

MARCOPOLO S.A.

Consolidated Information – 2Q11



Caxias do Sul, August 8th 2011 - Marcopolo S.A. (BM&FBOVESPA: POMO3; POMO4), one of the main companies in the world engaged in the development of public transport solutions, divulges the performance results of the second quarter of 2011 (2Q11) and the first half of 2011 (1H11). The financial statements are presented according to the accounting practices adopted in Brazil and the IFRS – International Financial Reporting Standards, established by IASB - International Accounting Standards Board.

Net Revenues reaches R\$ 1,531.5 million and EBITDA amounts to R\$ 195.7 million from January to June 2011

RI MARCOPOLO

Carlos Zignani
IR Officer
+55 (54) 2101.4115

Thiago A. Deiro
IR Manager
+55 (54) 2101.4660

www.marcopolo.com.br/ir

ri@marcopolo.com.br

HIGHLIGHTS OF THE 2nd QUARTER OF 2011

- The **Consolidated Net Revenues** reached R\$ 770.2 million.
- The **Gross Profit** amounted to R\$ 157.8 million, with a 20.5% margin.
- EBITDA** was R\$ 97.3 million, with a 12.6% margin.
- The **Net Profit** amounted to R\$ 76.3 million, with a 9.9% margin.
- Marcopolo's **Production** in Brazil reached 4,753 and the consolidated worldwide production amounted to 7,371 units.

(R\$ million, except where otherwise stated)

| SELECTED INFORMATION | 2Q11 | 2Q10 | Var. % | 1H11 | 1H10 | Var. % |
|--|----------|----------|---------|---------|---------|---------|
| Net operating revenues | 770.2 | 727.7 | 5.8 | 1,531.5 | 1,407.0 | 8.8 |
| - Revenues in Brazil | 536.2 | 533.2 | 0.6 | 1,077.4 | 978.7 | 10.1 |
| - Revenues from exports and abroad | 234.0 | 194.5 | 20.3 | 454.1 | 428.3 | 6.0 |
| Gross Profit | 157.8 | 153.3 | 2.9 | 320.4 | 317.1 | 1.0 |
| EBITDA ⁽¹⁾ | 97.3 | 100.1 | (2.8) | 195.7 | 210.7 | (7.1) |
| Net Profit | 76.3 | 79.1 | (3.5) | 152.1 | 148.1 | 2.7 |
| Profit per share | 0.170 | 0.176 | (3.4) | 0.339 | 0.330 | 2.7 |
| Return on Invested Capital (ROIC) ⁽²⁾ | 21.8% | 19.7% | 2.1pp | 21.8% | 19.7% | 2.1pp |
| Return on Equity (ROE) ⁽³⁾ | 34.7% | 30.4% | 4.3pp | 34.7% | 30.4% | 4.3pp |
| Investments | 16.3 | 9.3 | 75.3 | 45.2 | 37.9 | 19.3 |
| Gross Margin | 20.5% | 21.1% | (0.6)pp | 20.9% | 22.5% | (1.6)pp |
| EBITDA Margin | 12.6% | 13.8% | (1.1)pp | 12.8% | 15.0% | (2.2)pp |
| Net Margin | 9.9% | 10.9% | (1.0)pp | 9.9% | 10.5% | (0.6)pp |
| DATA ON EQUITY | 06/30/11 | 03/31/11 | Var. % | | | |
| Net Equity | 1,000.9 | 941.6 | 6.3 | | | |
| Cash, cash equivalents and fin. Applic. | 919.9 | 733.8 | 25.4 | | | |
| Short term financial liabilities | 304.5 | 253.8 | 20.0 | | | |
| Long term financial liabilities | 1,141.8 | 1,103.2 | 3.5 | | | |
| Net Fin. Liabilities (asset) – Ind. Segment | 25.1 | 116.8 | (78.5) | | | |

Notes: ⁽¹⁾ EBITDA = Earnings before income, taxes, depreciation and amortization; ⁽²⁾ ROIC (Return on Invested Capital) = EBIT of the last 12 months ÷ (inventory + customers + property, plant and equipment - suppliers); ⁽³⁾ ROE (Return on Equity) = Net Profit of the last 12 months/Initial Shareholders' Equity; pp = percentage points.

BRAZILIAN BUS INDUSTRY PERFORMANCE

The Brazilian bus production maintained its growth in 2Q11, especially in the domestic market, amounting to 8,229 units, which is 4.8% above the 7,851 units produced in 2Q10.

a) Domestic Market (DM). The production targeted at the domestic market reached 7,229 units, which is 6.4% greater than the 6,795 units produced in 2Q10.

b) External Market (EM). Exportation totaled 1,000 units 2Q11, which is 5.3% below the production targeted at the foreign market in the same period last year. It should be noted that the 2Q10 volume is positively affected by the units exported to South Africa to serve the soccer World Cup held in that country.

BRAZILIAN BUS PRODUCTION (in units)

| PRODUCTS ⁽¹⁾ | 2Q11 | | | 2Q10 | | | Variation |
|-------------------------|--------------|-------------------|--------------|--------------|-------------------|--------------|-------------|
| | DM | EM ⁽²⁾ | TOTAL | DM | EM ⁽²⁾ | TOTAL | % |
| Intercity | 1,757 | 589 | 2,346 | 1,576 | 390 | 1,966 | 19.3 |
| Urban | 4,523 | 201 | 4,724 | 4,234 | 519 | 4,753 | (0.6) |
| Micro | 949 | 210 | 1,159 | 601 | 142 | 743 | 56.0 |
| SUBTOTAL | 7,229 | 1,000 | 8,229 | 6,411 | 1,051 | 7,462 | 10.3 |
| Mini ⁽³⁾ | - | - | - | 384 | 5 | 389 | - |
| TOTAL | 7,229 | 1,000 | 8,229 | 6,795 | 1,056 | 7,851 | 4.8 |

| PRODUCTS ⁽¹⁾ | 1H11 | | | 1H10 | | | Variation |
|-------------------------|---------------|-------------------|---------------|---------------|-------------------|---------------|------------|
| | DM | EM ⁽²⁾ | TOTAL | DM | EM ⁽²⁾ | TOTAL | % |
| Intercity | 3,670 | 1,126 | 4,796 | 2,963 | 878 | 3,841 | 24.9 |
| Urban | 8,469 | 598 | 9,067 | 7,802 | 1,278 | 9,080 | (0.1) |
| Micro | 1,671 | 451 | 2,122 | 1,506 | 230 | 1,736 | 22.2 |
| SUBTOTAL | 13,810 | 2,175 | 15,985 | 12,271 | 2,386 | 14,657 | 9.1 |
| Mini ⁽³⁾ | 68 | 8 | 76 | 695 | 5 | 700 | (89.1) |
| TOTAL | 13,878 | 2,183 | 16,061 | 12,966 | 2,391 | 15,357 | 4.6 |

Sources: FABUS (National Bus Manufacturers Association) and SIMEFRE (Interstate Union of the Railroad and Road Material and Equipment Industry).

Notes: ⁽¹⁾ DM = Domestic Market; EM = External Market; ⁽²⁾ Includes exported KD (knocked down) units; ⁽³⁾ Mini bus production data do not include the production of full units such as Volare.

MARCOPOLO'S OPERATING AND FINANCIAL PERFORMANCE

• Units Recorded in Net Revenues

In April-June 2011, 7,293 units were recorded as net revenue, a 2.8% growth compared to 2Q10. Of this volume, 4,747 units were recorded in Brazil, amounting to 65.1% of the total, and 2,546 units abroad, amounting to the remaining 34.9%, as shown in the table below:

| OPERATIONS | 2Q11 | 2Q10 | Var. % | 1H11 | 1H10 | Var. % |
|--|--------------|--------------|--------------|---------------|---------------|--------------|
| BRAZIL: | | | | | | |
| - Domestic Market | 4,223 | 4,200 | 0,5 | 8,461 | 7,850 | 7,8 |
| - External Market | 542 | 380 | 42.6 | 1,196 | 959 | 24.7 |
| SUBTOTAL | 4,765 | 4,580 | 4.0 | 9,657 | 8,809 | 9.6 |
| Exclusion exported KD's ⁽¹⁾ | 18 | 40 | (55.0) | 73 | 250 | (70.8) |
| TOTAL IN BRAZIL | 4,747 | 4,540 | 4.6 | 9,584 | 8,559 | 12.0 |
| INTERNATIONAL: | | | | | | |
| - Mexico | 252 | 337 | (25.2) | 609 | 422 | 44.3 |
| - South Africa | 65 | 173 | (62.4) | 143 | 503 | (71.6) |
| - Colombia (50%) | 230 | 174 | 32.2 | 552 | 378 | 46.0 |
| - India (49%) ⁽²⁾ | 1,625 | 1,612 | 0.8 | 2,746 | 2,932 | (6.3) |
| - Egypt (49%) | 16 | 97 | (83.5) | 64 | 189 | (66.1) |
| - Argentina (50%) | 358 | 164 | 118.3 | 607 | 298 | 103.7 |
| TOTAL INTERNATIONAL | 2,546 | 2,557 | (0.4) | 4,721 | 4,722 | (0.0) |
| GENERAL TOTAL | 7,293 | 7,097 | 2.8 | 14,305 | 13,281 | 7.7 |

Notes: ⁽¹⁾ Partially or totally knocked down bodies; ⁽²⁾ Units manufactured in the Lucknow plant are included in India.

• Production

Marcopolo's consolidated production was 7,371 units in 2Q11, which is 6.9% greater than in 2Q10, In Brazil, the production reached 4,753 units in 2Q11, 8.0% greater than 2Q10, while in foreign countries the production reached 2,618 units, 5.0% greater than the production of the same period in the previous year, with volumes produced in Argentina and Colombia being noteworthy.

Marcopolo's 2Q11 consolidated production figures and comparison thereof with 2Q10 are shown in the table below:

MARCOPOLO – CONSOLIDATED WORLDWIDE PRODUCTION

| OPERATIONS | 2Q11 | 2Q10 | Var. % | 1H11 | 1H10 | Var. % |
|--|--------------|--------------|------------|---------------|---------------|------------|
| BRAZIL: ⁽¹⁾ | | | | | | |
| - Domestic Market | 4,276 | 4,066 | 5.2 | 8,353 | 7,707 | 8.4 |
| - External Market | 495 | 374 | 32.4 | 1,033 | 1,071 | (3.5) |
| SUBTOTAL | 4,771 | 4,440 | 7.5 | 9,386 | 8,778 | 6.9 |
| Exclusion exported KD's ⁽²⁾ | 18 | 40 | (55.0) | 73 | 262 | (72.1) |
| TOTAL IN BRAZIL | 4,753 | 4,400 | 8.0 | 9,313 | 8,516 | 9.4 |
| FOREIGN: | | | | | | |
| - Mexico | 254 | 337 | (24.6) | 611 | 422 | 44.8 |
| - South Africa | 52 | 102 | (49.0) | 129 | 287 | (55.1) |
| - Colombia (50%) | 217 | 181 | 19.9 | 542 | 370 | 46.5 |
| - India (49%) ⁽³⁾ | 1,691 | 1,612 | 4.9 | 2,953 | 2,932 | 0.7 |
| - Egypt (49%) | 51 | 97 | (47.4) | 111 | 189 | (41.3) |
| - Argentina (50%) | 353 | 164 | 115.2 | 594 | 298 | 99.3 |
| TOTAL INTERNATIONAL | 2,618 | 2,493 | 5.0 | 4,940 | 4,498 | 9.8 |
| GENERAL TOTAL | 7,371 | 6,893 | 6.9 | 14,253 | 13,014 | 9.5 |

Notes: ⁽¹⁾ Includes the production of the model Volare, as well as the production in the companies Ciferal (1.390 units in 2Q11 and 1.199 units in 2Q10) and 45.0% of San Marino (369 units in 2Q11 and 373 units in 2Q10), amounting to Marcopolo's ownership in the company; ⁽²⁾ Partially or totally knocked down bodies; ⁽³⁾ Units manufactured in the Lucknow plant are included in India.

MARCOPOLO – CONSOLIDATED WORLDWIDE PRODUCTION BY MODEL

| PRODUCTS/MARKETS (in units) | 2Q11 | | | 2Q10 | | |
|--------------------------------|--------------|-------------------|--------------|--------------|-------------------|--------------|
| | DM | EM ⁽¹⁾ | TOTAL | DM | EM ⁽¹⁾ | TOTAL |
| Intercity | 1,109 | 431 | 1,540 | 1,062 | 273 | 1,335 |
| Urban | 1,666 | 844 | 2,510 | 1,652 | 811 | 2,463 |
| Micro | 405 | 98 | 503 | 273 | 185 | 458 |
| Mini (LCV) | - | 1,722 | 1,722 | 200 | 1,522 | 1,722 |
| SUBTOTAL | 3,180 | 3,095 | 6,275 | 3,187 | 2,791 | 5,978 |
| Volares ⁽²⁾ | 1,096 | - | 1,096 | 879 | 36 | 915 |
| TOTAL PRODUCTION | 4,276 | 3,095 | 7,371 | 4,066 | 2,827 | 6,893 |

| PRODUCTS/MARKETS (in units) | 1H11 | | | 1H10 | | |
|--------------------------------|--------------|-------------------|---------------|--------------|-------------------|---------------|
| | DM | EM ⁽¹⁾ | TOTAL | DM | EM ⁽¹⁾ | TOTAL |
| Intercity | 2,334 | 766 | 3,100 | 2,034 | 657 | 2,691 |
| Urban | 3,239 | 1,859 | 5,098 | 2,983 | 2,026 | 5,009 |
| Micro | 693 | 322 | 1,015 | 541 | 387 | 928 |
| Mini (LCV) | - | 2,953 | 2,953 | 369 | 2,179 | 2,548 |
| SUBTOTAL | 6,266 | 5,900 | 12,166 | 5,927 | 5,249 | 11,176 |
| Volares ⁽²⁾ | 2,087 | - | 2,087 | 1,780 | 58 | 1,838 |
| TOTAL PRODUCTION | 8,353 | 5,900 | 14,253 | 7,707 | 5,307 | 13,014 |

Notes: ⁽¹⁾ The total FM production includes exported KD units (partially or totally knocked down bodies), which amounted to 18 units in 2Q11, 73 in 1H11, 40 in 2Q10 and 262 units in 1H10. ⁽²⁾ The production of Volares is not a part of the SIMEFRE and FABUS figures or of Marcopolo's market share or the industry production.

PRODUCTION IN BRAZIL

| PRODUCTS/MARKETS (in units) | 2Q11 | | | 2Q10 | | |
|--------------------------------|--------------|-------------------|--------------|--------------|-------------------|--------------|
| | DM | EM ⁽¹⁾ | TOTAL | DM | EM ⁽¹⁾ | TOTAL |
| Intercity | 1,109 | 367 | 1,476 | 1,062 | 185 | 1,247 |
| Urban | 1,666 | 73 | 1,739 | 1,652 | 91 | 1,743 |
| Micro | 405 | 55 | 460 | 273 | 62 | 335 |
| Mini (LCV) | - | - | - | 200 | - | 200 |
| SUBTOTAL | 3,180 | 495 | 3,675 | 3,187 | 338 | 3,525 |
| Volares ⁽²⁾ | 1,096 | - | 1,096 | 879 | 36 | 915 |
| TOTAL PRODUCTION | 4,276 | 495 | 4,771 | 4,066 | 374 | 4,440 |

| PRODUCTS/MARKETS (in units) | 1H11 | | | 1H10 | | |
|--------------------------------|--------------|-------------------|--------------|--------------|-------------------|--------------|
| | DM | EM ⁽¹⁾ | TOTAL | DM | EM ⁽¹⁾ | TOTAL |
| Intercity | 2,334 | 653 | 2,987 | 2,035 | 541 | 2,576 |
| Urban | 3,239 | 213 | 3,452 | 2,983 | 364 | 3,347 |
| Micro | 693 | 167 | 860 | 541 | 107 | 648 |
| Mini (LCV) | - | - | - | 369 | - | 369 |
| SUBTOTAL | 6,266 | 1,033 | 7,299 | 5,928 | 1,012 | 6,940 |
| Volares ⁽²⁾ | 2,087 | - | 2,087 | 1,780 | 58 | 1,838 |
| TOTAL PRODUCTION | 8,353 | 1,033 | 9,386 | 7,708 | 1,070 | 8,778 |

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

• Brazilian Market Share

The Company's market share in Brazil was 44.7% in 2Q11 or 45.4% in the first six months of the year. In the Intercity bus segment, the 2Q11 market share increased compared to the immediately preceding quarter, reaching 62.9%.

MARKET SHARE IN BRAZILIAN PRODUCTION (%)

| PRODUCTS ⁽¹⁾ | 1Q10 | 2Q10 | 1H10 | 1Q11 | 2Q11 | 1H11 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Intercity | 70.9 | 63.4 | 67.1 | 61.7 | 62.9 | 62.3 |
| Urban | 37.1 | 36.7 | 36.9 | 39.5 | 36.8 | 38.1 |
| Micro | 31.5 | 45.1 | 37.3 | 41.5 | 39.7 | 40.5 |
| Mini ⁽²⁾ | 54.3 | 51.4 | 52.7 | - | - | - |
| TOTAL | 45.5 | 44.9 | 45.2 | 46.3 | 44.7 | 45.4 |

Source: FABUS and SIMEFRE

Notes: ⁽¹⁾ Includes 100% of Ciferal and a proportional share of the San Marino production; ⁽²⁾ Volare is not computed for market share purposes.

• Net Revenue

The consolidated net revenue reached R\$ 770.2 in 2Q11, which is 5.8% greater than the R\$ 727.7 million recorded in 2Q10, which is explained by a 2.8% recorded in the revenue for the period (4.6% in Brazil) and by an improvement in the product mix, with a greater input from Intercity models. In the domestic market the revenue reached R\$ 536.2 million or 69.6% of the total amount and in the foreign market the revenue amounted to R\$ 234 million or 30.4% of the consolidated amount.

The table and charts below show a net revenue breakdown by products and markets:

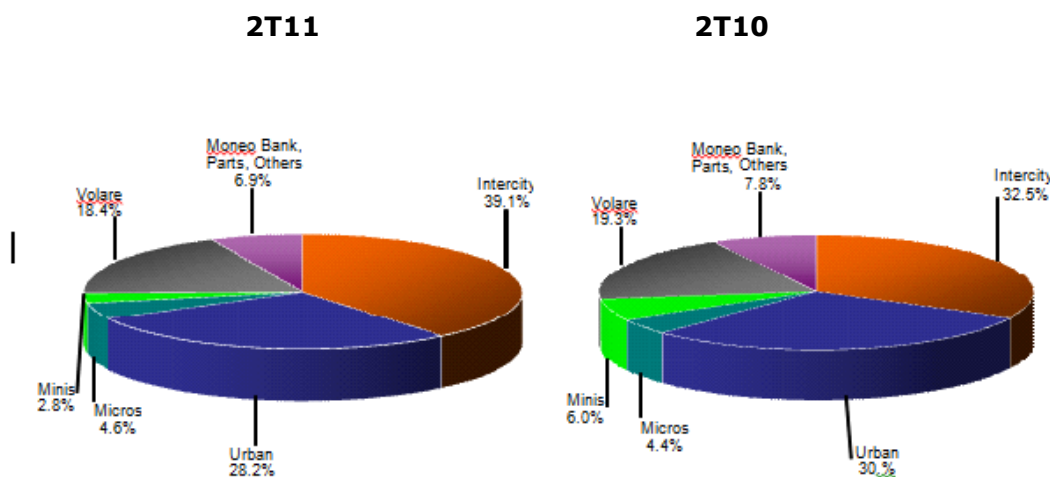
TOTAL CONSOLIDATED NET REVENUE By Products and Markets (R\$ million)

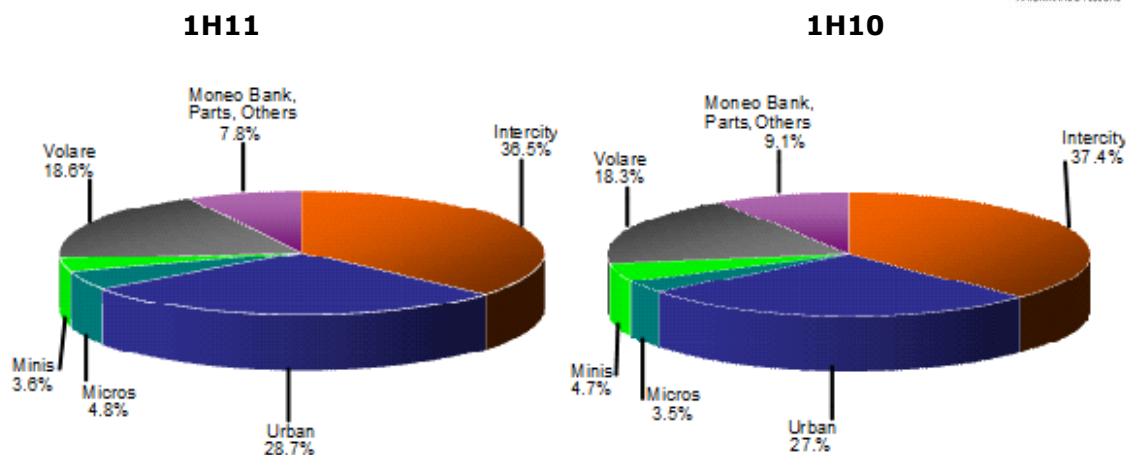
| PRODUCTS/MARKETS ⁽¹⁾ | 2Q11 | | 2Q10 | | TOTAL | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | DM | FM | DM | FM | 2Q11 | 2Q10 |
| Intercity | 190.4 | 110.9 | 171.3 | 65.3 | 301.3 | 236.6 |
| Urban | 155.7 | 61.5 | 148.5 | 70.0 | 217.2 | 218.5 |
| Micro | 29.7 | 6.0 | 19.9 | 12.2 | 35.7 | 32.1 |
| Mini – LCV | 0.1 | 21.4 | 27.1 | 16.7 | 21.5 | 43.8 |
| Bodies subtotal | 375.9 | 199.8 | 366.8 | 164.2 | 575.7 | 531.0 |
| Volares ⁽²⁾ | 131.8 | 10.1 | 134.8 | 5.8 | 141.9 | 140.6 |
| Bank Moneo, Parts and Others | 28.5 | 24.1 | 31.6 | 24.5 | 52.6 | 56.1 |
| GRAND TOTAL | 536.2 | 234.0 | 533.2 | 194.5 | 770.2 | 727.7 |

| PRODUCTS/MARKETS ⁽¹⁾ | 1H11 | | 1H10 | | TOTAL | |
|---------------------------------|----------------|--------------|--------------|--------------|----------------|----------------|
| | DM | FM | DM | FM | 1H11 | 1H10 |
| Intercity | 380.3 | 179.2 | 325.0 | 200.6 | 559.5 | 525.6 |
| Urban | 292.1 | 147.1 | 266.9 | 112.7 | 439.2 | 379.6 |
| Micro | 53.9 | 19.1 | 31.7 | 18.0 | 73.0 | 49.7 |
| Mini – LCV | 15.4 | 39.3 | 42.9 | 23.9 | 54.7 | 66.8 |
| Bodies subtotal | 741.7 | 384.7 | 666.5 | 355.2 | 1.126.4 | 1.021.7 |
| Volares ⁽²⁾ | 269.8 | 15.7 | 247.5 | 9.6 | 285.5 | 257.1 |
| Bank Moneo, Parts and Others | 65.9 | 53.7 | 64.7 | 63.5 | 119.6 | 128.2 |
| GRAND TOTAL | 1,077.4 | 454.1 | 978.7 | 428.3 | 1,531.5 | 1,407.0 |

Notes: ⁽¹⁾ DM = Domestic Market; FM = Foreign Market; ⁽²⁾ The Volares revenue includes bodies.

CONSOLIDATED NET REVENUE COMPOSITION (%)





GROSS PROFIT AND MARGINS

The 2Q11 consolidated gross profit totaled R\$ 157.8 million, with a 20.5% margin, against R\$ 153.3 million and a 21.1% margin in 2Q10. Although the gross income had a 2.9%, the 0.6 percentage-point drop in the margin was due to the greater profitability of the deliveries to serve the soccer World Cup in South Africa, which was reflected in the results of the second quarter of 2010. It should be also noted that the 4.3% appreciation of the real against the dollar prevented the achievement of a greater margin in 2Q11, since the foreign exchange hedge gains on exportation were recorded as financial revenue.

OPERATING EXPENSES

- **Sale expenses**

Sale expenses totaled R\$ 36.8 million in 2Q11 against R\$ 47.8 million in 2Q10, amounting to 4.8% and 6.6% of the net revenue respectively. This drop is a consequence of an increase in non-commissioned sales, mostly through Volare and school buses from the "Caminho da Escola" project.

- **General and Administrative Expenses**

General and administrative expenses amounted to R\$ 30.9 million in 2Q11 or 4% of the net revenue, which is in alignment with 2Q10 when these expenses amounted to R\$ 29.6 million, or 4.1% of the income.

- **Other Operating Revenue/Expenses**

In 2Q11, R\$ 3.4 million was recorded as "Other Operating Expenses, while in 2Q10 R\$ 14.4 million was recorded in this same account as "Other Operating Revenue", mostly resulting from a successful lawsuit in 2010.

NET FINANCIAL INCOME

The 2Q11 net financial income was R\$ 24.6 million positive against R\$ 23.9 million also positive in 2Q10. Such income is mostly explained by the yield from financial investments and foreign exchange hedge gains on exportation, which was recorded as financial revenue as a result of the appreciation of the real within the period. See Explanatory Note 25 to the Financial Statements.

EBITDA and (adjusted) EBITDA

EBITDA reached R\$ 97.3 million in 2Q11, with a 12.6% margin against R\$ 100.1 million and a 13.8% margin in 2Q10. The (adjusted) EBITDA amounted to R\$ 104.4 million in 2Q11 with a 13.6% margin (13.7% in 2Q10), as a result of the exchange rate change of exportation, including forward transactions intended to protect the order backlog, as demonstrated in the table hereafter. The lower EBITDA margin compared to 2Q10 is explained by the same factors pointed out for the drop in gross margin. The 2Q11 EBITDA margin remained relatively stable compared to 1Q11.

| (R\$ thousand) | 2Q11 | 2Q10 | Var. % | 1H11 | 1H10 | Var. % |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating income | 113.1 | 115.9 | (2.4) | 222.7 | 222.5 | 0.1 |
| Financial Revenue | (58.1) | (52.5) | (10.7) | (105.5) | (102.5) | (2.9) |
| Financial expenses | 33.5 | 28.6 | 17.1 | 60.8 | 73.6 | (17.4) |
| Depreciation / Amortization | 8.8 | 8.1 | 8.6 | 17.7 | 17.2 | 2.9 |
| EBITDA | 97.3 | 100.1 | (2.8) | 195.7 | 210.7 | (7.1) |
| Exchange Rate Change bound to exportation | 7.1 | (0.8) | - | 8.6 | 1.6 | 437.5 |
| EBITDA (adjusted) | 104.4 | 99.3 | 5.1 | 204.4 | 212.3 | (3.7) |

NET PROFIT

The 2Q11 consolidated net profit totaled R\$ 76.3 million, with a 9.9% margin, against R\$ 79.1 million and a 10,9% margin in 2Q10. It should be noted that the 2Q10 profit was positively affected by the non-recurrent gain from a successful lawsuit, as noted in the item "Other Operating Revenue/Expenses".

FINANCIAL INDEBTEDNESS

The net financial indebtedness totaled R\$ 526.4 million at the end of June 2011 (R\$ 623.2 million at the end of March 2011). R\$ 25.1 million of this amount came from the industrial segment and R\$ 501.3 million from the financial segment.

It should be noted that the financial segment indebtedness comes from the consolidation of the Bank Moneo activities and must be analyzed separately, as it has different characteristics from the indebtedness arising from the Company's operating activities. The financial liabilities of the Bank Moneo have a corresponding entry in the "Customers" account in the Bank's Assets. The credit risk is properly provisioned for. Since these are transfers from the FINAME, each disbursement from the National

Economic and Social Development Bank (BNDES) has a corresponding entry in the customer receivables account of the Bank Moneo, both in term and fixed rate.

On June 31st, the net financial indebtedness of the industrial segment amounted to 0.1 times the *EBITDA* of the last 12 months.

CASH GENERATION

In 2Q11, the operating activities raised funds in the order of R\$ 59.4 million. The investment activities demanded R\$ 16.3 million while the financing activities generated R\$ 63.0 million. As a result, the beginning cash balance rose from R\$ 568.2 million, discounting R\$ 1.0 million of exchange rate change on cash, to R\$ 673.3 million at the end of June 2011.

INVESTMENTS IN PERMANENT ASSETS

In 2Q11, Marcopolo invested R\$ 16.3 million in capital goods, R\$ 7.7 million of which were spent in the parent company and invested in: R\$ 4.5 million in machines and equipment and R\$ 3.2 million in other property, plant and equipment. R\$ 8.6 million was invested in controlled and associated companies, of which: R\$ 6.0 million in Ciferal and R\$ 2.6 million in other units.

STOCK MARKET

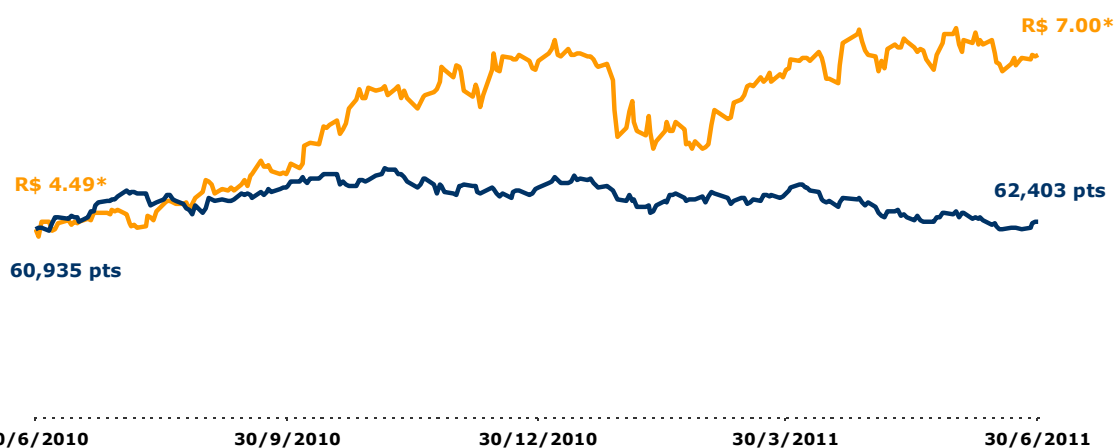
In 2Q11, Marcopolo's preferred shares - POMO4 – appreciated 2.8% against 9.0% of IBOVESPA devaluation. In the last 12 months, with a reference date of June 30th, POMO4 appreciated 55.9% against 2.4% of IBOVESPA. In 2Q11 58.8 million shares issued by Marcopolo were traded, moving R\$ 414.8 million, while 26.7 million shares were traded in 2Q10, with a financial volume of R\$ 216 million.

- **Performance of Marcopolo's Shares on the BM&Bovespa**

Marcopolo PN x Ibovespa – Base 100

POMO4: +55.9%

IBOV: + 2.4%



* Figures adjusted by the 100% bonus approved on 09.10.2010.

| INDICATORS | 2Q11 | 2Q10 | 1H11 | 1H10 |
|---|---------|---------|---------|---------|
| Number of trades | 91,098 | 26,521 | 199,013 | 51,920 |
| Shares traded (million) | 58.8 | 26.7 | 157.1 | 53.5 |
| Value traded (R\$ million) | 414.8 | 216.0 | 1,038.1 | 421.9 |
| Market cap (R\$ million) ⁽¹⁾ | 3,139.5 | 2,013.8 | 3,139.5 | 2,013.8 |
| Outstanding shares (thousands) ^{(2) (*)} | 448.5 | 448.5 | 448.5 | 448.5 |
| Equity per share (R\$) ^(*) | 2.23 | 1.93 | 2.23 | 1.93 |
| POMO4 price at close of period ^(*) | 7.00 | 4.49 | 7.00 | 4.49 |

Notes: ⁽¹⁾ Quotation of the last transaction of the period of the Preference Book-entry share (PE), multiplied by the total existing shares (OE+PE) in the same period; ⁽²⁾ 1,156,382 preferred shares of this amount were in treasury on 06.30.2011; ^(*) The figures are updated to reflect a 100% bonus given according to the Board of Directors Meeting held on 09.10.2010.

OUTLOOK

The first half of 2011 has confirmed the positive moment that the Brazilian bus body industry is going through. The same optimistic scenario of Brazil is also verified in the other South American Marcopolo units, more specifically in Metalpar, Argentina, and Superpolo, Colombia. Given the current scenario, the market is expected to remain active during the second half of the year.

Apart from the launch of the Double Decker and Low Driver models from Generation 7 and the W FLY Volare line, another highlight of this first half of 2011 as an e-auction

for 3,900 school buses by means of the Federal Government's "Caminho da Escola" program. The auction was held in June and Marcopolo was qualified to deliver approximately 2,100 units directly and indirectly.

In the beginning of August, the Federal Government announced the "Brasil Maior" plan, the steps of which seek to increase the competitiveness of the Brazilian industry. Apart from tax measures, financing innovation and commercial defense, the Plan also provides for an extension of the Investment Sustainment Program (PSI) of the National Economic and Social Development Bank (BNDES) by December next year.

In foreign countries, apart from the Argentina and Colombia operations, the positive results of which have been noted, it should be stated that TMML's production in India continues as planned for 2011. The South African unit has already adapted to the post-World Cup market, while the Egyptian unit continues to develop new products to serve the region while the bus market remains low in that country. In Mexico the demand continues to be below regular, but Polomex's production volume in 1H11 shows a gradual recovery of the local market compared to 1H10.

As for costs, in June a collective agreement was executed with the Caxias do Sul Metal Workers' Union. The effect of the payroll increase began in June and will be greater during the second half of the year. The Company continues to try to increase its profitability by means of actions to increase efficiency and cost reduction.

Marcopolo S.A., based on its *Disclosure and Negotiation Policy* informs that it has reviewed its guidance for 2011 as follows: (i) to invest R\$ 70.0 million; (ii) to reach a consolidated net revenue of R\$ 3.25 billion; and (iii) to produce 30,200 buses among its Brazilian and overseas units.

The Management.

BALANCE SHEETS

IFRS (in thousands of reais)

| ASSETS | Consolidated | |
|---|------------------|------------------|
| | 06/30/11 | 12/31/10 |
| Current assets | | |
| Cash and cash equivalents | 673,300 | 672,123 |
| Financial assets at fair value | 52,840 | 54,092 |
| Trade accounts receivable | 863,172 | 810,464 |
| Inventories | 289,296 | 311,448 |
| Taxes recoverable | 95,288 | 87,144 |
| Other accounts receivable | 54,715 | 55,238 |
| | 2,028,611 | 1,990,509 |
| Non-current assets | | |
| Long-term receivables | | |
| Financial assets available for sale | 193,747 | 128,096 |
| Taxes recoverable | 3,252 | 2,975 |
| Deferred income tax and social contribution | 59,969 | 43,315 |
| Judicial Deposits | 16,703 | 14,365 |
| Trade accounts receivable | 414,398 | 425,700 |
| Other accounts receivable | 581 | 10,766 |
| Investments | 21,193 | 22,272 |
| Property, plant and equipment | 331,583 | 318,761 |
| Intangible assets | 80,296 | 72,842 |
| | 1,121,722 | 1,039,092 |
| TOTAL ASSETS | 3,150,333 | 3,029,601 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | Consolidated | |
| | 06/30/11 | 12/31/10 |
| Current liabilities | | |
| Suppliers | 291,085 | 306,901 |
| Loans and financing | 304,182 | 267,412 |
| Derivatives | 309 | 788 |
| Salaries and vacation pay | 102,882 | 135,427 |
| Taxes and contributions payable | 131,545 | 64,938 |
| Advances from customers | 33,101 | 37,238 |
| Comissioned representatives | 23,610 | 17,031 |
| Interest on own capital and dividends | 11,735 | 35,632 |
| Management profit sharing | 4,343 | 7,060 |
| Other accounts payable | 76,451 | 76,309 |
| | 979,243 | 948,736 |
| Non-current liabilities | | |
| Loans and financing | 1,141,813 | 1,094,439 |
| Provision for contingencies | 18,568 | 17,444 |
| Other accounts payable | 2,430 | 5,592 |
| | 1,162,811 | 1,117,475 |
| Stockholders' equity | | |
| Capital | 700,000 | 700,000 |
| Capital reserves | (1,578) | (790) |
| Revenue reserves | 347,952 | 301,863 |
| Treasury stock | (7,098) | (14,054) |
| Carrying value adjustments | (38,370) | (31,125) |
| | 1,000,906 | 955,894 |
| Non-controlling Interest | 7,373 | 7,496 |
| | 1,008,279 | 963,390 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 3,150,333 | 3,029,601 |

The consolidated financial statements including the notes to financial statements and the report of independent auditors - PRICEWATERHOUSECOOPERS - Auditores independentes - are available at the sites www.cvm.gov.br and www.bmfbovespa.com.br.

STATEMENTS OF INCOME

IFRS (in thousands of reais)

| ACCOUNTS | Consolidated | | | |
|--|----------------|----------------|------------------|------------------|
| | 1Q11 | 1Q10 | 1H11 | 1H10 |
| Net sales and service revenues | 770,271 | 727,734 | 1,531,531 | 1,406,956 |
| Cost of sales and services | (612,457) | (574,394) | (1,211,085) | (1,089,884) |
| Gross Profit | 157,814 | 153,340 | 320,446 | 317,072 |
| Operating expenses (income) | | | | |
| Selling expenses | (36,798) | (47,768) | (81,613) | (87,498) |
| Administrative expenses | (30,933) | (29,610) | (62,198) | (59,743) |
| Other operating expenses (income), net | (3,381) | 14,374 | (2,598) | 20,808 |
| Operating profit before financial income (expenses) | 86,702 | 90,336 | 174,037 | 190,639 |
| Financial income | 58,147 | 52,478 | 105,532 | 102,526 |
| Financial expenses | (33,519) | (28,553) | (60,811) | (73,604) |
| Financial result net | 24,628 | 23,925 | 44,721 | 28,922 |
| Equity in earnings of affiliates | 1,742 | 1,657 | 3,932 | 2,911 |
| Income before taxation and profit sharing | 113,072 | 115,918 | 222,690 | 222,472 |
| Income tax and social contribution | | | | |
| For the year | (41,104) | (43,778) | (87,272) | (81,262) |
| Deferred | 4,347 | 6,927 | 16,654 | 6,927 |
| Net income for the year | 76,315 | 79,067 | 152,072 | 148,137 |
| Net income per share - R\$ | 0.171 | 0.176 | 0.340 | 0.330 |

The consolidated financial statements including the notes to financial statements and the report of independent auditors - PRICEWATERHOUSECOOPERS - Auditores independentes - are available at the sites www.cvm.gov.br and www.bmfbovespa.com.br.

CASH FLOWS

IFRS (in thousands of reais)

| | Consolidated | |
|--|-----------------|------------------|
| | 06/30/11 | 06/30/10 |
| Cash flows from operating activities | | |
| Net income for the year | 152,072 | 148,137 |
| Adjustments to reconcile net income with cash generated by (used in) operating activities: | | |
| Depreciation and amortization | 17,781 | 17,187 |
| Cost of fixed, intangible and investments sales | 5,207 | 4,817 |
| Equity in the results of investees | (3,932) | (2,911) |
| Provision for credit losses | 646 | 5,911 |
| Beferrer income tax and social contribution | (16,654) | (6,927) |
| Interest and appropriated exchange variations | 21,004 | 33,268 |
| Minority interest | (370) | (525) |
| Changes in assets and liabilities | | |
| (Increase) decrease in trade accounts receivable | (45,251) | (55,864) |
| (Increase) decrease in other accounts receivable | (1,675) | (22,628) |
| (Increase) decrease in inventories | 18,883 | (9,264) |
| Increase (decrease) in short-term investment | (64,399) | 21,565 |
| Increase (decrease) in suppliers | (10,695) | 57,836 |
| Increase (decrease) in accounts payable | 33,092 | 90,629 |
| Net cash provided by (used in) operating activities | 105,709 | 281,231 |
| Cash flows from investing activities | | |
| Dividends from subsidiaries | 2,503 | - |
| Fixed assets variation | (35,635) | (30,878) |
| Intangible assets variation | (11,603) | (7,830) |
| Proceeds from sale of fixed, intangible and investments | (495) | - |
| Net cash used in investing activities | (45,230) | (37,865) |
| Cash flows from financing activities | | |
| Related parties | - | 12 |
| Loans and financing | 264,804 | 323,803 |
| Payment of loans | (169,148) | (406,776) |
| Payment of interest | (31,476) | (45,330) |
| Payment of dividends and interest on capital stock | (127,873) | (53,256) |
| Treasury stock | 6,168 | 2,288 |
| Net cash provided by (used in) financing activities | (57,525) | (179,271) |
| Foreign exchange variation on cash and cash equivalents | (1,777) | (611) |
| Cash and cash equivalents at the beginning of the year | 672,123 | 498,972 |
| Cash and cash equivalents at the end of the year | 673,300 | 562,468 |
| Net increase (decrease) in cash and cash equivalents | 1,177 | 63,496 |

The consolidated financial statements including the notes to financial statements and the report of independent auditors - PRICEWATERHOUSECOOPERS - Auditores independentes - are available at the sites www.cvm.gov.br and www.bmfbovespa.com.br.