Gafisa S.A.
Form 6-K
May 09, 2012

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 May, 2012

(Commission File No. 001-33356),

Gafisa S.A.

(Translation of Registrant's name into English)

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

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

Form 20-F ___X___ Form 40-F ______

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

Yes ______ No ___X___

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

Yes ______ No ___X___

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

Yes ______ No ___X___

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

GAFISA REPORTS RESULTS FOR 1Q12

--- Gafisa Group delivered 6.165 units in 1Q12, double the number delivered during 1Q11 ---

--- Launches totaled R$463.7 million, with contracted sales of R$408.2 million ---

--- Consolidated sales velocity of 10.4%, or 16.1% ex-Tenda ---

--- Cash burn was R$76 million in the 1Q12 ---

--- 1/3 Tenda units returned to inventory in 4Q11 resold to qualified customers ---

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1Q12 Earnings Results Conference Call
May 9, 2012

> 8am US EST
In English (simultaneous translation from Portuguese)
+ 1-516-3001066 US EST
Code: Gafisa

> 9am Brasilia Time
In Portuguese
Phones:
+55-11-3127-4971 (Brazil)
Code: Gafisa

FOR IMMEDIATE RELEASE - São Paulo, May 8, 2012 – Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil's leading diversified national homebuilder, today reported audited financial results for the ended March 31, 2012.

Duilio Calciolari, Chief Executive Officer, said: "During the first quarter of 2012 we **focused on implementing the new strategy** for the Company which: (i) established dedicated operating structures by brand; (ii) reducing risk at Tenda ; (iii) expanding the contribution of AlphaVille´s developments in our product mix and; (iv) refocusing the Gafisa brand on its core markets of São Paulo and Rio de Janeiro. We are **making progress in achieving our operating cash flow guidance** of R$500- R$700 million for 2012 with strong unit deliveries of 6.165, sales of inventory and positive cash flow generation at Tenda for the month of March.

Gafisa continues to witness demand throughout Brazil for the middle and middle to high income products represented by the Gafisa and AlphaVille brands, which sold over R$498.7 million during the quarter, with a consolidated sales velocity of launches of 48%. With the implementation of a **narrowed geographic focus**, Sao Paulo accounted for 100% of the R$214.7 million launches for the Gafisa segment in the 1Q12 and all of the AlphaVille projects of R$249.0 million launched in the same period were outside of Sao Paulo and Rio de Janeiro."

"Planning is being realigned to get 'back to the basics', which means focusing squarely on **obtaining and maintaining operational consistency**."

FINANCIAL RESULTS

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Webcast:
www.gafisa.com.br/ir

Shares
GFSA3– Bovespa
GFA – NYSE
Total Outstanding Shares:
432,699,559[1]

Average daily trading volume
(90 days[2]): R$100.2 million

1) Including 599,486 treasury shares

2) Up to March 30, 2011

Net revenue for the first quarter of 2012, recognized by the Percentage of Completion ("PoC") method, increased 27% to R$928 million on a year-over-year basis.

Gross profit gained 75% year-over-year to R$201.6 million, as a result of lower level revenue reversal, without the impact of budget cost adjustments as compared to the same period of previous year. Gross margin reached 22%, as it is still impacted by a higher contribution of lower margin projects under construction, whose sale and delivery we expect to conclude within the next fifteen months.

EBITDA was R$105 million, 267.8% above the R$29 million posted during the first quarter of 2011. EBITDA for Gafisa and AlphaVille totaled R$82 million and R$40 million, respectively, while the EBITDA for Tenda was negative R$17 million. Higher volume of EBITDA YoY was a result of improved sales performance of inventories. EBITDA Margin reached 11.3% and ex-Tenda 20%, well above the 4% and 14%, respectively posted in the previous year.

The 1Q12 net loss was R$31.5 million compared with R$13.7 million in1Q11. The 1Q12 loss was a result of revenue reverals related to R$340 million worth of contract dissolutions related to units at the low-income business, coupled with recognition of projects with lower margins as a result of the budget review announced in the previous quarter.

At the end of March 31, 2012, the Company had approximately R$947 million in cash and cash equivalents compared to R$984 million at the end of 4Q11. The net debt to equity ratio reached 122% in the first quarter of 2012, from 118% in the 4Q11.

OPERATING RESULTS

Project launches totaled R$464 million in 1Q12, a 10% decrease compared with 1Q11. The change reflects the restriction of Tenda launches to those that can be immediately transferred to financial institutions. The Gafisa and AlphaVille segments represented 46% and 54% of total launches, respectively.

Consolidated pre-sales totaled R$408.2 million in the first quarter, a 50% decrease compared to 1Q11. Sales from inventory represented 45% of the 1Q12 total, while units launched during the same year accounted for the remaining 55%. First quarter sales velocity of launches reached 10.4%, or 16.1% ex-Tenda.

The Group delivered 34 projects encompassing 6,165 units with a potential sales value of R$1.1 billion during 1Q12.

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RECENT EVENTS

Progress towards Operating Cash Flow Generation

Gafisa ended the first quarter with R$947 million in cash, which is similar to the balance at the end of 2011 after paying all obligations. In the 1Q12, preliminary consolidated cash burn was R$76 million Excluding the accrual of Gafisa debt of R$90 million in the 1T02, we should have a cash generation instead of a consumption. Our operational consolidated cash flow was neutral in the 1Q12 and in March, Tenda achieved positive operating cash flow.

Chart 1. Cash Consumption (3Q10 – 1Q12)

Updated Status of the Results by Brand

Gafisa is delivering results reflected the new turnaround strategy:

Gafisa: (1) We are delivering our lower margin projects. Higher concentration projects launched in New Markets that should be finished this year. (2) Improved sales performance related to inventory.

Tenda: (1) Since June the number of units contracted by financial institutions has accelerated, which in part reflects the addition of a new CEF unit dedicated to major homebuilders. (2) In the first quarter, Tenda transferred 2793 units to financial institutions or 23% of the mid-range of guidance provided for the full year of 10.000–14.000 customers. (3) In March, Tenda achieved positive operating cash flow.

AlphaVille: (1) Continues to launch high demand developments - two projects (Juiz de Fora and Sergipe) were launched in March with sales of 62% in just the final month of the quarter. (2) The results underscore the growing share of AlphaVille in the product mix. The brand accounted for 54 percent share of first-quarter consolidated launches, up from a 35 percent a year ago.

Record delivery units

In the first quarter of 2012, the Company also presented record delivery units. Gafisa delivered 34 projects encompassing 6,165 units, double the 3,060 delivered during 1Q11, with a potential sales value of R$1.1 billion during the first quarter. In March, the Gafisa Group achieved record unit deliveries of 3,338 units.

Chart 2. Delivered units (2007 – 1Q12)

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KEY NUMBERS FOR THE GAFISA GROUP

Table 1 – Operating and Financial Highlights – (R$000, unless otherwise specified)

Launches (%Gafisa)	463.740	582.247	-20%	512.606	-10%
Launches (100%)	568.046	719.973	-21%	594.214	-4%
Launches, units (%Gafisa)	1.283	1.256	2%	2.254	-43%
Launches, units (100%)	1.667	1.627	2%	2.736	-39%
Contracted sales (%Gafisa)	408.237	338.415	21%	822.220	-50%
Contracted sales (100%)	507.213	46.043	1002%	935.722	-46%
Contracted sales, units (% Gafisa)	501	-605	-183%	3.361	-85%
Contracted sales, units (100%)	899	-266	-438%	3.945	-77%
Contracted sales from Launches (%co)	222.944	381.140	-42%	296.317	-25%
Sales Velocity over launches (VSO) %	48,1%	49,0%	-89bps	57,8%	-973bps
Completed Projects (%Gafisa)	1.106.806	1.322.766	-16%	524.942	111%
Completed Projects, units (%Gafisa)	6.165	6.544	-6%	3.060	101%
Consolidated Land bank (R$)	16.759.355	17.605.092	-5%	18.063.289	-7%
Potential Units	83.124	86.247	-4%	90.712	-8%
Number of Projects / Phases	154	156	-1%	183	-16%
Net revenues	927.833	93.316	894,3%	730.748	27,0%
Gross profit	201.579	-438.396	ns	115.160	75%
Gross margin	21,7%	-469,8%	ns	15,8%	597bps
Adjusted Gross Margin [1]	26,8%	ns	ns	20,9%	813 bps
Adjusted EBITDA [2]	105.187	-798.184	ns	28.597	268%
Adjusted EBITDA margin [2]	11,3%	ns	ns	3,9%	742 bps
Adjusted Net (loss) profit [2]	-18.330	-1.010.989	ns	-33.089	ns
Adjusted Net margin [2]	-3,4%	ns	ns	3,3%	ns
Net (loss) profit	-31.515	-1.029.904	ns	-43.292	ns
EPS (loss) (R$)	-0,0729	-2,3802	ns	-0,1003	ns
Number of shares ('000 final)	432.699	432.699	0%	431.384	0%
Revenues to be recognized	4.238.385	4.515.112	-6,1%	4.061.932	-4%
Results to be recognized [3]	1.514.940				