Full-Year 2014 Earnings Results



Presentation:

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Caxias do Sul, February 25th, 2015.

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DISCLAIMER

This presentation contains future information. Such information is not simply historical facts, but reflects the desires and the expectations of the Company's leadership. The words anticipates, desires, hopes, forecasts, intends, plans, predicts, projects, wishes and similar ones, intend to identify affirmations that necessarily involve known and unknown risks. Known risks include uncertainties that are not limited to the impact of the competitiveness of the prices and services, market acceptance of services, the Company's service transitions and its competitors, the approval of regulations, currency, fluctuation in the exchange rate, changes in the mix of services offered, and other risks described in the reports of the Company. This presentantion is updated until the present date. However, Marcopolo is not obligated to update it with new information and/or future events.

OUTLINE

- 2014 Highlights
- Outlook for 2015
- Operating and Financial Results
- Capital Market

HIGHLIGHTS

	2014	Δ 2014/2013
Brazilian Bus Production		
• Domestic Market:	24,628 units	-14.6%
• External Market:	3,801 units	-11.2%
• Total Market:	28,429 units	-14.1%
Marcopolo		
Production / Destination		
• Brazil:	13,709 units	-17.1%
• External Market:	4,004 units	-2.5%
• Total:	17,713 units	-14.2%
• Market Share in Brazil:	39.6%	

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HIGHLIGHTS

	2014	Δ 2014/2013
• Net Revenues:	R$ 3,400.2 million	-7.1%
• Gross Profit:	R$ 592.3 million	-18.9%
Gross Margin:	17.4%	-2.6pp
• EBITDA:	R$ 306.4 million	-29.6%
EBITDA Margin:	9.0%	-2.9pp
• Net Profit:	R$ 224.1 million	-23.3%
Net Margin:	6.6%	-1.4pp
• Dividends:	payout of 44.1% and yield of 3.3%	

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2015 OUTLOOK - BRAZIL

- ✓ **2016 municipal elections and bus fares increases should boost urban fleet renewal;**
- ✓ **The devaluation of the Brazilian real against the U.S. dollar is favorable to exports;**
- ✓ **Scenario still uncertain for intercity segment, still waiting for the disclosure of the terms and conditions of the authorization model by ANTT;**
- ✓ **Order book weaker than normal for the period;**
- ✓ **Two weeks of collective vacation are in course at Caxias do Sul' facilities;**
- ✓ **Less favorable economic and political scenario, with worse financing conditions is impacting the demand for the domestic market;**
- ✓ **First phase of the new Volare's facility in the state of Espírito Santo has already started (assembly of CKD kits sent from Caxias). The launch of the 5-ton model is expected for the second half 2015.**

2015 OUTLOOK - OVERSEAS

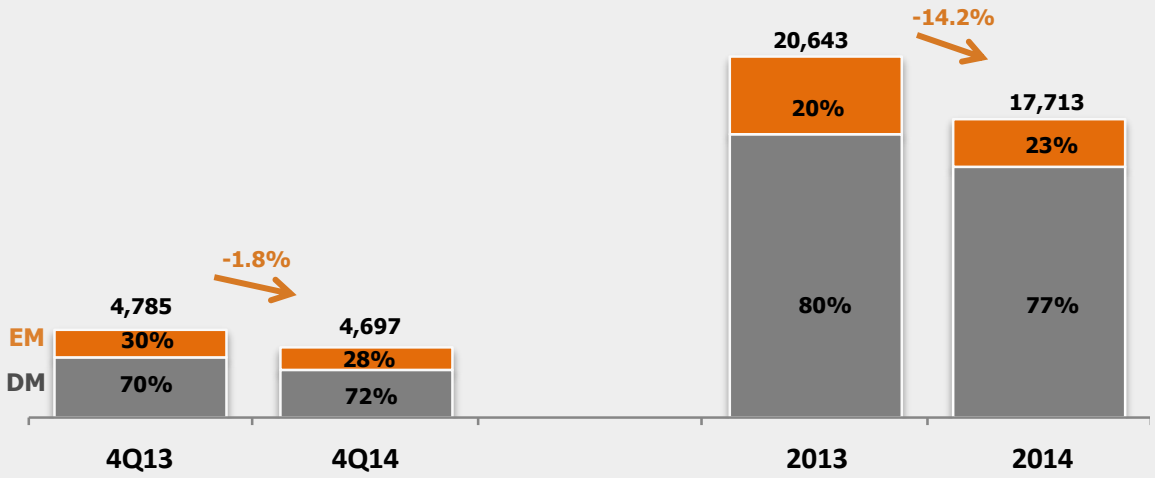
- ✓ **India: Expectations of gradually recovering of the market and improving results. TMML won a batch for 3,000 units from the JnNURN II program, to be delivered up to April 2015;**
- ✓ **Argentina: The urban bus market is showing signs of recovery when compared to 2014;**
- ✓ **Colombia: Expectation of stable volumes and results in 2015 when compared to 2014;**
- ✓ **Mexico: Expectation of better sales mix specially for intercity buses;**
- ✓ **South Africa: Stronger order book ensures a good 2015;**
- ✓ **Australia: Expectation of operational improvements in 2015 due to the ongoing Transformation Program in place since 2014;**
- ✓ **Egypt: Performance remains below expectations but better volumes are expected when compared to 2014;**
- ✓ **China: Better performance for the "sourcing segment" and also the production of bus bodies for exports should result in better operating margins;**
- ✓ **Canada (New Flyer): Expectation of better volumes and stability of margins in 2015.**

OUTLINE

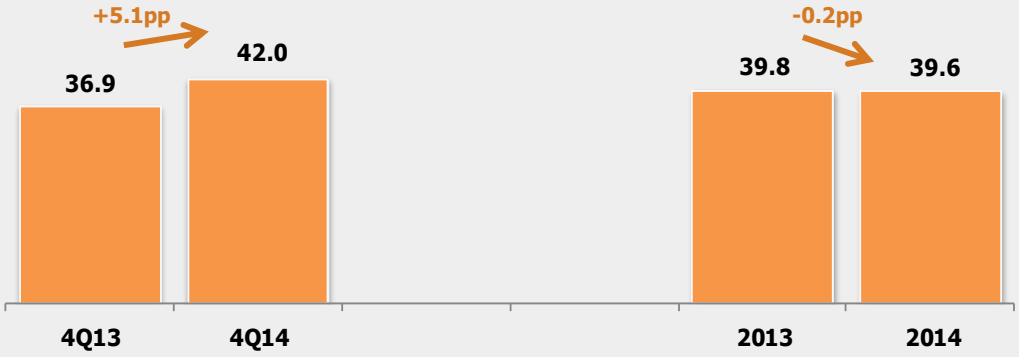
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TOTAL PRODUCTION (units) & MARKET SHARE (%)

Marcopolo's Total Production

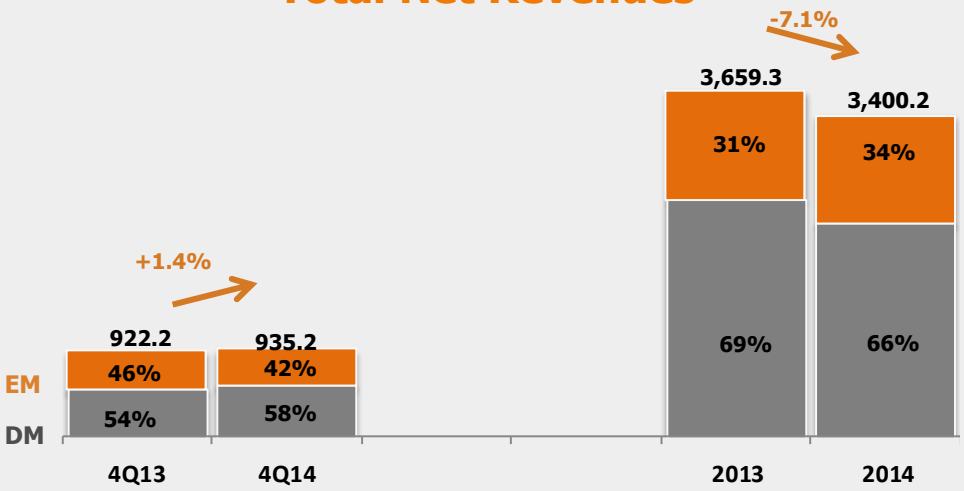


Marcopolo's Market Share in Brazil

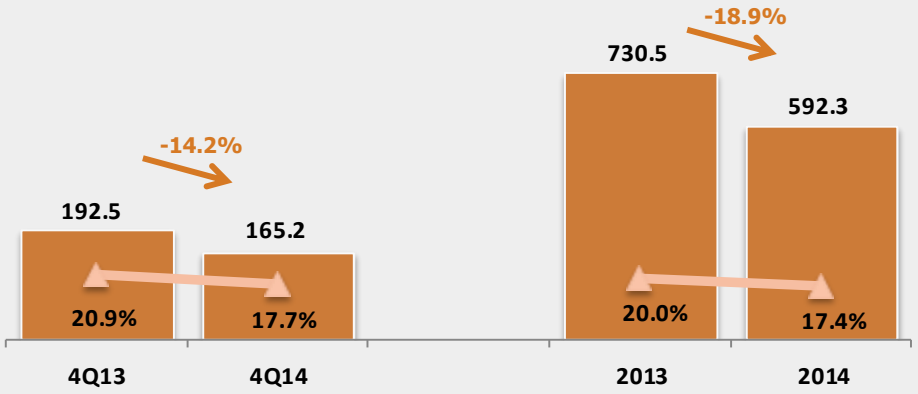


FINANCIAL HIGHLIGHTS (R$ Million)

Total Net Revenues

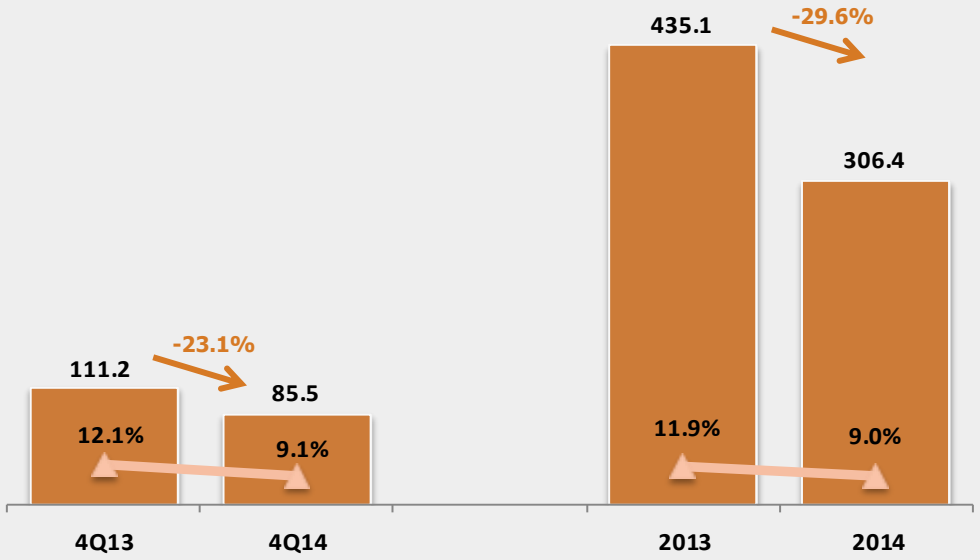


Gross Profit and Margin

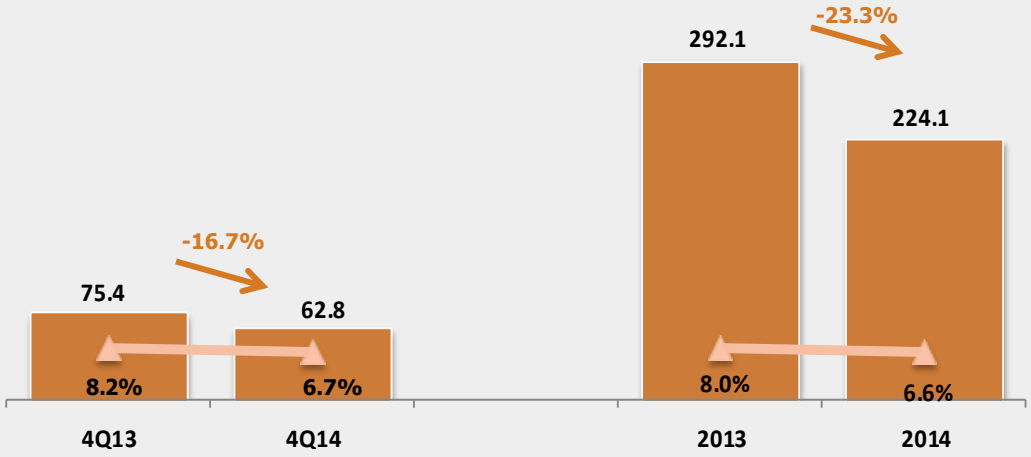


FINANCIAL HIGHLIGHTS (R$ Million)

EBITDA and Margin

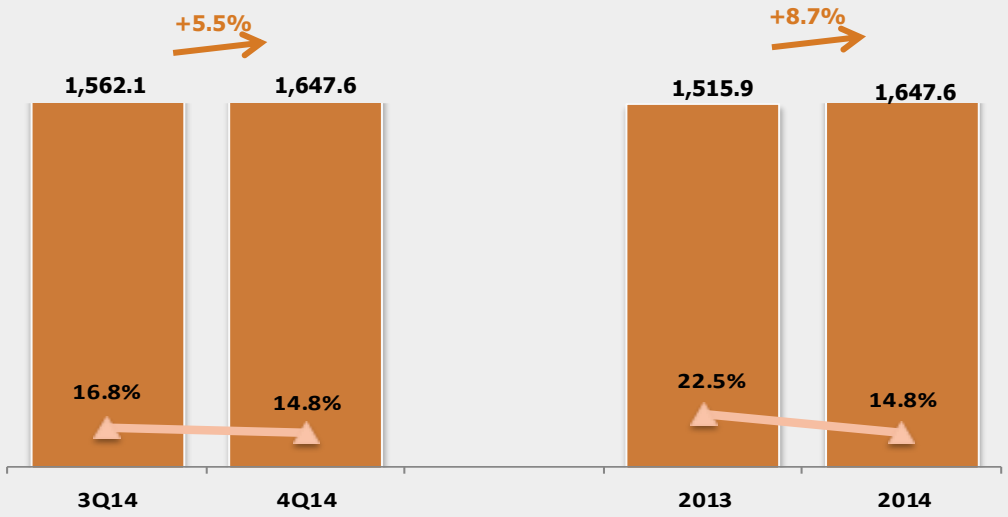


Net Profit and Margin

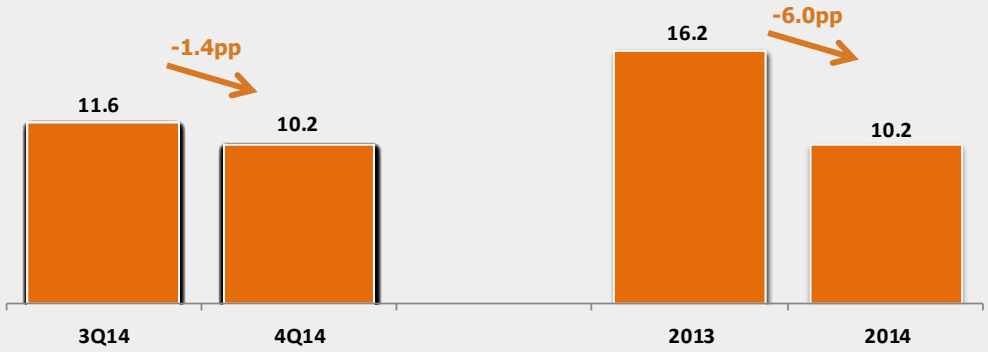


FINANCIAL HIGHLIGHTS (R$ Million)

Net Equity & ROE

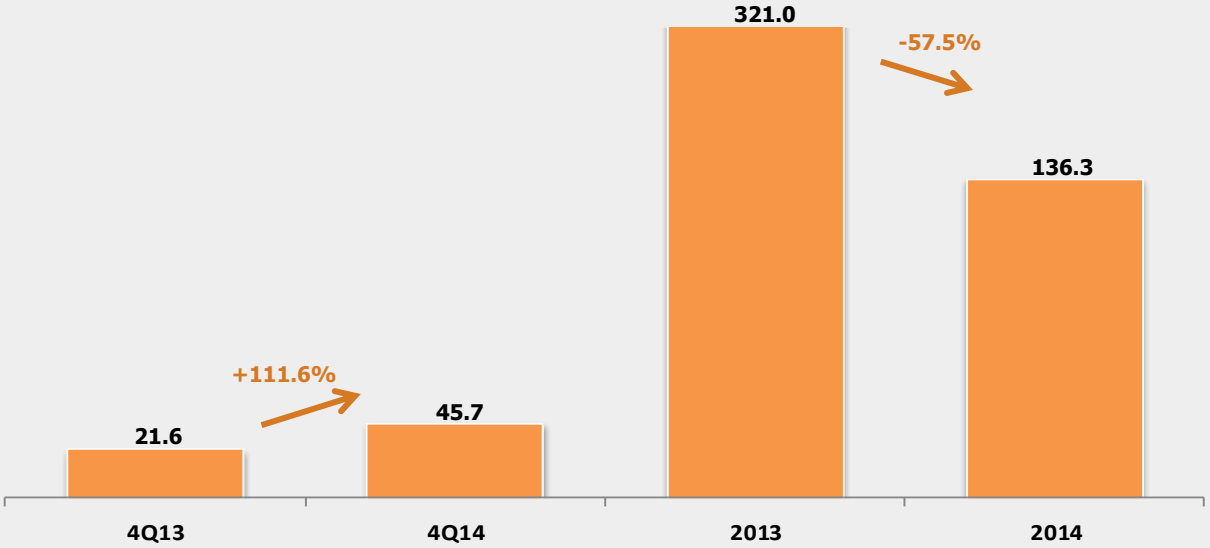


ROIC (%)

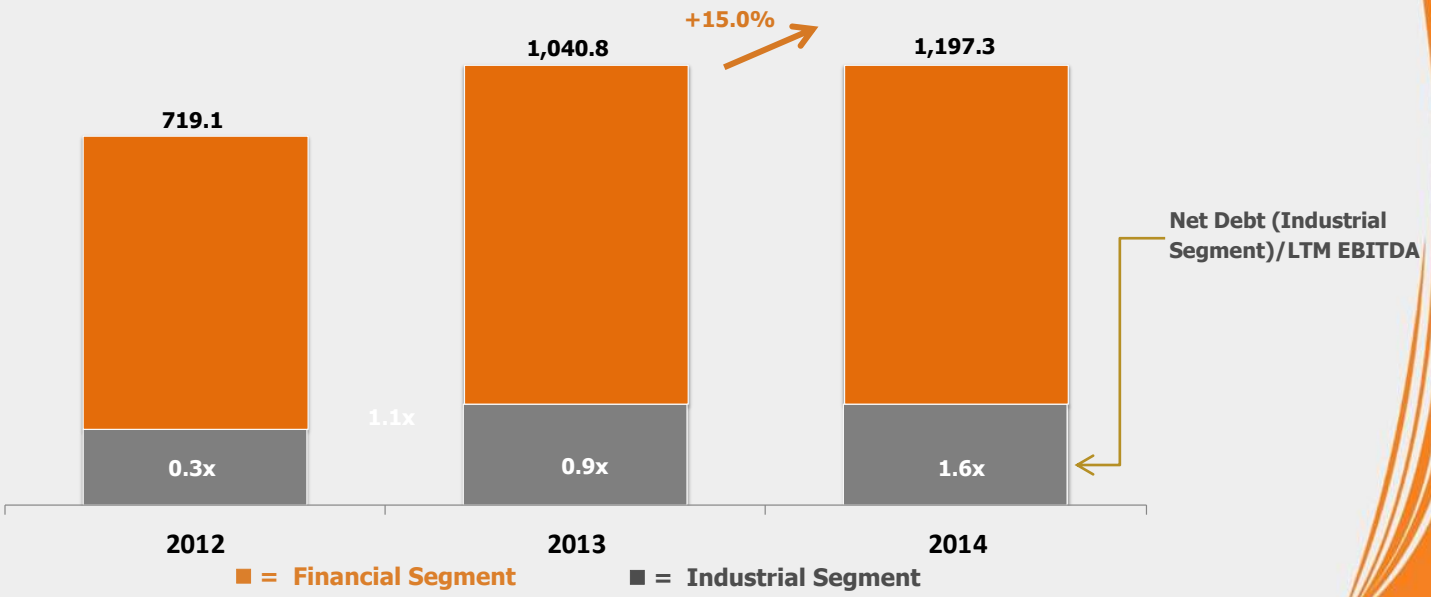


FINANCIAL HIGHLIGHTS (R$ Million)

Investments



Net Indebtedness

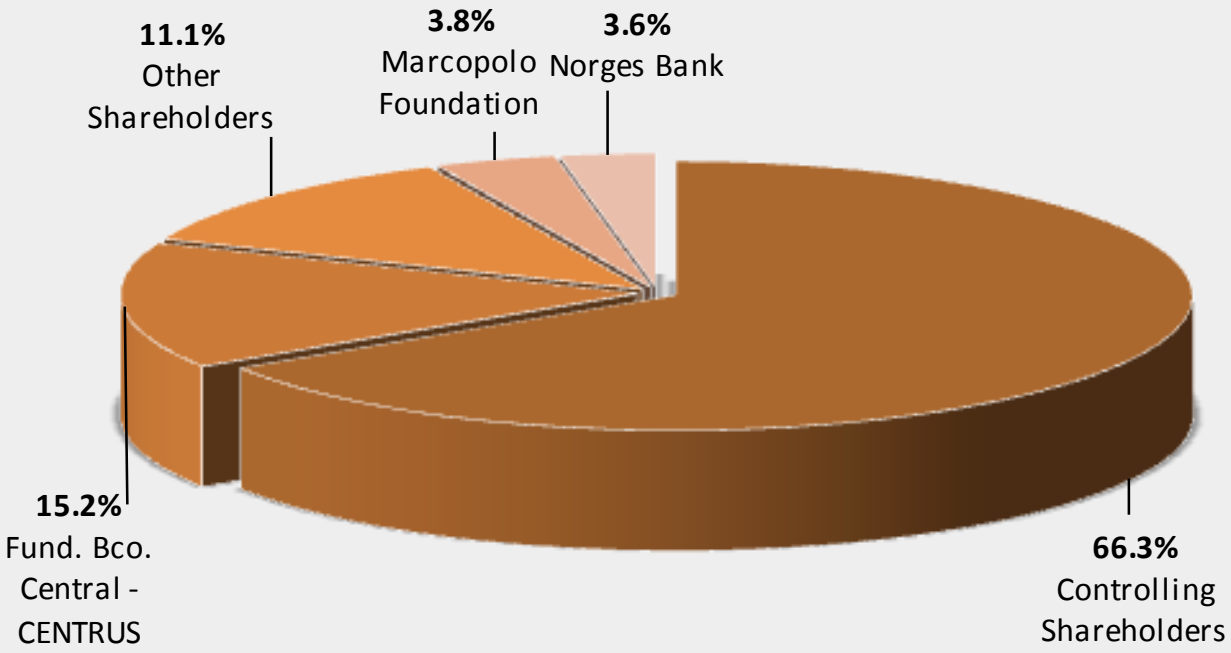


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SHAREHOLDING DISTRIBUTION

Common Shares

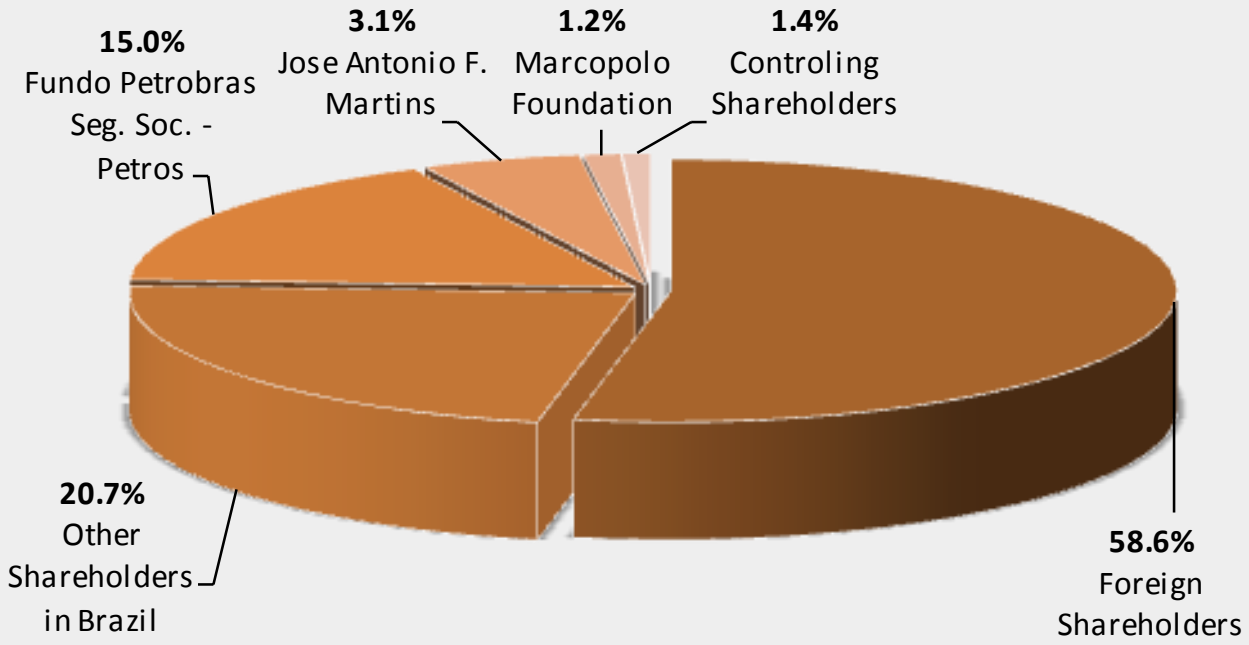


As of December 31st, 2014.

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SHAREHOLDING DISTRIBUTION

Preferred Shares



As of December 31st, 2014.

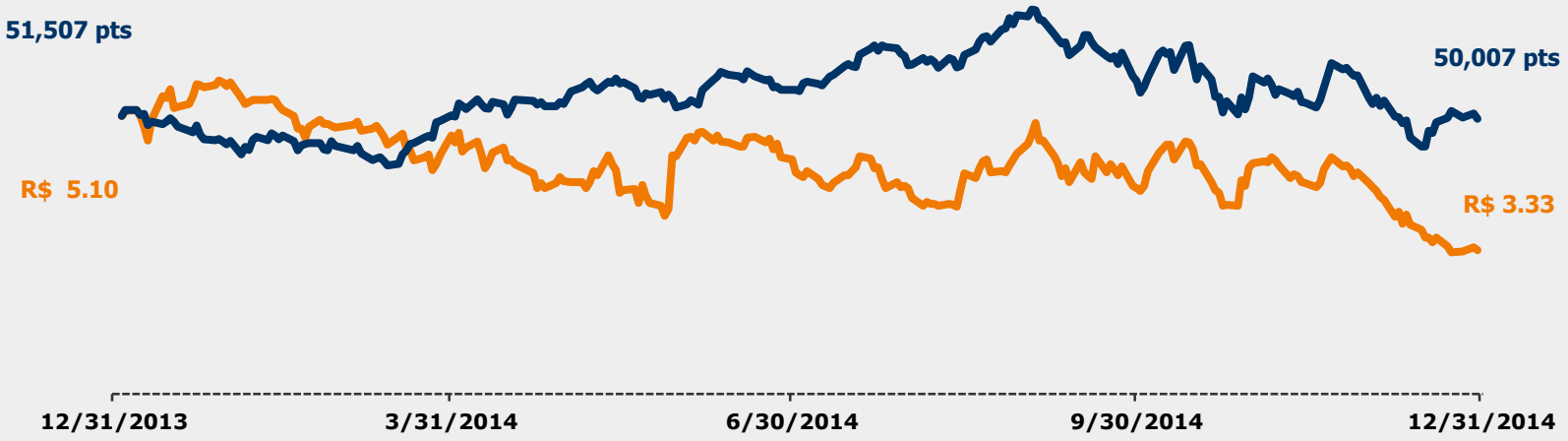
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STOCK PERFORMANCE

Marcopolo PN x Ibovespa - Base 100

POMO4: -34.7%

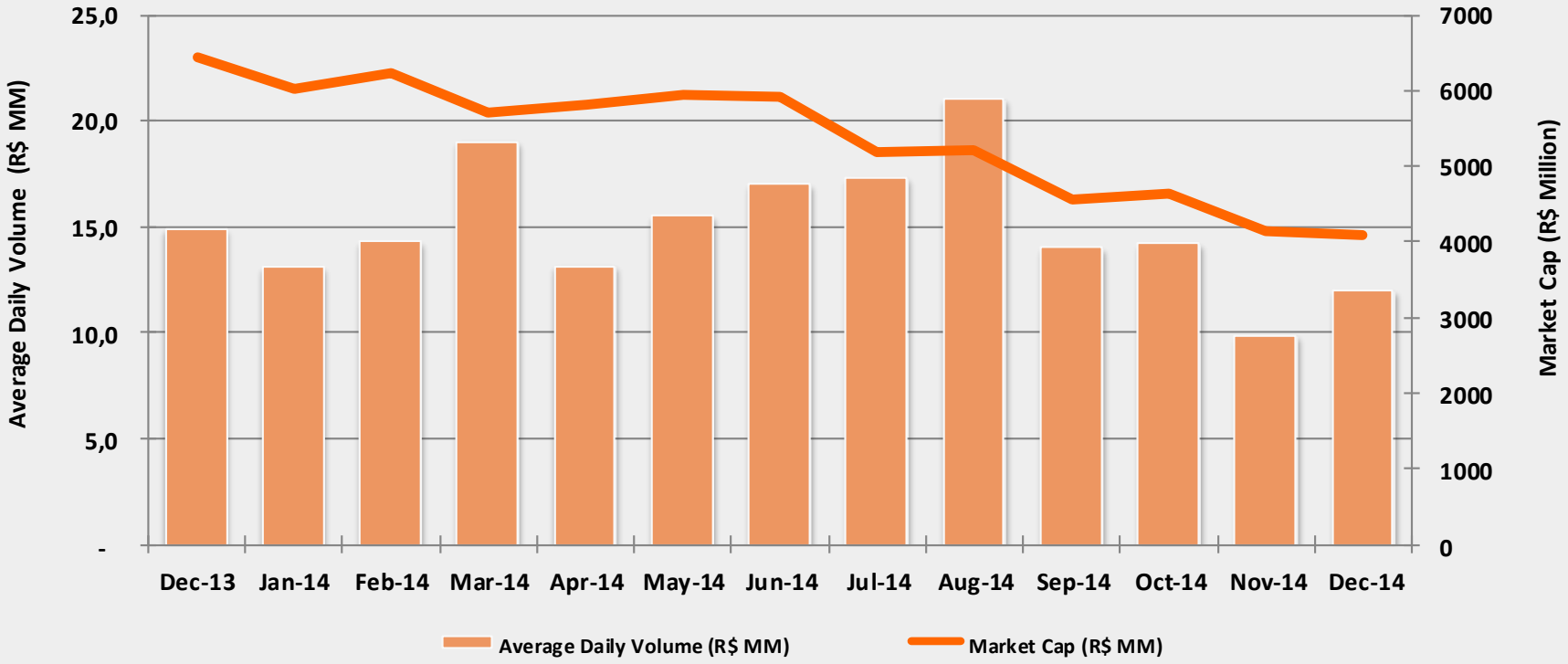
IBOV: -2.9%



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SHARE LIQUIDITY & VALUATION

Marcopolo PN - POMO4



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