

**Caxias do Sul, November 03, 2020 - Marcopolo S.A. (B3: POMO3; POMO4)** publishes the results referring to the performance of the third quarter of 2020 (3Q20). The financial statements are presented in accordance with accounting practices adopted in Brazil and with the IFRS - International Financial Reporting Standards, established by the IASB - International Accounting Standards Board.

### HIGHLIGHTS OF THE 3<sup>rd</sup> QUARTER OF 2020

- ✿ Marcopolo's **Total Production** reached 3,422 units, 12.8% lower than 3Q19.
- ✿ **Net Revenue** amounted to R\$ 836.5 million, a reduction of 22.6% compared to 3Q19.
- ✿ **Gross Profit** reached R\$ 136.7 million, with a margin of 16.3%.
- ✿ **EBITDA** totaled a negative R\$ 23.8 million, with a margin of -2.8%.
- ✿ **Net loss** was R\$ 57.4 million, with a margin of -6.9%.
- ✿ **Rescission costs** and **results of the NFI Group Inc.** affected results.

(R\$ million and percentage change, unless otherwise stated).

<b>Selected Information</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Var. %</b>	<b>9M20</b>	<b>9M19</b>	<b>Var. %</b>
Net operating revenue	836.5	1,081.2	-22.6%	2,554.4	3,121.6	-18.2%
Revenue in Brazil	480.4	615.1	-21.9%	1,306.3	1,651.8	-20.9%
Export revenue in Brazil	192.1	188.6	1.9%	653.7	692.5	-5.6%
Revenue abroad	164.0	277.5	-40.9%	594.3	777.3	-23.5%
Gross Profit	136.7	145.9	-6.3%	417.2	459.4	-9.2%
EBITDA <sup>(1)</sup>	-23.8	60.2	-139.5%	119.0	226.3	-47.4%
Net Profit (Loss)	-57.4	22.8	-351.8%	-45.4	140.7	-132.3%
Profit (Loss) per Share	-0.061	0.024	-352.5%	-0.036	0.141	-125.5%
Return on Invested Capital (ROIC) <sup>(2)</sup>	3.6%	7.3%	-3.7 pp	3.6%	7.3%	-3.7 pp
Return on Equity (ROE) <sup>(3)</sup>	1.1%	10.1%	-9 pp	1.1%	10.1%	-9 pp
Investments	35.6	49.1	-27.4%	108.8	122.8	-11.4%
Gross Margin	16.3%	13.5%	2.8 pp	16.3%	14.7%	1.6 pp
EBITDA Margin	-2.8%	5.6%	-8.4 pp	4.7%	7.3%	-2.6 pp
Net Margin	-6.9%	2.1%	-9 pp	-1.8%	4.5%	-6.3 pp
<b>Balance Sheet Data</b>	<b>09/30/2020</b>	<b>06/30/2020</b>	<b>Var. %</b>			
Net Equity	2,459.0	2,469.4	-0.4%			
Cash, cash equivalents and financial investments	1,036.1	881.9	17.5%			
Short-term financial liabilities	-767.7	-730.4	5.1%			
Long-term financial liabilities	-1,399.1	-1,386.9	0.9%			
Net financial liability – Industrial Segment	-576.5	-722.4	-20.2%			

Notes: <sup>(1)</sup> EBITDA = Earnings before interest, taxes, depreciation and amortization; <sup>(2)</sup> ROIC (Return on Invested Capital) = (Nopat of the last 12 months) / (customers + inventories + other accounts receivable + investments + fixed assets + intangible assets - suppliers - other accounts payable). The effects of Banco Moneo on the asset and liability base were excluded from the calculation. <sup>(3)</sup> ROE (Return on Equity) = Net Profit of the last 12 months / Initial Shareholder's Equity; pp = percentage points.

**BRAZILIAN BUS INDUSTRY PERFORMANCE**

In 3Q20, Brazilian bus production reached 4,591 units, a drop of 24.0% compared to 3Q19.

**a) Domestic Market.** Production for the domestic market totaled 3,839 units in 3Q20, 22.6% lower than the 4,960 units produced in 3Q19.

**b) Foreign Market.** Exports totaled 752 units in 3Q20, 30.5% lower than the 1,082 units exported in 3Q19.

**BRAZILIAN BUS PRODUCTION (in units)**

PRODUCTS <sup>(1)</sup>	3Q20			3Q19			Var.
	MI	ME <sup>(2)</sup>	TOTAL	MI	ME <sup>(2)</sup>	TOTAL	%
Intercity buses	884	251	<b>1,135</b>	1,044	451	<b>1,495</b>	-24.1%
Urban buses	1,746	473	<b>2,219</b>	3,260	348	<b>3,608</b>	-38.5%
Micro buses	1,209	28	<b>1,237</b>	656	283	<b>939</b>	31.7%
<b>TOTAL</b>	<b>3,839</b>	<b>752</b>	<b>4,591</b>	<b>4,960</b>	<b>1,082</b>	<b>6,042</b>	<b>-24.0%</b>

PRODUCTS <sup>(1)</sup>	9M20			9M19			Var.
	MI	ME <sup>(2)</sup>	TOTAL	MI	ME <sup>(2)</sup>	TOTAL	%
buses	2,398	770	<b>3,168</b>	2,705	1,556	<b>4,261</b>	-25.7%
Urban buses	5,255	1,573	<b>6,828</b>	8,364	1,472	<b>9,836</b>	-30.6%
Micro buses	2,370	69	<b>2,439</b>	2,353	672	<b>3,025</b>	-19.4%
<b>TOTAL</b>	<b>10,023</b>	<b>2,412</b>	<b>12,435</b>	<b>13,422</b>	<b>3,700</b>	<b>17,122</b>	<b>-27.4%</b>

Sources: FABUS (*Associação Nacional dos Fabricantes de Ônibus* [National Association of Bus Manufacturers]) and SIMEFRE (*Sindicato Interestadual da Indústria de Materiais e Equipamentos Ferroviários e Rodoviários* [Interstate Union for the Industry of Materials and Railway and Road Equipment]).

Notes: <sup>(1)</sup> MI = Domestic Market; ME = Foreign Market, units produced for export; <sup>(2)</sup> Includes units exported in KD (disassembled).

**MARCOPOLO'S OPERATING AND FINANCIAL PERFORMANCE**
**Units recorded in Net Revenue**

In 3Q20, 3,399 units were recorded in net revenue, of which 2,613 were sold in Brazil (76.9% of the total), 453 exported from Brazil (13.3%) and 333 abroad (9.8%).

OPERATIONS (in units)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
<b>BRAZIL:</b>						
- Domestic Market	2,613	2,836	-7.9%	6,624	7,805	-15.1%
- Foreign Market	508	511	-0.6%	1,680	1,984	-15.3%
<b>SUBTOTAL</b>	<b>3,121</b>	<b>3,347</b>	<b>-6.8%</b>	<b>8,304</b>	<b>9,789</b>	<b>-15.2%</b>
Exported KD eliminations <sup>(1)</sup>	55	4	1,275.0%	353	77	358.4%
<b>TOTAL IN BRAZIL</b>	<b>3,066</b>	<b>3,343</b>	<b>-8.3%</b>	<b>7,951</b>	<b>9,712</b>	<b>-18.1%</b>
<b>ABROAD:</b>						
- South Africa	36	78	-53.8%	120	176	-31.8%
- Australia	48	146	-67.1%	217	352	-38.4%
- China	19	47	-59.6%	34	91	-62.6%

- Mexico	157	346	-54.6%	647	1,110	-41.7%
- Argentina	73	11	563.6%	101	17	494.1%
<b>TOTAL ABROAD</b>	<b>333</b>	<b>628</b>	<b>-47.0%</b>	<b>1,119</b>	<b>1,729</b>	<b>-35.3%</b>
<b>OVERALL TOTAL</b>	<b>3,399</b>	<b>3,971</b>	<b>-14.4%</b>	<b>9,070</b>	<b>11,441</b>	<b>-20.7%</b>

Note: <sup>(1)</sup> KD (Knock Down) = Bus bodies partially or completely disassembled.

### PRODUCTION

Marcopolo's consolidated production was 3,422 units in 3Q20. In Brazil, production reached 3,064 units, 7.1% lower than in 3Q19, while abroad production was 358, 43.1% lower than the units produced in the same period last year.

In affiliated, non-consolidated operations, considering only Marcopolo's share in the respective share capital of companies, production was 464 units, 67.8% lower than in 3Q19.

In the quarter, production was negatively affected by lower demand for buses, reflecting the Covid-19 pandemic in the transport of people. Production in 3Q20 is mainly associated with the entry of orders during 2Q20, the worst moment of the health crisis, amid lockdowns and restrictions on bus circulation in all markets. In the domestic market, production was supported by a significant volume of units directed to the federal *Caminho da Escola* [school bus] program. In exports, the increase in sales to countries such as Chile, Argentina and Peru contributed to offset the lower volumes produced for the African continent.

Marcopolo's production data and its comparison with the previous year are shown in the following table:

#### MARCOPOLO - CONSOLIDATED GLOBAL PRODUCTION

OPERATIONS (in units)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
<b>BRAZIL: <sup>(1)</sup></b>						
- Domestic Market	2,571	2,823	-8.9%	6,827	8,103	-15.7%
- Foreign Market	548	755	-27.4%	1,572	2,350	-33.1%
<b>SUBTOTAL</b>	<b>3,119</b>	<b>3,578</b>	<b>-12.8%</b>	<b>8,399</b>	<b>10,453</b>	<b>-19.6%</b>
Exported KD eliminations <sup>(2)</sup>	55	281	-80.4%	353	439	-19.6%
<b>TOTAL IN BRAZIL</b>	<b>3,064</b>	<b>3,297</b>	<b>-7.1%</b>	<b>8,046</b>	<b>10,014</b>	<b>-19.7%</b>
<b>ABROAD:</b>						
- South Africa	58	73	-20.5%	133	192	-30.7%
- Australia	48	146	-67.1%	217	352	-38.4%
- China	8	47	-83.0%	34	121	-71.9%
- Mexico	171	350	-51.1%	685	1100	-37.7%
- Argentina	73	13	461.5%	89	20	345.0%
<b>TOTAL ABROAD</b>	<b>358</b>	<b>629</b>	<b>-43.1%</b>	<b>1,158</b>	<b>1,785</b>	<b>-35.1%</b>
<b>OVERALL TOTAL</b>	<b>3,422</b>	<b>3,926</b>	<b>-12.8%</b>	<b>9,204</b>	<b>11,799</b>	<b>-22.0%</b>

NON-CONSOLIDATED OPERATIONS (in units)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
- Colombia (50%)	177	244	-27.3%	463	707	-34.5%
- India (49%)	287	1,197	-76.0%	1627	4,416	-63.2%
<b>TOTAL AFFILIATED</b>	<b>464</b>	<b>1,441</b>	<b>-67.8%</b>	<b>2,090</b>	<b>5,123</b>	<b>-59.2%</b>

Notes: <sup>(1)</sup> Includes the production of the Volare model; <sup>(2)</sup> KD (Knock Down) = Bus bodies partially or completely disassembled; <sup>(3)</sup> Volume proportional to Marcopolo's market share in the respective companies.

### MARCOPOLO - CONSOLIDATED GLOBAL PRODUCTION BY MODEL

PRODUCTS/MARKETS <sup>(2)</sup> (in units)	3Q20			3Q19		
	MI	ME <sup>(1)</sup>	TOTAL	MI	ME <sup>(1)</sup>	TOTAL
Intercity buses	434	189	<b>623</b>	777	294	<b>1,071</b>
Urban buses	1,008	559	<b>1,567</b>	1,111	557	<b>1,668</b>
Micro buses	660	23	<b>683</b>	397	162	<b>559</b>
<b>SUBTOTAL</b>	<b>2,102</b>	<b>771</b>	<b>2,873</b>	<b>2,285</b>	<b>1,013</b>	<b>3,298</b>
Volares <sup>(3)</sup>	469	95	<b>564</b>	538	90	<b>628</b>
<b>TOTAL PRODUCTION</b>	<b>2,571</b>	<b>866</b>	<b>3,437</b>	<b>2,823</b>	<b>1,103</b>	<b>3,926</b>

PRODUCTS/MARKETS <sup>(2)</sup> (in units)	9M20			9M19		
	MI	ME <sup>(1)</sup>	TOTAL	MI	ME <sup>(1)</sup>	TOTAL
Intercity buses	1,201	496	<b>1,697</b>	1,934	1,171	<b>3,105</b>
Urban buses	2,738	1,641	<b>4,379</b>	2,853	1,945	<b>4,798</b>
Micro buses	1,371	52	<b>1,423</b>	1,521	349	<b>1,870</b>
<b>SUBTOTAL</b>	<b>5,310</b>	<b>2,189</b>	<b>7,499</b>	<b>6,308</b>	<b>3,465</b>	<b>9,773</b>
Volares <sup>(3)</sup>	1,517	139	<b>1,656</b>	1,795	231	<b>2,026</b>
<b>TOTAL PRODUCTION</b>	<b>6,827</b>	<b>2,328</b>	<b>9,155</b>	<b>8,103</b>	<b>3,696</b>	<b>11,799</b>

Notes: <sup>(1)</sup> The total ME production includes units exported in KD (bus bodies partially or completely disassembled); <sup>(2)</sup> MI = Domestic Market; ME = Foreign Market; <sup>(3)</sup> The production of Volares is not part of the data from SIMEFRE and FABUS, or from the sector's production.

### MARCOPOLO - PRODUCTION IN BRAZIL

PRODUCTS/MARKETS <sup>(2)</sup> (in units)	3Q20			3Q19		
	MI	ME <sup>(1)</sup>	TOTAL	MI	ME <sup>(1)</sup>	TOTAL
Intercity buses	434	150	<b>584</b>	777	213	<b>990</b>
Urban buses	1,008	280	<b>1,288</b>	1,111	290	<b>1,401</b>
Micro buses	660	23	<b>683</b>	397	162	<b>559</b>
<b>SUBTOTAL</b>	<b>2,102</b>	<b>453</b>	<b>2,555</b>	<b>2,285</b>	<b>665</b>	<b>2,950</b>
Volares <sup>(3)</sup>	469	95	<b>564</b>	538	90	<b>628</b>
<b>TOTAL PRODUCTION</b>	<b>2,571</b>	<b>548</b>	<b>3,119</b>	<b>2,823</b>	<b>755</b>	<b>3,578</b>

PRODUCTS/MARKETS <sup>(2)</sup> (in units)	9M20			9M19		
	MI	ME <sup>(1)</sup>	TOTAL	MI	ME <sup>(1)</sup>	TOTAL
Intercity buses	1,201	361	<b>1,562</b>	1,934	941	<b>2,875</b>
Urban buses	2,738	1,023	<b>3,761</b>	2,853	829	<b>3,682</b>
Micro buses	1,371	52	<b>1,423</b>	1,521	349	<b>1,870</b>
<b>SUBTOTAL</b>	<b>5,310</b>	<b>1,436</b>	<b>6,746</b>	<b>6,308</b>	<b>2,119</b>	<b>8,427</b>
Volares <sup>(3)</sup>	1,517	136	<b>1,653</b>	1,795	231	<b>2,026</b>
<b>TOTAL PRODUCTION</b>	<b>6,827</b>	<b>1,572</b>	<b>8,399</b>	<b>8,103</b>	<b>2,350</b>	<b>10,453</b>

Note: See notes in the Consolidated Global Production by Model table.

### MARKET SHARE IN THE BRAZILIAN MARKET

Marcopolo's market share in Brazilian bus body production was 55.7% in 3Q20 compared to 48.8% in 3Q19.

The highlight of the quarter was the 19.2 percentage point increase in the urban bus segment compared to the same period in 2019. Units produced for the federal *Caminho da Escola* [school bus] program helped to sustain a market share above the historical level, at a time of reduced demand. The reduction in market share in the intercity bus segment is explained by the profile of the models most in demand in the domestic market, aimed at charter use. Historically, the Company has a smaller market share in this lighter intercity bus segment.

### MARKET SHARE IN BRAZILIAN PRODUCTION (%)

PRODUCTS	3Q19	9M19	3Q20	9M20
Intercity buses	66.2	67.5	51.5	49.3
Urban buses	38.8	37.4	58.0	55.1
Micro buses	59.5	61.8	55.2	58.3
<b>TOTAL <sup>(1)</sup></b>	<b>48.8</b>	<b>49.2</b>	<b>55.7</b>	<b>54.3</b>

Source: FABUS and SIMEFRE

Note: <sup>(1)</sup> Volare is not counted for market share purposes.

### NET REVENUE

Consolidated net revenue reached R\$ 836.5 million in 3Q20, of which R\$ 480.4 million, or 57.4% of the total, from the domestic market, and R\$ 356.1 million, representing the remaining 42.6%, of the foreign market.

The highlight of the quarter was micro bus performance, benefited by the growth in volumes sold to the *Caminho da Escola* [school bus] program. With Volares, we highlight the good performance of retail sales aimed at replacing vans for chartering and expressive export business to Chile.

The following table and graphs show the breakdown of net revenue by products and markets:

**TOTAL CONSOLIDATED NET REVENUE**  
**By Products and Markets (R\$ Million)**

PRODUCTS/MARKETS (1)	3Q20			3Q19		
	MI	ME	TOTAL	MI	ME	TOTAL
Intercity buses	131.9	117.1	<b>248.9</b>	271.0	168.8	<b>439.8</b>
Urban buses	124.0	156.5	<b>280.5</b>	144.2	221.3	<b>365.6</b>
Micro buses	65.9	4.7	<b>70,7</b>	52.0	19.0	<b>71.0</b>
<b>Bus body subtotal</b>	<b>321.8</b>	<b>278.3</b>	<b>600.2</b>	<b>467.2</b>	<b>409.2</b>	<b>876.4</b>
Volares (2)	139.2	52.8	<b>192.0</b>	124.1	24.9	<b>149.0</b>
Chassis	0.3	8.3	<b>8.6</b>	0.6	14.0	<b>14.6</b>
Bco. Moneo	9.4	-	<b>9.4</b>	10.5	-	<b>10.5</b>
Parts and Others	9.6	16.7	<b>26.3</b>	12.7	18.0	<b>30.7</b>
<b>OVERALL TOTAL</b>	<b>480.4</b>	<b>356.1</b>	<b>836.5</b>	<b>615.1</b>	<b>466.1</b>	<b>1,081.1</b>

PRODUCTS/MARKETS (1)	9M20			9M19		
	MI	ME	TOTAL	MI	ME	TOTAL
Intercity buses	371.1	417.7	<b>788.8</b>	621.9	600.8	<b>1,222.6</b>
Urban buses	354.1	598.8	<b>952.9</b>	376.3	661.4	<b>1,037.7</b>
Micro buses	139.6	16.1	<b>155.7</b>	171.9	45.2	<b>217.1</b>
<b>Bus body subtotal</b>	<b>864.8</b>	<b>1,032.6</b>	<b>1,897.4</b>	<b>1,170.1</b>	<b>1,307.4</b>	<b>2,477.4</b>
Volares (2)	376.2	61.7	<b>437.9</b>	415.5	59.8	<b>475.3</b>
Chassis	4.6	98.6	<b>103.2</b>	2.0	43.0	<b>44.9</b>
Bco. Moneo	34.9	-	<b>34.9</b>	27.6	-	<b>27.6</b>
Parts and Others	25.9	55.1	<b>81.0</b>	36.6	59.7	<b>96.3</b>
<b>OVERALL TOTAL</b>	<b>1,306.3</b>	<b>1,248.1</b>	<b>2,554.4</b>	<b>1,651.8</b>	<b>1,469.9</b>	<b>3,121.6</b>

Notes: (1) MI = Domestic Market; ME = Foreign Market, units exported and produced in international operations by controlled companies ; (2) Volares' revenue includes the chassis.

### GROSS PROFIT AND MARGINS

Consolidated gross profit in 3Q20 reached R\$ 136.7 million, with a margin of 16.3%, compared to R\$ 145.9 million with a margin of 13.5% in 3Q19.

The gross margin was benefited by the positive effect of the exchange rate on exports, by the better efficiency of operations and by the optimization process of plants located in Brazil. The main highlight of the quarter was the São Mateus, ES unit, with a significant increase in efficiency after the completion of the verticalization of parts and components carried out between 2019 and 2020.

In the quarter, the Company used the levers provided for in Law no. 14.020/20, especially using the suspension of employment contracts of approximately 50% of its collaborators. If we isolated the costs related to the compensatory aid, provided for in the law and due to collaborators who remained with their employment contract

suspended, we would reach the amount of R\$ 14.8 million, making up an adjusted gross margin of 18.1% in 3Q20 when we eliminated those expenses.

### **EXPENSES WITH SALES**

Expenses with sales totaled R\$ 53.3 million in 3Q20, or 6.4% of net revenue, against R\$ 54.8 million in 3Q19, 5.1% of net revenue. The greater relative representativeness is explained by the drop in net revenue, while the absolute value was affected by commissions on sales made to the foreign market.

As of September, the Company ended the suspension on the employment contracts for collaborators in the commercial areas, while making adjustments to its staff. By August, approximately half of the commercial teams had their employment contracts suspended.

### **GENERAL AND ADMINISTRATIVE EXPENSES**

General and administrative expenses totaled R\$ 49.0 million in 3Q20, or 5.9% of net revenue, while in 3Q19 these expenses totaled R\$ 48.6 million, or 4.5% of net revenue. The percentage increase is associated with a drop in net revenue higher than the reduction in expenses. The increase in the absolute value is explained by the technological software update that aims to facilitate remote work.

As of September, the Company ended the suspension on the employment contracts for collaborators in the administrative areas, while making adjustments to its staff. By August, approximately half of the administrative teams had their employment contracts suspended.

### **OTHER NET OPERATING REVENUE/EXPENSES**

In 3Q20, R\$ 42.8 million was recorded as "Other Operating Expenses" against R\$ 3.2 million recognized as "Other Operating Expenses" in 3Q19.

The Company recorded expenses in this item in the amount of R\$ 37.2 million, related to staff adjustments made in the quarter. In 3Q20, the Company carried out internal reorganization, with dismissals in the direct and indirect workforce, necessary to correct expenses of the current level of revenue. In addition, expenses of R\$ 6.6 million were also recorded arising from labor provisions.

### **EQUITY RESULTS**

Equity results in 3Q20 was a negative R\$ 41.4 million compared to a positive R\$ 0.2 million in 3Q19.

In the quarter, NFI Group Inc. brought a negative equity in the amount of R\$ 43.8 million, with the company's results being affected by the developments in the pandemic in North America. The Indian affiliate TMML reported a negative equity of R\$ 8.1 million, in the wake of lower volumes due to the pandemic and the interruption of its activities during most of the quarter, while the Colombian operation Superpolo was the positive highlight, adding R\$ 9.8 million to the equity.

The equity results is presented in detail in Explanatory Note no. 11 of the Quarterly Information.

**NET FINANCIAL RESULT**

The net financial result of 3Q20 was a negative R\$ 24.0 million, compared to a negative result of R\$ 25.5 million recorded in 3Q19.

The negative impact results mainly from more exchange rate variation generated by the devaluation of the Real against the US Dollar on the order portfolio in dollars. The Company hedges the exchange rate on exports when confirming sales orders, ensuring the business margin. As the products are delivered and invoiced, the Company captures the benefits of the devaluation of the Real in its operating margins.

The financial result is presented in detail in Explanatory Note no. 28.

**EBITDA**

EBITDA was a negative R\$ 23.8 million in 3Q20, with a margin of -2.8%, versus an EBITDA of 60.2 million and a margin of 5.6% in 3Q19. EBITDA was negatively affected by costs related to staff adjustments, as well as the results of operations located abroad.

Disregarding the non-recurring costs associated with rescission in Brazil, salary compensations linked to the suspension of employment contracts due to Covid-19 and the result of the equity of NFI Group Inc., the adjusted EBITDA would be R\$ 72.4 million and a margin of 8.7%.

The table below highlights the accounts that make up EBITDA:

R\$ million	3Q20	3Q19	9M20	9M19
Result before IR and CS	-73.7	13.9	-98.0	151.5
Financial Revenue	-81.4	-73.3	-465.2	-165.9
Financial Expenses	105.3	98.8	609.7	180.8
Depreciation / Amortization	25.9	20.7	72.5	59.9
<b>EBITDA</b>	<b>-23.8</b>	<b>60.2</b>	<b>119.0</b>	<b>226.3</b>
NFI Group Inc.'s Equity	43.8	-3.7	65.0	-28.2
Covid-19	15.3	-	45.1	-
Labor Rescissions	37.2	-	37.2	-
<b>Adjusted EBITDA</b>	<b>72.4</b>	<b>56.5</b>	<b>266.3</b>	<b>198.1</b>

**NET PROFIT (LOSS)**

The consolidated net loss in 3Q20 was R\$ 57.4 million, with a margin of -6.8%, against a profit of R\$ 33.9 million and a margin of 3.1% in 3Q19. The worsening of the net margin is explained by the same factors mentioned above and, in particular, by the costs associated with rescissions and the results of operations located abroad.



**FINANCIAL INDEBTEDNESS**

Net financial indebtedness totaled R\$ 1,130.7 million on 09.30.2020 (R\$ 703.1 million on 09.30.2019). Of this total, R\$ 554.2 million came from the financial segment (Banco Moneo) and R\$ 576.5 million from the industrial segment.

It is worth mentioning that the financial segment's indebtedness stems from the consolidation of Banco Moneo's activities and must be analyzed separately, since it has different characteristics from that arising from the Company's industrial activities. Banco Moneo's financial liabilities are matched against the "Customers" account in Banco's assets. The credit risk is duly provisioned. Since these are on-lending from FINAME, each disbursement from BNDES has an exact counterpart in Banco Moneo's customer receivables account, both in terms and in rate.

On September 30, the net financial indebtedness of the industrial segment represented 2.5 times the EBITDA of the last 12 months.

**CASH FLOW**

In 3Q20, operating activities generated R\$ 202.7 million in cash, while investment activities, net of dividends and exchange variation, demanded R\$ 35.6 million and financing activities consumed R\$ 23.3 million.

The initial cash balance of R\$ 881.9 million at the end of June 2020, considering the short-term investments and adding up to R\$ 10.4 million of the difference between the exchange variation and the variation in the accounts related to financial investments not available, increased to R\$ 1,036.1 million at the end of September 2020.

**PERMANENT INVESTMENTS**

In 3Q20, Marcopolo invested R\$ 35.6 million in its fixed assets, of which R\$ 26.2 million was spent by the parent company and applied as follows: R\$ 23.1 million in machinery and equipment, R\$ 2.3 million in buildings and improvements, and R\$ 0.8 million in other fixed assets. R\$ 7.9 million was invested in subsidiaries, R\$ 3.1 million in Metalsur, R\$ 2.9 million in Marcopolo México, R\$ 2.1 million in Volare Veículos, R\$ 0.2 million in Marcopolo Australia and R\$ 1.1 million in the other units.

**CAPITAL MARKET**

In 3Q20, transactions with Marcopolo shares moved R\$ 1,800.8 million. On September 30, foreign investors' share in Marcopolo's share capital totaled 38.4% of preferred shares and 25.2% of total share capital. At the end of the period, the Company had 91,499 shareholders.

The following table shows the evolution of the main indicators related to the capital market:

INDICATORS	3Q20	3Q19	9M20	9M19
Number of transactions (thousand)	438.7	280.1	1,619.8	615.1
Transacted amount (R\$ million)	1,800.8	738.2	6,657.9	1,693.9
Market value (R\$ million) <sup>(1)(2)</sup>	2,537.7	3,645.6	2,537.7	3,645.6
Existing shares (millions)	946.9	946.9	946.9	946.9
Book value per share (R\$)	2.60	2.32	2.60	2.32
POMO4 quotation at the end of the period	2.68	3.85	2.93	3.85

Notes: <sup>(1)</sup> Quotation of the last transaction for the period of the Preferred Book entry share (PE), multiplied by the total number of shares (OE + PE) existing in the same period; <sup>(2)</sup> Of this total 7,951,506 preferred shares were held in treasury on 09.30.2020.

## ANALYSIS & PROSPECTS

The 3Q20 results indicate the beginning of a volume recovery process, with a significant growth of 46.6% compared to 2Q20, a quarter that had been affected by the partial shutdown of activities due to the health restrictions related to Covid-19. The increase in production also reflects the market environment, which gradually moves away from the inertia between the end of 1Q20 and the beginning of 2Q20. The factories returned to work in almost normal conditions, respecting the health protocols and adjusting the idleness of part of the collaborators with the use of the flexibility instruments provided in each country and dismissals, necessary due to the even lower demand than before the pandemic.

In the domestic market, the search for new buses continues to be impacted in the sectors of tourism, interstate and international road lines, school transport and urban public transport. These markets, however, are undergoing small recovery movements, indicating that the worst is over. Charter activities have been surprisingly positive, with an increase in sales compared to 2019, due to the demands of greater social distancing in transporting collaborators to companies, which leads to the need for a greater number of vehicles (light road, micro and Volare buses) for the same amount of people.

Another relevant contribution to sales in the quarter was the federal *Caminho da Escola* [school bus] program, to which the Company delivered 1,187 units (2,534 units in 9M20), of which 463 were micro, 595 urban and 129 Volare bus models. The pace of deliveries should also remain strong in 4Q20 and the municipalities' adherence to the 2019 tender process is close to the limit of 4,800 units. The Company should start 2021 with a portfolio of approximately 1,100 units for the program. There is a prospect of a new tender in early 2021.

Exports continue to show a better performance when compared to the Brazilian market due to the exchange rate devaluation. The lower volume of units, the effect of the pandemic on international markets as well continues to be offset by the higher revenue and profitability of operations, considering the current level of the exchange rate. Gradually, public transport operations in South America are circulating again, with positive effects on sales to Chile, Argentina and Peru. Deliveries to the African market remain important in 4Q20 and 1Q21 as well.

Controlled and affiliated operations abroad continued to be impacted by the pandemic, with their individual performances affected by the conditions of local markets.

Argentinian Metalsur returned to work, partially offsetting volumes that were no longer produced due to the lockdown being extended until the end of June. The expectation is positive for the last months of the year. Marcopolo Australia's results were negatively affected by the arrival of a second wave of the pandemic in the country, with deliveries that would happen in 3Q20 to 4Q20 postponed. Marcopolo México, Marcopolo China and Marcopolo South Africa suffered from less demand in their respective markets, with prospects for recovery starting in 2021.

In affiliates, Colombian Superpolo's operation continues to benefit from a more extensive order backlog associated with the renewal of Bogotá's fleet. In turn, the Indian affiliate TMML continues to experience difficulties associated with the pandemic, with the increase in the number of cases of the disease in the country. In 3Q20, Canadian NFI Group Inc. brought a negative result similar to that recorded in 2Q20, with prospects for recovery of results in 4Q20 and normalization of operations in 2021.

On October 2, p.p., the Company communicated by means of a material fact, the shutdown of activities of the factory located in Rio de Janeiro. With the conclusion of the factory optimization project, Marcopolo has three industrial factories in Brazil: two in Caxias do Sul, RS (Ana Rech and San Marino), and one in São Mateus, ES. The project has helped the Company achieve record levels of manufacturing efficiency and cost reduction. Among the results achieved, we highlight the turnarounds of San Marino's operations in 2018 and São Mateus in 2020, reversing a R\$ 22.4 million loss in 3Q19 to R\$ 0.8 million in profit in 3Q20, with even more positive prospects for 2021.

In 3Q20, the Company made adjustments to its staff, bringing non-recurring expenses due to rescissions in the amount of R\$ 37.2 million. This adjustment, although it negatively affects the results for the quarter, allowed costs to be readjusted to the fall in volumes. In 4Q20, the Company is expected to recognize additional costs due to new dismissals in its Brazilian operations, especially due to the closure of Marcopolo's factory in Rio. The Company continues to work on reducing expenses and reviewing investments. With regard to cash, Marcopolo maintains aggressive working capital reduction targets, which had an effect in 3Q20, with a cash flow in the amount of R\$ 149.9 million versus consumption of R\$ 105.8 million in 2Q20.

The innovations brought to the market by Marcopolo Biosafe have been helping customers and users of public transport services to return to travel safely. At the end of 3Q20, approximately 85% of the bus bodies produced by the Company had at least one item from the Biosafe line, with the initiative reaching exports and units located abroad. Marcopolo reinforces its role and leadership in the development of technologies for the transport of people.

The Company notes that the reopening of cities, with the return of the vast majority of economic activities, has been promoting a gradual increase in sales. Regional tourism, especially that linked to weekend trips, shows signs of recovery, and encourages opportunities during the holidays at the end of the year. Finally, with the return of schools and universities, the last paralyzed segment should also show a reaction.

Marcopolo continues to work with its customers so that the recent crisis can be overcome as soon as possible. Customized alternatives of safe products and with better Total Cost of Ownership (*TCO*), bus bodies ready for new user profiles with new onboard technologies, alternative and even cleaner propulsion, are already a reality. The Marcopolo of the future evolves regardless of short-term setbacks, pursuing a vision of growing and efficient mobility for a world that wants to travel again.

Management.

**BALANCE SHEET**

IFRS 10 E 11 (CPC 36 R3 E CPC 19 R2) - in thousands of reais

ASSETS	Consolidated	
	30/09/20	31/12/19
<b>Current Assets</b>		
Cash and cash equivalents	955.756	1.074.622
Short-term investments valued at fair value	-	98.314
Derivatives financial instruments	6.219	1.849
Trade accounts receivable	1.218.485	863.015
Inventories	737.289	552.691
Recoverable taxes	245.129	158.941
Other accounts receivable	107.619	85.787
	<b>3.270.497</b>	<b>2.835.219</b>
<b>Non-current Assets</b>		
Related parties	-	-
Financial assets available for sale	74.131	51.646
Recoverable taxes	5.585	4.151
Deferred income tax and social contribution	174.704	120.258
Judicial Deposits	67.262	68.787
Trade accounts receivable	467.877	360.775
Other accounts receivable	5.843	1.976
Investments	554.405	472.580
Investment Property	48.231	48.906
Property, plant and equipment	1.038.838	941.203
Intangible assets	350.147	288.177
	<b>2.787.023</b>	<b>2.358.459</b>
<b>TOTAL ASSETS</b>	<b>6.057.520</b>	<b>5.193.678</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>Consolidated</b>	
	<b>30/09/20</b>	<b>31/12/19</b>
<b>Current Liabilities</b>		
Suppliers	425.963	377.527
Loans and financing	756.902	623.543
Derivative financial instructions	10.838	548
Salaries and vacation pay	131.687	141.051
Taxes and contributions payable	84.502	75.519
Related parties	-	-
Advances from customers	247.753	90.792
Comissioned representatives	75.079	37.884
Interest on own capital and dividends	864	16.958
Management profit sharing	2.383	4.924
Other accounts payable	183.441	143.660
	<b>1.919.412</b>	<b>1.512.406</b>
<b>Non-current Liabilities</b>		
Loans and financing	1.399.092	1.179.282
Provision	84.350	85.242
Taxes contributions payable	13.419	-
Obligations to purchase equity interests	23.178	23.178
Other accounts payable	103.081	35.158
	<b>1.623.120</b>	<b>1.322.860</b>
<b>Stockholders' equity</b>		
Capital	1.334.052	1.334.052
Capital reserves	3.153	3.690
Revenue reserves	684.203	796.145
Treasury stock	(29.582)	(31.454)
Equity valuation adjustments	467.140	207.646
	<b>2.458.966</b>	<b>2.310.079</b>
<b>Non-controlling Interest</b>	56.022	48.333
	<b>2.514.988</b>	<b>2.358.412</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>6.057.520</b>	<b>5.193.678</b>

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[www.cvm.org.br](http://www.cvm.org.br) e [www.bmfbovespa.com.br](http://www.bmfbovespa.com.br)

**STATEMENTS OF INCOME**

IFRS 10 E 11 (CPC 36 R3 E CPC 19 R2) - in thousands of reais

ACCOUNTS	Consolidated			
	3Q20	3Q19	9M20	9M19
<b>Net sales and service revenues</b>	<b>836.487</b>	<b>1.081.221</b>	<b>2.554.355</b>	<b>3.121.620</b>
Cost of sales and services	(699.805)	(935.303)	(2.137.140)	(2.662.191)
<b>Gross Profit</b>	<b>136.682</b>	<b>145.918</b>	<b>417.215</b>	<b>459.429</b>
<b>Operating income (expenses)</b>	16,3%	13,5%	16,3%	14,7%
Selling expenses	(53.307)	(54.783)	(159.979)	(165.057)
Administrative expenses	(48.959)	(48.666)	(135.816)	(137.926)
Other operating income (expenses), net	(42.786)	(3.239)	(15.913)	(18.936)
Equity in the results of investees	(41.377)	226	(59.041)	28.887
<b>Net income (loss) from operations</b>	<b>(49.747)</b>	<b>39.456</b>	<b>46.466</b>	<b>166.397</b>
Financial revenue	84.713	73.319	468.509	165.968
Financial expenses	(108.635)	(98.832)	(612.948)	(180.885)
<b>Financial Income/loss</b>	<b>(23.922)</b>	<b>(25.513)</b>	<b>(144.439)</b>	<b>(14.917)</b>
<b>Equity in earnings of affiliates</b>	<b>(73.669)</b>	<b>13.943</b>	<b>(97.973)</b>	<b>151.480</b>
<b>Income taxes and social contribution</b>				
Current	(5.023)	(4.873)	(1.878)	(23.669)
Deferred	21.263	13.735	54.447	12.893
<b>Net income from continued operations</b>	<b>(57.429)</b>	<b>22.805</b>	<b>(45.404)</b>	<b>140.704</b>
<b>Net income per share - R\$</b>	<b>(0,06113)</b>	<b>0,02418</b>	<b>(0,04833)</b>	<b>0,14918</b>

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**CASH FLOWS**

Statement of Cash Flows	IFRS 10 E 11 (CPC 36 R3 E CPC 19 R2) - in thousands of reais			
	Consolidated			
	3Q20	3Q19	9M20	9M19
<b>Cash flows from operating activities</b>				
<b>Net income for the period</b>	<b>(57.429)</b>	<b>22.805</b>	<b>(45.404)</b>	<b>140.704</b>
Cash generated by (used in) operating activities:				
Depreciation and amortization	25.932	20.708	72.488	59.940
Equity in the results of investees	662	(1.324)	3.213	(483)
Provision for credit losses	41.377	(226)	59.041	(28.887)
Current and deferred income tax and social contribution	2.825	5.485	6.602	11.070
Interest and appropriated exchange variations	(16.239)	(8.862)	(52.568)	10.776
Cumulative translation adjustments	52.707	68.449	313.978	90.493
Non-controlling Interest	(3.110)	482	(10.783)	7.851
<b>Changes in assets and liabilities</b>				
(Increase) decrease in trade accounts receivable	(29.317)	48.693	(425.840)	227.949
(Increase) decrease in other accounts receivable	(4.258)	(5.951)	71.459	(20.064)
(Increase) decrease in inventories	(45.054)	32.620	(120.192)	53.297
(Increase) decrease in short-term investment	(7.340)	18.201	(141.073)	(10.931)
(Increase) decrease in actuarial liabilities	60.995	(36.849)	10.631	(21.446)
Increase (decrease) in accounts payable	192.284	41.022	237.539	(3.335)
<b>Cash flows from operating activities</b>	<b>207.723</b>	<b>205.253</b>	<b>(20.909)</b>	<b>516.934</b>
Income taxes paid	(5.023)	(4.873)	(1.878)	(23.669)
<b>Net cash provided by (used in) operating activities</b>	<b>202.700</b>	<b>200.380</b>	<b>(22.787)</b>	<b>493.265</b>
<b>Cash flows from investing activities</b>				
Investments	-	-	-	-
Related parties	-	4.096	-	4.096
Dividends from subsidiaries, jointly-controlled entities and associates	-	973	448	9.119
Purchase of fixed assets	(34.484)	(26.313)	(105.658)	(97.050)
Purchase of intangible assets	(1.140)	(22.815)	(3.101)	(25.717)
Proceeds from sale of fixed	-	1.849	-	3.999
<b>Net cash obtained in investing activities</b>	<b>(35.624)</b>	<b>(42.210)</b>	<b>(108.311)</b>	<b>(105.553)</b>
<b>Cash flows from financing activities</b>				
Issued shares	-	-	-	69.430
Treasury stock	1.335	(1.790)	1.335	505
Borrowings from third parties	144.658	96.933	507.281	685.628
Payment of borrowings - principal	(160.777)	(144.623)	(447.195)	(911.837)
Payment of borrowings - interest	(8.536)	(13.924)	(32.032)	(49.177)
Interest on capital and dividends	-	-	(69.971)	(82.909)
<b>Net cash applied financing activities</b>	<b>(23.320)</b>	<b>(63.404)</b>	<b>(40.582)</b>	<b>(288.360)</b>
Foreign exchange gains on cash and cash equivalents	6.143	3.425	52.814	3.525
<b>Foreign exchange gains/(losses) on cash equivalents</b>	<b>6.143</b>	<b>3.425</b>	<b>52.814</b>	<b>3.525</b>
Cash and cash equivalents at the beginning of the period	805.857	868.153	1.074.622	863.467
Cash and cash equivalents at the end of the period	955.756	966.344	955.756	966.344
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>149.899</b>	<b>98.191</b>	<b>(118.866)</b>	<b>102.877</b>

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