

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Gafisa S.A.		2 Issuer's employer identification number (EIN)	
3 Name of contact for additional information Danilo Cabrera	4 Telephone No. of contact 55 (11) 3025-924	5 Email address of contact dmcabrera@gafisa.com.br	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact Av. das Nacoes Unidas, 8501, 19 andar - Pinheiros		7 City, town, or post office, state, and Zip code of contact Sao Paulo-SP, CEP 05425-070, Brazil	
8 Date of action March 23, 2017		9 Classification and description Common shares, ADSs, GDSs	
10 CUSIP number 362607400/362607509	11 Serial number(s)	12 Ticker symbol GFA, GFSA3	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On March 23, 2017, Gafisa S.A. (the "Company") conducted a 1 for 13.483023074 reverse stock split of its common shares. Pursuant to the reverse stock split, every 13.483023074 common shares of the Company converted into 1 common share of the Company. The reverse split of the ADSs and GDSs occurred at the same ratio as the reverse split of the common shares.**

Shareholders were given a 30-day window during which they were able to adjust their shareholding position in multiple lots of 13.483023074 shares through negotiation at the BM&FBOVESPA. The reverse stock split was conducted at expiration of the 30-day window. Any fractional shares resulting from the reverse stock split were then grouped and rounded into whole numbers and sold at auction at the BM&FBOVESPA. The net proceeds of such sales were paid in due proportion to the relevant shareholders on April 25, 2017.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **A shareholder's aggregate tax basis in its common shares, ADSs, or GDSs (together, "shares"), including any fractional share, immediately after the reverse stock split equaled its aggregate tax basis in its shares immediately before the reverse stock split.**

Because the fractional shares were sold for cash, a shareholder's aggregate tax basis in the shares immediately after the reverse stock split was lower than the aggregate tax basis the shareholder had in the shares immediately before the reverse stock split by the amount of the tax basis allocable to the fractional share.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **A shareholder's aggregate tax basis in its shares, including any fractional share, immediately after the reverse stock split equaled its aggregate tax basis in its shares immediately before the reverse stock split.**

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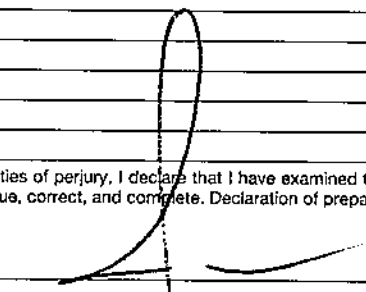
Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The applicable Internal Revenue Code sections are 302, 368, 354, and 358.

18 Can any resulting loss be recognized? ▶ A shareholder will not recognize loss upon the reverse stock split unless such shareholder received cash in lieu of a fractional share. A shareholder that received cash in lieu of a fractional share generally will recognize loss if the amount of cash received was less than the shareholder's tax basis allocable to such fractional share in an amount equal to such difference, as determined in U.S. dollars.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable year for the reverse stock split is 2017.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature ▶ 	Date ▶ <u>May 3, 2014</u>			
	Print your name ▶ <u>SANDRO GANBA</u>	Title ▶ <u>CEO, CFO and IRO</u>			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶		Phone no.	
	Firm's address ▶				