Gafisa S.A.
Form 6-K
February 27, 2014

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 February, 2014

(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 RELEASES 4Q13 AND 2013 RESULTS

FOR IMMEDIATE RELEASE

São Paulo, February 26, 2014
Gafisa S.A. (Bovespa: GFSA3; NYSE: GFA), Brazil's leading diversified national homebuilder,

today reported financial results for the quarter and full year ended December 31, 2013.

MANAGEMENT COMMENTS AND 2013 HIGHLIGHTS

The closing of 2013 marks the completion of the Company's strategic repositioning, which commenced in early 2012. Our goal at the time was clear: we needed to reduce the level of debt and restrict the Company's exposure to unprofitable businesses and markets. This process evolved positively throughout the last two years in several fronts - including improvement in margins and cash generation, and culminated with the sale of a 70% stake in Alphaville, which unlocked significant value and contributed to a reduction in the Company's leverage, adjusting its capital structure.

In the beginning of 2012, significant changes took place to our strategic positioning, including the implementation of a new organizational structure, segmented by brand and with individual business heads, along with a redefinition of the way each business unit should perform. Having achieved the targets set for the initial phase of turnaround, and recognizing that cash flow was no longer a priority, we developed a plan for 2013 which sought to better balance cash generation, investment, profitability and deleveraging, in order to begin a new cycle of sustainable growth at the Company.

Gafisa ended 2013 having achieved solid operational and financial results during the period. Launches of R$1.6 billion in 4Q13 and R$2.9 billion in 2013 were in line with the full year launch guidance disclosed. Pre-sales of R$1.3 billion in the fourth quarter and R$2.6 billion in 2013 demonstrate ongoing healthy demand. Throughout 2013, the reduced operational complexity, coupled with Gafisa's strategic consolidation and the resumption of Tenda launches, we observed a gradual evolution in the Company's margins. The gross margin reached 31.2% in 2013, compared to 24.4% in 2012 before interests.

Cash generation was a highlight in 2013, and particularly so in the last half of the year. The Company recorded cash generation of R$667.6 million in 2013 in both the Gafisa and Tenda operations, reaching free cash flow of R$97.3 million in the period.

The Alphaville transaction represented a cash inflow of R$1.5 billion and contributed significantly to the 4Q13 net income, which reached R$921.3 million and resulted in a year-end figure of R$ 867.4 million. With the proceeds of the transaction, we were able to adjust the Company's capital structure, reducing leverage, and reaching a net debt/equity ratio of 36%.

The proceeds from the completion of the Alphaville transaction are being used to repay approximately R$700 million in corporate debt scheduled to mature by December 2014. In addition to the reduction in debt, funds were allocated to the remuneration of the Company's shareholders through the payment of approximately R$130 million in interest on capital in February and an additional R$32 million in supplementary dividends to be paid in 2014, according to the proposal to be approved by the Annual General Meeting of Shareholders. We also launched a new stock buyback program, underscoring Gafisa's confidence in the Company's value and future prospects.

Finally, at the end of 2013 we finalized the development of our five-year business plan for the period from 2014 to 2018. During the planning process, we set guidelines for the development of our business for years to come, including the expected size of Gafisa and Tenda operations, appropriate leverage, profitability guidelines, and importantly, our commitment to capital discipline and shareholder value generation, which are reflected in the guidance released to the market at the end of 2013.

Gafisa enters 2014 on a strong footing, having benefited from all the initiatives implemented in the last two years. The reduction of our operational complexity, the adequacy of our cost structure and expenses, the new operating model at Tenda and the consolidation of Gafisa's strategic positioning, coupled with the financial flexibility achieved by the sale of a stake in Alphaville, are all important steps in preparing the Company for future challenges.

On February 7, 2014, we announced that the Board is studying a potential separation of the Gafisa and Tenda business units into two public and independent companies. The separation would be the next step in a comprehensive plan initiated by management to enhance and reinforce the ability of each business to generate value. The management team that executed the turnaround process is now set to lead Gafisa and Tenda in a profitable and sustainable manner, as the brands embark on a new phase in the Company's history.

In 2014, we . We are confident in our Company's prospects in coming years, and are ready to pursue opportunities to grow and develop the business.

Finally, I would like to remind you that this year Gafisa celebrates its 60th year of operations, a milestone in the history of the Brazilian real estate industry. There have been so many achievements during this time, written in the development of over 1,100 buildings, condominiums and commercial properties, but more important is the intensity, determination and passion that we have to continue to move forward.

Congratulations Gafisa!

Duilio Calciolari

Chief Executive Officer – Gafisa S.A.

CONSOLIDATED FINANCIAL RESULTS

Net revenue recognized by the "PoC" method was R$704.7 million in the fourth quarter, an expansion of 10.6% compared with the previous year and 12.2% compared to 3Q13. In 2013, net revenue reached R$2.5 billion.

Gross profit for 4Q13 was R$222.0 million, up from R$173.5 million in 3Q13 and from the R$91.5 million registered in 4Q12. Gross margin rose to 31.5% in the fourth quarter, versus 27.6% in the 3Q13 and 16.1% in the 4Q12. For the year 2013, gross profit totaled R$617.4 million and gross margin was 24.9%, compared to R$528.8 million and a gross margin of 18.8% in 2012.

Adjusted EBITDA was R$978.9 million in the 4Q13 and R$1,3 billion in 2013, reflecting Alphaville operation. Excluding the result of the Alphaville operations, adjusted EBITDA reached R$138.9 million in the 4Q13 and R$430.6 million for the year.

Net income in the 4Q13 was R$921.3 million and R$867.4 million in 2013, impacted by the recent sale of Alphaville.

Operating cash generation reached R$259.1 million in the 4Q13 and R$667.7 million in 2013, resulting in positive free cash flow of R$178.0 million in the 4Q13 and R$97.3 million for the year**.** Note that this result does not include proceeds from the Alphaville transaction.

CONSOLIDATED OPERATING RESULTS

Launches totaled R$1.6 billion in the 4Q13, a 224.9% sequential increase and an 8.7% y-o-y rise. Launches for 2013 totaled R$2.9 billion, a slight drop over 2012. This figure is within the range of 2013 launch guidance of R$2.7 to R$3.3 billion.

Consolidated pre-sales totaled R$1.3 billion in the 4Q13, compared to R$429.0 million in the 3Q13 and R$905.2 million in the previous year. In 2013 sales reached R$2.5 billion, dropping 4.5% in relation to 2012. Sales from launches represented 60% of the total, while sales from inventory comprised the remaining 40%**.**

Consolidated sales over supply (SoS) reached 24.8% in the 4Q13 and 10.6% in the previous quarter. In 2013, SoS reached 38.7%.

Consolidated inventory at market value increased R$347.7 million on a sequential basis, reaching R$4.0 billion.

Throughout the 4Q13 the Company delivered 26 projects, encompassing 6,063 units. In the year, Gafisa Group delivered 13,842 units, in line with the full-year delivery guidance of 13,500 to 17,500.

For comparison purposes, the consolidated operating results presented above and throughout this earnings release still include 100% of Alphaville's operating performance in 2013.

ANALYSIS OF RESULTS

Net Income for the Year – R$867.4 million

Net income for the 4Q13 reached R$921.3 million and the net result was R$867.4 million in 2013. Excluding the proceeds from the sale of a stake in Alphaville, net income was R$81.3 million in 4Q13 and R$27.4 million in the year.

Below is a brief explanation regarding the main effects that impacted the result quoted above.

Net Income	**921,284**	**867,444**
(-) Alphaville 30% Stake Revaluation	(375,853)	(375,853)
(-) Net Gain from the Sale of 70% Stake in Alphaville	(464,157)	(464,157)
Net Income Ex-Alphaville Sale Operation	**81,274**	**27,434**

Gross Margin Expansion - Operational Efficiency and Reversal of Provisions

Throughout 2013, the reduced contribution and complexity of Tenda legacy projects, coupled with the consolidation of Gafisa operations in São Paulo and Rio de Janeiro and the resumption of Tenda launches under a new business model, contributed to a gradual improvement in the Company's margins. As the volume of legacy projects diminished, the contribution of newer projects resulted in increased profitability. Reported gross profit increased from R$158.3 million in 1Q13 to R$222.0 million at the end of the 4Q13, and gross margin, which was 23.7% at the start of the year, reached 31.5% in 4Q13. The Company ended 2013 with gross income of R$617.4 million with a gross margin of 24.9%.

In 4Q13, gross margin was impacted by the reversal of provisions for some Gafisa and Tenda construction works totaling around R$34.2 million. As the Company has been able to improve controls and the management of its operations, provisions intended to cover adjustments to and/or changes in old projects budgets may be reversed at the time the development is completed.

Currently, R$8.9 million worth of provisions could be reversed as projects are completed.

Alphaville Operations - Result of the Transaction and Revaluation of Stake

The completion of the sale of a stake in Alphaville in the 4Q13 contributed significantly to quarterly results. With the transaction finalized in the 4Q13 and respective cash inflow, net income was impacted as follows: (i) by the final result of the sale of 70% stake in Alphaville, net of taxes and costs, which was R$464.2 million, and (ii) by the impact of R$375.8 million related to the revaluation to fair value of the remaining portion of 30% in Alphaville.

The revaluation of the remaining 30% stake in Alphaville is necessary to comply with CPC 36 (R3), since this determines the write-off in the record of any non-controlling shareholders in the former subsidiary on the date in which control is lost, including any components of other income attributed to them. Furthermore, it should be evaluated and recognized at fair value any investment retained in the former subsidiary, in the date that control is lost.

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RECENT EVENTS

Completion of Sale of Stake in Alphaville Urbanismo S.A. (AUSA)

On December 9, 2013 Gafisa announced the completion of the agreement to sell a 70% stake in Alphaville to private equity firms Blackstone and Pátria. Gafisa retained a 30% stake. The sale valued AUSA at R$2.0 billion.

The proceeds from the transaction totaled R$1.54 billion, of which R$1.25 billion was received through the sale of shares, and R$290 million was received as a dividend distributed by Alphaville. All conditions precedent to the completion of the transaction have been met, including obtaining regulatory approvals from governmental departments.

Payment of Interest on Equity and Share Buyback Program

With the completion of the sale of the Alphaville stake, the Company's Board of Directors, in a meeting held on December 20, 2013, approved the payment of interest on equity to its shareholders in the amount of R$130,192,095.57, representing R$0.31112217224 per share. Such payment was effective February 12, 2014.

Additionally, Tenda's Board of Directors also approved a new share buyback program, considering a maximum amount of 32,938,554 common shares from its parent Company, Gafisa, which is in addition to the previous program already effected. The approved program is conditional on the maintenance of consolidated net debt at a level equal to or less than 60% of net equity and does not obligate the Company to acquire any particular amount of shares in the market. The program may be suspended by Tenda at any time. By February 27, 2014, the program had already acquired approximately 15 milion shares, around 47% of the maximum.

On this date, the Company canceled an open share buyback program in place in the Tenda subsidiary and opened a new program in Gafisa, containing the same previously defined conditions, which can repurchase the remaining balance of shares.

Evaluation of a Potential Split of the Gafisa and Tenda Business Units

On February 7, 2014, the Company announced that its Board of Directors approved the analysis by the Company´s management of a possible separation of the Gafisa and Tenda business units.

The Board of Directors intends to evaluate the separation studies in the following months, analyzing possible alternatives for structuring and execution that take into consideration a number factors that are in the best interests of shareholders.

The separation would be the next step in a comprehensive plan initiated by management to enhance value creation for the Company and its shareholders.

The main objectives of this separation process are to:

i. enable shareholders to allocate resources between the two companies according to their interests and investment strategies;
ii. enable both companies to respond faster to the opportunities in their target markets;
iii. establish sustainable capital structures for each company, based on its risk profile and strategic priorities;
iv. give greater visibility to the market on the individual performance of the companies, enabling better assessment of intrinsic value;
v. increase the ability to attract and retain talent, through the development of appropriate cultures and compensation structures consistent with the specific results of each business.

After initial evaluation and if approved by the Board of Directors, the separation plan will be submitted to a vote by shareholders at a Shareholders Meeting. The transaction should be concluded in 2015, upon request to the Brazilian Securities and Exchange Commission to convert Tenda registration to category A, as a publicly held Company authorized to trade its shares in the market.

The Company will keep its shareholders and the market informed about the process and any developments pertaining to the separation.

Key Numbers for the Gafisa Group

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

Launches	1,619,260	498,348	224.9%	1,489,760	8.7%	2,886,204	2,951,961	
Launches, units	5,276	2,041	158.4%	5,120	3.0%	11,072	8,947	2
Pre-sales	1,312,944	428,994	206.1%	905,241	45.0%	2,513,858	2,633,104	
Pre-sales, units	4,785	1,902	151.6%	3,097	54.5%	10,187	7,157	4
Pre-sales of Launches	973,431	173,491	461.1%	760,410	28.0%	1,502,867	1,729,560	-1
Sales over Supply (SoS)	24.8%	10.6%	1,425 bps	20.0%	481 bps	38.7%	42.1%	-34
Delivered projects	1,156,700	493,794	134.2%	1,327,531	-12.9%	2,468,588	4,583,482	-4
Delivered projects, units	6,063	3,106	95.2%	9,378	-35.3%	13,842	27,107	-4
Net Revenue	704,750	628,047	12.2%	567,749	24.1%	2,481,211	2,805,086	-1
Gross Profit	221,999	173,503	28.0%	91,457	142.7%	617,445	528,282	1
Gross Margin	31.5%	27.6%	387 bps	16.1%	1539 bps	24.9%	18.8%	60
Adjusted Gross Margin[1]	37.9%	34.4%	346 bps	21.0%	1684 bps	31.2%	24.4%	67
Adjusted EBITDA [2]	978,949	140,000	599.2%	10,577	9,155.1%	1,270,639	379,037	23
Adjusted EBITDA Margin [2]	138.9%	22.3%	11,662 bps	1.9%	13,704 bps	51.2%	13.5%	
Adjusted Net Income (Loss) [2]	896,078	23,786	3,667.2%	-81,615	1,1997.9%	885,098	-58,782	1,60
Adjusted Net Margin [2]	127.1%	3.8%	12,336 bps	-14.4%	14,152 bps	35.7%	-2.1%	
Net Income (Loss)	921,284	15,777	5,739.0%	-101,412	1,008.5%	867,443	-127,043	10
Net Earnings (Loss) per Share (R$)	2.212	0.037	5,856.1%	-0.234	1,043.7%	2.083	-0.294	80
Outstanding shares ('000 final)	416,460	424,781	-2.0%	432,630	-3.7%	416,460	432,630	
Backlog revenues	1,795,408	1,900,224	-5.5%	2,597,696	-30.9%	1,795,408	2,597,696	-3
Backlog results [3]	614,135	624,313	-1.6%	1,449,745	-57.6%	614,135	1,449,745	-5
Backlog margin [3]	34.2%	32.9%	135 bps	39.4%	-523 bps	34.2%	39.4%	-52
Net Debt + Investor Obligations	1,159,044	2,858,095	-59.4%	2,396,389	-51.6%	1,159,044	2,396,389	-5
Cash and cash equivalents	2,024,163	781,606	159.0%	1,567,755	29.1%	2,024,163	1,567,755	2
Shareholder's Equity								