



**Public Meeting with Investors**  
**2Q20 | 1H20**



# Important

Our estimates and future statements are largely based on current expectations and projections in relation to future events and financial trends that affect, or could affect our business. Many important factors can adversely affect our results, such as those predicted in our estimates and future statements. The words "we believe", "we can", "we aim to", "we estimate" and other similar words are for the purpose of identifying estimates and projections. The considerations about estimates and future statements include information related to results and projections, strategies, financing plans, competitive position, sectoral environment, potential growth opportunities, effects of future regulations and effects of competition. These estimates and projections refer only to the date when they were expressed. We cannot assume the obligation to publicly update or review any of these estimates due to new information arising, future events or any other factors, except for current regulations to which we are subject.

# Agenda

- ⦿ Profile & Results

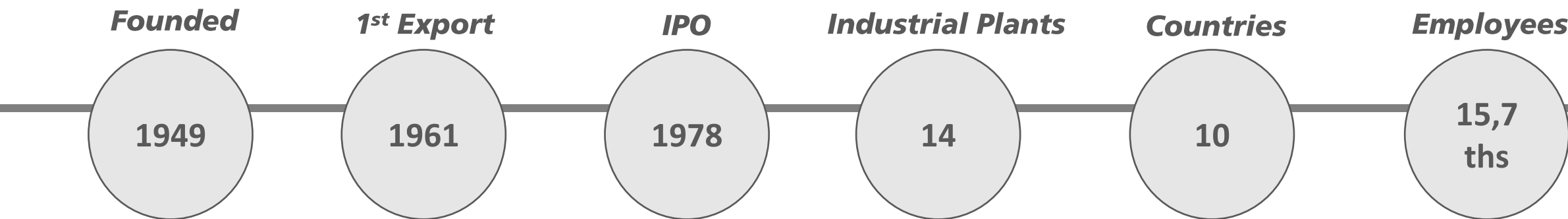
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- ⦿ Performance & Prospects

- ⦿ Attachment: Operating & Financial Results

# Profile

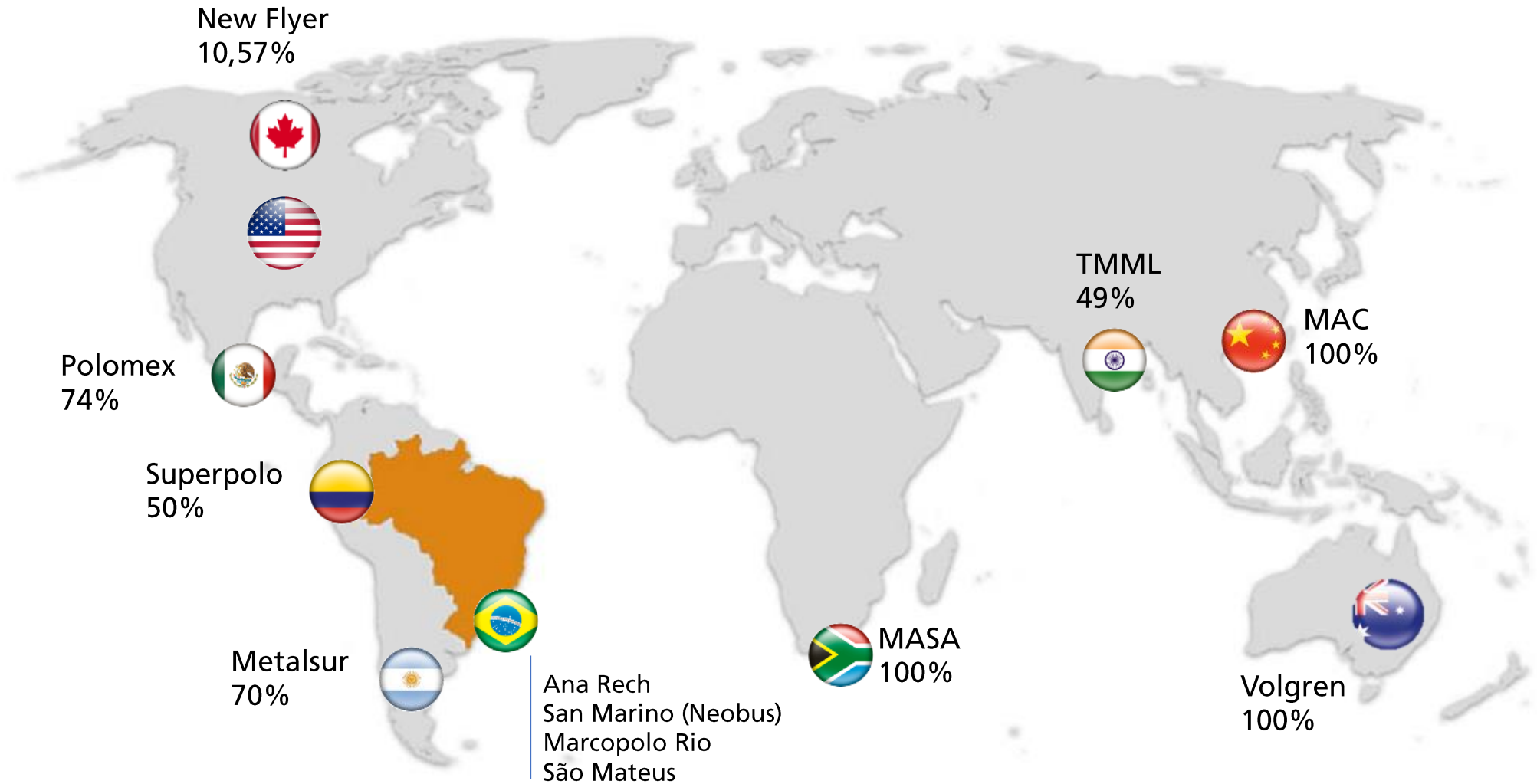
*International company, leader in bus body Brazilian market and strong presence in all segments.*



## **Product Characteristics:**

- *State-of-the-art technology;*
- Expertise of building bodies on any chassis model, including electric;
- Engineering teams divided by products;
- Products customized and manufactured according to customers' needs.

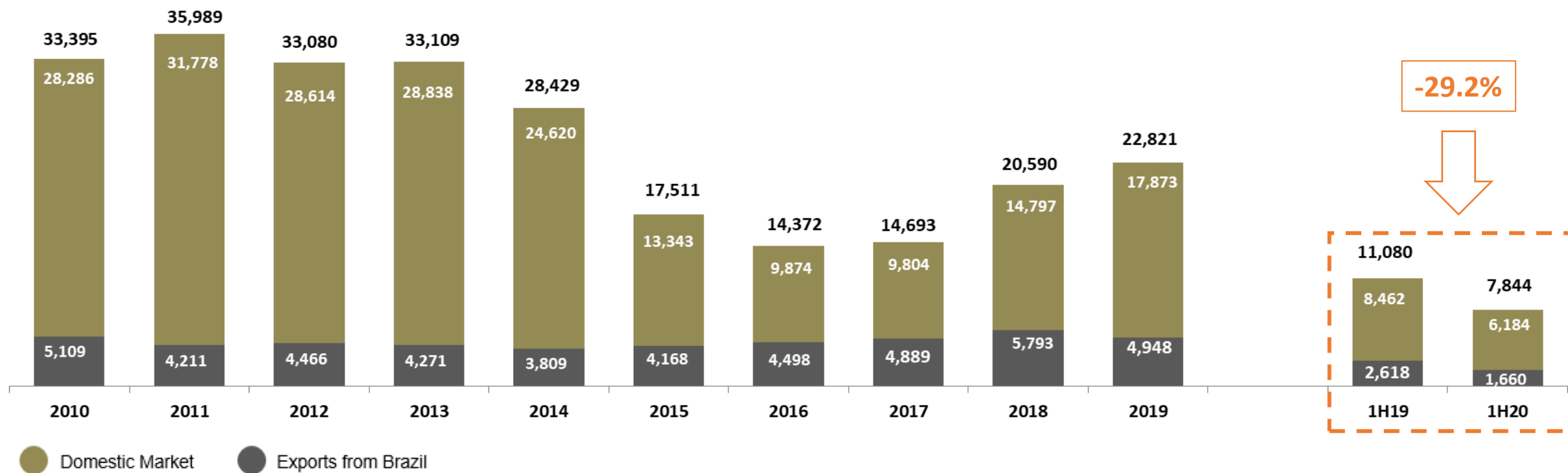
# Global Footprint



# Results

## Brazilian Bus Production (un.)

Source: FABUS



# Marcopolo Production

(units)

Market	2Q20	2Q19	$\Delta 2Q20/2Q19$
<b>Brazil</b>	1.742	3.207	-45,7%
<b>Export</b>	300	541	-44,5%
<b>External Units</b>	293	554	-47,1%
South Africa (MASA)	24	45	-46,7%
Australia (Volgren)	93	108	-13,9%
China (MAC)	15	19	-21,1%
Mexico (Polomex)	161	382	-57,9%
Argentina	-	-	-
<b>Total Production</b>	<b>2.335</b>	<b>4.302</b>	<b>-45,7%</b>

1H20	1H19	$\Delta 1H20/1H19$
4.256	5.280	-19,4%
726	1.437	-49,5%
797	1.120	-28,8%
75	100	-25,0%
169	206	-18,0%
26	64	-59,4%
514	750	-31,5%
13	-	-
<b>5.779</b>	<b>7.837</b>	<b>-26,3%</b>



# Marcopolo Production

(units)

	2Q20	2Q19	Δ 2Q20/2Q19	2H20	2H19	Δ 2H20/2H19
<b>Domestic Market</b>	<b>1.742</b>	<b>3.207</b>	<b>-45,7%</b>	<b>4.256</b>	<b>5.280</b>	<b>-19,4%</b>
Intercity	244	780	-68,7%	767	1.119	-31,5%
Urbans	704	1.097	-35,8%	1.730	1.780	-2,8%
Micros	356	654	-45,6%	711	1.124	-36,7%
Volares	438	676	-35,2%	1.048	1.257	-16,6%
				-	-	
<b>Export Market</b>	<b>629</b>	<b>1.095</b>	<b>-42,6%</b>	<b>1.821</b>	<b>2.557</b>	<b>-28,8%</b>
Intercity	142	444	-68,0%	358	866	-58,7%
Urbans	462	486	-4,9%	1.390	1.363	2,0%
Micros	7	72	-90,3%	29	187	-84,5%
Volares	18	93	-80,6%	44	141	-68,8%
<b>TOTAL</b>	<b>2.371</b>	<b>4.302</b>	<b>-44,9%</b>	<b>6.077</b>	<b>7.837</b>	<b>-22,5%</b>



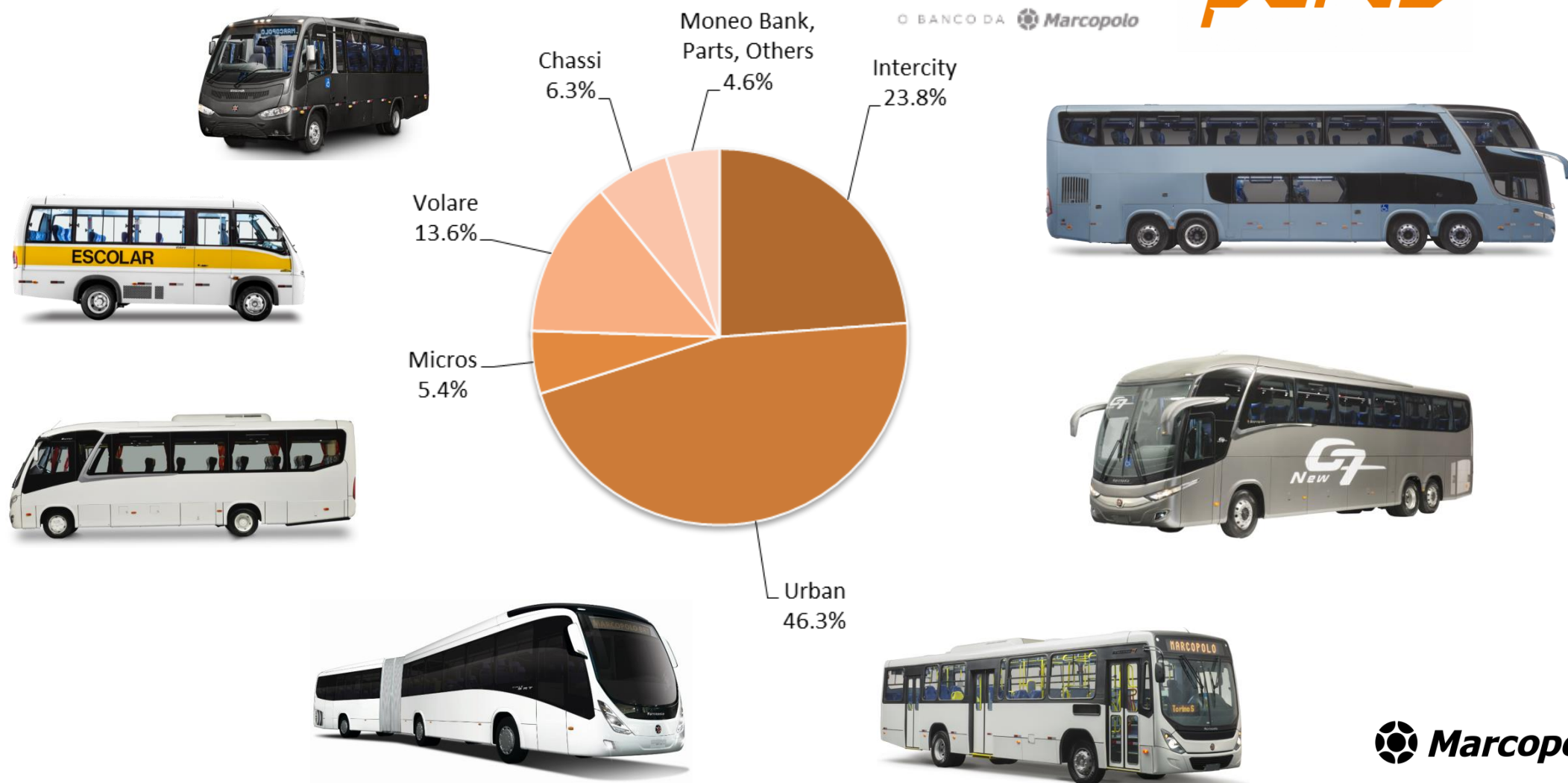
# Results

Marcopolo Sales (un./BRL)

Consolidated	Sales(un.) Δ 2Q20/2Q19		Net Revenue (BRL) Δ 2Q20/2Q19	
<b>Brazilian Market</b>	<b>1.799</b>	<b>-36,6%</b>	<b>356,3</b>	<b>-43,0%</b>
<b>Export</b>	<b>524</b>	<b>-18,2%</b>	<b>247,7</b>	<b>3,9%</b>
elimination of exported KDs	-36	5,9%		
<b>Controlled External Units</b>	<b>304</b>	<b>20,0%</b>	<b>194,5</b>	<b>-30,0%</b>
South Africa (MASA)	33	-41,1%	11.231,4	-50,6%
Argentina (Metalsur)	2	-	1.932,3	-83,9%
Australia (Volgren)	93	-13,9%	129.025,1	22,1%
China (MAC)	9	-69,0%	7.322,1	-20,4%
Mexico (Polomex)	167	-59,2%	42.670,3	-69,6%
<b>Total</b>	<b>2.591</b>	<b>-36,0%</b>	<b>798,5</b>	<b>-30,1%</b>

# Results

Distribution of Net Revenue by Segment – 2Q20



# Results

(BRL million)

	2Q20	2Q19	Δ 2Q20/2Q19	1H20	1H19	Δ 1H20/1H19
<b>Total Revenue</b>	<b>798,5</b>	<b>1.141,9</b>	<b>-30,1%</b>	<b>1.717,9</b>	<b>2.040,4</b>	<b>-15,8%</b>
Domestic Revenue	356,3	625,4	-43,0%	825,9	1.036,7	-20,3%
Export Revenue	247,7	238,5	3,9%	461,6	503,8	-8,4%
Abroad Revenue	194,5	278,0	-30,0%	430,3	499,9	-13,9%
<b>Gross Profit</b>	<b>130,5</b>	<b>175,5</b>	<b>-25,7%</b>	<b>280,5</b>	<b>313,5</b>	<b>-10,5%</b>
Gross Margin	16,3%	15,4%	0,9 pp	16,3%	15,4%	0,9 pp
<b>EBITDA</b>	<b>40,9</b>	<b>105,5</b>	<b>-61,3%</b>	<b>142,8</b>	<b>166,2</b>	<b>-14,1%</b>
EBITDA Margin	5,1%	9,2%	-4,1 pp	8,3%	8,1%	0,2 pp
<b>Net Profit</b>	<b>1,3</b>	<b>90,9</b>	<b>-98,6%</b>	<b>12,0</b>	<b>117,9</b>	<b>-89,8%</b>
Net Margin	0,2%	8,0%	-7,8 pp	0,7%	5,8%	-5,1 pp

# Agenda

- ⊗ Profile & Results
  - ⊗ Performance & Prospects
- 
- ⊗ Attachment: Operating & Financial Results

# Performance & Prospects

## Domestic Market

- ✿ **Intercities:** demand continues to be impacted by travel limitations imposed by state and municipal authorities in Brazil, mainly in the tourism sectors, interstate and international lines. Charter activities and intercity lines continue to sustain demand, but still at a slower pace than the pre-Covid period.
- ✿ **Urbans:** urban public transport remains affected by the pandemic, but the gradual reopening of some regions of the country should be a driver for the sales on 3Q20. The federal program *Caminho da Escola* (Road to School) remains as the positive highlight.
- ✿ **Micros & Volares:** the micro and Volares segment has been experiencing a recovery in sales as some sanitary restrictions limit the use of vans used, especially for chartering. Demand has been powered especially by agriculture and mining sectors. The segment has good prospects for 2H20. The program *Caminho da Escola* (Road to School) also highlighted in the segment.
- ✿ **Caminho da Escola (Road to School):** in 2Q20, the Company delivered 724 units for the program *Caminho da Escola*: 271 micros, 380 urban and 73 Volare models; the pace of distribution should accelerate in 3Q20. The expectation remains a delivery of approximately 4 thousand units in 2020.

# Performance & Prospects

## Exports & International Operations

- ✿ **Exports:** exports have been showing a better performance in comparison with the Brazilian market due to the exchange rate devaluation and the good moment in terms of deliveries to the African continent. The lower volume of units continues to be partially offset by the higher profitability of operations, considering the current level of the exchange rate. The Company notes that exports are expected to increase again from 4Q20, taking into account the seasonality of the period and new deliveries to Africa.
- ✿ **Controlled Companies:** the positive highlight among the subsidiaries was the result of the Australian Volgren, which had its production interrupted for only 10 days during the quarter, bringing profit in 2Q20 and with positive perspectives for 2H20. Marcopolo México and Marcopolo South Africa were affected by the suspension of its activities throughout the month of April, after this, they experimented a reduction in production at levels similar to Brazil, 50%. Argentinian Metalsur remained with its factory closed during the entire quarter, with the prospect of recovering results from 3Q20, as they return its production in July.
- ✿ **Affiliates:** the Colombian operation of Superpolo achieved a rapid resumption from the start of production in early May and is expected to continue delivering consistent results throughout the year 2020. Indian affiliate TMML remained suspended due to the pandemic for almost the entire quarter as a result of sanitary restrictions, shutdown of suppliers and falling demand. In 2Q20, Canadian NFI Group also brought negative results, related to non-recurring events.

# Performance & Prospects

## Covid-19

- ✿ **Expenses:** Marcopolo has been able to reduce costs with the use of the tools for suspending the employment contracts and reducing the working hours, designed by the federal government. Approximately 50% of the workforce, direct and indirect, including the Company's Management, are part of the cost reduction program.
- ✿ **CapEx:** the Company has maintained only the investments contracted in the period prior to the pandemic. New projects are having their investments contingent or eliminated. The exception are the innovations associated with the Marcopolo Biosafe initiative.
- ✿ **Working Capital:** we set challenging internal goals, targeting cash generation through the release of working capital. We are reducing inventories of raw materials, working in progress and finished goods, adjusting production to the new market reality. The greater exposure to exports and sales of units to *Caminho da Escola*, both with a longer financial cycle, affect the Accounts Receivables figures.
- ✿ **Dividends:** the Company keeps the distribution of earnings suspended until it has a better visibility of results.



# Performance & Prospects



**Bio Safe**

A SOLUTION PLATFORM TO ALLOW A SAFE RETURN TO  
THE PASSANGER TRANSPORTATION ACTIVITY



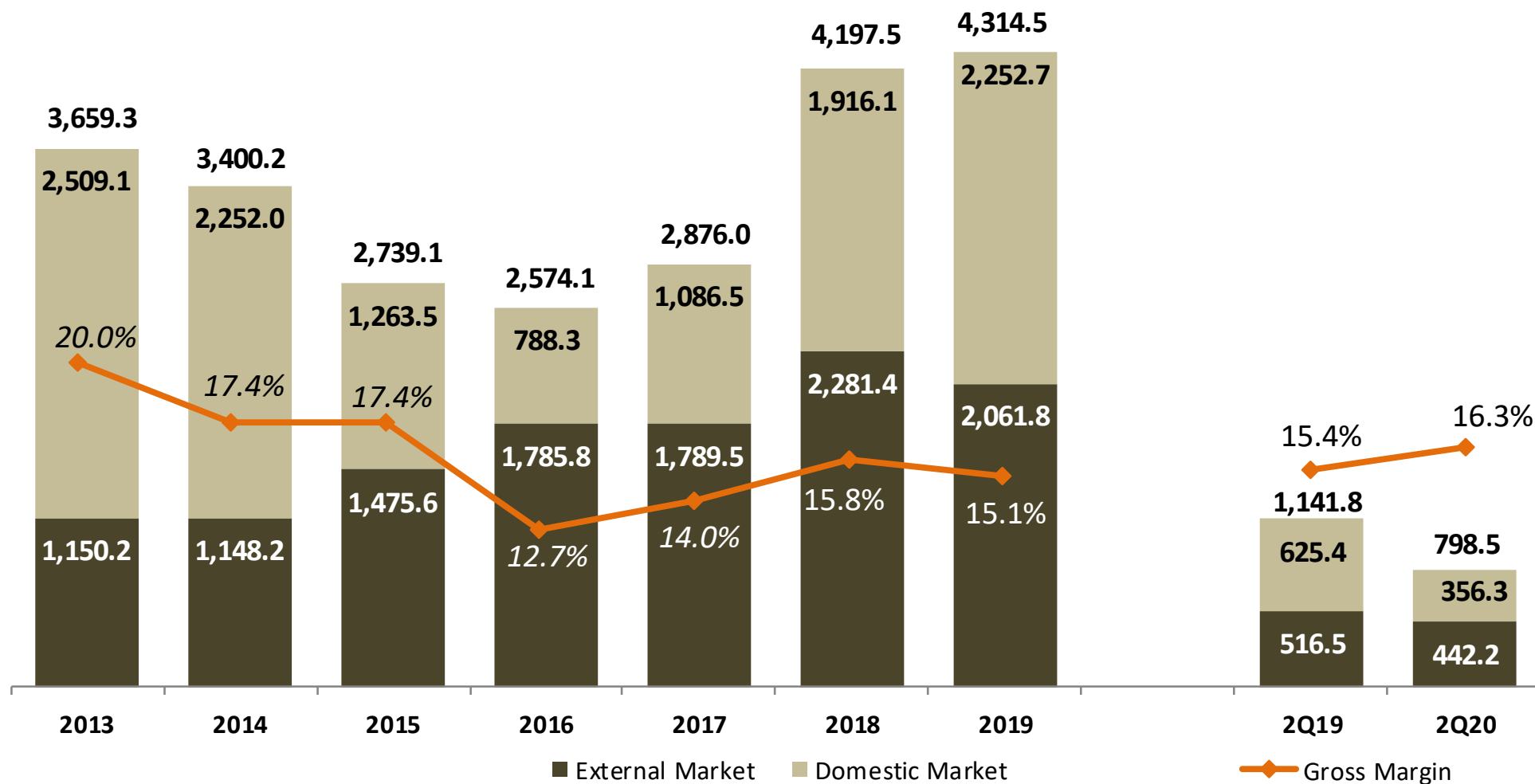
- ✿ ***1x1x1 Chair Sets;***
- ✿ ***Protection for drivers and ticket collectors;***
- ✿ ***Fog in Place (FIP) technology, for disinfecting environments;***
- ✿ ***Ultraviolet (UV) light for disinfecting toilets and air, through the air conditioning unit;***
- ✿ ***Individual curtains between passengers;***
- ✿ ***Alcohol sanitiser dispenser;***
- ✿ ***Not touch activation of reading lights.***

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# Attachment

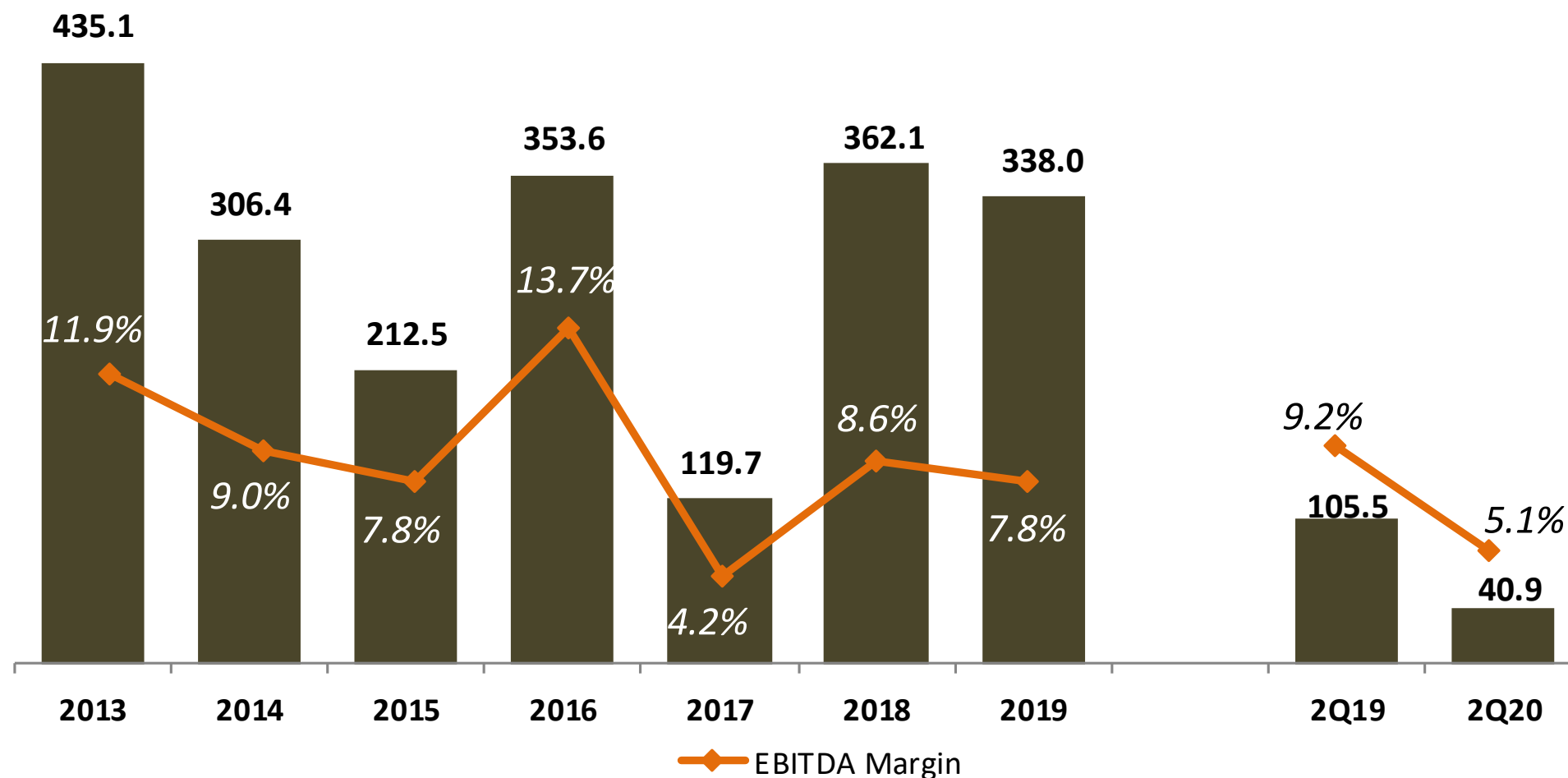
Net Revenue (BRL million) – EM e DM



# Attachment

EBITDA (BRL million)

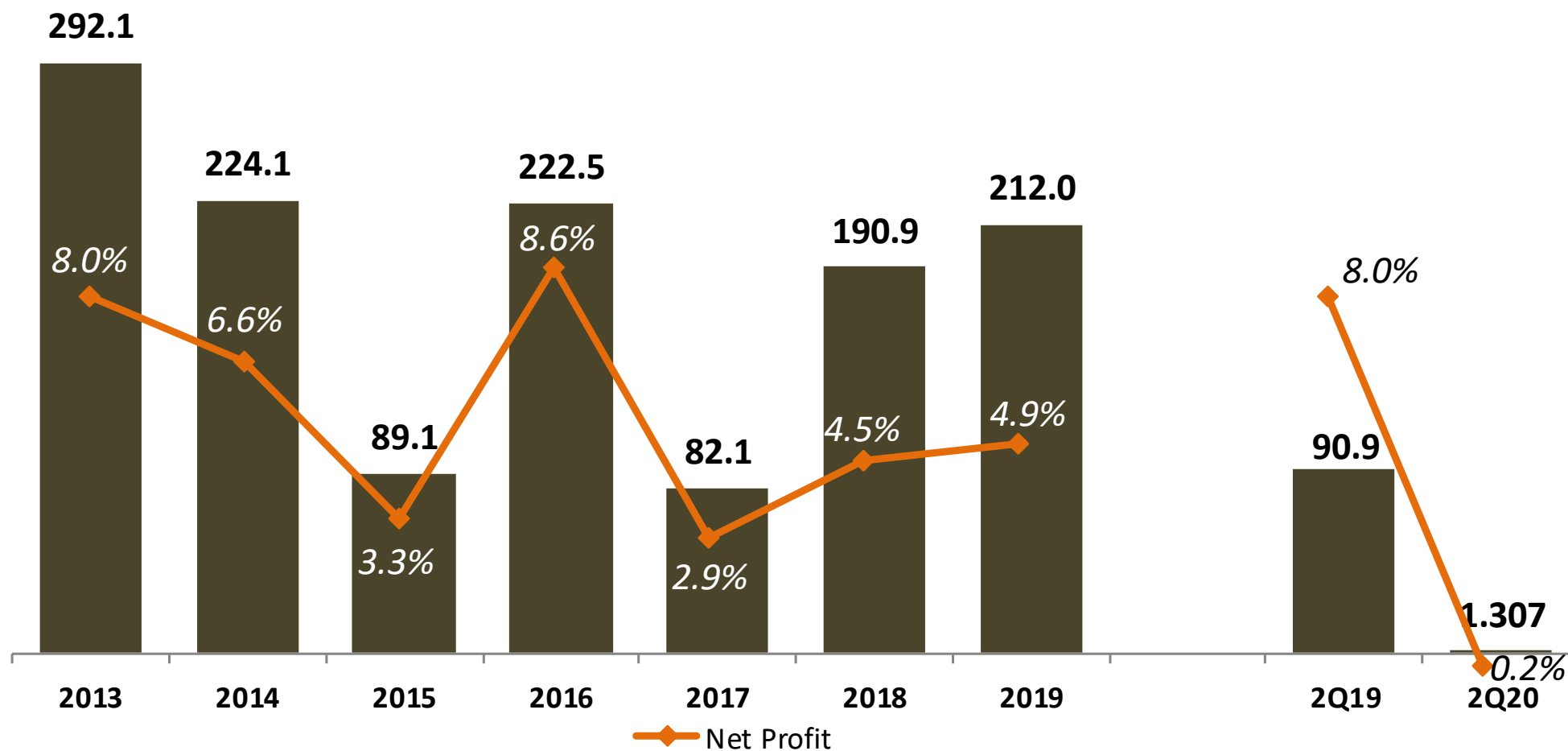
EBITDA Margin (%)



# Attachment

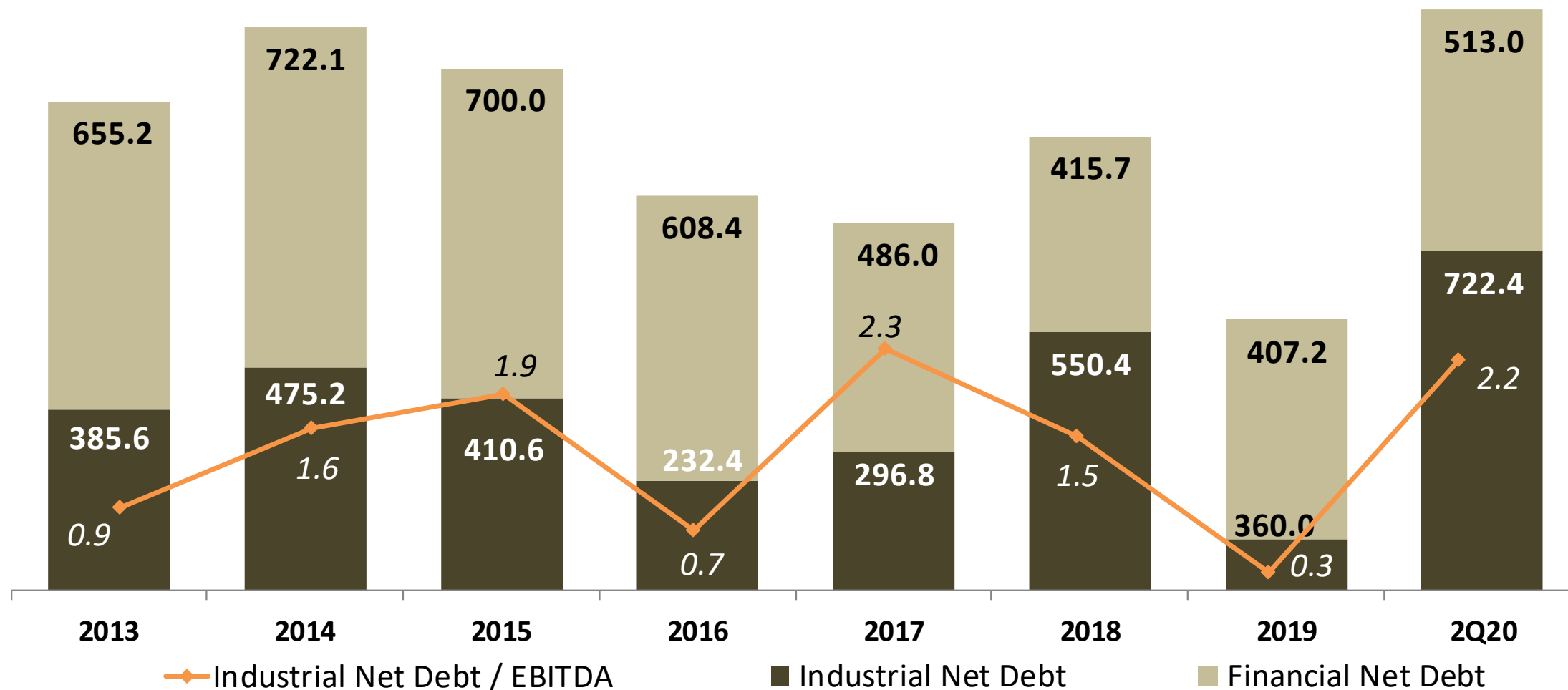
Net Profit (BRL million)

Net Margin (%)



# Attachment

Indebtedness (BRL million)



# Attachment

## International Operations Subsidiaries and Affiliates

Controlled	Units			Net Revenue (R\$ MM)			Net Profit (R\$ MM)		
	2Q20	2Q19	Var. % 2Q20/2Q98	2Q20	2Q19	Var. % 2Q20/2Q98	2Q20	2Q19	Var. % 2Q20/2Q98
MASA (South Africa)	33	56	-41,1%	11.231	22.729	-50,6%	- 2.008	- 1.180	-70,3%
Metalsur (Argentina)*	2	13	0,0%	1.932	12.035	-83,9%	- 5.768	- 4.273	-35,0%
Volgren (Austrália)	93	108	-13,9%	129.025	105.640	22,1%	1.094	- 563	-
MAC (China)	9	29	-69,0%	7.322	9.197	-20,4%	- 1.874	112	-
Polomex (México)	167	409	-59,2%	42.670	140.352	-69,6%	- 9.087	17.313	-
Joint Ventures *							Equity (R\$ Mil)		
	2Q20	2Q19	Var. % 2Q20/2Q98	2Q20	2Q19	Var. % 2Q20/2Q98	2Q20	2Q19	Var. % 2Q20/2Q98
NFI (Canadá)							- 39.268	15.513	-
Superpolo (Columbia)							3.100	8.026	-61,4%
TMML (Índia)							- 12.075	4.043	-

\* Metalsur passou a ser consolidada a partir do 3T19.



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## Thank you!