

Gafisa S.A.  
Form 6-K  
November 09, 2018

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**For the month of November, 2018**

**(Commission File No. 001-33356),**

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**Gafisa S.A.**

*(Translation of Registrant's name into English)*

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

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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

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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

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

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**FOR IMMEDIATE RELEASE** - São Paulo, November 8, 2018 – Gafisa S.A. (B3: GFSA3; NYSE: GFA), one of Brazil’s leading homebuilders, today reported its financial results for the third quarter ended September 30, 2018.

## **GAFISA ANNOUNCES 3Q18 RESULTS**

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

### **Conference Call November 9, 2018**

**11:00 a.m. Brasília  
time**

**In Portuguese**

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

**Code: Gafisa**

**8:30 a.m. US EST**

**In English**

**(simultaneous  
translation from  
Portuguese)**

**+1 516 300-1066  
(USA)**

**Code: Gafisa**

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

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

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

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

market acceptance.

**Webcast:**  
**[www.gafisa.com.br/ri](http://www.gafisa.com.br/ri)**

To support the Company's recovery in the upcoming years, we are analyzing **funding** alternatives.

**Replay:**  
**+55 (11) 3127-4999**

Over the next few months, we will be working on the Business Plan for the next two years, which will be released to the market in due course. Our objective is to continue adjusting the Company's business model, driving solid performance which **creates value for shareholders and stakeholders.**

**Portuguese: 35492815**

**English: 40262218**

**Ana Recart**

**CEO, CFO and Investor Relations Officer**

## **Shares**

**GFS3 – B3**

**GFA – NYSE**

**Total outstanding  
shares: 44,757,914<sup>1</sup>**

**Average Daily Traded  
Volume (3Q18):**

**R\$11.9 million**

**<sup>1</sup>including 871,664  
treasury shares**

## MAIN CONSOLIDATED INDICATORS

**Table 1 - Operational Performance (R\$ 000)**

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

**Table 2 - Financial Performance (R\$ 000)**

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

<sup>1</sup> Adjusted by capitalized interests;

<sup>2</sup> Adjusted by stock option plan expenses (non-cash), minority shareholders;

<sup>3</sup> Backlog results net of PIS/COFINS taxes (3.65%) and excluding the impact of PVA (Present Value Adjustment) method according to Law No. 11.638.

<sup>4</sup> Cash and cash equivalents, and marketable securities.

**<sup>5</sup> Backlog results comprise the projects restricted by condition precedent**

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## OPERATIONAL RESULTS

**Table 3 - Operational Performance (R\$ 000)**

	71,144	399,875	-82.2%	463,841	-84.7%	609,734	463,841	31.5%
	188,125	405,858	-53.6%	438,429	-57.1%	887,443	914,834	-3.0%
	(51,661)	(59,912)	-13.8%	(84,390)	-47.3%	(169,276)	(316,251)	-46.5%
	136,464	345,946	-60.6%	354,039	-61.5%	718,167	Total assets	12,848,206
Pending trades payable and accrued expenses		(392,809,188	)			(2,062,405,169	)	
Total liabilities		(392,809,188	)			(2,062,405,169	)	
Net assets of Master Trust before adjustment to contract value		12,453,397,466				10,832,550,093		
Adjustment from fair value to contract value for fully benefit-responsive investment contracts		(72,772,198	)			(33,528,140	)	
Net assets of Master Trust	\$	12,380,625,268		\$		10,799,021,953		

The Plans' interests in the Master Trust's net assets at December 31, 2014 and 2013, were as follows:

	2014	2013
General Dynamics Corporation 401(k) Plan 3.0	\$3,468,207,367	\$3,247,426,122
General Dynamics Corporation 401(k) Plan 4.5	4,927,552,012	4,222,196,109
General Dynamics Corporation 401(k) Plan 5.0	2,660,367,952	2,196,524,591
General Dynamics Corporation 401(k) Plan for Represented Employees	1,324,497,937	1,132,875,131
Total	\$12,380,625,268	\$10,799,021,953

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Net investment income for the Master Trust for the year ended December 31, 2014, consisted of the following:

Net appreciation on equity securities other than Company stock	\$ 102,755,653
Net appreciation on Company stock	1,090,909,248
Net appreciation in collective trust funds	408,167,502
Net appreciation in registered investment companies	2,025,545
Interest on fixed income fund	48,776,319
Dividends on Company stock	59,209,192
Dividends other than on Company stock	18,097,022
Total	\$ 1,729,940,481

The net investment income for the Master Trust is net of investment manager fees.

The Plans' interests in the Master Trust's investment income for the year ended December 31, 2014, were as follows:

General Dynamics Corporation 401(k) Plan 3.0	\$ 418,586,154
General Dynamics Corporation 401(k) Plan 4.5	604,252,878
General Dynamics Corporation 401(k) Plan 5.0	463,837,598
General Dynamics Corporation 401(k) Plan for Represented Employees	243,263,851
Total	\$ 1,729,940,481

The fair value of the Master Trust's investments that represented 5% or more of the Master Trust's ending net assets as of December 31, 2014 and 2013, were as follows:

	2014	2013
General Dynamics Corporation common stock	\$ 3,407,807,484	\$ 2,543,378,903
Fixed Income Fund	2,628,296,959	2,647,345,994
Northern Trust S&P 500 Non-Lending Fund	1,759,840,278	1,553,538,888
Northern Trust Extended Market Index Fund	791,651,423	773,647,226

(b) Fixed Income Fund (Synthetic GIC)

The Fixed Income Fund holds fully benefit-responsive investment contracts (wrapper contracts) with Metropolitan Life Insurance Company (MetLife) in order to provide participants with a stable, fixed-rate of return on investments, and protection of principal from changes in market interest rates. MetLife's financial strength rating from Standard & Poor's at December 31, 2014 was AA-. The Fixed Income Fund consists of synthetic guaranteed investment contracts ("synthetic GICs") that are valued at the estimated fair value of the underlying investments of the contracts, primarily debt securities and wrapper contracts. Interest is credited to the contract at interest rates that reflect the performance of the underlying portfolio. MetLife resets the interest rate semi-annually based on the market value of the portfolio and the guaranteed value over the weighted average duration of the investments. Participants will receive the principal and accrued interest upon withdrawal for events such as transfers to other Plan investment options or payments for retirement, termination of employment, disability, death and in-service withdrawals as permitted by the Plan. The fixed income fund also invests in two stable value collective trusts.

The contract value of the Fixed Income Fund at December 31, 2014 and 2013, was \$2,555,524,761 and \$2,613,817,854, respectively, as compared to the fair value of \$2,628,296,959 and \$2,647,345,994, respectively. The average yield for the portfolio of fully benefit-responsive investment contracts based on actual earnings was 1.87% and 1.80%, for 2014 and 2013, respectively. The average yield based on the interest rate credited to participants at December 31, 2014 and 2013, was 2.05% and 1.59%, respectively. The crediting interest rate resets semi-annually and



is based on an agreed upon formula with the issuers, but cannot be less than zero. The key factors that influence future interest crediting rates could include the following: the level of market interest rates; the difference between

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the fully benefit-responsive investment contracts' book and market values; the amount and timing of Participant contributions; transfers and withdrawals into/out of the fully benefit-responsive investment contracts; and the duration of the underlying investments backing the fully benefit-responsive investment contracts.

(c) Fair Value Determination

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between marketplace participants. Various valuation approaches can be used to determine fair value, each requiring different valuation inputs. The following hierarchy classifies the inputs used to determine fair value under U.S. GAAP:

Level 1 - Quoted prices (unadjusted) in active markets for identical investments.

General Dynamics Corporation Common Stock, Investments in Equity Securities, Units of Registered Investment Companies, Interest Bearing Cash and Overnight Deposit Accounts:

General Dynamics Corporation common stock, investments in equity securities and units of registered investment companies are valued using quoted prices in an active market. The fair value of interest bearing cash balances and overnight deposit accounts have been determined based upon the deposit account balance, with no discounts for credit quality or liquidity restrictions.

Level 2 - Inputs include:

- \* Quoted prices for similar assets or liabilities in active markets
- \* Quoted prices for identical or similar assets or liabilities in inactive markets
- \* Inputs other than quoted prices that are observable for the assets or liabilities
- \* Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

If the assets or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Units of Collective Trusts:

Units of collective trusts are private investment securities valued using the Net Asset Value (NAV) provided by the Plan's trustee. NAV is based on the value of the underlying assets owned minus its liabilities, divided by the number of units outstanding. Investments in collective trusts are redeemable daily at NAV, and there are no restrictions on redemptions. Investments in collective trusts have investment strategies consistent with their classifications in the tables that follow. The NAV is quoted on a private market that is not active. However, the unit price is based primarily on underlying investments that are traded on an active market.

Asset-Backed, Mortgage-Backed, Corporate Debt Obligations, U.S. Government Debt Obligations and Foreign Government Obligations:

Asset-backed and mortgage-backed securities are valued at their most recent bid prices (sales prices if their principal market is an exchange) in the principal market in which such securities are traded, as determined by recognized dealers in such securities, or are valued on the basis of information provided by a pricing service. The fair values of corporate debt obligations are estimated based on yields currently available on comparable securities of issues with similar credit ratings. The fair values of U.S. government debt obligations and foreign government debt obligations are estimated based on current rates for similar instruments.

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Level 3 - Inputs are unobservable to the market participant

Wrapper Contracts:

Investments in wrapper contracts are valued at fair value using a discounted cash flow model which considers recent fee bids as determined by recognized dealers, discount rate, and the duration of the underlying portfolio of securities. The contracts are unallocated in nature and are fully benefit-responsive. Therefore, net assets available for benefits reflects the Plan's interest in the contract value of the Fixed Income Fund because the Plan's allocable share of the difference between fair value and contract value for this investment is presented as a separate adjustment in the Statement of Net Assets Available for Benefits. There are no reserves against contract values (which represent contributions made under the contract, plus earnings, less withdrawals and administrative expenses) for credit risk of the contract issuer or otherwise. Wrapper contracts provide the Fixed Income Fund with the ability to use contract value accounting to maintain a constant \$1.00 unit price. Wrapper contracts also provide for the payment of Participant-directed withdrawals and exchanges at contract value (principal and interest accrued to date) during the term of the wrapper contracts. However, withdrawals prompted by certain events (e.g., layoffs, retirement during specified early retirement window periods, spin-offs, sale of a division, facility closings, plan terminations, partial plan terminations, changes in law or regulation, material breach of contract responsibilities, loss of the Plan's qualified status, etc.) may be paid at fair value which may be less than contract value. Currently, management believes that the occurrence of an event that would cause the Plan to be paid at less than contract value is not probable. A wrap issuer may terminate a wrapper contract at any time; however, if the fair value of the contract is less than the contract value, the wrap issuer can either hold the contract until the fair value and contract value are equal or make up the difference between the two. If the funds in the wrapper contracts are needed for benefit payments prior to contract maturity, they may be withdrawn without penalty.

The following tables present the fair values of the Master Trust's assets on December 31, 2014 and 2013, and the basis for determining their fair values:

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	Fair value	Quoted price in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
December 31, 2014:				
General Dynamics Corporation common stock	\$3,407,807,484	\$3,407,807,484	\$—	\$—
Participant-Directed Brokerage account:				
Equity Securities	73,930,585	73,930,585	—	—
Registered Investment Companies	48,947,692	48,947,692	—	—
Interest bearing cash	32,558,711	32,558,711	—	—
Investments in other equity securities				
U.S. companies:				
Financial	130,159,223	130,159,223	—	—
Capital goods	26,493,904	26,493,904	—	—
Consumer durables and apparel	70,298,665	70,298,665	—	—
Energy	71,233,080	71,233,080	—	—
Food and beverage	61,855,628	61,855,628	—	—
Healthcare and pharmaceutical	146,331,144	146,331,144	—	—
Hospitality	33,655,881	33,655,881	—	—
Media and telecommunications	136,200,047	136,200,047	—	—
Retail	65,630,967	65,630,967	—	—
Technology	345,206,065	345,206,065	—	—
Other	51,680,936	51,680,936	—	—
Synthetic guaranteed investment contracts:				
Wrapper contracts	21,833,136	—	—	21,833,136
Mortgage-backed securities	632,170,465	—	632,170,465	—
Asset-backed securities	112,954,166	—	112,954,166	—
Corporate debt obligations	926,217,924	—	926,217,924	—
U.S. Government debt obligations	854,645,826	—	854,645,826	—
Foreign government debt obligations	11,012,042	—	11,012,042	—
Overnight deposit accounts	166,554,397	166,554,397	—	—
Collective Trusts	2,536,490	—	2,536,490	—
Interest bearing cash	29,354,109	29,354,109	—	—
Units of collective trusts:				
Large cap U.S. equity	1,797,989,702	—	1,797,989,702	—
Small/mid cap U.S. equity	1,038,899,035	—	1,038,899,035	—
Blended equity/bond fund	46,342,652	—	46,342,652	—
International equity	96,722,304	—	96,722,304	—
Fixed income	506,285,942	—	506,285,942	—
Target date 2010 – 2020	497,330,088	—	497,330,088	—
Target date 2025 – 2035	656,191,772	—	656,191,772	—
Target date 2040 – 2050	207,949,334	—	207,949,334	—
Target date 2055 – 2060	20,507,515	—	20,507,515	—

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Registered investment companies	231,236,182	231,236,182	—	—
Overnight deposit accounts	14,650,298	14,650,298	—	—
Interest bearing cash	5,691,077	5,691,077	—	—
	\$12,579,064,468	\$5,149,476,075	\$7,407,755,257	\$21,833,136

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GENERAL DYNAMICS CORPORATION  
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	Fair value	Quoted price in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
December 31, 2013:				
General Dynamics Corporation common stock	\$2,543,378,903	\$2,543,378,903	\$—	\$—
Participant-Directed Brokerage account:				
Equity securities	47,400,811	47,400,811	—	—
Registered investment companies	32,513,083	32,513,083	—	—
Interest bearing cash	25,566,615	25,566,615	—	—
Investments in other equity securities				
U.S. Companies:				
Financial	121,415,799	121,415,799	—	—
Capital goods	18,578,759	18,578,759	—	—
Consumer durables and apparel	46,941,360	46,941,360	—	—
Energy	70,967,104	70,967,104	—	—
Food and beverage	55,938,807	55,938,807	—	—
Healthcare and pharmaceutical	141,769,747	141,769,747	—	—
Hospitality	50,393,625	50,393,625	—	—
Media and telecommunications	113,888,143	113,888,143	—	—
Retail	74,306,043	74,306,043	—	—
Technology	294,871,589	294,871,589	—	—
Other	43,213,148	43,213,148	—	—
Synthetic guaranteed investment contracts:				
Wrapper contracts	24,481,676	—	—	24,481,676
Mortgage backed securities	725,043,217	—	725,043,217	—
Asset backed securities	85,586,186	—	85,586,186	—
Corporate debt obligations	955,786,820	—	955,786,820	—
U.S. government debt obligations	906,707,081	—	906,707,081	—
Foreign government debt obligations	1,830,425	—	1,830,425	—
Overnight deposit accounts	161,096,213	161,096,213	—	—
Collective trusts	29,144,831	—	29,144,831	—
Interest bearing cash	47,062,151	47,062,151	—	—
Units of collective trusts:				
Large cap U.S. equity	1,582,540,815	—	1,582,540,815	—
Small/mid cap U.S. equity	937,913,740	—	937,913,740	—
Blended equity/bond fund	36,670,242	—	36,670,242	—
International equity	57,353,370	—	57,353,370	—
Fixed income	508,885,931	—	508,885,931	—
Target date 2010 – 2020	415,344,386	—	415,344,386	—
Target date 2025 – 2035	511,921,158	—	511,921,158	—
Target date 2040 – 2050	150,817,149	—	150,817,149	—
Target date 2055 – 2060	9,567,418	—	9,567,418	—
Registered investment companies	158,010,913	158,010,913	—	—

## OPERATIONAL RESULTS

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Overnight deposit accounts	20,412,469	20,412,469	—	—
Interest bearing cash	3,566,870	3,566,870	—	—
	\$11,010,886,597	\$4,071,292,152	\$6,915,112,769	\$24,481,676

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The table below presents a reconciliation of Plan investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended December 31, 2014, including the reporting classifications for the applicable gains and losses included in the statement of changes in net assets available for benefits:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Wrapper contracts:	
Beginning balance, January 1, 2014	\$24,481,676
Total gains or losses included in change in net assets available for benefits:	
Unrealized depreciation (relating to assets held at end of year)	(2,648,540 )
Net depreciation in fair value of investments	(2,648,540 )
Ending balance, December 31, 2014	\$21,833,136

The valuation methods described above may produce a fair value that is not indicative of a net realizable value or reflective of future fair values. Furthermore, although the Plan Sponsor believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of financial instruments could result in a different fair value measurement at the reporting date.

(a) To-Be-Announced Securities (TBA Securities)

The Master Trust may purchase or sell securities on a delayed delivery. Payment and delivery may take several weeks after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The underlying securities are valued at current market value with daily fluctuations in the market value included in net appreciation (depreciation) in fair value of investments. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract terms, or if the issuer does not issue the securities due to political, economic or other factors. Such commitments involve a risk of loss if the value of the security to be purchased or sold declines or increases, respectively, prior to settlement date. At December 31, 2014 and 2013, the Master Trust has recorded approximately \$216 million and \$149 million, respectively, of pending sales of TBA securities. These pending sales are reflected as both a negative amount within the mortgage-backed securities investment category in the preceding disclosures at fair value and a corresponding pending trade receivable at contractual value.

In addition, at December 31, 2014 and 2013, the Master Trust has recorded approximately \$303 million and \$468 million, of pending purchases of TBA securities. These pending purchases are reflected as both positive amounts within the mortgage-backed securities asset category in the preceding disclosures at fair value and a corresponding pending trade payable at contractual value.

Plan management believes that it is appropriate to present these TBA securities at their gross amounts based on the Plan's policy to record purchases and sales of securities on a trade date basis.

(5) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). In the event the Plan is terminated, each participant will automatically



become vested in his or her unvested Company contributions. Each participant will receive payments based on the specific dollar amounts and shares of the Company's common stock in his or her account.

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(6) Party-in-Interest Transactions

The Plan may, at the discretion of the Plan's participants or via the Company match, invest through the Master Trust an unlimited amount of its assets in the Company's common stock. The Master Trust held 24,762,422 and 26,618,275 shares of the Company's common stock as of December 31, 2014 and 2013, respectively. Dividends earned by the Master Trust on the Company's common stock were \$59,209,192 for the year ended December 31, 2014. The Plan also invests, through the Master Trust, in investment funds managed by the trustee or affiliates of the trustee of the Plan or by one of its investment managers. These funds are considered party in interest investments. In addition, the Plan invests, through the Master Trust, in common stocks of certain of its service providers which are also considered party in interest investments. These transactions qualify as exempt party-in-interest transactions. Notes receivable from participants are also considered party-in-interest transactions.

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## (7) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits at December 31, 2014 and 2013, as reported in the financial statements to the Form 5500:

	2014	2013
Net assets available for benefits as reported in the financial statements	\$1,374,889,619	\$1,179,696,717
Delinquent notes receivable in financial statements recorded as distributions in the Form 5500	(4,056,412	) (4,121,328 )
Net assets available for benefits as reported in the Form 5500	\$1,370,833,207	\$1,175,575,389

The following is a reconciliation of benefits paid to participants for the year ended December 31, 2014, as reported in the financial statements to the Form 5500:

Net increase prior to transfers per financial statements	\$204,870,424
Deemed distributions of participant loans reported in the 2014 Form 5500	(4,056,412 )
Deemed distributions of participant loans reported in the 2013 Form 5500	4,121,328
Net income (loss) per the Form 5500	\$204,935,340

GENERAL DYNAMICS CORPORATION  
401(k) PLAN FOR REPRESENTED EMPLOYEES  
Notes to Financial Statements  
December 31, 2014 and 2013

(8)Subsequent Events

Plan management has evaluated subsequent events for recognition and disclosure through June 25, 2015.

GENERAL DYNAMICS CORPORATION 401(k)  
 PLAN FOR REPRESENTED EMPLOYEES  
 Schedule H, Line 4a – Schedule of Delinquent Participant Contributions  
 Year ended December 31, 2014

Participant contributions transferred late to plan	Total that constitute nonexempt prohibited transactions: \$ 24,399			Total fully corrected under VFCP and PTE 2002-51
Check here if late participant loan repayments are included [X]	Contributions not corrected	Contributions corrected outside VFCP	Contributions pending correction in VFCP	
2013	\$—	\$24,241	\$—	\$—
2014	—	158	—	—
See accompanying Report of Independent Registered Public Accounting Firm.				

GENERAL DYNAMICS CORPORATION  
 401(k) PLAN FOR REPRESENTED EMPLOYEES  
 Schedule H, Line 4i – Schedule of Assets (Held at End of Year)  
 December 31, 2014

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral par or maturity date	(d) Cost	(e) Current value
*	Participant Loans	Interest Rates (3.25-9.50%)	#	41,384,961
*	Party-in-interest			
#	Cost information omitted for participant directed investments			
	See accompanying Report of Independent Registered Public Accounting Firm.			

SIGNATURE

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

GENERAL DYNAMICS CORPORATION

As Plan Administrator of the General Dynamics Corporation 401(k) Plan  
for Represented Employees

by

/s/ John M. Ohrnberger  
John M. Ohrnberger  
Staff Vice President, Compensation & Benefits

Dated: June 25, 2015

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