) of Interbank Deposit Certificates (CDI's). Both transactions are made in first class financial institutions.

4.2 Marketable Securities and collaterals

| | Individual | | Consolidated | |
|---|------------|------------|--------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Available for sale | | | | |
| Investment funds | | - | 3,947 | 3,016 |
| Government securities | 236,932 | 94,878 | 269,652 | 117,001 |
| Bank deposit certificates | 57,754 | 82,004 | 173,521 | 183,562 |
| Restricted cash in guarantee to loans (a) | 15,183 | 297,911 | 62,547 | 453,060 |
| Restricted credits (b) | - | - | 172,110 | 171,627 |
| Other (c) | 16,500 | 16,500 | 16,500 | 16,500 |
| Total marketable securities | | | | |
| and collaterals | 326,369 | 491,295 | 698,277 | 944,766 |

- (a) Restricted cash in fixed-income fund, whose shares are valued by investments only in federal government bonds, indexed to fixed and floating rates and/or price indexes, and made available when the ratio of restricted receivables in guarantee of debentures reach 120% of the debt balance.
- (b) Restricted credits are represented by onlending of the funds from associate credit (“*crédito associativo*”), a government real estate finance aid, and are in process of approval at the Caixa Econômica Federal. These approvals are made to the extent the contracts signed with clients at the financial institutions are regularized, which the Company expects to receive in up to 90 days.
- (c) Additional Construction Potential Certificates (CEPAC's)

As of March 31, 2011, the Bank Deposit Certificates (CDB's) include interest earned from 80.00% to 108.5% (December 31, 2010 – 98.00% to 108.5%) of Interbank Deposit Certificates (CDI's).

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

4. Cash and cash equivalents and marketable securities and collaterals--Continued

4.2 Marketable securities and collaterals--Continued

In fiscal year 2010, the Company acquired 22,000 Additional Construction Potential Certificates (CEPAC's) in the Seventh Session of the Fourth Public Auction conducted by the Municipal Government of São Paulo, related to the consortium of Água Espraiada urban operation, totaling R\$16,500. At March 31, 2011, the CEPAC's, recorded in the heading other, have liquidity, the estimated fair value approximates cost, and shall not be used in ventures to be launched in the future.

Such issue was registered with the CVM under the No. CVM/SRE/TIC/2008/002, and according to CVM Rule No. 401/2003, CEPACs are put up for public auction having as intermediary the institutions that take part in the securities distribution system.

As of March 31, 2011 and December 31, 2010, the amount related to open-end and exclusive investment funds is recorded at fair value through profit and loss. Pursuant to CVM Rule No. 408/04, financial investment in Investment Funds in which the Company has exclusive interest is consolidated.

Exclusive funds are as follows:

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

4. Cash and cash equivalents and marketable securities and collaterals--Continued

4.2 Marketable securities and collaterals--Continued

Fundo de Investimento Arena is a multimarket fund under management and administration of Santander Asset Management and custody of Itaú Unibanco. The objective of this fund is to appreciate the value of its shares by investing the funds of its investment portfolio, which may be comprised of financial and/or other operating assets available in the financial and capital markets that yield fixed return. Assets eligible to the portfolio are the following: government bonds, derivative contracts, debentures, CDB's and Bank Receipts of Deposits (RDB's), investment fund shares of classes accepted by CVM and securities purchased under agreement to resell, according to the rules of the National Monetary Council (CMN). There is no grace period for redemption of shares, which can be redeemed with a return at any time.

The breakdown of securities, which comprise the exclusive investment funds at March 31, 2011, is as follows:

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

4. Cash and cash equivalents and marketable securities and collaterals--Continued

4.2 Marketable securities and collaterals--Continued

| | Arena | |
|-------------------------------|-------|---------|
| Cash | | (96) |
| Government securities (LFT) | | 269,652 |
| Corporate securities (CDB-DI) | | 13,492 |
| | | 283,048 |

The breakdown of the portfolio of exclusive funds is classified in the above tables according to their nature.

At March 31, 2011, the exclusive fund Arena has operations involving speculation in derivatives with notional amount of R\$15,004. The transaction is based on futures contracts of average one-day interbank deposit rate falling due between November 2012 and February 2017. The transactions are settled daily, and at March 31, 2011 the Company has an unrealized gain amounting to R\$ 24.

5. Trade accounts receivable

| | | | Consolidated | |
|------------------------------------|------------|------------|--------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Real estate development and sales | 1,801,408 | 1,698,641 | 5,517,809 | 5,309,664 |
| (-) Adjustments to present value | (23,316) | (24,200) | (109,869) | (104,666) |
| Services and construction | 43,234 | 57,826 | 44,943 | 59,737 |
| Other receivables | 11,247 | 6,833 | 11,247 | 6,653 |

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| | | | | |
|-------------|-----------|-----------|-----------|-----------|
| | 1,832,573 | 1,739,100 | 5,464,130 | 5,271,388 |
| Current | 1,116,827 | 1,039,549 | 3,357,360 | 3,158,074 |
| Non-current | 715,746 | 699,551 | 2,106,770 | 2,113,314 |

The non-current portions fall due as follows:

| Maturity | Individual | | Consolidated | |
|--------------|------------|------------|--------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| 2012 | 228,617 | 299,445 | 651,681 | 967,978 |
| 2013 | 318,286 | 254,207 | 562,731 | 727,891 |
| 2014 | 44,766 | 39,462 | 271,751 | 168,912 |
| 2015 | 36,385 | 31,212 | 207,778 | 82,744 |
| 2016 onwards | 87,692 | 75,225 | 412,839 | 164,404 |
| | 715,746 | 699,551 | 2,106,770 | 2,113,314 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

5. Trade accounts receivable --Continued

(i) The balance of accounts receivable from units sold and not yet delivered is not fully reflected in financial statements. Its recovery is limited to the portion of revenues accounted for net of the amounts already received.

The consolidated balance of advances from clients (development and services), which exceed the revenues recorded in the period, amounts to R\$158,068 at March 31, 2011 (R\$158,145 at December 31, 2010), and are classified in payables for purchase of land and advances from customers (Note 14).

Accounts receivable from completed real estate units delivered are in general subject to annual interest of 12% plus IGP-M variation, the financial income being recorded in income as revenue from real estate development; the amounts recognized for the periods ended March 31, 2011 and 2010 totaled R\$6,520 and R\$7,667, respectively.

The allowance for doubtful accounts is estimated considering the expectation on accounts receivable losses.

The balance of allowance for doubtful accounts recorded amounts to R\$25,301 (consolidated) at March 31, 2011 (December 31, 2010 – R\$18,916), and is considered sufficient by Company management to cover the estimate of future losses on realization of the accounts receivable balance.

During the period ended March 31, 2011, the changes in the allowance for doubtful accounts are summarized as follows:

| Consolidated | |
|---------------------|-------------|
| 2011 | 2010 |

| | | |
|------------------------|---------------|--------|
| Balance at December 31 | 18,916 | 17,841 |
| Additions | 6,385 | 1,075 |
| Write-offs | - | - |
| Closing balance | 25,301 | 18,916 |

The reversal of the adjustment to present value recognized in revenue from real estate development for the period ended March 31, 2011 totaled R\$884 (Company) and R\$(5,203) (consolidated), respectively.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

5. Trade accounts receivable --Continued

Receivables from real estate units not yet finished were measured at present value considering the discount rate determined according to the criterion described in Note 2.22 to the financial statements at December 31, 2010. The rate applied by the Company and its subsidiaries stood at 5.14% for the period ended March 31, 2011 (5.02% at December 31, 2010), net of Civil Construction National Index (INCC).

(ii) On March 31, 2009, the Company entered into a Receivables Investment Funds (FIDC) transaction, which consists of assignment of a portfolio comprising select residential and commercial real estate receivables arising from Gafisa and its subsidiaries. This portfolio was assigned and transferred to “Gafisa FIDC” which issued Senior and Subordinated shares. This first issuance of senior shares was made through an offering restricted to qualified investors. Subordinated shares were subscribed for exclusively by Gafisa. Gafisa FIDC acquired the portfolio of receivables at a discount rate equivalent to the interest rate of finance contracts.

Gafisa was hired by Gafisa FIDC and will be remunerated for performing, among other duties, the reconciliation of the receipt of receivables owned by the fund and the collection of past due receivables. The transaction structure provides for the substitution of the Company as a collection agent in case of non-fulfillment of the responsibilities described in the collection service contract.

The Company assigned its receivables portfolio amounting to R\$ 119,622 to Gafisa FIDC in exchange for cash, at the transfer date, discounted to present value, for R\$ 88,664. The subordinated shares represented approximately 21% of the amount issued, totaling R\$ 18,958 (present value); at March 31, 2011 it totaled R\$16,962 (Note 8). Senior and Subordinated shares receivable are indexed by IGP-M and incur interest at 12% per year.

The Company consolidated Gafisa FIDC in its financial statements, accordingly, it discloses at March 31, 2011, receivables amounting to R\$32,160 in the group of accounts of trade accounts receivable, and R\$15,198 is reflected in the heading Payables to Venture Partners and Others, the balance of subordinated shares held by the Company being eliminated in this consolidation process.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

5. Trade accounts receivable--Continued

(iii) On June 26, 2009, the Company entered into a CCI transaction, which consists of an assignment of a portfolio comprising select residential real estate credits from Gafisa and its subsidiaries. The Company assigned its receivables portfolio amounting to R\$ 89,102 in exchange for cash, at the transfer date, discounted to present value, of R\$ 69,315, classified in the heading Payables to Venture Partners and Others – Assignment of Credits. At March 31, 2011, it amounts to R\$33,843 (December 31, 2010– R\$ 37,714) in the Company R\$ 80,118 (December 31, 2010 - R\$ 88,442) in the consolidated balance.

Eight book-entry CCIs were issued, amounting to R\$ 69,315 at the date of the issuance. These 8 CCIs are backed by receivables, whose installments fall due on and up to June 26, 2014 (“CCI-Investor”).

A CCI-Investor, pursuant to Article 125 of the Brazilian Civil Code, has general guarantees represented by statutory lien on real estate units, as soon as the following occurs: (i) the suspensive condition included in the registration takes place, in the record of the respective real estate units; (ii) the assignment of receivables from the assignors to SPEs, as provided for in Article 167, item II, (21) of Law No. 6,015, of December 31, 1973; and (iii) the issue of CCI – Investor by SPEs, as provided for in Article 18, paragraph 5 of Law No. 10,931/04.

Gafisa was hired and will be remunerated for performing, among other duties, the reconciliation of the receipt of receivables, guarantee the CCIs, and the collection of past due receivables. The transaction structure provides for the substitution of Gafisa as collection agent in case of non-fulfillment of the responsibilities described in the collection service contract.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

6. Properties for sale

| | Individual | | Consolidated | |
|--------------------------------|----------------|------------|------------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Land | 543,842 | 390,922 | 1,029,439 | 854,652 |
| (-)Adjustment to present value | (9,200) | (14,839) | (14,809) | (20,343) |
| Property under construction | 207,870 | 339,909 | 879,333 | 959,934 |
| Completed units | 218,144 | 165,898 | 333,168 | 272,923 |
| | 960,656 | 881,890 | 2,227,131 | 2,067,166 |
| Current portion | 787,090 | 653,996 | 1,765,570 | 1,568,986 |
| Non-current portion | 173,566 | 227,894 | 461,561 | 498,180 |

The Company has undertaken commitments to build units bartered for land, accounted for based on the fair value of the bartered units. At March 31, 2011, the balance of land acquired through barter transactions totaled R\$36,910 (December 31, 2010 - R\$ 41,018) (Company) and R\$90,687 (December 31, 2010 – R\$86,228) (consolidated).

As disclosed in Note 10, the balance of financial charges at March 31, 2011 amounts to R\$109,148 (December 31, 2010 – R\$ 116,287) (Company) and R\$150,814 (R\$ 146,541) (consolidated).

The adjustment to present value in the property for sale balance refers to the portion of the contra-entry to the adjustment to present value of payables for purchase of land without effect on results (Note 14).

In the period ended March 31, 2011, the amount recognized as costs of development, sales and barter transactions was R\$ 212,127 (2010 - R\$ 322,722) in the Company and R\$ 615,588 (2010 – R\$ 654,929) in the consolidated balance.

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.****7. Other accounts receivable**

| | Individual | | Consolidated | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Current accounts related to real estate ventures (a) (Note 18) | 54,450 | 115,629 | 106,770 | 75,196 |
| Dividends receivable | 45,496 | 45,496 | - | - |
| Advances to suppliers | 3,926 | 13,902 | 6,510 | 16,965 |
| Credit assignment receivable | - | 4,093 | - | 7,896 |
| Customer financing to be released | - | 436 | 829 | 1,309 |
| Deferred PIS and COFINS | 133 | 200 | 357 | 749 |
| Recoverable taxes | 40,927 | 35,174 | 70,166 | 62,797 |
| Future capital contributions (b) | 266,156 | 366,674 | - | - |
| Loan with related parties (c) | 43,994 | 41,853 | 71,839 | 71,163 |
| Judicial deposit | 79,391 | 78,755 | 90,786 | 89,271 |
| Other | 494 | 4,090 | 11,795 | 34,680 |
| | 534,967 | 706,302 | 359,052 | 360,026 |
| Current portion | 431,182 | 576,236 | 210,993 | 178,305 |
| Non-current portion | 103,785 | 130,066 | 148,059 | 181,721 |

(a) The Company participates in the development of real estate ventures with other partners, directly or through related parties, based on the constitution of condominiums and/or consortia. The management structure of these enterprises and cash management are centralized by the lead partner of the enterprise, who manages the construction schedule and budgets. Thus, the lead partner ensures that the investments of the necessary funds are made and allocated as planned. The sources and use of resources of the venture are reflected in these balances, observing the respective interest of each investor, which are not subject to indexation or financial charges and do not have a fixed maturity date. Such transactions aim at simplifying business relations that demand the joint management of amounts reciprocally owed by the involved parties and, consequently, the control over the movements of amounts reciprocally granted which offset against each other at the time the current account is closed. The average term for the development and completion of the projects in which the resources are invested is between 24 and 30 months. The Company receives a compensation for the management of these ventures.

(b) As of March 31, 2011, the balance of future capital contributions made by Gafisa in its subsidiary Tenda amounted to R\$134,243. The remaining balance refers to future capital contributions to various SPEs that are annually paid in.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

7. Other accounts receivable and other--Continued

(c) The loans of the Company and its subsidiaries, shown below, are made because these subsidiaries need cash for carrying out their respective activities, being subject to the respective financial charges. It shall be noted that Company operations and business with related parties follow market practices (arm's length). The business and operations with related parties are carried out based on conditions that are strictly on arm's length transaction basis and appropriate, in order to protect the interests of the both parties involved in the business. The composition and nature of the loan receivable by the Company is shown below.

| | Individual 03/31/2011 | 12/31/2010 | Nature | Interest rate |
|--|--------------------------|------------|--------------|----------------------------|
| Espacio Laguna - Tembok Planej. | | | | |
| E Desenv. Imob. Ltda. | - | 144 | Construction | 12% p.a. fixed rate + IGPM |
| Laguna Di Mare - Tembok Planej. | | | | |
| E Desenv. Imob. Ltda. | 7,759 | 7,340 | Construction | 12% p.a. fixed rate + IGPM |
| Vista Laguna - Tembok Planej. E | | | | |
| Desenv. Imob. Ltda. | 1,668 | 677 | Construction | 12% p.a. fixed rate + IGPM |
| Gafisa SPE 65 Empreendimentos Imobiliários Ltda. | 1,455, | 1,478 | Construction | 3% p.a. fixed rate + CDI |
| Gafisa SPE-46 Empreendimentos Imobiliários | | | | |
| Ltda. | 599 | 567 | Construction | 12% p.a. fixed rate + IGPM |
| Gafisa SPE-73 Empreendimentos Imobiliários Ltda. | 2,790 | 2,503 | Construction | 3% p.a. fixed rate + CDI |
| Gafisa SPE-71 Empreendimentos Imobiliários Ltda. | 1,005 | 939 | Construction | 3% p.a. fixed rate + CDI |
| Paranamirim - Planc Engenharia e Incorporações Ltda. | 1,544 | 1,557 | Construction | 3% p.a. fixed rate + CDI |
| Gafisa SPE- 76 Empreendimentos Imobiliários | | | | |
| Ltda. | 10 | 10 | Construction | 4% p.a. fixed rate + CDI |
| Acquarelle - Civilcorp | | | | |
| Incorporações Ltda. | 836 | 791 | Construction | |

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| | | | |
|--------------------------|---------------|----------------------------|-------------------------------|
| | | | 12% p.a. fixed rate + IGPM |
| Manhattan Residencial I | 23,757 | 23,342 Construction | 10% p.a. fixed rate + TR |
| Manhattan Comercial I | 2,418 | 2,356 Construction | 10% p.a. fixed rate + TR |
| Manhattan Residencial II | 104 | 101 Construction | 10% p.a. fixed rate + TR |
| Manhattan Comercial II | 49 | 48 Construction | 10% p.a. fixed rate + TR |
| | 43,994 | 41,853 | |

In the period ended March 31, 2011, the recognized financial income from interest on loans amounted to R\$1,073 in the Company (2010 – R\$745).

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries

In January 2007, upon acquisition of 60% of AUSA, arising from the acquisition of Catalufa Participações Ltda., a capital increase of R\$ 134,029 was approved upon the issuance for public subscription of 6,358,116 common shares. This transaction generated goodwill of R\$ 170,941 recorded based on expected future profitability, which was partially amortized exponentially and progressively up to December 31, 2008 to match the estimated profit before taxes of AUSA on accrual basis of accounting.

As mentioned in Note 1, in May 2010 the Company approved the acquisition of the total amount of shares issued by Shertis Empreendimentos e Participações S.A., whose main asset comprises 20% of the capital stock of AUSA. The acquisition of shares had the purpose of ensuring the viability of the implementation of the Second Phase of the schedule for investment planned in the Investment Agreement and other Covenants, signed between the Company and Alphaville Participações S.A. (Alphapar) on October 2, 2006, thus increasing the interest of Gafisa in the capital stock of AUSA to 80%. As a result of the acquisition of shares, Shertis was converted into a wholly-owned subsidiary of Gafisa, with the issue of 9,797,792 new common shares to Alphapar, former shareholder of Shertis for the total issue price of R\$ 20,282 at carrying amount.

The Company has a commitment to purchase the remaining 20% of AUSA's capital stock based on the fair value of AUSA, evaluated on the future acquisition dates, the purchase consideration for which cannot yet be calculated and, consequently, is not recognized. The contract for acquisition provides that the Company undertakes to purchase the remaining 20% of AUSA in 2012, in cash or shares, at the Company's sole discretion.

On October 26, 2007, Gafisa acquired 70% of Cipesa. Gafisa and Cipesa merged a new company, Cipesa Empreendimentos Imobiliários Ltda. ("Nova Cipesa"), in which the Company holds a 70% interest and Cipesa 30%. Gafisa S.A. made a R\$ 50,000 cash contribution to Nova Cipesa and acquired the shares which Cipesa held in Nova Cipesa amounting to R\$ 15,000, paid on October 26, 2008. The non-controlling interest holders of Cipesa are entitled to receive from the Company a variable portion corresponding to 2% of the Total Sales Value (VGV), as defined, of the projects launched by Nova Cipesa through 2014; the minimum amount of acquisition is R\$25,000 adjusted by the INCC variation, in case the variable portion is lower. Accordingly, the Company's purchase consideration totaled R\$ 90,000. As a result of this transaction, goodwill amounting to R\$ 40,686 was recorded based on expected future profitability.

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Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investment in subsidiaries--Continued(i) Ownership interest(a) *Information on subsidiaries and jointly-controlled investees*

| Direct investees | Ownership interest - % | | Equity | | Net income/(loss) for the period | |
|----------------------------------|------------------------|------------|------------|------------|----------------------------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Construtora Tenda S.A. | 100 | 100 | 1,927,332 | 1,710,208 | 6,820 | 22,337 |
| Alphaville Urbanismo S.A. | 60 | 60 | 235,730 | 201,758 | 33,698 | 10,878 |
| Shertis Emp. Part. S.A. | 100 | 100 | 42,147 | 35,158 | 6,794 | - |
| Gafisa FIDC | 100 | 100 | 16,962 | 16,895 | - | - |
| Cipesa Empreendimentos | | | | | | |
| Imobiliários S.A. | 100 | 100 | 49,864 | 49,046 | 818 | 1,275 |
| Península SPE1 S.A. | 50 | 50 | (2,553) | (2,242) | (311) | 637 |
| Península SPE2 S.A. | 50 | 50 | (2,636) | 24 | (2,660) | 55 |
| Res. das Palmeiras SPE Ltda. | 100 | 100 | 2,393 | 2,333 | 60 | 37 |
| Villaggio Panamby Trust S.A. | 50 | 50 | 4,560 | 4,200 | 360 | (3) |
| Dolce Vita Bella Vita SPE S.A. | 50 | 50 | 4,071 | 4,056 | 15 | 3,445 |
| DV SPE S.A. | 50 | 50 | 1,965 | 1,958 | 7 | 2 |
| Gafisa SPE 22 Emp. Im. Ltda. | 100 | 100 | 6,288 | 6,528 | (240) | 157 |
| Gafisa/Tiner Campo Belo I – Emp. | | | | | | |
| Imob. SPE Ltda. | 45 | 45 | 5,049 | 6,146 | 3 | 46 |
| Jardim I Plan., Prom.Vd. Ltda. | 100 | 100 | 6,041 | 7,820 | (1,818) | (277) |
| Jardim II Plan., Prom.Vd Ltda. | 100 | 100 | 351 | 801 | (461) | 1,548 |
| Saíra Verde Emp. Imob. Ltda. | 70 | 70 | 665 | 626 | 39 | |
| Gafisa SPE 30 Emp. Im. Ltda. | 100 | 100 | 17,786 | 17,663 | 50 | (192) |

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| | | | | | | |
|----------------------------------|-----|-----|--------|--------|---------|---------|
| Verdes Praças Inc. Im. SPE Ltda. | 100 | 100 | 26,786 | 26,730 | 56 | 30 |
| Gafisa SPE 32 Emp. Im. Ltda. | 100 | 100 | 10,329 | 10,573 | (243) | 1,166 |
| Gafisa SPE 35 Emp. Im. Ltda. | 100 | 100 | 5,049 | 4,978 | 70 | 206 |
| Gafisa SPE 36 Emp. Im. Ltda. | 100 | 100 | 7,573 | 6,995 | 534 | (134) |
| Gafisa SPE 37 Emp. Im. Ltda. | 100 | 100 | 4,546 | 4,561 | (55) | 62 |
| Gafisa SPE 38 Emp. Im. Ltda. | 100 | 100 | 9,437 | 9,382 | 45 | 233 |
| Gafisa SPE 39 Emp. Im. Ltda. | 100 | 100 | 5,043 | 4,729 | 298 | 134 |
| Gafisa SPE 40 Emp. Im. Ltda. | 50 | 50 | 7,103 | 7,944 | 59 | (107) |
| Gafisa SPE 41 Emp. Im. Ltda. | 100 | 100 | 32,402 | 32,186 | 202 | 56 |
| Gafisa SPE 42 Emp. Im. Ltda. | 100 | 100 | 8,903 | 5,915 | (1,866) | (2,182) |
| Gafisa SPE 44 Emp. Im. Ltda. | 40 | 40 | 3,713 | 3,713 | - | (3) |

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Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries--Continued(i) Ownership interest --Continued(a) *Information on subsidiaries and jointly-controlled investees--continued*

| Direct investees | Ownership interest - % | | Equity | | Net income/(loss) for the period | |
|-------------------------------|------------------------|------------|------------|------------|----------------------------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Gafisa Vendas Int. Imob. Ltda | 100 | 100 | (821) | (1,523) | 702 | 212 |
| Gafisa SPE 46 Emp. Im. Ltda. | 60 | 60 | 2,934 | 2,443 | 491 | (1,928) |
| Gafisa SPE 47 Emp. Im. Ltda. | 80 | 80 | 16,137 | 16,268 | (131) | (96) |
| Gafisa SPE 49 Emp. Im. Ltda. | 100 | 100 | 294 | 295 | (1) | (3) |
| Gafisa SPE 50 Emp. Im. Ltda. | 100 | 100 | 11,585 | 13,008 | (1,423) | - |
| Gafisa SPE 53 Emp. Im. Ltda. | 100 | 100 | 7,343 | 7,152 | 191 | 93 |
| Gafisa SPE 59 Emp. Im. Ltda. | 100 | 100 | (9) | (8) | (2) | - |
| Gafisa SPE 61 Emp. Im. Ltda. | 100 | 100 | (21) | (21) | (1) | - |
| Gafisa SPE 65 Emp. Im. Ltda. | 80 | 80 | 12,798 | 12,242 | 556 | 551 |
| Gafisa SPE 68 Emp. Im. Ltda. | 100 | 100 | (1) | (1) | (1) | - |
| Gafisa SPE 69 Emp. Im. Ltda. | 100 | 100 | 1,537 | 1,491 | (132) | - |
| Gafisa SPE 70 Emp. Im. Ltda. | 55 | 55 | 12,917 | 12,929 | (12) | - |
| Gafisa SPE 71 Emp. Im. Ltda. | 80 | 80 | 13,201 | 11,649 | 1,552 | - |
| Gafisa SPE 72 Emp. Im. Ltda. | 100 | 100 | 8,847 | 4,845 | 4,002 | (227) |
| Gafisa SPE 73 Emp. Im. Ltda. | 80 | 80 | 6,738 | 7,403 | (665) | (121) |
| Gafisa SPE 74 Emp. Im. Ltda. | 100 | 100 | (337) | (335) | (2) | (1) |
| Gafisa SPE 75 Emp. Im. Ltda. | 100 | 100 | (77) | (76) | (1) | (1) |
| Gafisa SPE 76 Emp. Im. Ltda. | 50 | 50 | 82 | 83 | (1) | (1) |
| Gafisa SPE 79 Emp. Im. Ltda. | 100 | 100 | (163) | (16) | (147) | (13) |
| Gafisa SPE 80 S.A. | 100 | 100 | (10) | (9) | (1) | (4) |
| Gafisa SPE 81 Emp. Im. Ltda. | 100 | 100 | 1,708 | 1,679 | 30 | (83) |
| Gafisa SPE 83 Emp. Im. Ltda. | 100 | 100 | (414) | (368) | (46) | (3) |
| Gafisa SPE 84 Emp. Im. Ltda. | 100 | 100 | 15,262 | 14,653 | 514 | 1 |
| Gafisa SPE 85 Emp. Im. Ltda. | 80 | 80 | 36,786 | 31,911 | 4,874 | 2,978 |
| Gafisa SPE 87 Emp. Im. Ltda. | 100 | 100 | (1,157) | (353) | (804) | (302) |
| Gafisa SPE 88 Emp. Im. Ltda. | 100 | 100 | 18,980 | 16,404 | 2,021 | (10) |

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| | | | | | | |
|------------------------------|-----|-----|--------|--------|-------|-------|
| Gafisa SPE 89 Emp. Im. Ltda. | 100 | 100 | 51,407 | 50,636 | 761 | 2,547 |
| Gafisa SPE 90 Emp. Im. Ltda. | 100 | 100 | 2,589 | 1,941 | 178 | (23) |
| Gafisa SPE 91 Emp. Im. Ltda. | 100 | 100 | 1,611 | 1,593 | 10 | - |
| Gafisa SPE 92 Emp. Im. Ltda. | 100 | 100 | 6,400 | 4,998 | 1,402 | 314 |
| Gafisa SPE 93 Emp. Im. Ltda. | 100 | 100 | 1,083 | 895 | 188 | 196 |
| Gafisa SPE 94 Emp. Im. Ltda. | 100 | 100 | 4 | 4 | - | - |
| Gafisa SPE 95 Emp. Im. Ltda. | 100 | 100 | (15) | (15) | - | - |
| Gafisa SPE 96 Emp. Im. Ltda. | 100 | 100 | (58) | (58) | - | - |
| Gafisa SPE 97 Emp. Im. Ltda. | 100 | 100 | 6 | 6 | - | - |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries--Continued

(i) Ownership interest --Continued

(a) *Information on subsidiaries and jointly-controlled investees--Continued*

| | Ownership interest - % | | Equity | | Net income/(loss) for the period | |
|-------------------------------|------------------------|------------|------------|------------|----------------------------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Direct investees | | | | | | |
| Gafisa SPE 98 Emp. Im. Ltda. | 100 | 100 | (37) | (37) | - | - |
| Gafisa SPE 99 Emp. Im. Ltda. | 100 | 100 | (24) | (24) | - | - |
| Gafisa SPE 101 Emp. Im. Ltda. | 100 | 100 | (5) | (4) | (1) | - |
| Gafisa SPE 102 Emp. Im. Ltda. | 80 | 80 | 26 | 25 | 1 | - |
| Gafisa SPE 103 Emp. Im. Ltda. | 100 | 100 | (40) | (40) | - | - |
| Gafisa SPE 104 Emp. Im. Ltda. | 50 | 50 | 1 | 1 | - | - |
| Gafisa SPE 105 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 106 Emp. Im. Ltda. | 100 | 100 | 6,868 | 5,558 | 1,310 | - |
| Gafisa SPE 107 Emp. Im. Ltda. | 100 | 100 | 9,616 | 5,299 | 816 | - |
| Gafisa SPE 109 Emp. Im. Ltda. | 100 | 100 | 294 | 371 | (77) | - |
| Gafisa SPE 110 Emp. Im. Ltda. | 100 | 100 | (1,424) | (916) | (508) | - |
| Gafisa SPE 111 Emp. Im. Ltda. | 100 | 100 | (841) | (41) | (800) | - |
| Gafisa SPE 112 Emp. Im. Ltda. | 100 | 100 | 4,352 | 3,201 | 1,151 | - |
| Gafisa SPE 113 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 114 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 115 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 116 Emp. Im. Ltda. | 100 | 100 | (30) | 1 | (31) | - |
| Gafisa SPE 117 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 118 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 119 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 120 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 121 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 122 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 123 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 124 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 125 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |

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| | | | | | | |
|--|-----|-----|---------|---------|-------|-------|
| Gafisa SPE 126 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 127 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 128 Emp. Im. Ltda. | 80 | 80 | 1 | 1 | - | - |
| O Bosque Empr. Imob. Ltda. | 60 | 60 | 9,954 | 8,791 | (7) | (37) |
| Alto da Barra de São Miguel Emp.Imob. SPE Ltda. | 50 | 50 | (2,797) | (2,435) | (362) | 1,649 |
| Dep. José Lajes Emp. Im. SPE Ltda. | 50 | 50 | (241) | (459) | 218 | 459 |
| Sítio Jatiuca Emp Im.SPE Ltda. | 50 | 50 | 23,069 | 16,998 | 6,071 | 257 |
| Reserva & Residencial Spazio Natura Emp. Im. SPE Ltda. | 50 | 50 | 1,378 | 1,379 | (1) | (3) |
| Grand Park - Parque das Aguas Emp Im Ltda | 50 | 50 | 22,544 | 20,907 | 1,249 | 656 |
| Grand Park - Parque das Arvores Emp. Im. Ltda | 50 | 50 | 38,746 | 35,588 | 4,450 | (498) |
| Dubai Residencial Emp Im. Ltda. | 50 | 50 | 23,460 | 21,227 | 3,469 | (46) |
| Costa Maggiore Emp. Im. Ltda. | 50 | 50 | 14,176 | 13,033 | 975 | 1,535 |
| City Park Brotas Emp. Imob. Ltda. | 50 | 50 | 570 | 650 | (86) | (4) |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries--Continued(i) Ownership interest --Continued(a) *Information on direct and jointly-controlled investees* --Continued

| | Ownership interest - % Equity | | | | Net income/(loss) for the period | |
|---|-------------------------------|------------|------------|------------|----------------------------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Direct investees | | | | | | |
| City Park Acupe Emp. Imob. Ltda. | 50 | 50 | 1,430 | 1,531 | (109) | 94 |
| Patamares 1 Emp. Imob. Ltda. | 50 | 50 | 7,194 | 7,187 | 115 | 911 |
| Acupe Exclusive Emp. Imob. Ltda. | 50 | 50 | 189 | 361 | (173) | (17) |
| Manhattan Square Emp. Imob. Coml. 1 SPE Ltda. | 50 | 50 | 8,329 | 7,152 | (56) | (116) |
| Manhattan Square Emp. Imob. Coml. 2 SPE Ltda. | 50 | 50 | 1,234 | 1,236 | (2) | - |
| Manhattan Square Emp. Imob. Res. 1 SPE Ltda. | 50 | 50 | (4,525) | (3,376) | (2,539) | 573 |
| Manhattan Square Emp. Imob. Res. 2 SPE Ltda. | 50 | 50 | 2,603 | 2,606 | (3) | - |
| SPE Reserva Ecoville/Office - Emp Im. S.A. | 50 | 50 | 36,139 | 25,594 | 9,039 | 10 |
| Graça Emp. Imob. SPE Ltda. | 50 | 50 | 744 | 755 | (10) | (21) |
| Varandas Grand Park Emp. Im. Ltda. | 50 | 50 | 2,277 | 2,319 | (37) | - |
| FIT 13 SPE Emp. Imob. Ltda. | 50 | 50 | 18,567 | 19,328 | 1,239 | - |
| SPE Pq Ecoville Emp Im S.A. | 50 | 50 | 6,886 | 3,385 | 3,501 | - |
| Apoena SPE Emp Im S.A. | 50 | 50 | 7,082 | 8,683 | (1,601) | - |
| Parque do Morumbi Incorporadora Ltda. | 80 | 80 | 4,191 | 4,116 | (73) | - |
| Prime Grand Park Emp. Im. Ltda. | 50 | 50 | (282) | (250) | (97) | - |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries--Continued(i) Ownership interest --Continued(b) *Breakdown of investments*

| Direct investees | Ownership interest - % | | Investments | | Equity accounts | |
|--|------------------------|------------|-------------|------------|-----------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Construtora Tenda S.A. | 100 | 100 | 1,927,332 | 1,710,208 | 6,820 | 23,428 |
| Alphaville Urbanismo S.A. | 60 | 60 | 141,438 | 121,055 | 20,383 | 6,527 |
| Shertis Emp. Part. S.A. | 100 | 100 | 42,147 | 35,372 | 6,794 | - |
| Gafisa FIDC | 100 | 100 | 16,962 | 16,895 | - | - |
| Cipesa Empreendimentos Imobiliários S.A. | 100 | 100 | 49,864 | 49,046 | 818 | 1,275 |
| | | | 2,177,743 | 1,932,576 | 34,815 | 31,230 |
| Península SPE1 S.A. | 50 | 50 | (1,276) | (1,121) | (155) | 318 |
| Península SPE2 S.A. | 50 | 50 | (1,318) | 12 | (1,330) | 28 |
| Res. das Palmeiras SPE Ltda. | 100 | 100 | 2,393 | 2,333 | 60 | 37 |
| Villaggio Panamby Trust S.A. | 50 | 50 | 2,280 | 2,100 | 180 | (1) |
| Dolce Vita Bella Vita SPE S.A. | 50 | 50 | 2,035 | 2,028 | 7 | 1,723 |
| DV SPE S.A. | 50 | 50 | 983 | 979 | 4 | 1 |
| Gafisa SPE 22 Emp. Im. Ltda. | 100 | 100 | 6,288 | 6,528 | (240) | 157 |
| Gafisa/Tiner Campo Belo I – Emp. Imob. SPE Ltda. | 45 | 45 | 2,272 | 2,766 | 1 | 21 |
| Jardim I Plan., Prom.Vd Ltda. | 100 | 100 | 6,041 | 7,820 | (1,818) | (277) |
| Jardim II Plan., Prom.Vd Ltda. | 100 | 100 | 351 | 801 | (461) | 1,548 |
| Saíra Verde Emp. Imob. Ltda. | 70 | 70 | 465 | 438 | 27 | 15 |
| Gafisa SPE 30 Emp. Im. Ltda. | 100 | 100 | 17,786 | 17,663 | 50 | (192) |
| Verdes Praças Inc.Im.SPE Ltda | 100 | 100 | 26,786 | 26,730 | 56 | 30 |
| Gafisa SPE 32 Emp. Im. Ltda. | 100 | 100 | 10,330 | 10,573 | (243) | 932 |
| Gafisa SPE 35 Emp. Im. Ltda. | 100 | 100 | 5,048 | 4,978 | 70 | 206 |
| Gafisa SPE 36 Emp. Im. Ltda. | 100 | 100 | 7,573 | 6,995 | 534 | (134) |
| Gafisa SPE 37 Emp. Im. Ltda. | 100 | 100 | 4,546 | 4,561 | (55) | 62 |

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| | | | | | | |
|-------------------------------|-----|-----|--------|---------|---------|---------|
| Gafisa SPE 38 Emp. Im. Ltda. | 100 | 100 | 9,437 | 9,382 | 45 | 233 |
| Gafisa SPE 39 Emp. Im. Ltda. | 100 | 100 | 5,043 | 4,729 | 298 | 134 |
| Gafisa SPE 40 Emp. Im. Ltda. | 50 | 50 | 3,551 | 3,972 | 29 | (54) |
| Gafisa SPE 41 Emp. Im. Ltda. | 100 | 100 | 32,402 | 32,186 | 202 | 56 |
| Gafisa SPE 42 Emp. Im. Ltda. | 100 | 100 | 8,903 | 5,915 | (1,866) | (2,182) |
| Gafisa SPE 44 Emp. Im. Ltda. | 40 | 40 | 1,485 | 1,485 | - | (1) |
| Gafisa Vendas Int. Imob. Ltda | 100 | 100 | (820) | (1,522) | 702 | 212 |
| Gafisa SPE 46 Emp. Im. Ltda. | 60 | 60 | 1,761 | 1,466 | 295 | (1,157) |
| Gafisa SPE 47 Emp. Im. Ltda. | 80 | 80 | 12,909 | 13,014 | (105) | (77) |
| Gafisa SPE 49 Emp. Im. Ltda. | 100 | 100 | 294 | 295 | 1 | (3) |
| Gafisa SPE 50 Emp. Im. Ltda. | 100 | 100 | 11,585 | 13,008 | (1,423) | 1,230 |
| Gafisa SPE 53 Emp. Im. Ltda. | 100 | 100 | 7,343 | 7,152 | 191 | 74 |
| Gafisa SPE 59 Emp. Im. Ltda. | 100 | 100 | (10) | (8) | (2) | - |
| Gafisa SPE 61 Emp. Im. Ltda. | 100 | 100 | (22) | (21) | (1) | - |
| Gafisa SPE 65 Emp. Im. Ltda. | 80 | 80 | 10,239 | 9,794 | 445 | 441 |
| Gafisa SPE 68 Emp. Im. Ltda. | 100 | 100 | (2) | (1) | (1) | - |
| Gafisa SPE 69 Emp. Im. Ltda. | 100 | 100 | 1,537 | 1,491 | (132) | (34) |
| Gafisa SPE 70 Emp. Im. Ltda. | 55 | 55 | 7,104 | 7,111 | (7) | - |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries --Continueda) Ownership interest --Continued(b) *Breakdown of investments--Continued*

| Direct investees | Ownership interest - % | | Investments | | Equity accounts | |
|------------------------------|------------------------|------------|-------------|------------|-----------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Gafisa SPE 71 Emp. Im. Ltda. | 80 | 80 | 10,561 | 9,319 | 1,242 | 819 |
| Gafisa SPE 72 Emp. Im. Ltda. | 100 | 100 | 8,847 | 4,845 | 4,002 | (181) |
| Gafisa SPE 73 Emp. Im. Ltda. | 80 | 80 | 5,391 | 5,923 | (532) | (96) |
| Gafisa SPE 74 Emp. Im. Ltda. | 100 | 100 | - | (335) | - | (1) |
| Gafisa SPE 75 Emp. Im. Ltda. | 100 | 100 | (76) | (76) | - | (1) |
| Gafisa SPE 76 Emp. Im. Ltda. | 50 | 50 | 42 | 42 | - | - |
| Gafisa SPE 79 Emp. Im. Ltda. | 100 | 100 | (163) | (16) | (147) | (13) |
| Gafisa SPE 80 S.A. | 100 | 100 | (10) | (9) | (1) | (4) |
| Gafisa SPE 81 Emp. Im. Ltda. | 100 | 100 | 1,709 | 1,679 | 30 | (83) |
| Gafisa SPE 83 Emp. Im. Ltda. | 100 | 100 | (414) | (368) | (46) | (3) |
| Gafisa SPE 84 Emp. Im. Ltda. | 100 | 100 | 15,262 | 14,653 | 514 | - |
| Gafisa SPE 85 Emp. Im. Ltda. | 80 | 80 | 29,429 | 25,529 | 3,900 | 2,383 |
| Gafisa SPE 87 Emp. Im. Ltda. | 100 | 100 | (1,157) | (353) | (804) | (302) |
| Gafisa SPE 88 Emp. Im. Ltda. | 100 | 100 | 18,980 | 16,404 | 2,021 | (10) |
| Gafisa SPE 89 Emp. Im. Ltda. | 100 | 100 | 51,407 | 50,636 | 761 | 2,547 |
| Gafisa SPE 90 Emp. Im. Ltda. | 100 | 100 | 2,589 | 1,941 | 178 | (23) |
| Gafisa SPE 91 Emp. Im. Ltda. | 100 | 100 | 1,603 | 1,593 | 10 | - |
| Gafisa SPE 92 Emp. Im. Ltda. | 100 | 100 | 6,400 | 4,998 | 1,402 | 251 |
| Gafisa SPE 93 Emp. Im. Ltda. | 100 | 100 | 1,083 | 895 | 188 | 196 |
| Gafisa SPE 94 Emp. Im. Ltda. | 100 | 100 | 4 | 4 | - | - |
| Gafisa SPE 95 Emp. Im. Ltda. | 100 | 100 | (15) | (15) | - | - |
| Gafisa SPE 96 Emp. Im. Ltda. | 100 | 100 | (58) | (58) | - | - |
| Gafisa SPE 97 Emp. Im. Ltda. | 100 | 100 | 5 | 5 | - | - |
| Gafisa SPE 98 Emp. Im. Ltda. | 100 | 100 | (37) | (37) | - | - |
| Gafisa SPE 99 Emp. Im. Ltda. | 100 | 100 | (24) | (24) | - | - |

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| | | | | | | |
|-------------------------------|-----|-----|---------|-------|-------|---|
| Gafisa SPE 101 Emp. Im. Ltda. | 100 | 100 | (5) | (4) | (1) | - |
| Gafisa SPE 102 Emp. Im. Ltda. | 80 | 80 | 21 | 20 | 1 | - |
| Gafisa SPE 103 Emp. Im. Ltda. | 100 | 100 | (40) | (40) | - | - |
| Gafisa SPE 104 Emp. Im. Ltda. | 50 | 50 | 1 | 1 | - | - |
| Gafisa SPE 105 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 106 Emp. Im. Ltda. | 100 | 100 | 6,868 | 5,558 | 1,310 | - |
| Gafisa SPE 107 Emp. Im. Ltda. | 100 | 100 | 9,615 | 5,299 | 816 | - |
| Gafisa SPE 109 Emp. Im. Ltda. | 100 | 100 | 294 | 371 | (77) | - |
| Gafisa SPE 110 Emp. Im. Ltda. | 100 | 100 | (1,424) | (916) | (508) | - |
| Gafisa SPE 111 Emp. Im. Ltda. | 100 | 100 | (841) | (41) | (800) | - |
| Gafisa SPE 112 Emp. Im. Ltda. | 100 | 100 | 4,352 | 3,201 | 1,151 | - |
| Gafisa SPE 113 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 114 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 115 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 116 Emp. Im. Ltda. | 100 | 100 | - | 1 | (16) | - |
| Gafisa SPE 117 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 118 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries --Continued

a) Ownership interest --Continued(b) *Breakdown of investments* --Continued

| Direct investees | Ownership interest - % | | Investments | | Equity accounts | |
|---|------------------------|------------|-------------|------------|-----------------|------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | 03/31/2011 | 03/31/2010 |
| Gafisa SPE 119 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 120 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 121 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 122 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 123 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 124 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 125 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 126 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 127 Emp. Im. Ltda. | 100 | 100 | 1 | 1 | - | - |
| Gafisa SPE 128 Emp. Im. Ltda. | 80 | 80 | 1 | 1 | - | - |
| O Bosque Empr. Imob. Ltda. | 60 | 60 | 5,972 | 5,275 | 697 | (22) |
| Alto da Barra de São Miguel Emp.Imob. SPE Ltda. | 50 | 50 | (1,398) | (1,217) | (181) | 824 |
| Dep. José Lajes Emp. Im. SPE Ltda. | 50 | 50 | (120) | (229) | 109 | 229 |
| Sítio Jatiuca Emp Im. SPE Ltda. Reserva & Residencial Spazio Natura Emp. Im. SPE Ltda. | 50 | 50 | 11,535 | 8,499 | 3,036 | 128 |
| Grand Park - Parque das Aguas Emp Im Ltda | 50 | 50 | 689 | 690 | (1) | (1) |
| Grand Park - Parque das Arvores Emp. Im. Ltda | 50 | 50 | 11,272 | 10,453 | 819 | 215 |
| Dubai Residencial Emp Im. Ltda. | 50 | 50 | 19,373 | 17,794 | 66 | (249) |
| Costa Maggiore Emp. Im. Ltda. | 50 | 50 | 11,730 | 10,614 | 1,116 | (23) |
| City Park Brotas Emp. Imob. Ltda. | 50 | 50 | 7,088 | 6,517 | 571 | 2,058 |
| | | | 285 | 325 | (40) | (762) |

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| | | | | | | |
|--|----|----|-----------|-----------|--------|--------|
| City Park Acupe Emp. Imob. Ltda. | 50 | 50 | 715 | 765 | (50) | (429) |
| Patamares 1 Emp. Imob. Ltda | 50 | 50 | 3,596 | 3,593 | 3 | 397 |
| Acupe Exclusive Emp. Imob. Ltda. | 50 | 50 | 95 | 181 | (86) | (54) |
| Manhattan Square Emp. Imob. Coml. 1 SPE Ltda. | 50 | 50 | 4,165 | 3,576 | 589 | (58) |
| Manhattan Square Emp. Imob. Coml. 2 SPE Ltda. | 50 | 50 | 617 | 618 | (1) | - |
| Manhattan Square Emp. Imob. Res. 1 SPE Ltda. | 50 | 50 | (2,262) | (1,688) | (574) | 286 |
| Manhattan Square Emp. Imob. Res. 2 SPE Ltda. | 50 | 50 | 1,302 | 1,303 | (1) | - |
| SPE Reserva Ecoville/Office - Emp Im. S.A. | 50 | 50 | 18,070 | 12,772 | 5,273 | (342) |
| Graça Emp. Imob. SPE Ltda | 50 | 50 | 372 | 377 | (5) | (151) |
| Varandas Grand Park Emp. Im. Ltda. | 50 | 50 | 1,138 | 1,159 | (21) | - |
| FIT 13 SPE Emp. Imob. Ltda | 50 | 50 | 9,283 | 9,664 | 619 | - |
| SPE Pq Ecoville Emp Im S.A. | 50 | 50 | 3,443 | 1,693 | 1,750 | - |
| Apoena SPE Emp Im S.A. | 50 | 50 | 3,540 | 4,341 | (801) | - |
| Parque do Morumbi Incorporadora Ltda. | 80 | 80 | 3,355 | 3,293 | 55 | - |
| Prime Grand Park Emp. Im. Ltda. | 50 | 50 | (141) | (125) | (16) | - |
| | | | 489,249 | 456,516 | 22,876 | 10,871 |
| Provision for loss on investments | | | 11,663 | 8,227 | | |
| | | | 2,678,627 | 2,397,319 | 57,691 | 42,101 |
| Other investments (a) | | | 315,068 | 327,797 | | |
| Goodwill on acquisition of subsidiaries (b) | | | 193,543 | 193,543 | | |
| Total investments | | | 3,187,238 | 2,918,658 | | |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

8. Investments in subsidiaries --Continued

a) Ownership interest --Continued

(b) *Breakdown of investments--Continued*

(a) As a result of the setting up in January 2008 of a special partnership (SCP), the Company started holding units of interest in such partnership that totals R\$315,069 at March 31, 2011 (December 31, 2010 - R\$327,797), as described in Note 12.

(b) See composition in Note 9.

9. Intangible assets

Goodwill on acquisition of subsidiaries

| | Consolidated | |
|-----------------------------|---------------------|-------------------|
| | 03/31/2011 | 12/31/2010 |
| | Balance | Balance |
| Goodwill | | |
| AUSA | 152,856 | 152,856 |
| Cipesa | 40,687 | 40,687 |
| | 193,543 | 193,543 |
| Other intangible assets (a) | 19,347 | 16,411 |

(a) Refers to expenditures on acquisition and implementation of information systems and software licenses, amortized in five years.

Goodwill arises from the difference between the consideration and the equity of acquirees, calculated on acquisition date, and is based on the expectation of future economic benefits. These amounts are annually tested for impairment.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

9. Intangible assets --Continued

The Company did not estimate the recovery of the carrying amount of goodwill for the period ended March 31, 2011, once there was not any indication of possible impairment.

10. Loans and financing

10. Loans and financing

| Type of operation | Annual interest rate | Individual | | Consolidated | |
|---|----------------------|------------|----------------|--------------|------------------|
| | | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| Certificate of Bank Credit – CCB and Other | 1.30% to 3.20% + CDI | 467,482 | 531,905 | 604,391 | 664,471 |
| National Housing System | TR + 10% to 12% | 359,017 | 365,098 | 755,651 | 745,707 |
| | | 826,499 | 897,003 | 1,360,042 | 1,410,178 |
| Current portion | | 476,188 | 471,909 | 838,334 | 797,903 |
| Non-current portion | | 350,311 | 425,094 | 521,708 | 612,275 |

Rates

| | | |
|---------------------------|-----------------|---|
| § Deposit Certificate; | DI – Interbank | C |
| § Rate. | R – Referential | T |

Funding for developments – SFH and for working capital correspond to credit lines from financial institutions using the funding necessary to the development of the Company's ventures;

As of March 31, 2011, the Company and its subsidiaries had resources for approximately 83 ventures amounting to R\$350,609 (Company – unaudited) and R\$889,019 (consolidated – unaudited) that were approved to be released and will be used in future periods, at the extent these developments progress physically and financially, according to the Company's project schedule.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

10. Loans and financing --Continued

Current and non-current installments are due as follows:

| Maturity | Individual | | Consolidated | | |
|----------|------------|------------|----------------|------------|------------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 | |
| 2011 | | 476,188 | 471,909 | 838,334 | 797,903 |
| 2012 | | 159,852 | 145,047 | 218,442 | 245,166 |
| 2013 | | 56,203 | 58,519 | 106,056 | 119,912 |
| 2014 | | 134,256 | 221,528 | 197,209 | 247,197 |
| | | 826,499 | 897,003 | 1,360,042 | 1,410,178 |

Loans and financing are guaranteed by sureties of the Company, mortgage of the units, as well as collaterals of receivables, and the inflow of contracts already signed on future delivery of units (amount of R\$ 2,843,000)

As mentioned in Note 4.2, the balance of restricted cash in guarantee to loans and restricted receivables amounting to R\$ 234,657 at March 31, 2011 (R\$624,687 at December 31, 2010) is pledged to cover the ratio of restrictive debenture covenants.

Financial expenses of loans, financing and debentures are capitalized at cost of each venture, according to the use of funds, and appropriated to results based on the criterion adopted for recognizing revenue, as shown below. The capitalization rate used in the determination of costs of loans eligible to capitalization was 11.7% at March 31, 2011.

| Individual | | Consolidated | |
|------------|------------|--------------|------------|
| 03/31/2011 | 03/31/2010 | 03/31/2011 | 03/31/2010 |

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| | | | | |
|--|----------|----------|----------|----------|
| Gross financial charges | 36,049 | 39,560 | 72,452 | 65,046 |
| Capitalized financial charges | (18,263) | (15,082) | (41,454) | (25,373) |
| Net financial charges | 17,785 | 24,478 | 30,998 | 39,673 |
| Financial charges included in Properties for sale | | | | |
| Opening balance | 116,287 | 69,559 | 146,541 | 91,568 |
| Capitalized financial charges | 18,263 | 15,082 | 41,454 | 25,373 |
| Charges appropriated to income | (25,402) | (14,929) | (37,181) | (22,841) |
| Closing balance | 109,148 | 69,712 | 150,814 | 94,100 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

11. Debentures

In June 2008, the Company obtained approval for its Third Debenture Placement Program, which allows it to place R\$ 1,000,000 in simple debentures with a general guarantee maturing in five years.

Under the Third Debenture Placement Program, the Company placed a series of 25,000 debentures in the total amount of R\$250,000, with the below features.

In August 2009, the Company obtained approval for its sixth placement of non-convertible simple debentures in two series, which have general guarantee, maturing in two years and unit face value at the issuance date of R\$ 10,000, totaling R\$ 250,000. In May 2010, the Company amended this indenture, changing the maturity from four to ten months.

In December 2009, the Company obtained approval for its seventh placement of nonconvertible simple debentures in a single and undivided lot, sole series, secured by a floating and additional guarantee, in the total amount of R\$ 600,000, maturing in five years.

In April 2009, the subsidiary Tenda obtained approval for its First Debenture Placement Program, which allowed it to place up to R\$ 600,000 in non-convertible simple subordinated debentures, in a single and undivided lot, secured by a floating and additional guarantee, with semi-annual maturities between October 1, 2012 and April 1, 2014. The funds raised through the placement shall be exclusively used in the finance of real estate ventures focused only in the popular segment.

In September 2010, the Company prepaid the fourth placement of simple debentures of the Second Program. The repurchase of the debentures was made upon the payment of R\$154,217, taking into consideration that such payment amount was determined based on the unit face value of debentures plus the interest payable.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

11. Debentures--Continued

In October 2010, the Company prepaid the first series of the sixth placement of simple debentures. The repurchase of the first series debentures was made upon the payment of R\$162,858, taking into consideration that such payment amount was determined based on the unit face value of debentures plus the interest payable, calculated on a pro rata basis, plus premium, pursuant to Clause 4.12.5 of its Indenture. The first series debentures will be cancelled by the Company.

In November 2010, the Company obtained approval for its eighth placement of nonconvertible simple debentures, in the amount of R\$ 300,000, in two series, the first maturing on October 15, 2015, and the second on October 15, 2016.

| Program/placement | Principal | Annual remuneration | Maturity | Individual | | Consolidated | |
|--|-----------|----------------------|------------------|------------|------------------|--------------|------------------|
| | | | | 03/31/2011 | 12/31/2010 | 03/31/2010 | 12/31/2010 |
| Third program / first placement – Fifth placement | 250,000 | 107.20% CDI | June 2013 | 260,590 | 253.355 | 260.590 | 253.355 |
| Sixth placement | 250,000 | CDI + 2% to 3.25% | June 2014 | 113,152 | 109.713 | 113.152 | 109.713 |
| Seventh placement | 600,000 | TR + 8.25% | December 2014 | 613,798 | 598.869 | 613.798 | 598.869 |
| Eighth placement / First placement | 288,427 | CDI + 1.95% | October 2015 | 302,661 | 293.661 | 302.661 | 293.661 |
| Eighth placement / Second placement | 11,573 | IPCA + 7.96% | October 2016 | 12,397 | 11.898 | 12.398 | 11.898 |
| First placement (Tenda) | 600,000 | TR + 8% | April 2014 | - | - | 626.018 | 612.435 |
| | | | | 1,302,598 | 1.267.496 | 1.928.617 | 1.879.931 |
| Current portion | | | | 45,543 | 14.097 | 71.562 | 26.532 |
| Non-Current portion | | | | 1.257.055 | 1.253.399 | 1.857.055 | 1,853.399 |

Current and non-current installments are due as follows:

| Maturity | Individual | | Consolidated | |
|-----------------|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2011 | 12/31/2010 | 03/31/2011 | 12/31/2010 |
| 2011 | 45,543 | 14,097 | 71,561 | 26,532 |
| 2012 | 122,448 | 122,557 | 272,448 | 272,557 |
| 2013 | 422,194 | 422,557 | 722,194 | 722,557 |
| 2014 | 556,963 | 408,707 | 706,963 | 558,707 |
| 2015 onwards | 155,450 | 299,578 | 155,450 | 299,578 |
| | 1,302,598 | 1,267,496 | 1,928,616 | 1,879,931 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

11. Debentures--Continued

The Company has restrictive debenture covenants which limit its ability to perform certain actions, such as the issuance of debt, and that could require the early redemption or refinancing of loans if the Company does not fulfill these.

On July 21, 2009, the Company renegotiated with the debenture holders the restrictive debenture covenants of the Second Program, and obtained the approval for removing the covenant that limited the Company's net debt to R\$ 1,000,000, and increasing the financial flexibility, changing the calculation of the ratio between net debt and equity. As a result of these changes, interest repaid by the Company increased to CDI + 1.3% per year to CDI + 2% to 3.25% per year.

The actual ratios and minimum and maximum amounts stipulated by these restrictive covenants at March 31, 2011 and at December 31, 2010 are as follows:

(A free translation of the original in Portuguese)**Quarterly information - 03/31/2011 – Gafisa S.A.****11. Debentures--Continued**

| | 03/31/2011 | 12/31/2010 |
|---|-------------------|--------------------|
| Fifth placement | | |
| Total debt less SFH debt, less cash and cash equivalents and marketable securities ⁽¹⁾ cannot exceed 75% of equity | 43% | 36% |
| Total accounts receivable plus inventory of finished units required to be 2.2 times over net debt | 4.3 times | 4.6 times |
| Seventh placement | | |
| EBIT ⁽²⁾ balance shall be 1.3 times under the net financial expense | -6.6 times | -10.7 times |
| Total accounts receivable plus inventory of finished units required to be 2.0 times over net debt and debt of projects ⁽³⁾ | 27.4 times | 73.2 times |
| Total debt less debt of projects, less cash and cash equivalents and marketable securities ⁽¹⁾ cannot exceed 75% of equity plus non-controlling interest | 9.6% | 3.5% |
| Eighth placement – first and second placement | | |
| Total accounts receivable plus inventory of finished units required to be 2.0 times over net debt and debt of projects | 27.4 times | 73.2 times |
| Total debt less debt of projects, less cash and cash equivalents and marketable securities ⁽¹⁾ cannot exceed 75% of equity plus non-controlling interest | 9.6% | 3.5% |
| First placement – Tenda | | |
| The EBIT ⁽²⁾ balance shall be 1.3 times over the net financial expense | 5.9 times | 5.7 times |
| The debt ratio shall be > 2 or < 0 and TR + TE > 0 | -10.8 | -11.8 |
| The maximum leverage ratio shall be < or = at 50% | 21% | 21% |

At March 31, 2011, the Company is in compliance with the aforementioned clauses and other non-restrictive clauses.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

11. Debentures--Continued

Expenses for placement of debentures and their effective interest rates are shown below:

| Placement | Transaction cost | Effective interest rate | Cost of transaction to be appropriated |
|-------------------------|------------------|-------------------------|--|
| Fifth placement | 1,179 | 11.66% | 845 |
| | | Series 1: 12.60% | |
| Sixth placement | 2,077 | Series 2: 10.88% | 1,173 |
| Seventh placement | 7,040 | 11.00% | 5,163 |
| | | Series 1: 14.87% | |
| Eight placement | 2,328 | Series 2: 13.54% | 2,523 |
| First placement (Tenda) | 924 | 9.79% | 586 |
| | 13,548 | | 10,289 |
| Current portion | | | 2,139 |
| Non-current portion | | | 8,150 |

12. Payables to venture partners and other

| | Individual | | Consolidated | |
|----------------------------------|------------|----------------|--------------|----------------|
| | 3/31/2011 | 12/31/2010 | 3/31/2011 | 12/31/2010 |
| Payable to venture partners (a) | 300,000 | 300,000 | 380,000 | 380,000 |
| Credit assignments (b) | 33,843 | 37,714 | 80,118 | 88,442 |
| Acquisition of investments | 3,094 | 3,094 | 22,032 | 23,062 |
| Other accounts payable | 44,373 | 42,388 | 117,638 | 72,722 |
| Rescission reimbursement payable | - | - | 11,974 | 31,272 |
| and provisions | | | | |
| SCP dividends | - | - | 5,295 | 24,264 |
| FIDC obligations (b) | - | - | 15,199 | 18,070 |
| Provision for warranty | 22,953 | 22,391 | 41,514 | 39,025 |

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| | | | | |
|----------------------------------|---------|----------------|---------|----------------|
| Deferred Pis and Cofins | 23,390 | - | 64,051 | 29,328 |
| Provision for capital deficiency | 11,972 | 8,227 | - | - |
| | 439,625 | 413,814 | 737,821 | 706,185 |
| Current portion | 104,680 | 105,340 | 206,914 | 149,952 |
| Non-current portion | 334,945 | 308,474 | 530,907 | 556,233 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

12. Payables to venture partners and other--Continued

(a) In relation to the individual financial statements, in January 2008, the Company formed an unincorporated venture (SCP), the main objective of which is to hold interest in other real estate development companies. As of March 31, 2011, the SCP received contributions of R\$ 313,084 (represented by 13,084,000 Class A units of interest fully paid-in by the Company and 300,000,000 Class B units of interest from the other venture partners). The SCP will preferably use these funds to acquire equity investments and increase the capital of its investees. As a result of this operation, due to the prudence and considering that the decision to invest or not is made jointly by all members, thus independent from Company management decision, as of March 31, 2011, payables to venture partners were recognized in the amount of R\$ 300,000 maturing on January 31, 2014. The venture partners receive an annual minimum dividend substantially equivalent to the variation in the Interbank Deposit Certificate (CDI) rate, as of March 31, 2011, the amount accrued totaled R\$ 5,295. The SCP's charter provides for the compliance with certain covenants by the Company, in its capacity as lead partner, which include the maintenance of minimum indices of net debt and receivables. As of March 31, 2011, the SCP and the Company was in compliance with these clauses.

In relation to the consolidated financial statements, in April 2010 subsidiary Alphaville Urbanismo S.A. paid-in the capital of an entity, the main objective of which is the holding of interest in other companies, which shall have as main objective the development and carrying out of real estate ventures. As of March 31, 2011, this entity subscribed capital and paid-in capital reserve amounting to R\$ 161,720 (comprising 81,719,641 common shares held by the Company and 80,000,000 preferred shares held by other shareholders). As a result of this transaction, due to prudence and taking into consideration the rights to which the holders of preferred shares are entitled, such as payment of fixed dividends and redemption, as of March 31, 2011, payables to investors/venture partners are recognized at R\$ 80,000, with final maturity on March 31, 2014. The preferred shares shall pay cumulative fixed dividends, substantially equivalent to the variation of the General Market Prices Index (IGP-M) plus 7.25% p.a., taking into consideration that the first payment was made on March 31, 2011, and there is no amount provisioned on this date. The Company's articles of incorporation sets out that certain matters shall be submitted for approval from preferred shareholders through vote, such as the rights conferred by such shares, increase or reduction in capital, use of profits, set up and use of any profit reserve, and disposal of assets. As of March 31, 2011, the Company is in compliance with the above-described clauses.

(b) Refers to the operation on assignment of receivables portfolio (see Note 5(ii) and (iii)).

13. Provisions for legal claims and commitments

The Company and its subsidiaries are parties to lawsuits and administrative claims at various courts and government agencies that arise from the ordinary course of business, involving tax, labor, civil lawsuits and other matters. Management, based on information provided by its legal counsel and analysis of the pending claims and, with respect to the labor claims, based on past experience regarding the amounts claimed, recognized a provision in an amount considered sufficient to cover probable losses.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

13. Provisions for legal claims and commitments--Continued

In the period ended March 31, 2011, the changes in the provision are summarized as follows:

| Individual | Civil claims | Tax claims | Labor claims | Total Individual |
|---|---------------------|-------------------|---------------------|-----------------------------|
| Balance at December 31, 2010 | 81,153 | 640 | 5,168 | 86,961 |
| Additional provision | 1,257 | 23 | 3,051 | 4,331 |
| Payment and reversal of provision not used | (241) | (14) | (1,658) | (1,913), |
| Balance at March 31, 2011 | 82,459 | 359 | 6,561 | 89,379 |
| Current portion | 9,620 | 359 | 6,561 | 16,540 |
| Non-current portion | 72,839 | - | - | 72,839 |

| Consolidated | Civil claims | Tax claims | Labor claims | Total Consolidated |
|---|---------------------|-------------------|---------------------|-------------------------------|
| Balance at December 31, 2010 | 102,828 | 12,108 | 23,756 | 138,692 |
| Additional provision | 3,121 | 199 | 5,365 | 8,685 |
| Payment and reversal of provision not used | (839) | (14) | (3,143) | (3,996) |
| Balance at March 31, 2011 | 105,110 | 12,293 | 25,978 | 143,381 |
| Current portion | 9,620 | 359 | 6,561 | 16,540 |
| Non-current portion | 95,490 | 11,934 | 19,417 | 126,841 |

(i) Civil, tax and labor claims

(a) As of March 31, 2011, the provisions related to civil claims include R\$72,839 related to lawsuits in which the Company is included as successor in enforcement actions and in which the original debtor is a former shareholder of Gafisa, Cimob Companhia Imobiliária (“Cimob”), among other companies. The

plaintiff understands that the Company should be liable for the debts of Cimob. Some lawsuits, amounting to R\$ 6,402, are backed by guarantee insurance; in addition, there are judicial deposits amounting to R\$63,587, in connection with the restriction of the usage of the Gafisa's bank accounts; and there is the restriction referring to the use of Gafisa's treasury stock to guarantee the enforcement as well.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

13. Provision for legal claims and commitments --Continued

(i) Civil, tax and labor claims --Continued

The Company is filing appeals against all decisions, as it considers that the inclusion of Gafisa in the claims is legally unreasonable; these appeals aim at releasing amounts and obtaining the recognition that it cannot be held liable for the debt of a company that does not have any relationship with Gafisa. The final decision on the Company's appeal, however, cannot be predicted at present.

(b) Subsidiary AUSA is a party to legal and administrative claims related to Federal VAT (IPI) and State VAT (ICMS) on two imports of aircraft in 2001 and 2005, respectively, under leasing agreements without purchase option. The likelihood of loss in the ICMS case is rated by legal counsel as (i) probable in regard to the principal and interest, and (ii) remote in regard to the fine for noncompliance with accessory liabilities. The contingency amount rated by legal counsel as a probable loss reaches R\$11,199 and is provisioned at March 31, 2011.

(c) As of March 31, 2011, the Company was subject to labor lawsuits, which had the most varied characteristics and at various court levels and is awaiting judgment. These claims corresponded to a total maximum risk of R\$100,260. Based on the opinion of the Company's legal counsel and the expected favorable outcome, as well as on the negotiation that shall be made, the provisioned amount is considered sufficient by management to cover expected losses.

The Company and its subsidiaries have judicially deposited the amount of R\$ 79,391 (Company) and R\$ 90,786 (consolidated) in connection with the aforementioned legal claims.

In addition, the Company and its subsidiaries are aware of other claims and civil, labor and tax risks at March 31, 2011 based on the assessment of its legal counsel, in which loss is possible, but not probable, in the approximate amount of R\$220,215, based on the historical average of processes, for which the Company understands that it is not necessary to record a provision for possible losses.

(d) Environmental risk

There are various environmental laws at the federal, state and municipal levels. These environmental laws may result in delays for the Company in connection with adjustments for compliance and other costs, and impede or restrict ventures. Before acquiring a piece of land, the Company assesses all necessary and applicable environmental issues, including the possible existence of hazardous or toxic materials, residual substance, trees, vegetation and the proximity of the land to permanent preservation areas. Therefore, before acquiring land, the Company obtains all governmental approvals, including environmental licenses and construction permits.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

13. Provision for legal claims and commitments --Continued

(i) Civil, tax and labor claims --Continued

In addition, the environmental legislation establishes criminal, civil and administrative sanctions to individuals and legal entities for activities considered as environmental infringements or offense. The penalties include the stop of development activities, loss of tax benefits, confinement and fine.

(ii) Payables related to the completion of real estate ventures

The Company and its subsidiaries are committed to deliver real estate units that will be built in exchange for the acquired land, and to guarantee the release of financing, in addition to guaranteeing the installments of the financing to clients over the construction period.

The Company is also committed to completing units sold and to comply with the Laws regulating the civil construction sector, including the obtainment of licenses from the proper authorities, and compliance with the terms for starting and delivering the ventures, being subject to legal and contractual penalties.

As described in Note 4, at March 31, 2011, the Company and its subsidiaries have resources approved and recorded as financial investments guaranteed which will be released as ventures progress in the total amount of R\$15,183 (Company) and R\$62,547 (consolidated) to meet these commitments.

The Company has obligations arising from commitments to suppliers for future delivery regarding the purchase of materials to be used in the construction process of units.

14. Obligations for purchase of land and advances from clients

| | Individual | | Consolidated | |
|----------------------------------|-------------------|-------------------|---------------------|-------------------|
| | 3/31/2011 | 12/31/2010 | 3/31/2011 | 12/31/2010 |
| Obligations for purchase of land | 170,268 | 126,093 | 399,019 | 370,482 |
| Adjustment to present value | (10,247) | (15,905) | (21,392) | (16,796) |
| Advances from clients | | | | |
| Development and sales | 29,131 | 18,086 | 158,068 | 158,145 |
| Barter transaction – land | 36,910 | 41,018 | 90,687 | 86,228 |
| | 226,062 | 169,292 | 626,382 | 598,059 |
| Current portion | 146,109 | 126,294 | 438,462 | 420,199 |
| Non-current portion | 79,953 | 42,998 | 187,920 | 177,860 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

14. Payables for purchase of land and advances from customers--Continued

The present value adjustment accreted to real estate development operating costs mentioned in Note 5(i) to the financial statements at December 31, 2010, recognized in costs of properties for sale in the period ended March 31, 2011 amount to R\$(19) (Company) and R\$(85) (consolidated).

15. Equity

15.1 Capital

As of March 31, 2011, the Company's authorized and paid-in capital totaled R\$2,730,787, represented by 431,983,717 registered common shares without par value, of which 599,486 were held in treasury.

In the period ended March 31, 2011 there was no change in common shares held in treasury.

Treasury shares - 3/31/2011

| | | | | | |
|-------------------------|---------------|----------------------|--------------------|---------------------|-----------------|
| Symbol | GFSA3 | | | | |
| Class | - | | | | |
| Type | Common | R\$ | % | R\$ thousand | R\$ thousand |
| | | Weighted | % on shares | | Carrying |
| Acquisition date | Number | average price | outstanding | Market value | amount |
| 11/20/2001 | 599,486 | 2,8880 | 0.14% | 6,187 | 1,731 |

(*) Market value calculated based on the closing share price at March 31, 2011 of R\$ 10.32.

The Company holds shares in treasury in order to guarantee the performance of claims (Note 13).

According to the Company's articles of incorporation, capital may be increased without the need to make amendments to it, upon resolution of the Board of Directors, which shall set the conditions for issuance until the limit of 600,000,000 (six hundred million) preferred shares.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.1 Capital--Continued

In March 2010, the Company completed an initial public offering of common shares, resulting in a capital increase of R\$ 1,063,750 with the issuance of 85,100,000 shares, comprising 46,634,420 shares in Brazil and 38,465,580 ADS's.

On May 27, 2010, the increase in capital was approved in the amount of R\$20,282 with the issuance of 9,797,792 shares, arising from the acquisition of Shertis' shares (Note 1).

During the period ended March 31, 2011, the increase in capital by R\$1,589, was approved, related to the stock option plan and the exercise of 468,342 common shares.

On April 29, 2011, the distribution of minimum mandatory dividends for 2010 in the amount of R\$ 98,812 was approved.

The change in the number of outstanding shares was as follows:

| | Common shares – in thousands |
|--------------------------|-------------------------------------|
| December 31, 2010 | 430,915 |
| Exercise of stock option | 468 |
| March 31, 2011 | 431,383 |
| Treasury shares | 600 |

Authorized shares at March 31, 2010

431,983

15.2 Allocation of net income for the year

Pursuant to the Company's articles of incorporation, net income for the year was allocated as follows: (i) 5% to legal reserve, reaching up to 20% of capital stock or when the legal reserve balance plus that of capital reserves is in excess of 30% of capital stock, and (ii) 25% of the remaining balance to pay mandatory dividends.

Pursuant to Article 36 of the Company's articles of incorporation, amended on March 21, 2007, the setting up of a statutory reserve was required. Accordingly, the setting up of such reserve shall be carried out at an amount not in excess of 71.25% of net income, with the purpose of financing the expansion of the Company and its subsidiaries operations, including through subscription of capital increases or creation of new ventures, in consortia or other types of partnership in order to fulfill corporate objective.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans

The expenses arising from the granting of stocks recorded for the quarter ended March 31, 2011 are as follows:

| | 3/31/2011 | 3/31/2010 | |
|------------|--------------|-----------|--------------|
| Gafisa | 2,536 | | 2,228 |
| Tenda | 533 | | 955 |
| Alphaville | 274 | | - |
| | 3,363 | | 3,183 |

(i) Gafisa

Company Management uses the Binomial and Monte Carlo models for pricing the options granted because of its understanding that these models are capable of including and calculating with a wider range the variables and assumptions comprising the plans of the Company.

A total of six stock option plans are offered by the Company. The first plan was launched in 2000 and is managed by a committee that periodically creates new stock option plans, determining their terms, which, among other things, (i) define the length of service that is required for employees to be eligible to the benefits of the plans, (ii) select the employees that will be entitled to participate, and (iii) establish the purchase prices of the shares to be exercised under the plans.

To be eligible for the 2006 and 2007 plans, employees are required to contribute at least 70% of the annual bonus received to exercise the options, under penalty of losing the right to exercise all options of

subsequent lots.

The Company and its subsidiaries record the amounts received from employees in an account of advances in liabilities. No advances were received in the period ended March 31, 2011.

The stock option may be exercised in one to five years subsequent to the initial date of the work period established in each of the plans. The shares are usually available to employees over a period of ten years after their contribution.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Sock option plans--Continued

(i) Gafisa--Continued

The Company and its subsidiaries may decide to issue new shares or transfer the treasury shares to the employees in accordance with the clauses established in the plans. The Company and its subsidiaries have the right of first refusal on shares issued under the plans in the event of dismissal and retirement. In such cases, the amounts advanced are returned to the employees, in certain circumstances, at amounts that correspond to the greater of the market value of the shares (as established in the rules of the plans) and the amount inflation-indexed (IGP-M) plus annual interest at 3%.

In 2008, the Company and its subsidiaries issued a new stock option plan. In order to become eligible for the grant, employees are required to contribute from 25% to 80% of their annual net bonus to exercise the options within 30 days from the program date.

On June 26, 2009, the Company issued a new stock option plan for granting 1,300,000 options. In addition, the exchange of the 2,740,000 options of the 2007 and 2008 plans for 1,900,000 options granted under this new stock option plan was approved. The incremental fair value granted as result of such modification is R\$ 3,529, recognized at the extent services are provided by employees and management members.

The assumptions adopted for calculating the fair value to be used in the recognition of the stock option plan for 2009 were the following: expected volatility of 40% p.a., expected dividends on shares of 1.91%, and risk-free interest rate at 8.99% p.a. The volatility was set based on the regression analysis of the relation between return on Gafisa's shares and that of Ibovespa.

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Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(i) Gafisa--Continued

On December 17, 2009, the Company issued a new stock option plan for granting 140,000 options. In addition, the exchange of the 512,280 options of the 2007 plan was approved for 402,500 options granted under this new stock option plan. The incremental fair value granted as result of these modifications is R\$ 6,824. The assumptions made in the calculation of incremental value were as follows: expected volatility at 40%, expected dividends on shares at 1.91%, and risk-free interest rate at 8.99%.

On August 4, 2010, a new stock option plan was issued by the Company for granting a total of 626,061 options. The assumptions adopted in the recognition of the stock option plan for 2010 were the following: expected volatility at 40%, expected dividends at 1.08%, and risk-free interest rate at 10.64%. The volatility was determined based on the regression analysis of the relation between the estimated volatility of Gafisa and that of Ibovespa.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(i) Gafisa--Continued

The changes in the number of stock options and corresponding weighted average exercise prices are as follows:

| | 2011 | Weighted average exercise price | 2010 | Weighted average exercise price |
|---|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | Number of options (ii) | | Number of options (ii) | |
| Options outstanding at the beginning of the year | 8,787,331 | 11.97 | 10,245,394 | 12.18 |
| Transfer of options of Tenda plans | - | - | 2,338,380 | 4.39 |
| Options granted | - | - | 626,061 | 12.10 |
| Options exercised (i) | (468,342) | 3.39 | (2,463,309) | 8.30 |
| Options exchanged | - | - | - | - |
| Options expired | - | - | - | - |
| Options forfeited | (1,492,148) | 10.75 | (1,959,195) | 4.54 |
| Options outstanding at the end of the year/period | 6,826,841 | 12.66 | 8,787,331 | 11.97 |
| Options exercisable at the end of the year/period | 672,963 | 13.14 | 1,364,232 | 12.18 |

(i) In the periods ended December 31, 2010 and 2009, the amount received through exercised options was R\$17,891 and R\$9,736, respectively.

(ii) The number of options considers the split of shares approved on February 22, 2010.

The analysis of prices is as follows, considering the split of shares on February 22, 2010:

| | Reais | |
|---|-------------------|-------------------|
| | 2011 | 2010 |
| Exercise price per option at the end of the period | 4.57-22.79 | 4.57-22.79 |
| Weighted average exercise price at the option grant date | 10.36 | 10.36 |
| Weighted average market price per share at the grant date | 10.10 | 10.10 |
| Market price per share at the end of the period | 10.32 | 12.04 |

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(i) Gafisa--Continued

The options granted will confer on their holders the right to subscribe the Company's shares, after completing one to five years of employment with the Company (strict conditions on exercise of options), and will expire after ten years from the grant date.

The dilution percentage at March 31, 2011 stood at 0.4% corresponding to earnings after dilution of R\$0.0316 (R\$0.0317 before dilution).

In the period ended March 31, 2011 the Company recognized the amounts of R\$2,536 (Company), and R\$3,363 (consolidated), as operating expenses. The amounts recognized in the Company are recorded in capital reserve in equity.

(ii) Tenda

Subsidiary Tenda has a total of three stock option plans - the first two were approved in June 2008, and the other one in April 2009. These plans, limited to maximum 5% of total capital shares and approved by the Board of Directors, stipulate the general terms, which, among other things, (i) define the length of service that is required for employees to be eligible to the benefits of the plans, (ii) select the employees that will be entitled to participate, and (iii) establish the purchase prices of the preferred shares to be exercised under the plans.

In June 2008, a stock option plan was issued by the Company for granting 1,090,000 options. The assumptions used in estimating the fair value that will base the recognition of the stock option plan for 2008 were as follows: expected volatility at 81.5% per year, without dividends expected on the shares, and risk-free interest rate at 8.65%.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(ii) Tenda--Continued

In April 2009, two stock option plans were issued by the Company for granting 3,500,000 options under plan 1, and 1,350,712 options under plan 2. The assumptions used in estimating the fair value that will base the recognition of stock option plan 1 for 2009 were as follows: expected volatility at 81.5% per year, without dividends expected on the shares, and risk-free interest rate at 8.82%. The assumptions used in estimating the fair value that will base the recognition of the stock option plan 2 for 2009 were as follows: expected volatility at 81.5% p.a., expected dividends on shares at 1.91%, and risk-free interest rate at 8.60%.

In the option granted in 2008, when exercising the option the base price will be adjusted according to the market value of shares, based on the average price in the 20 trading sessions prior to the commencement of each annual exercise period. The exercise price is adjusted according to a fixed table of values, according to the share value in the market, at the time of the two exercise periods for each annual lot. The stock option may be exercised by beneficiaries, who shall partially use their annual bonuses, as awarded, in up to 10 years subsequent to the initial date of the work period established in each of the plans. The shares are usually available to employees over a period of two to five years after their contribution.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(ii) Tenda--Continued

In the period ended March 31, 2011 Tenda recorded stock option plan expenses amounting to R\$553.

Due to the acquisition by Gafisa of the total shares outstanding issued by Tenda (Note 8), the stock option plans related to Tenda shares were transferred to the Company Gafisa, responsible for share issuance. At March 31, 2011, the amount of R\$12,544, related to the reserve for granting options of Tenda is recognized under the heading other accounts receivable in current accounts related to real estate ventures of Gafisa.

(iii) AUSA

Subsidiary AUSA has three stock option plans - the first one launched in 2007, which was approved on June 26, 2007 at the Annual Shareholders' Meeting and the Board of Directors' Meetings.

On June 1, 2010, two new stock option plans were issued by the Company for granting a total of 738 options. The assumptions adopted in the recognition of the stock option plan for 2010 were the following: expected volatility at 40% and risk-free interest rate at 9.39%. The volatility was determined based on the regression analysis of the relation between the estimated volatility of Gafisa and that of Ibovespa.

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

15. Equity--Continued

15.3 Stock option plans--Continued

(iii) AUSA--Continued

The changes in the number of stock options and their corresponding weighted average exercise prices for the year are as follows:

| | Number of options | 2011 Weighted average exercise price - Reais | Number of options | 2010 Weighted average exercise price - Reais |
|---|----------------------|--|----------------------|--|
| Options outstanding at the beginning of the year | 1,932 | 8,012,12 | 1,557 | 6,469,28 |
| Options granted | - | - | 738 | 10,477,60 |
| Options exercised | - | - | (46) | 7,612,44 |
| Options forfeited /sold | - | - | (317) | 7,612,44 |
| Options outstanding at the end of the year/period | 1,932 | 8,012,12 | 1,932 | 8,012,12 |

The dilution percentage at March 31, 2010 stood at 0.0003%, corresponding to earnings per share after dilution of R\$233.4079 (R\$233.4086 before dilution).

The market value of each option granted was estimated at the grant date using the Binomial option pricing model.

AUSA recorded expenses for the stock option plan amounting to R\$174 in the period ended March 31, 2011.

60

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Quarterly information - 03/31/2011 – Gafisa S.A.

16. Income tax and social contribution

(i) Current income tax and social contribution

The reconciliation of the effective tax rate for the period ended March 31, 2011 and 2010 is as follows:

| | Consolidated | |
|--|---------------------|-------------------|
| | 03/31/2011 | 03/31/2010 |
| Profit before income and social contribution taxes, and statutory interest | 22,612 | 92,053 |
| Income tax calculated at the applicable rate – 34% | (7,688) | (31,298) |
| Net effect of subsidiaries whose taxable profit is calculated as a percentage of gross sales | 7,332 | 15,152 |
| Tax losses carryforwards (utilized) | 91 | 10 |
| Stock option plan | (1,143) | (1,082) |
| Other permanent differences | (3,293) | (5,271) |
| Unrecorded tax assets | 2,855 | - |
| Total current and deferred tax expenses | (1,847) | (22,489) |

(ii) Deferred income tax and social contribution

Deferred income tax and social contribution are recorded to reflect the future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their respective carrying amounts.

The Company recognized tax assets on losses on income tax and social contribution carryforwards for prior years, which do not have maturity term, and which offset is limited to 30% of annual taxable profit, as

whose taxable profit is likely to be available for offsetting temporary differences.

The carrying amount of a deferred tax asset is periodically reviewed, and the projections are annually reviewed, in case there are significant factors that may modify the projections, the latter having been reviewed during the year by the Company and approved by the Fiscal Council.

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Quarterly information - 03/31/2011 – Gafisa S.A.

16. Deferred income and social contribution taxes--Continued

(ii) Deferred income and social contribution taxes--Continued

Deferred income and social contribution taxes are from the following sources:

| | Individual | | Consolidated | |
|---|-------------------|-------------------|---------------------|-------------------|
| | 3/31/2011 | 12/31/2010 | 3/31/2011 | 12/31/2010 |
| Assets | | | | |
| Provisions for contingencies and other temporary differences | 99,653 | | 113,827 | 168,957 |
| Income and social contribution tax loss carryforwards | 36,195 | | 27,210 | 154,310 |
| Tax credits from downstream acquisition | - | | - | 7,472 |
| | 135,848 | | 141,037 | 330,739 |
| | | | | 337,804 |
| Liabilities | | | | |
| Negative goodwill | 90,101 | | 90,101 | 90,101 |
| Temporary differences | 11,805 | | 10,458 | 24,789 |
| Differences between income taxed on cash basis and recorded on an accrual basis | 61,843 | | 65,453 | 276,797 |
| | 163,749 | | 166,012 | 391,687 |
| | | | | 424,409 |

At March 31, 2011, the amount R\$19,354 in deferred income and social contribution taxes regarding the taxation of income between cash and accrual basis in the short term are classified in the heading tax obligations.

The Company calculates its taxes based on the recognition of results proportionally to the receipt of the contracted sales, in accordance with the tax rules determined by the Brazilian IRS (SRF) Revenue Procedure No. 84/79, which differs from the calculation of the accounting revenues based on the costs incurred versus total estimated cost. The tax basis will crystallize over an average period of four years as

cash inflows arise and corresponding projects are concluded.

Gafisa has not recorded a deferred income tax asset on the tax losses and social contribution tax loss carryforwards in the amount of R\$10,105, which are under the taxable profit regime, and do not have a history of taxable profit over the last three years, except in subsidiary Tenda.

Management considers that deferred tax assets arising from temporary differences will be realized as the contingencies and events are settled.

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Quarterly information - 03/31/2011 – Gafisa S.A.

16. Deferred income and social contribution taxes--Continued

(ii) Deferred income and social contribution taxes--Continued

Based on estimated future taxable profit of Gafisa, the expected recovery of the deferred income tax and social contribution loss carryforwards of the Company and its subsidiary Tenda is:

| | Individual | Consolidated |
|-------|---------------|----------------|
| 2011 | - | 6,597 |
| 2012 | - | 16,785 |
| 2013 | - | 23,011 |
| 2014 | 7,937 | 31,282 |
| 2015 | 10,394 | 40,965 |
| Other | 17,864 | 35,670 |
| Total | 36,195 | 154,310 |

17. Financial instruments

The Company and its subsidiaries participate in operations involving financial instruments. These instruments are managed through operational strategies and internal controls aimed at liquidity, return and safety. The use of financial instruments with the objective of hedging is made through a periodical analysis of exposure to the risk that the management intends to cover (exchange, interest rate, etc) which is approved by the Board of Directors for authorization and performance of the proposed strategy. The policy on control consists of permanently following up the contracted conditions in relation to the conditions prevailing in the market. The Company and its subsidiaries do not invest for speculation in derivatives or any other risky assets. The result from these operations is consistent with the policies and strategies devised by Company management. Company and its subsidiaries operations are subject to the risk factors described below:

(i) Risk considerations

a) *Credit risk*

The Company and its subsidiaries restrict their exposure to credit risks associated with cash and cash equivalents, investing in financial institutions considered highly rated and in short-term securities.

63

(A free translation of the original in Portuguese)

Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments --Continued

(i) Risk considerations--Continued

a) *Credit risk*--Continued

With regards to accounts receivable, the Company restricts its exposure to credit risks through sales to a broad base of customers and ongoing credit analysis. Additionally, there is no history of losses due to the existence of liens for the recovery of its products in the cases of default during the construction period. As of March 31, 2011, there was no significant credit risk concentration associated with clients.

b) *Derivative financial instruments*

The Company adopts the policy of participating in operations involving derivative financial instruments with the objective of mitigating or eliminating currency risks, when considered necessary.

As of March 31, 2011, the Company did not have derivative financial instruments with hedge or speculation objectives, except for the operation that is part of the portfolio of the Arena exclusive investment fund, as disclosed in Note 4.2.

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments--Continued

(i) Risk considerations--Continued

c) *Interest rate risk*

This arises from the possibility that the Company and its subsidiaries earn gains or incur losses because of fluctuations in the interest rates of its financial assets and liabilities. Aiming at mitigating this kind of risk, the Company and its subsidiaries seek to diversify funding in terms of fixed and floating rates. The interest rates on loans, financing and debentures are disclosed in Notes 10 and 11. The interest rates contracted on financial investments are disclosed in Note 4. Accounts receivable from real estate units delivered, as disclosed in Note 5, are subject to annual interest rate of 12%, appropriated on pro rata basis.

d) *Liquidity risk*

The liquidity risk consists of the possibility that the Company and its subsidiaries do not have sufficient funds to meet their commitments in view of settlement terms of their rights and obligations.

To mitigate the liquidity risks and optimize the weighted average cost of capital, the Company and its subsidiaries permanently monitor the indebtedness levels according to the market standards and the fulfillment of covenants provided for in loan, financing and debenture agreements, in order to guarantee that the operating-cash generation and the advance funding, when necessary, are sufficient to maintain the schedule of commitments, not posing liquidity risk to the Company or its subsidiaries.

The maturities of financial instruments, loans, financing, suppliers and debentures are as follows:

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| Period ended March 31, 2011 | Less than | | | More than | Total |
|--------------------------------|-----------|--------------|--------------|-----------|-----------|
| | 1 year | 1 to 3 years | 3 to 5 years | 5 years | |
| Loans and financing | 838,344 | 324,498 | 197,209 | - | 1,360,041 |
| Debentures | 71,562 | 994,692 | 862,412 | - | 1,928,616 |
| Suppliers | 188,377 | - | - | - | 188,377 |
| | 1,098,283 | 1,319,190 | 1,059,621 | - | 3,477,094 |

65

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments--Continued

(i) Considerations on risks--Continued

d) *Liquidity risk*--Continued

Fair value classification

The Company uses the following classification to determine and disclose the fair value of financial instruments by the valuation technique:

Level 1: quoted prices (without adjustments) in active markets for identical assets or liabilities;

Level 2: other techniques for which all data that may have a significant effect on the recognized fair value is observable, direct or indirectly.

Level 3: techniques that use data which has significant effect on the recognized fair value, not based on observable market data.

The classification level of fair value for financial instruments measured at fair value through profit or loss of the Company, presented in the financial statements for the period ended March 31, 2011 is as under:

| Individual | | | Consolidated | | |
|---------------------------|---------|---------|--------------|---------|---------|
| Fair value classification | | | | | |
| Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |

Financial assets

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| | | | | |
|-----------------------|---|-----------|---|-----------|
| Cash equivalents | - | 3,433 - | - | 14,848 - |
| Marketable securities | - | 326,369 - | - | 698,277 - |

In the period ended March 31, 2011, there were no transfers between the levels 1 and 2 fair value valuation or transfers between levels 3 and 2 fair value valuation. As permitted by IFRS1/CPC 37, the Company did not disclose any comparative information on fair value classification or liquidity disclosures.

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments --Continued

(ii) Fair value of financial instruments

a) *Fair value measurement*

The following estimate fair values were determined using available market information and proper measurement methodologies. However, a considerable amount of judgment is necessary to interpret market information and estimate fair value. Accordingly, the estimates presented in this document are not necessarily indicative of amounts that the Company could realize in the current market. The use of different market assumptions and/or estimates methodology may have a significant effect on estimated fair values.

The following methods and assumptions were used in order to estimate the fair value for each financial instrument type for which the estimate of values is practicable:

(i) The amounts of cash and cash equivalents, marketable securities, accounts receivable and other receivables and suppliers, and other current liabilities approximate their fair values, recorded in the financial statements.

(ii) The fair value of bank loans and other financial debts is estimated through future cash flows discounted using rates that are annually available for similar and outstanding debts or terms.

See below the carrying amounts and fair values of financial assets and liabilities at March 31, 2011:

Consolidated

Carrying

3/31/2011

Carrying

12/31/2010

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| | amount | Fair value | amount | Fair value |
|---|------------------|-------------------|------------------|-------------------|
| Financial assets | | | | |
| Cash and cash equivalents | 228,700 | 228,700 | 256,382 | 256,382 |
| Marketable securities | 698,277 | 698,277 | 944,766 | 944,766 |
| Trade accounts receivable, net current portion | 3,357,761 | 3,357,761 | 3,159,459 | 3,159,459 |
| Trade accounts receivable, net non-current portion | 2,106,770 | 2,106,770 | 2,111,929 | 2,111,929 |
| Financial liabilities | | | | |
| Loans and financing | 1,360,041 | 1,363,302 | 1,410,178 | 1,412,053 |
| Debentures | 1,928,616 | 1,929,262 | 1,879,931 | 1,890,299 |
| Materials and service suppliers | 188,377 | 188,377 | 190,461 | 190,461 |

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments --Continued

(i) Capital stock management

The objective of the Company's capital stock management is to guarantee a strong credit rating is maintained in institutions and an optimum capital ratio, in order to support Company business and maximize value to shareholders.

The Company controls its capital structure by making adjustments to current economic conditions. In order to maintain its structure adjusted, the Company may pay dividends, return on capital of shareholders, raise new loans and issue debentures.

There were no changes in objectives, policies or procedures during the periods ended March 31, 2011 and 2010.

The Company included in its net debt structure: loans and financing, debentures and payables to venture partners less cash and cash equivalents and marketable securities (cash and cash equivalents, marketable securities and restricted cash in guarantee to loans):

| | Individual | | Consolidated | |
|---|------------|------------|--------------|-------------|
| | 3/31/2011 | 12/31/2010 | 3/31/2011 | 12/31/2010 |
| Loans and financing (Note 10) | 826,499 | 897,003 | 1,360,041 | 1,410,177 |
| Debentures (Note 11) | 1,302,598 | 1,267,496 | 1,928,616 | 1,879,931 |
| Payables to venture partners (Note 12) | 300,000 | 300,000 | 380,000 | 380,000 |
| (-) Cash and cash equivalents and marketable securities | (339,986) | (557,387) | (926,977) | (1,201,148) |
| Net debt | 2,089,111 | 1,907,112 | 2,741,680 | 2,468,960 |
| Equity | 3,740,618 | 3,722,235 | 3,740,618 | 3,783,669 |

| | | | | |
|---------------------|------------------|-----------|------------------|-----------|
| Equity and net debt | 5,829,729 | 5,629,347 | 6,482,298 | 6,252,629 |
|---------------------|------------------|-----------|------------------|-----------|

(ii) Sensitivity analysis

The chart below shows the sensitivity analysis of financial instruments describing the risks that may incur material losses to the Company, considering the most probable scenario (scenario I), according to the assessment made by the Company. In addition, two other scenarios are described as provided for by CVM, through Rule No. 475/08, in order to show a deterioration of 25% and 50% in the risk variable considered, respectively (scenarios II and III).

68

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments --Continued

(iv) Sensitivity analysis--Continued

At March 31, 2011, the Company has the following financial instruments:

- a) Financial investments, loans and financing, and debentures linked to Interbank Deposit Certificates (CDI's)
- b) Loans and financing and debentures linked to the Referential Rate (TR)
- c) Trade accounts receivable and properties for sale, linked to the National Civil Construction Index (INCC).

The scenarios considered were as follows:

Scenario I: Probable – management considered a 50% increase in the variables used for pricing

Scenario II: Possible – 25% increase/decrease in the risk variables used for pricing

Scenario III: Remote – 50% decrease in the risk variables used for pricing

The chart below shows the sensitivity analysis of financial instruments describing the risks that may incur material losses to the Company, considering the most probable scenario (scenario I), according to the assessment made by Management. In addition, two other scenarios are described as provided for by CVM, through Rule No. 475/08, in order to show deterioration of 25% and 50% in the risk variable considered, respectively (scenarios II and III).

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Quarterly information - 03/31/2011 – Gafisa S.A.

17. Financial instruments--Continued(iv) Sensitivity analysis--Continued

As of March 31, 2011:

| Instrument | Risk | Scenario | | | | |
|------------------------------|-------------------|---------------|------------|----------|-------------|-----------|
| | | I Expected | II Drop | High | III Drop | |
| Financial investments | High/drop of CDI | | 28,117 | (14,059) | 14,059 | (28,117) |
| Loans and financing | High/drop of CDI | | (31,475) | 15,738 | (15,738) | 31,475 |
| Debentures | High/drop of CDI | | (64,734) | 32,367 | (32,367) | 64,734 |
| Net effect of CDI variation | | | (68,092) | 34,046 | (34,046) | 68,092 |
| Loans and financing | High/drop of TR | | (5,452) | 2,726 | (2,726) | 5,452 |
| Debentures | High/drop of TR | | (4,829) | 2,415 | (2,415) | 4,829 |
| Net effect of TR variation | | | (10,281) | 5,141 | (5,141) | 10,281 |
| Loans and financing | High/drop of IPCA | | (370) | 185 | (185) | 370 |
| Net effect of IPCA variation | | | (370) | 185 | (185) | 370 |
| Customers | High/drop of INCC | | 109,034 | (54,517) | 54,517 | (109,034) |
| Inventory | High/drop of INCC | | 64,923 | (32,462) | 32,462 | (64,923) |
| Net effect of INCC variation | | | 173,957 | (86,979) | 86,979 | (173,957) |

As of December 31, 2010:

| Instrument | Risk | Scenario | | | | |
|-----------------------|------------------|---------------|------------|----------|-------------|----------|
| | | I Expected | II Drop | High | III Drop | |
| Financial investments | High/drop of CDI | | 41,219 | (20,609) | 20,609 | (41,219) |
| Loans and financing | High/drop of CDI | | (31,913) | 15,956 | (15,956) | 31,913 |
| Debentures | High/drop of CDI | | (31,785) | 15,892 | (15,892) | 31,785 |

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| | | | | | |
|-----------------------------|-------------------|----------|----------|----------|-----------|
| Net effect of CDI variation | | (22,479) | 11,239 | (11,239) | 22,479 |
| Loans and financing | High/drop of TR | (6,151) | 3,076 | (3,076) | 6,151 |
| Debentures | High/drop of TR | (10,177) | 5,089 | (5,089) | 10,177 |
| Net effect of TR variation | | (16,328) | 8,165 | (8,165) | 16,328 |
| Loans and financing | High/drop of IPCA | (334) | 167 | (167) | 334 |
| Net effect of IPCA | | | | | |
| variation | | (334) | 167 | (167) | 334 |
| Customers | High/drop of INCC | 113,759 | (56,880) | 56,880 | (113,759) |
| Inventory | High/drop of INCC | 56,323 | (28,161) | 28,161 | (56,323) |
| Net effect of INCC | | | | | |
| variation | | 170,082 | (85,041) | 85,041 | (170,082) |

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Quarterly information - 03/31/2011 – Gafisa S.A.

18. Related parties**18.1 Balances with related parties**

The balances between parent and controlled companies are realized under conditions and prices established between the parties.

| Current account | Individual | | Consolidated | | |
|--|------------|---------------|---------------|----------------|---------------|
| | 3/31/2011 | 12/31/2010 | 3/31/2011 | 12/31/2010 | |
| Condominium and consortium (c) | | 11,929 | 16,767 | 11,929 | 16,767 |
| Purchase/sale of interest (a) | | 19,236 | 18,809 | (25,891) | (26,318) |
| Current account – SPEs | | | | | |
| Alphaville Urbanismo S.A. (consolidated) | | - | - | 6,111 | 8,111 |
| Construtora Tenda (consolidated) | | 12,989 | 11,989 | 38,676 | 15,709 |
| Gafisa SPE-91 Emp Imob Ltda. | | 11,174 | 13,422 | 13,819 | 13,422 |
| Gafisa SPE-93 Emp Imob Ltda. | | 2,680 | 2,679 | - | - |
| Gafisa SPE-94 Emp Imob Ltda. | | 3,097 | 3,096 | - | - |
| Gafisa SPE-95 Emp Imob Ltda. | | 1,096 | 1,095 | - | - |
| Gafisa SPE-96 Emp Imob Ltda. | | 1,658 | 1,657 | - | - |
| Gafisa SPE-97 Emp Imob Ltda. | | 2,354 | 2,353 | - | - |
| Gafisa SPE-98 Emp Imob Ltda. | | 2,247 | 2,246 | - | - |
| Gafisa SPE-99 Emp Imob Ltda. | | 2,348 | 2,347 | - | - |
| Gafisa SPE-103 Emp Imob Ltda. | | 2,454 | 2,453 | - | - |
| Sítio Jatiúca SPE Empreend. Imob. Ltda. | | 3,346 | 3,346 | 8,579 | 8,579 |
| Gafisa SPE-110 Empr Imob Ltda. | | 1,707 | 2,517 | 11 | 1 |
| Gafisa SPE-112 Empr Imob Ltda. | | 5,939 | 7,282 | 630 | 1 |
| Jardins da Barra Des. Imob. | | 4,891 | 4,891 | 125 | - |
| Gafisa SPE 46 Empreend. Imob. Ltda. | | (1,003) | (1,663) | 3,454 | 3,894 |
| Blue I SPE Empreend. Imob. Ltda. | | (5,071) | 725 | 86 | 86 |
| Gafisa SPE-50 Empr. Imob. Ltda. | | (21,878) | (588) | 28 | (121) |
| Other, net | | (4,549) | 1,582 | 29,441 | 16,440 |
| Total SPEs (d) | | 25,479 | 61,429 | 100,960 | 66,122 |

| | | | | |
|--------------------------------|--------|---------|---------|--------|
| Third party's works (b) | 19,771 | 18,624 | 19,771 | 18,625 |
| Grand total (d) | 76,415 | 115,629 | 106,769 | 75,196 |

(a) The balance purchase and sale of interest is mainly composed of the following: (i) transfer of units of interest from subsidiary Cotia to Tenda, on June 29, 2009, when the Private Instrument for Assignment and Transfer of Quotas and Other Covenants was entered into, in which Gafisa assigns and transfers to Tenda 41,341,895 quotas of Cotia1 Empreendimento Imobiliário for the net book value of R\$ 41,342 payable through March 2013, plus interest and monetary adjustment; and (ii) the purchase of 70% interest in subsidiary Cipesa (Note 8) for R\$25,000.

(b) Refers to operations in third-party's works.

(c) Refers to transactions between the consortium leader and partners and condominiums.

(d) The nature of the operations with related parties is described in Note 7.

According to Note 7, in the period ended March 31, 2011 the recognized financial income from interest on loans amounted to R\$1,073 in the Company (2010 – R\$745).

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Quarterly information - 03/31/2011 – Gafisa S.A.

18. Related parties--Continued

18.2 Transactions with related parties--Continued

The information regarding management transactions and compensation is described in Note 21.

18.3 Endorsements, guarantees and sureties

The financial transactions of the wholly-owned subsidiaries or special purpose entities of the Company have the endorsement or surety in proportion to the interest of the Company in the capital stock of such companies, except for certain specific cases in which the Company provides guarantees for its partners. At March 31, 2011 the guarantees provided for partners amounted to R\$ 1,455,610.

19. Net operating revenue

| | Individual | Consolidated | | |
|---|-------------------|---------------------|------------------|------------------|
| | 3/31/2011 | 3/31/2010 | 3/31/2011 | 3/31/2010 |
| Gross operating revenue | | | | |
| Real estate development, sale and barter transactions | 277,802 | 419,561 | 859,889 | 930,999 |
| Construction services | 3,428 | 7,208 | 8,207 | 7,877 |
| Taxes on services and revenues | (30,082) | (13,078) | (67,740) | (31,291) |
| Net operating revenue | 251,148 | 413,691 | 800,356 | 907,585 |

20. Financial income

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| | Individual | Consolidated | | |
|--|-------------------|---------------------|------------------|------------------|
| | 3/31/2011 | 3/31/2010 | 3/31/2011 | 3/31/2010 |
| Income from financial investments | 9,947 | 13,080 | 17,656 | 21,904 |
| Financial income on loan | 1,073 | 745 | 1,640 | 745 |
| Other interest income | 31 | 290 | 1,068 | 470 |
| Other financial income | 90 | 526 | 4,300 | 810 |
| Financial income | 11,141 | 14,641 | 24,664 | 23,929 |
| Interest on funding, net of capitalization | (23,838) | (35,068) | (41,244) | (51,584) |
| Amortization of debenture cost | (628) | (436) | (711) | (819) |
| Payables to venture partners | - | - | (8,187) | (6,405) |
| Banking expenses | (2,187) | (1,840) | (4,468) | (2,952) |
| Other financial expenses | (2,273) | (1,775) | (1,052) | (1,842) |
| Financial expenses | (28,926) | (39,119) | (55,662) | (63,602) |

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Quarterly information - 03/31/2011 – Gafisa S.A.

21. Transactions with management and employees

(i) Management compensation

The amounts recorded in general and administrative expenses in the periods ended March 31, 2011 related to the compensation of the Company's key management personnel are as follows:

| | Board of Directors | Fiscal Council | Statutory Board | Total | |
|------------------------------------|-------------------------------|---------------------------|------------------------|--------------|--|
| Number of members | 6 | 3 | 6 | 15 | |
| Annual fixed compensation (in R\$) | 238 | 34 | 706 | 978 | |
| Salary / Fees | 238 | 34 | 649 | 921 | |
| Direct and indirect benefits | - | - | 56 | 56 | |
| Other | - | - | - | - | |
| Variable compensation (in R\$) | - | - | - | - | |
| Bonus | - | - | - | - | |
| Profit sharing | - | - | - | - | |
| Post-employment benefits | - | - | - | - | |
| Share-based payment | - | - | - | - | |
| Monthly compensation (in R\$) | 79 | 11 | 235 | 326 | |
| Total compensation | 238 | 34 | 706 | 978 | |

The annual aggregate amount to be distributed among the Company's key management personnel for 2011, as fixed and variable compensation is R\$ 12,345 according to the Annual Shareholders' Meeting held on April 29, 2011.

(ii) Profit sharing

The Company has a profit sharing plan that entitles its employees and those of its subsidiaries to participate in the distribution of profits of the Company that is tied to a stock option plan, the payment of dividends to shareholders and the achievement of specific targets, established and agreed-upon at the beginning of each year. As of March 31, 2011, the Company recorded a provision for profit sharing amounting to R\$2,133 under the heading general and administrative expenses.

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Quarterly information - 03/31/2011 – Gafisa S.A.

22. Insurance

Gafisa S.A. and its subsidiaries maintain insurance policies against engineering risk, barter guarantee, guarantee for the completion of the work and civil liability related to unintentional personal damages caused to third parties and material damages to tangible assets, as well as against fire hazards, lightning strikes, electrical damages, natural disasters and gas explosion. The contracted coverage is considered sufficient by management to cover possible risks involving its assets and/or responsibilities. The risk assumptions made are not included in the scope of the review of interim information. Accordingly, they were not audited by our independent public accountants.

The chart below shows coverage by insurance policy and respective amounts at March 31, 2011:

| Insurance type | Coverage in thousands of R\$ |
|--|---|
| Engineering risks and completion guarantee | 2,873,500 |
| Policy outstanding | 240,000 |
| Directors & Officers liability insurance | 115,000 |
| | 3,228,500 |

23. Earnings per share

In accordance with CPC 41, the Company shall present basic and diluted earnings per share. The comparison data of basic and diluted earnings per share shall be based on the weighted average number of shares outstanding for the year, and all dilutive potential shares outstanding for each year presented, respectively.

As mentioned in Note 1, on February 22, 2010, the split of our common shares was approved at the ratio of one share to two new shares issued, increasing the number of shares to 334,154,274 from 167,077,137. All information related to the number of shares was retrospectively adjusted in order to reflect the split of shares of February 22, 2010.

When the exercise price for the purchase of shares is higher than the market price of shares, the diluted earnings per share are not affected by the stock option. According to CPC 41, dilutive potential shares are not considered when there is a loss, because that would have antidilutive effect. For the year ended December 31, 2010, 0.77% of dilutive potential shares was not considered.

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Quarterly information - 03/31/2011 – Gafisa S.A.

23. Earnings per share --Continued

The following table shows the calculation of basic and diluted earnings per share.

| | 3/31/2011 | 3/31/2010 |
|--|----------------|-----------|
| Basic numerator | | |
| Proposed dividends | - | - |
| Undistributed earnings | 13,706 | 64,819 |
| Undistributed earnings, available for the holders of common shares | 13,706 | 64,819 |
| Basic denominator (in thousands of shares) | | |
| Weighted average number of shares (i) | 431,077 | 362,895 |
| Basic earnings per share – R\$ | 0.0318 | 0.1786 |
| Diluted numerator | | |
| Proposed dividends | - | - |
| Undistributed earnings | 13,706 | 64,819 |
| Undistributed earnings, available for the holders of common shares | 13,706 | 64,819 |
| Diluted denominator (in thousands of shares) | | |
| Weighted average number of shares (i) | 431,077 | 362,895 |
| Stock options | 1,729 | 2,860 |
| Weighted average number of shares (i) | 432,806 | 365,755 |
| Diluted earnings per share –R\$ | 0.0317 | 0.1772 |

(i) All amounts were retrospectively adjusted to reflect the split of shares approved at the shareholders' meeting of February 22, 2010.

24. Segment information

Starting in 2007, following the respective acquisition, formation and merger of AUSA, Fit Residencial, Bairro Novo and Tenda, the Company's management assesses segment information on the basis of different business segments and economic data rather than based on the geographical regions of operations.

The Company operates in the following segments: Gafisa for ventures targeted at high and medium income; Alphaville for land subdivision; and Tenda for ventures targeted at low income.

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Quarterly information - 03/31/2011 – Gafisa S.A.

24. Segment information --Continued

The Company's chief executive officer, who is responsible for allocating resources to businesses and monitoring their progresses, uses economic present value data, which is derived from a combination of historical and forecasted operating results. The Company provides below a measure of historical profit or loss, segment assets and other related information for each reporting segment.

This information is gathered internally in the Company and used by management to develop economic present value estimates, provided to the chief executive officer for making operating decisions, including the allocation of resources to operating segments. The information is derived from the statutory accounting records which are maintained in accordance with the accounting practices adopted in Brazil. The reporting segments do not separate operating expenses, total assets and depreciation. No revenues from an individual client represented more than 10% of net sales and/or services.

Interim information per segment is as follows:

| | Gafisa S.A. (i) | Tenda | AUSA | Total 2011 | |
|-------------------------------|------------------------|---------------|---------------|-------------------|--|
| Net operating revenue | 407,286 | 279,446 | 113,624 | 800,356 | |
| Operating costs | (337,669) | (224,275) | (53,644) | 615,588 | |
| Gross profit | 69,617 | 55,171 | 59,980 | 184,768 | |
| Gross margin - % | 17.1% | 19.7% | 52.8% | 23.1% | |
| Depreciation and amortization | (8,381) | (2,677) | (288) | (11,346) | |
| Financial expenses | (41,906) | (4,057) | (9,699) | (55,662) | |
| Financial income | 15,871 | 6,300 | 2,493 | 24,664 | |
| Tax expenses | (6,773) | 6,735 | (2,828) | (2,866) | |
| Net income for the year | (20,072) | 6,820 | 26,958 | 13,706 | |

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| | | | | |
|-----------------------------------|------------------|------------------|----------------|------------------|
| Customers (short and long term) | 2,971,779 | 2,109,968 | 382,383 | 5,464,130 |
| Inventories (short and long term) | 1,425,812 | 600,885 | 200,434 | 2,227,131 |
| Other assets | 1,106,813 | 719,657 | 105,301 | 1,931,771 |
| Total assets | 5,504,404 | 3,430,510 | 688,118 | 9,623,032 |

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Quarterly information - 03/31/2011 – Gafisa S.A.

24. Segment information--Continued

| | Gafisa S.A. (i) | Tenda | AUSA | Total 2010 |
|-----------------------------------|------------------------|------------------|----------------|-------------------|
| Net operating revenue | 558,399 | 280,199 | 68,987 | 907,585 |
| Operating cost | (428,624) | (186,973) | (39,332) | (654,929) |
| Net operating profit | 129,775 | 93,226 | 29,655 | 252,656 |
| Gross margin - % | 23.2% | 33.3% | 43.0% | 27.8% |
| Depreciation and amortization | (8,890) | (1,284) | (64) | (10,238) |
| Financial expenses | (57,769) | (4,319) | (1,514) | (63,602) |
| Financial income | 22,134 | 1,543 | 252 | 23,929 |
| Tax expenses | (12,912) | (8,458) | (1,119) | (22,489) |
| Net income for the year | 35,955 | 22,337 | 6,527 | 64,819 |
| Customers (short and long term) | 2,518,370 | 1,343,533 | 254,229 | 4,116,132 |
| Inventories (short and long term) | 1,114,018 | 484,243 | 158,254 | 1,756,515 |
| Other assets | 2,167,284 | 642,833 | 70,049 | 2,880,166 |
| Total assets | 5,799,672 | 2,470,609 | 482,532 | 8,752,813 |

(i) Includes all subsidiaries, except Tenda and Alphaville Urbanismo S.A.;

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Quarterly information - 03/31/2011 – Gafisa S.A.

Outlook

Outlook 2011 vs. Actual

In 1Q11 Gafisa achieved 10% of the full year launches guidance of between R\$ 5.0 billion and R\$ 5.6 billion. The slower launches in the first quarter can be partly attributed to delays in licensing approvals, mainly under Tenda segment. These delayed projects held back in Q1 are expected to be launched in Q2, keeping expected share of full year launch guidance, typically in the range of 30%-40%, to be followed by what is a traditionally stronger second half of the year.

With regard to profitability, the 13.3% EBITDA margin came in according to our expectations for the first half guidance range of between 13% and 17%, mainly due to the reasons anticipated in the 4Q10 related to: i) lower recognition of revenue impacting the diluting of fixed costs; ii) delivery of lower margin products by Tenda, due to a lack of standardization among the older products, and by Gafisa, due to cost overruns associated with geographical expansion and projects in Rio de Janeiro; and iii) discounts on finished units.

We continue to expect lower cash burn in the 2Q11, followed by a positive operating cash flow in the 2H11 that should bring the Net Debt/Equity ratio down below 60% at the end of the year.

Considering the aforementioned, current guidance figures for 2011 are as follows:

| Launches (R\$ million) | Guidance | | |
|--|-----------------|-----------------|----------------|
| | | 2011 | 1Q11 % |
| Gafisa | Min. | 5,000 | 10% |
| (consolidated) | Average | 5,300 | 513 10% |
| | Max. | 5,600 | 9% |
| | | Guidance | % |
| EB ITDA M argin (%) | | 1H11 | 1Q11 |
| Gafisa | Min. | 13.0% | 30 bps |
| (consolidated) | Average | 15.0% | 13.3% -170 bps |
| | Max. | 17.0% | -370 bps |
| Net Debt/Equity (%) - EoP | | Guidance | |
| | | 2011 | 1Q11 % |

Gafisa

Max.

< 60.0%

72.0% 1200 bps

78

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Quarterly information - 03/31/2011 – Gafisa S.A.

Management Statement of Quarterly Information

Gafisa S.A. management, CNPJ 01.545.826/0001-07, located at Av. Nações Unidas, 8501, 19th floor, Pinheiros, São Paulo, states as per article 25 of CVM Instruction 480 issued in December 07, 2009:

- i) Management has reviewed, discussed and agreed with the auditor's opinion expressed in the Review Report of Quarterly Information for the quarter ended March 31, 2011; and

- ii) Management has reviewed and agreed with the interim information for the quarter ended March 31, 2011

Sao Paulo, May 3rd, 2011

GAFISA S.A.

Management

Management Statement on the Review Report

Gafisa S.A. management, CNPJ 01.545.826/0001-07, located at Av. Nações Unidas, 8501, 19th floor, Pinheiros, São Paulo, states as per article 25 of CVM Instruction 480 issued in December 07, 2009:

- i) Management has reviewed, discussed and agreed with the auditor's opinion expressed in the Review Report of Quarterly Information for the quarter ended March 31, 2011; and

- ii) Management has reviewed and agreed with the interim information for the quarter ended March 31, 2011

Sao Paulo, May 3rd, 2011

GAFISA S.A.

Management

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: June 01, 2011

Gafisa S.A.

By:

/s/ Alceu Duílio Calciolari

Name: Alceu Duílio Calciolari

Title: Chief Financial Officer and Investor Relations Officer
