

Caxias do Sul, February 22nd 2019 - Marcopolo S.A. (B3: POMO3; POMO4) discloses the results of the performance in the fourth Quarter of 2018 (4Q18) and accumulated figures of the year. The Financial Statements are presented according to the accounting policies adopted in Brazil and the IFRS – International Financial Reporting Standards as established by IASB - International Accounting Standards Board.

HIGHLIGHTS OF THE 4th QUARTER OF 2018

- 🌟 **Net Revenue** amounted to BRL 1,239.8 million.
- 🌟 **Revenue in Brazil** rose 62.2% to BRL 503.7 million.
- 🌟 **EBITDA** reached BRL 77.9 million, a 63.7% increase compared to 4Q17.
- 🌟 **Net Profit** reached BRL 72.0 million, with a 5.8% margin.
- 🌟 **Marcopolo's Total Production** reached 4,359 units. Production targeted at the domestic market was 3,738 units, a 37.6% increase compared to 4Q17.

(BRL million and percentage variation, except where otherwise stated).

Selected Information	4Q18	4Q17	Var. %	2018	2017	Var. %
Net Operating Revenue	1,239.8	843.6	47.0	4,197.5	2,876.0	45.9
Revenue in Brazil	503.7	310.5	62.2	1,916.1	1,086.5	76.4
Exportation revenue from Brazil	419.9	336.7	24.7	1,360.4	999,5	36.1
Revenue in foreign countries	316.2	196.4	61.0	921.0	790,0	16.6
Gross Profit	199.6	119.9	66.5	664.3	403.6	64.6
EBITDA ⁽¹⁾	77.9	47.6	63.7	362.1	119.7	202.5
Net Profit	72.0	37.3	93.0	190.9	82.1	132.5
Earnings per share	0.078	0.04	95.0	0.203	0.078	160.3
Return on Invested Capital (ROIC) ⁽²⁾	11.0%	3.2%	7.8pp	11.0%	3.20%	7.8pp
Return on Equity (ROE) ⁽³⁾	10.1%	4.5%	5.6pp	10.1%	4.50%	5.6pp
Investments	41.6	21.6	92.6	161.7	54.3	197.8
Gross Margin	16.1%	14.2%	1.9pp	15.8%	14.0%	1.8pp
EBITDA Margin	6.3%	5.6%	0.7pp	8.6%	4.2%	4.4pp
Net Margin	5.8%	4.4%	1.4pp	4.5%	2.9%	1.6pp
Balance Sheet Data	12/31/18	09/30/18	Var. %			
Shareholders' Equity	2,105.6	2,094.2	0.5			
Cash, cash equivalents and financial investments	968.1	865.7	11.8			
Short Term Financial Liabilities	(834.0)	(858.3)	(2.8)			
Long Term Financial Liabilities	(1,100.2)	(1,012.2)	8.7			
Net financial liabilities – Manufacturing Segment	(550.4)	(575.1)	(4.3)			

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

BRAZILIAN BUS INDUSTRY PERFORMANCE

The Brazilian bus production reached 5,523 units in 4Q18, which was a 31.1% increase compared to 4Q17. The annual production amounted to 20,590 units, 40.1% greater than the volume produced in 2017.

a) Domestic Market. The production targeted at the domestic market amounted to 3,727 units in 4Q18, which is 37.3% greater than the 2,715 units produced in 4Q17. In the year, 14,797 units were made for the domestic market, a 50.9% increase compared to 2017.

b) Foreign Market. Exportation amounted to 1,796 units in 4Q18, 20.0% greater than the 1,497 units exported in 4Q17. In 2018, exportation totaled 5,793 units, 18.5% more than the 4,889 units exported in 2017.

BRAZILIAN BUS PRODUCTION (in units)

PRODUCTS ⁽¹⁾	4Q18			4Q17			Var.
	DM	FM ⁽²⁾	TOTAL	DM	FM ⁽²⁾	TOTAL	%
Intercity	663	883	1,546	719	743	1,462	5.7
Urban	2,296	583	2,879	1,524	424	1,948	47.8
Micro	768	330	1,098	472	330	802	36.9
TOTAL	3,727	1,796	5,523	2,715	1,497	4,212	31.1

PRODUCTS ⁽¹⁾	2018			2017			Var.
	DM	FM ⁽²⁾	TOTAL	DM	FM ⁽²⁾	TOTAL	%
Intercity	3,416	2,577	5,993	2,116	2,652	4,768	25.7
Urban	7,942	2,005	9,947	6,199	953	7,152	39.1
Micro	3,439	1,211	4,650	1,489	1,284	2,773	67.7
TOTAL	14,797	5,793	20,590	9,804	4,889	14,693	40.1

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

Notes: ⁽¹⁾ DM = Domestic Market; FM = Foreign Market; ⁽²⁾ Includes exported KD (knocked down) units.

MARCOPOLO'S OPERATING AND FINANCIAL PERFORMANCE
Units Recorded in Net Revenue

In 4Q18, 4,547 units were recorded in net revenue, 2,683 units of which were recorded in Brazil (59.0% the total), and 1,121 units exported from Brazil (24.7%) and 743 units in foreign countries (16.3%).

TRANSACTIONS	4Q18	4Q17	Var. %	2018	2017	Var. %
BRAZIL:						
- Domestic Market	2,683	1,595	68.2	10,239	5,587	83.3
- Foreign market	1,134	1,110	2.2	3,794	3,311	14.6
SUBTOTAL	3,817	2,705	41.1	14,033	8,898	57.7
Exclusion exported KDs ⁽¹⁾	13	83	(84.3)	149	336	(55.7)
TOTAL IN BRAZIL	3,804	2,622	45.1	13,884	8,562	62.2
FOREIGN:						
- South Africa	117	77	51.9	287	354	(18.9)
- Australia	153	118	29.7	542	403	34.5
- Mexico	418	289	44.6	1,020	1,272	(19.8)
- China	55	60	(8.3)	223	175	27.4
TOTAL FOREIGN	743	544	36.6	2,072	2,204	(6.0)
GRAND TOTAL	4,547	3,166	43.6	15,956	10,766	48.2

Note: ⁽¹⁾ (Knock Down) = Partially or totally knocked down bodies.

PRODUCTION

Marcopolo's consolidated production was 4,359 units in 4Q18. In Brazil, the production reached 3,738 units in 4Q18, while in foreign countries the production was 621 units.

Marcopolo's consolidated production figures and comparison thereof with the previous year are shown in the table below:

MARCOPOLO - CONSOLIDATED WORLDWIDE PRODUCTION

TRANSACTIONS	4Q18	4Q17	Var. %	2018	2017	Var. %
BRAZIL: ⁽¹⁾						
- Domestic Market	2,585	1,616	60.0	10,274	5,581	84.1
- Foreign market	1,205	1,110	8.6	3,938	3,271	20.4
SUBTOTAL	3,790	2,726	39.0	14,212	8,852	60.6
Exclusion exported KDs ⁽³⁾	52	9	477.8	254	219	16.0
TOTAL IN BRAZIL	3,738	2,717	37.6	13,958	8,633	61.7
FOREIGN:						
- South Africa	89	58	53.4	344	354	(2.8)
- Australia	153	118	29.7	542	403	34.5
- Mexico	334	289	15.6	1,046	1,272	(17.8)
- China	45	52	(13.5)	213	198	7.6
TOTAL FOREIGN	621	517	20.1	2,145	2,227	(3.7)
GRAND TOTAL	4,359	3,234	34.8	16,103	10,860	48.3

Notes: ⁽¹⁾ Includes the production of the Volare model; ⁽³⁾ (Knock Down) = Partially or totally knocked down bodies.

MARCOPOLO – CONSOLIDATED WORLDWIDE PRODUCTION BY MODEL

PRODUCTS/MARKETS (in units)	4Q18			4Q17		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	440	722	1,162	509	568	1,077
Urban	803	797	1,600	467	705	1,172
Micro	571	174	745	225	217	442
SUBTOTAL	1,814	1,693	3,507	1,201	1,490	2,691
Volares ⁽³⁾	771	81	852	415	76	491
TOTAL PRODUCTION	2,585	1,774	4,359	1,616	1,566	3,182

PRODUCTS/MARKETS (in units)	2018			2017		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	2,566	1,805	4,371	1,558	2,025	3,583
Urban	3,583	2,900	6,483	1,713	2,148	3,861
Micro	1,971	602	2,573	891	744	1,635
SUBTOTAL	8,120	5,307	13,427	4,162	4,917	9,079
Volares ⁽²⁾	2,154	522	2,676	1,419	362	1,781
TOTAL PRODUCTION	10,274	5,829	16,103	5,581	5,279	10,860

Notes: ⁽¹⁾ The total FM production includes exported KD units (partially or fully knocked down bodies) which amounted to 52 units in 4Q18, 254 units in 4Q16, 219 units in 2018, 9 units in 4Q17 and 219 units in 2017; ⁽²⁾ The Volare production is not part of the SIMEFRE and FABUS figures or the sector production.

MARCOPOLO - PRODUCTION IN BRAZIL

PRODUCTS/MARKETS (in units)	4Q18			4Q17		
	DM	FM	TOTAL	DM	FM	TOTAL
Intercity	440	581	1,021	509	506	1,015
Urban	803	369	1,172	467	311	778
Micro	571	174	745	225	217	442
SUBTOTAL	1,814	1,124	2,938	1,201	1,034	2,235
Volare	771	81	852	415	76	491
TOTAL PRODUCTION	2,585	1,205	3,790	1,616	1,110	2,726

PRODUCTS/MARKETS (in units)	2018			2017		
	DM	FM ⁽²⁾	TOTAL	DM	FM ⁽²⁾	TOTAL
Intercity	2,566	1,511	4,077	1,558	1,711	3,269
Urban	3,583	1,303	4,886	1,713	464	2,177
Micro	1,971	602	2,573	891	734	1,625
SUBTOTAL	8,120	3,416	11,536	4,162	2,909	7,071
Volare	2,154	522	2,676	1,419	362	1,781
TOTAL PRODUCTION	10,274	3,938	14,212	5,581	3,271	8,852

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

BRAZILIAN MARKET SHARE

The Company's market share in Brazil was 53.2% in 4Q18 and 56.0% in the year 2018. The quarter's highlight was an increased market share in the micro segment, which rose 12.8 percentage points compared to 4Q17, which is explained by the greater volume of vehicles for the Road to School Program.

MARKET SHARE IN BRAZILIAN PRODUCTION (%)

PRODUCTS ⁽¹⁾	3Q17	4Q16	2017	3Q18	4Q18	2018
Intercity	65.8	69.4	68.6	71.6	66.0	68.0
Urban	27.1	39.9	30.4	45.4	40.7	49.1
Micro	59.1	55.1	58.6	64.8	67.9	55.3
TOTAL	44.6	53.1	48.1	58.9	53.2	56.0

Source: FABUS and SIMEFRE

 Notes: ⁽¹⁾ Volare is not computed for market share purposes.

NET REVENUE

Consolidated net revenue achieved BRL 1,239.8 million in 4Q18, which is 47.0% greater than 4Q17. In the domestic market the revenue reached BRL 503.7 million or 40.6% of the total amount, while in the foreign market, which includes exportation from Brazil and units produced in foreign countries, the revenue amounted to BRL 736.1 million, which amounts to the remaining 59.4% of the consolidated net revenue.

The quarter's highlight was the domestic market revenue, which rose 62.2% compared to 4Q17, notably urban vehicles for the domestic market, which rose 65.3%. In the foreign market, the highlight was the revenue from the Mexican unit Polomex, which rose 93.1% in 4Q18 compared to the same previous period.

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

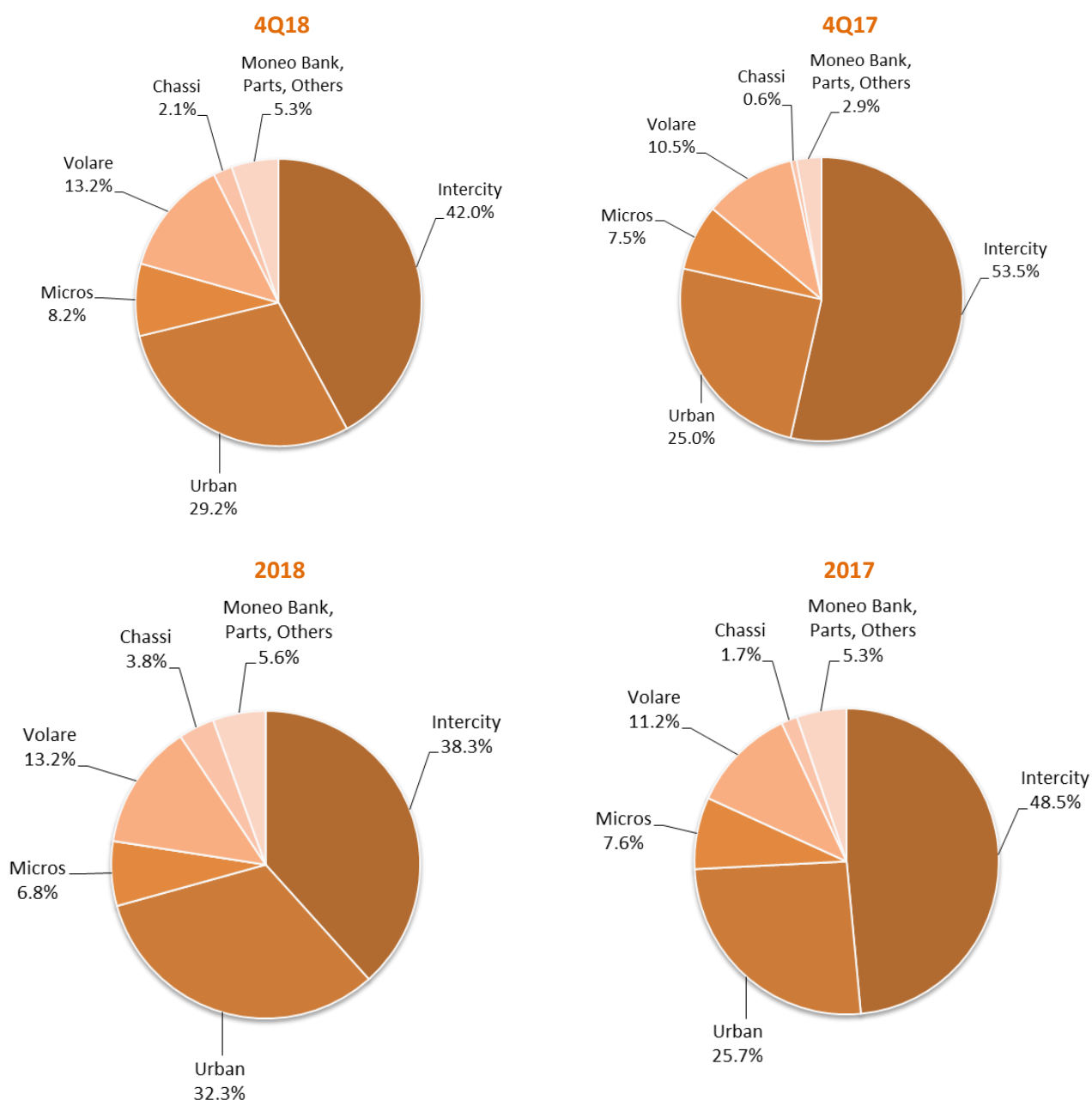
**TOTAL CONSOLIDATED NET REVENUE
By Products and Markets (BRL million)**

PRODUCTS/MARKETS ⁽¹⁾	4Q18			4Q17		
	DM	FM	TOTAL	DM	FM	TOTAL
Intercity	147.1	374.7	521.8	136.0	315.4	451.4
Urban	106.1	255.3	361.4	64.2	146.5	210.7
Micro	80.5	20.7	101.2	22.8	40.8	63.6
Bodies subtotal	333.7	650.7	984.4	223.0	502.7	725.7
Volares ⁽²⁾	142.8	20.3	163.1	75.3	13.3	88.6
Chassis	2.7	24.0	26.7	0.3	5.0	5.3
Moneo Bank	10.7	0	10.7	0.1	-	0.1
Parts and others	13.8	41.1	54.9	11.8	12.1	23.9
GRAND TOTAL	503.7	736.3	1,239.8	310.5	533.1	843.6

PRODUCTS/MARKETS ⁽¹⁾	2018			2017		
	DM	FM	TOTAL	DM	FM	TOTAL
Intercity	739,9	868,9	1,608.8	461.1	934.0	1,395.1
Urban	443,2	915,3	1,358.5	211.8	527.0	738.8
Micro	208,1	76,2	284.3	86.5	132.7	219.2
Bodies subtotal	1,391,2	1,860,4	3,251.6	759.4	1,593.7	2,353.1
Volares ⁽²⁾	434,1	120,3	554.4	256.6	65.3	321.9
Chassis	5,2	153,6	158.8	2.2	47.1	49.3
Moneo Bank	42,3	0	42.3	35.5	-	35.5
Parts and others	43,3	147,1	190.4	32.9	83.4	116.3
GRAND TOTAL	1,916.1	2,281.4	4,197.5	1,086.5	1,789.5	2,876.0

Notes: ⁽¹⁾ DM = Domestic Market; FM = Foreign Market. The Neobus August and September revenue is included in the 2016 figures; ⁽²⁾ The Volare revenue includes chassis.

CONSOLIDATED NET REVENUE COMPOSITION (%)



GROSS INCOME AND MARGINS

The 4Q18 consolidated gross profit totaled BRL 199.6 million, 66.5% greater than the BRL 119.9 million in 4Q17. The gross margin was 16.1% against 14.2% in 4Q17, explained by greater revenue in the domestic market, which helped the factory efficiency, by a more favorable exchange rate in exportation compared to the same period the previous year and by the recovery of revenue in the Mexican unit Polomex, which had a revenue growth of 93.1%, and especially by the greater volume of intercity vehicles in this quarter.

SALE EXPENSES

Sale expenses totaled BRL 77.6 million in 4Q18, against BRL 49.7 million in 4Q17, respectively 6.3% and 5.9% of the net revenue. The increase in the absolute value arises mostly from higher commissions as a result of greater sales volume in the foreign market.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses totaled BRL 48.9 million in 4Q18, against BRL 40.7 million in 4Q17, respectively 3.9% and 4.8% of the net revenue. The reduction in the revenue value and percentage results from actions conducted by the Company seeking to reduce indirect expenses and costs.

OTHER NET OPERATING REVENUE/EXPENSES

In 4Q18, BRL 25.5 million was recorded as "Other Operating Expenses". The amount is made up of BRL 13.6 million of provisions for indemnification related to contract terminations with commercial representative, which are non-recurring expenses, and BRL 8.5 million related to provisions for payments of employment claims, BRL 3.0 million of provision for obsolete inventory loss and BRL 0.4 million in other expenses.

EQUITY METHOD RESULTS

The equity method result in 4Q18 was BRL 14.9 million against BRL 22.6 million in 4Q17. The main contribution comes from NFI Group Inc.

Equity was negatively impacted by the non-recurring effect of adjustment for inflation in the financial statements of the Company's subsidiary located in Argentina, Loma Hermosa, which consolidates the operations of Metalpar and Metalsur, in the amount of BRL 5.0 million.

The equity method result is described in detail in Explanatory Note no. 11 to the Financial Statements.

NET FINANCIAL INCOME

The 4Q18 net financial income was BRL 7.2 million positive against BRL 18.8 million negative recorded in 4Q17. The result basically results from the positive foreign exchange variation within the period.

EBITDA

EBITDA reached BRL 77.9 million in 4Q18, with a 6.3% margin against BRL 47.6 million and a 5.6% margin in 4Q17. The improved margin is a consequence of items already mentioned in gross margin, but negatively impacted by items described in "Other Operating Expenses".

The table below shows the accounts that make up the EBITDA:

BRL million	4Q18	4Q17	2018	2017
Result before IT & Social Contribution	69.7	18.1	209.3	93.0
Financial Revenue	(32.7)	(34.6)	(205.1)	(292.0)
Financial expenses	25.5	53.4	297.1	273.3
Depreciation / Amortization	15.4	10.7	60.8	45.4
EBITDA	77.9	47.6	362.1	119.7

Within the quarter, EBITDA was affected by non-recurring events concerning the provision for indemnification of commercial representatives (BRL 13.6 million) and the negative equity result arising from the adjustment for inflation of Loma Hermosa's financial statements (BRL 5.0 million). The adjusted EBITDA would be BRL 96.5 million with a 7.8% margin within the period.

NET RESULT

The 4Q18 consolidated result was BRL 72.0 million, with a 5.8% margin, against a BRL 37.3 million profit in 4Q17. The net margin improvement is also explained by the factors mentioned in gross margin and by the positive financial result within the period.

FINANCIAL INDEBTEDNESS

The net financial indebtedness amounted to BRL 966.1 million on 12.31.2018 (BRL 782.8 million on 12.31.2017). Out of this total, BRL 415.7 million came from the financial segment, while the industrial segment had net liabilities in the amount of BRL 550.4 million.

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 manufacturing 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 BNDES has a corresponding entry in the customer receivables account of the Banco Moneo, both in term and fixed rate. See Explanatory Note 31 to the Financial Statements.

On December 31st, the net financial indebtedness of the industrial segment amounted to 1.5 times the EBITDA of the last 12 months.

CASH GENERATION

In 4Q18, the operating activities generated BRL 55.3 million. The investment activities, minus dividends received from associated companies, demanded BRL 27.8 million while the financing activities generated BRL 65.3 million.

The beginning cash balance of BRL 865.7 million at the end of September, considering the unavailable financial investments and adding BRL 9.6 million equivalent to the difference between foreign exchange variation and variation of unavailable financial investments, rose to BRL 968.1 million at the end of the December 2018.

INVESTMENTS IN PERMANENT ASSETS

In 4Q18, Marcopolo invested BRL 41.6 million, BRL 23.6 million of which was spent in the parent company and applied towards: BRL 12.2 million in machines and equipment, BRL 8.9 million in buildings, BRL 0.9 million in computer equipment and software and BRL 1.6 million in other non-current assets. In controlled companies, BRL 8.6 million was invested in Volare Espírito Santo, BRL 4.8 million in Polomex, BRL 3.7 million in MAC and BRL 0.9 million in the other units.

STOCK MARKET

In 2018, 1,008.2 thousand transactions were conducted with Marcopolo shares and 744.5 million shares were traded. Transactions with shares issued by Marcopolo moved BRL 2.9 million in the year. The interest of foreign investors in Marcopolo's capital stock amounted to 54.8% of the preferred shares and 35.5% of the total capital stock on 12.31.2018.

The table below shows the evolution of the main stock market indicators:

INDICATORS	4Q18	4Q17	2018	2017
Number of transactions (thousands)	246.7	342.1	1,008.2	1,250.5
Traded Shares (million)	170.9	219.7	744.5	1,146.2
Traded amount (BRL million)	674.7	859.1	2,853.6	3,360.4
Market value (BRL million) ⁽¹⁾	3,774.8	3,691.5	3,774.8	3,691.5
Existing shares (million) ⁽²⁾	925.2	925.2	925.2	925.2
Book value per share (BRL)	2.28	2.05	2.28	2.05
POMO4 quotation at the end of the period	4.08	3.99	4.08	3.99

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⁾ Out of this total, 3,977,285 preferred shares were in treasury on 12.31.2018.

ANALYSIS AND PROSPECTS

For 2019, the Company has the purpose of increasing its profit and, in order to meet this challenge, it began a project named "Second Management Wave". It is a set of short-term actions focused on relevant and priority topics, such as: expansion of the sales horizon, increase of logistic efficiency, reduction of costs with materials and increase of industrial performance. It is expected that, with the project's efforts and one more year of sales recovery in Brazil, we may achieve greater profitability, still in search for the pre-crisis levels.

Among the initiatives to improve profitability is the opening of the new Manufacturing Center in January 22nd, which concentrates the production of metal parts in a single pavilion, thus expediting the production lines and improving efficiency. Continuing the plant optimization process, shutdown of the plant located in the Planalto district of Caxias do Sul shall happen this year.

The recovery of the internal economy, along with the approval of reforms by the current government, shall guide the customers' confidence in 2019, contributing an increasing demand in the bus market. As for the domestic demand, the main specific drivers for the sector in 2019 must be, for intercity buses, the rule reducing the average fleet age in interstate and international lines to 5 years, which shall be achieved by the end of 2019; and for urban buses, the resuming of the bidding process in the city of São Paulo, which shall result in greater confidence by the managers in the renewal of their fleets and normalization of fare adjustments.

As for the Road to School program, there is a remaining volume of nearly 1,000 units to be delivered in this 1H19 from an auction conducted in February 2018. This year, there is also the prospect of a new auction, which may favor the segments of micro buses, urban buses and Volares.

Exports still high, with an order backlog to Latin American countries, mostly due to special fleet renovation projects in the major markets. The maintenance of the current foreign exchange level shall help the company continue with its margin recovery process for 2019.

In foreign markets, a highlight is Mexico, which shows a trend to improve volumes, arising mostly from the sale of vehicles to the Iamsa Group, announced in mid-2018, and a product portfolio with greater added value. For Australia, the expectation is to increase profitability through improved efficiency resulting from a strong effort in 2018. In associated companies, a special performance is expected from the Superpolo operation in Colombia, as a result of an expected fleet renovation process in the city of Bogota.

The capital increase by means of private subscription announced in late 2018 reached an expressive volume by part of the investors. The total amount subscribed was BRL 69,429,993.60 to be approved by the Board of Directors on February 25, 2019.

In 2019, the Company will continue making efforts to recoup its historical performance levels, believing that the growing volumes combined with the initiatives and improvements implemented since 2015, especially those concerning the increase of operating efficiency, quality, stronger presence both in foreign and domestic markets, search for synergy and optimization of its plant will allow for the achievement of new excellence levels and, mainly, greater profit. We will remain attentive to new opportunities in the search for constant improvement.

The Management.

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

ASSETS	Consolidated	
	12/31/18	12/31/17
Current assets		
Cash and cash equivalents	863.467	958.759
Short-term investments valued at fair value	89.928	187.373
Derivatives financial instruments	1.453	445
Trade accounts receivable	1.101.973	821.310
Inventories	686.821	521.364
Recoverable taxes	205.985	228.274
Other accounts receivable	111.361	105.376
	3.060.988	2.822.901
Non-current assets		
Financial assets available for sale	13.260	14.118
Recoverable taxes	2.019	1.669
Deferred income tax and social contribution	116.835	92.185
Judicial Deposits	56.183	34.151
Trade accounts receivable	360.862	428.773
Other accounts receivable	1.638	1.548
		572.444
Investments	482.827	377.003
Investment Property	49.808	50.708
Property, plant and equipment	770.733	688.355
Intangible assets	232.551	220.841
	2.086.716	1.909.351
TOTAL ASSETS	5.147.704	4.732.252
LIABILITIES AND STOCKHOLDERS' EQUITY	Consolidated	
	12/31/18	12/31/17
Current liabilities		
Suppliers	418.247	366.399
Loans and financing	833.995	831.071
Derivative financial instruciones	48	2.811
Salaries and vacation pay	156.463	103.305
Taxes and contributions payable	74.549	88.159
Advances from customers	116.750	74.600
Comissioned representatives	43.014	25.757
Interest on own capital and dividends	34.753	15.325
Management profit sharing	5.391	5.027
Other accounts payable	145.217	106.812
	1.828.427	1.619.266
Non-current liabilities		
Loans and financing	1.100.165	1.109.595
Provision	77.709	64.770
Taxes contributions payable	-	0
Obligations to purchase equity interests	-	0
Other accounts payable	6.772	10.009
	1.184.646	1.184.374
Stockholders' equity		
Capital	1.264.622	1.264.622
Capital reserves	5.358	6.487
Revenue reserves	681.149	557.985
Treasury stock	(18.446)	(21.797)
Equity valuation adjustments	172.936	91.472
	2.105.619	1.898.769
Non-controlling Interest	29.012	29.843
	2.134.631	1.928.612
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5.147.704	4.732.252

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

ACCOUNTS	Consolidated			
	4Q18	4Q17	2018	2017
Net sales and service revenues	1.239.834	843.642	4.197.468	2.875.993
Cost of sales and services	(1.040.187)	(723.697)	(3.533.152)	(2.472.347)
Gross Profit	199.647	119.945	664.316	403.646
Operating income (expenses)				
Selling expenses	(77.563)	(49.717)	(251.055)	(168.734)
Administrative expenses	(48.936)	(40.717)	(181.812)	(167.119)
Other operating income (expenses), net	(25.542)	(15.194)	(25.233)	(80.397)
Equity in the results of investees	14.933	22.597	95.071	86.857
Net income (loss) from operations	62.539	36.914	301.287	74.253
Financial revenue	32.718	34.583	205.063	292.019
Financial expenses	(25.554)	(53.358)	(297.045)	(273.299)
Financial Income/loss	7.164	(18.775)	(91.982)	18.720
Profit before income tax and social contribution	69.703	18.139	209.305	92.973
Income taxes and social contribution				
Current	(24.229)	(18.614)	(43.006)	(33.267)
Deferred charges	26.504	37.727	24.650	20.406
Net income from continued operations	71.978	37.252	190.949	80.112
Net income per share - R\$	0,0781	0,0405	0,2073	0,0784

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

Statement of Cash Flows	Consolidated			
	4Q18	4Q17	12/31/18	12/31/17
Cash flows from operating activities				
Net income for the period	71.978	37.252	190.947	82.112
Adjustments to reconcile net income with cash generated by (used in) operating activities:				
Depreciation and amortization	15.268	10.733	60.805	45.432
Gain (loss) on disposal of investments, property, plant and equipment and intangible assets	15.161	27.245	18.888	27.245
Equity in the results of investees	(14.933)	(22.597)	(95.071)	(86.857)
Provision for credit losses	14.809	13.627	38.338	32.127
Current and deferred income tax and social contribution	(2.273)	(19.113)	18.357	10.860
Interest and appropriated exchange variations	6.582	46.734	170.789	120.100
Non-controlling Interest	2.345	1.129	4.217	9.942
Changes in assets and liabilities				
(Increase) decrease in trade accounts receivable	(96.501)	(91.551)	(241.982)	108.090
(Increase) decrease in other accounts receivable	(12.874)	68.611	97.295	49.849
(Increase) decrease in inventories	29.797	(11.074)	(147.951)	(40.364)
(Increase) decrease in short-term investment	24.333	(86.076)	(26.120)	(109.024)
(Increase) decrease in actuarial liabilities	(18.147)	101.778	39.836	109.725
Increase (decrease) in suppliers	-	-	-	-
Increase (decrease) in accounts payable	43.958	101.211	139.889	(61.635)
Cash flows from operating activities	79.503	177.909	268.237	297.602
Income taxes paid	(24.229)	(18.615)	(43.006)	(33.267)
Net cash provided by (used in) operating activities	55.274	159.294	225.231	264.335
Cash flows from investing activities				
Investments	-	(7.676)	-	(10.369)
Dividends from subsidiaries, jointly-controlled entities and associates	13.398	784	47.433	16.366
Purchase of fixed assets	(40.639)	(20.732)	(156.935)	(52.465)
Purchase of intangible assets	(918)	(910)	(4.808)	(1.827)
Proceeds from sale of fixed	335	-	1.536	1.291
Net cash obtained in investing activities	(27.824)	(28.534)	(112.774)	(47.004)
Cash flows from financing activities				
Issued shares	-	-	-	-
Treasury stock	-	63	2.222	665
Borrowings from third parties	308.603	66.614	997.911	567.914
Payment of borrowings - principal	(223.722)	(176.930)	(1.101.813)	(937.213)
Payment of borrowings - interest	(19.537)	(25.000)	(86.289)	(118.600)
Interest on capital and dividends	-	(17.140)	(33.890)	(17.140)
Net cash applied financing activities	65.344	(152.393)	(221.859)	(504.374)
Foreign exchange gains on cash and cash equivalents	(3.240)	5.156	14.110	5.744
Foreign exchange gains/(losses) on cash equivalents	(3.240)	5.156	14.110	5.744
Cash and cash equivalents at the beginning of the period	773.913	975.236	958.759	1.209.459
Cash and cash equivalents at the end of the period	863.467	958.759	863.467	958.759
Net increase (decrease) in cash and cash equivalents	89.554	(16.477)	(95.292)	(250.700)

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APPENDIX

Marcopolo S.A. (B3: POM03; POM04), seeking transparency in the disclosure of results, hereby presents the main indicators, by way of comparison, based on the standard prior to the adoption of IFRS 10 and 11.

MARCOPOLO - CONSOLIDATED WORLDWIDE PRODUCTION

TRANSACTIONS (in units)	4Q18	4Q17	Var. %	2018	2017	Var. %
BRAZIL:						
- Domestic Market	2,558	1,616	58.3	10,274	5,581	84.1
- Foreign market	1,205	1,110	8.6	3,938	3,271	20.4
SUBTOTAL	3,763	2,726	38.0	14,212	8,852	60.6
Exclusion exported KDs ⁽¹⁾	52	9	477.8	254	219	16.0
TOTAL IN BRAZIL	3,711	2,717	36.6	13,958	8,633	61.7
FOREIGN:						
- South Africa	89	58	53.4	344	354	(2.8)
- Argentina – Metalpar (50%)	71	250	(71.6)	567	865	(34.5)
- Argentina – Metalsur (25%)	6	22	(72.7)	47	61	(23.0)
- Australia	153	118	29.7	542	403	34.5
- Colombia (50%)	180	191	(5.8)	630	658	(4.3)
- India (49%) ⁽²⁾	1,369	1,142	19.9	6,280	5,758	9.1
- Mexico	334	289	15.6	1,046	1,272	(17.8)
- China	45	52	(13.5)	213	198	7.6
TOTAL FOREIGN	2,247	2,122	5.9	9,669	9,569	1.0
GRAND TOTAL	5,958	4,839	23.1	23,627	18,202	29.8

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