

Stock quote (12/31/18)

PLAS3 - R\$ 8.40 (*)

Market value in 12/31/18 – (MARKET CAP BOVESPA)

R\$ 41.7 million

Number of shares (*)

Comon: 4,970 M

Investor relation

Rua Wihelm Winter, 300 –
Room 01 – Industrial
District – Jundiaí – SP –
ZIPCODE 13213-000

Board of Directors

Stephen J. Toy
Paulo Antônio Silvestri
Andrew C. de Araújo
Edson F. Menezes
Hugo Lancarter Mol

Supervisory Board

José Antonio Vertoan
Charles Dimetrius Popoff

Website:

www.plascargroup.com

IR Contact

Paulo Antônio Silvestri
Finance Director and Investor
Relation Officer.
Paulo.silvestri@plascargroup.com
Telephone:(11) 2152.5201

Jundiaí SP, March 20, 2019 – Plascar Participações Industriais S.A. (Bovespa: PLAS3), (“Company”) a leader in the Brazilian market of parts and components related to the internal and external finishing of light and heavy automotive vehicles, operating as an original equipment manufacturer (OEMs), assisting automakers in Latin America and MERCOSUR, and exports to Argentina, Mexico, USA, Australia and Europe, announces the results of its operations for the year ended 2018. The Company's operating and financial information, except when otherwise indicated, is consolidated and monetary values are expressed in Brazilian Reais.

Year ended 2018 Results:

- **Negative EBITDA of R\$ 85.1 million (Margin of -24.5%).**
- **Net revenue of R\$ 346.8 million.**
- **Gross margin of 3.1% (R\$ 10.9 million).**

Plascar	Results for the year		
	2018	2017	Var %
Amounts in Thousand R\$			
Gross sales	433,046	505,120	-14.3%
Net revenue	346,821	400,488	-13.4%
Gross profit	10,883	33,347	-67.4%
Gross margin %	3.1%	8.3%	-5.2p,p,
EBITDA	(85,090)	878	-9.691%
Margin EBITDA %	-24.5%	0.2%	-24.7p,p
Net losses	(257,254)	(71,947)	-257.6%

in EGM held on September 15, 2015, the shareholders approved the reverse stock Split in the proportion of 1-for-50 shares

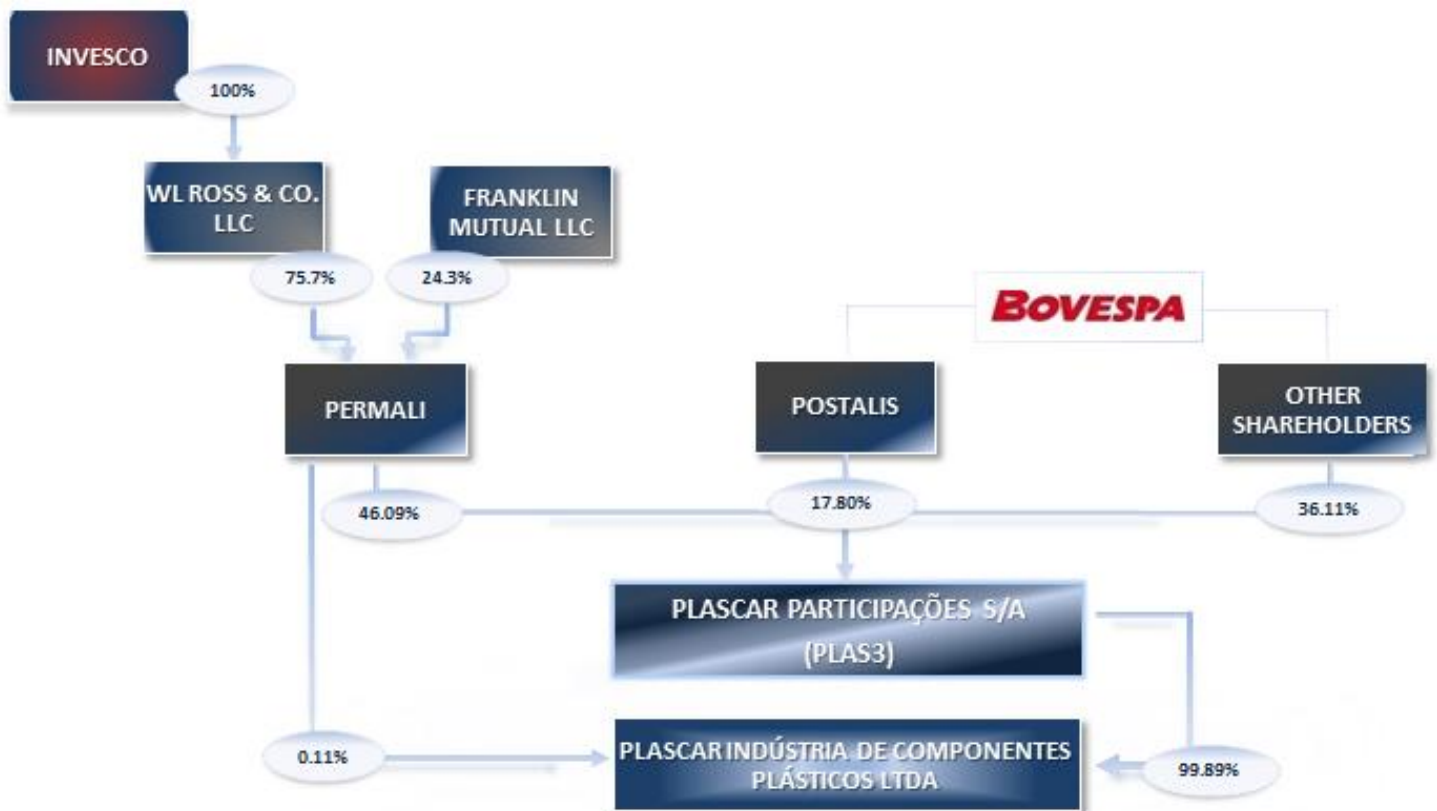
History

The Company started its activities in October 1963 in the city of Jundiaí, state of São Paulo, in the rubber products segment. In 1973 the Company entered the automotive industry and, in the mid-80s, after several business acquisitions, it gave a great impetus to its subsidiaries through a growth and modernization program and became a market leader in plastic parts for the automotive industry.

Legal Structure

The controlling interest in Permalí do Brasil Indústria e Comércio Ltda., which currently owns 46.09% of the Company's stock, is held by a joint venture formed in 2005 between WL Ross & Co., LLC (75.7%) and Franklin Mutual Advisers, LLC (24.3%), with headquarters in Delaware, United States. Additionally, as mentioned in the Subsequent Event, after the conclusion of the Company's financial restructuring on January 31, 2019, Plascar S.A.'s shareholding control changed to Padua IV S.A., with 59.99% of its capital.

LEGAL STRUCTURE PLASCAR



Operating Performance

According to data of National Association of Motor Vehicle Manufacturers - ANFAVEA, in 2018 there was an increase of 14.6% in sales when compared to the same period of prior year.

Vehicle production in 2018 had an increase of 6.7% compared to same period of 2017 (source: ANFAVEA), The Company's net revenue decrease was 13.4% on the comparative periods, reaching a positive gross margin of 3.1%.

SOURCE: ANFÁVEA – BRASIL			
AUTOMOTIVE OUTLOOK	2017	2018	VAR, %
PRODUCTION OF VEHICLES	2,700	2,881	6.7%
SALES OF VEHICLES	2,240	2,566	14.6%

Production falls below 3 million in 2018

The high vehicle sales in Brazil sustained almost 80% of production in 2018 in the Country and was responsible for the annual growth of 6.7% in the pace of the factories, which produced 2.88 million units. Because of the contraction of exports, it was not last year that the industry managed to surpass the mark of 3 million units produced.

Anfavea, the national manufacturers association, expects the 3 million barrier to be surpassed this year. The entity estimates that in 2019, 3.14 million light and heavy vehicles will be produced in the country, which will mean a 9% increase over 2018.

Antonio Megale, president of Anfavea, indicated that in December many manufacturers slowed down their production lines by granting year-end group holidays and adjusting stocks, already counting on the retraction of exports to Argentina and preparing for the seasonally slower pace of the first two months of the year. As a result, only 177,700 vehicles were produced in December, down 27.4% on November and 16.8% down on the same month of 2017.

"Production did not exceed 3 million because of the downturn in the Argentine market. If it were not for that, we would have exceeded our expectations," Megale says.

According to him, inventories totaling 255,100 vehicles on factory yards and concessionaires, equivalent to 33 days of sales, are "at a reasonable level", which rules out measures to curb production for a while.

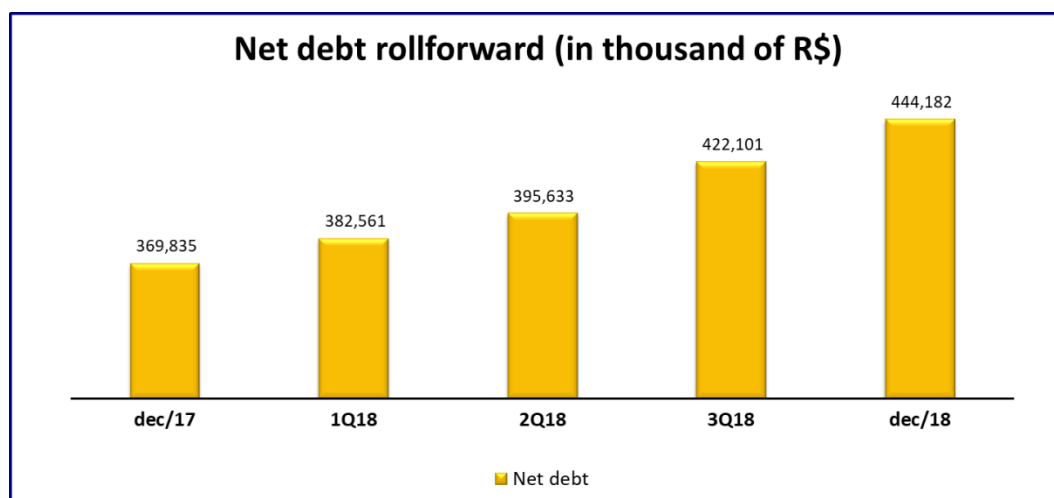
The level of employment in the automakers ended the year with 130.4 thousand people employed in the industry, almost stable compared to 2017, with a slight expansion of 1.7%. However, there were 803 job cuts (-0.6%) between November and December. According to Megale, there was no mass dismissal in any of Anfavea's associates, the number was diluted among several companies. "You have to remember that manufacturers are maintaining the same level of employees even with increased automation, which is a good thing," he said.

According to the president of Anfavea, there are no more workers in the industry who have a reduction of working hours and wages (PSE), and by the end of 2018, the number of employees in temporary layoff fell from 724 in November to 531 in December.

The Company has past-due bank contracts and has been negotiating directly with each of the banks, seeking the best way to equate the outstanding amounts, in what has been successful. In the face of ongoing negotiations and the Company's clear effort to renegotiate each of these contracts, no bank has yet to execute the overdue debt. There is no expectation of any execution by the Company. Additionally, on June 12, 2018, the Company, Plascar Indústria de Componentes Plásticos Ltda. together with the other subsidiaries, Permali do Brasil, International Automotive Components Group Brazil LLC, Capital Map (potential investor) and certain financial and non-financial creditors of Plascar, signed a non-binding "Summary of Principal Terms and Conditions for Restructuring of Plascar" ("Term Sheet"), with the objective of restructuring the existing debt of Plascar Ltda. through the entry of a new partner into the economic group of Plascar and restructuring of the existing debt for shares issued by a vehicle to be created to control the Company. The referred Term Sheet, which was valid until October 31, 2018, was extended and its new maturity date is December 31, 2018 or until the parties complete the signing of the new debt restructuring bank agreements, which occur first.

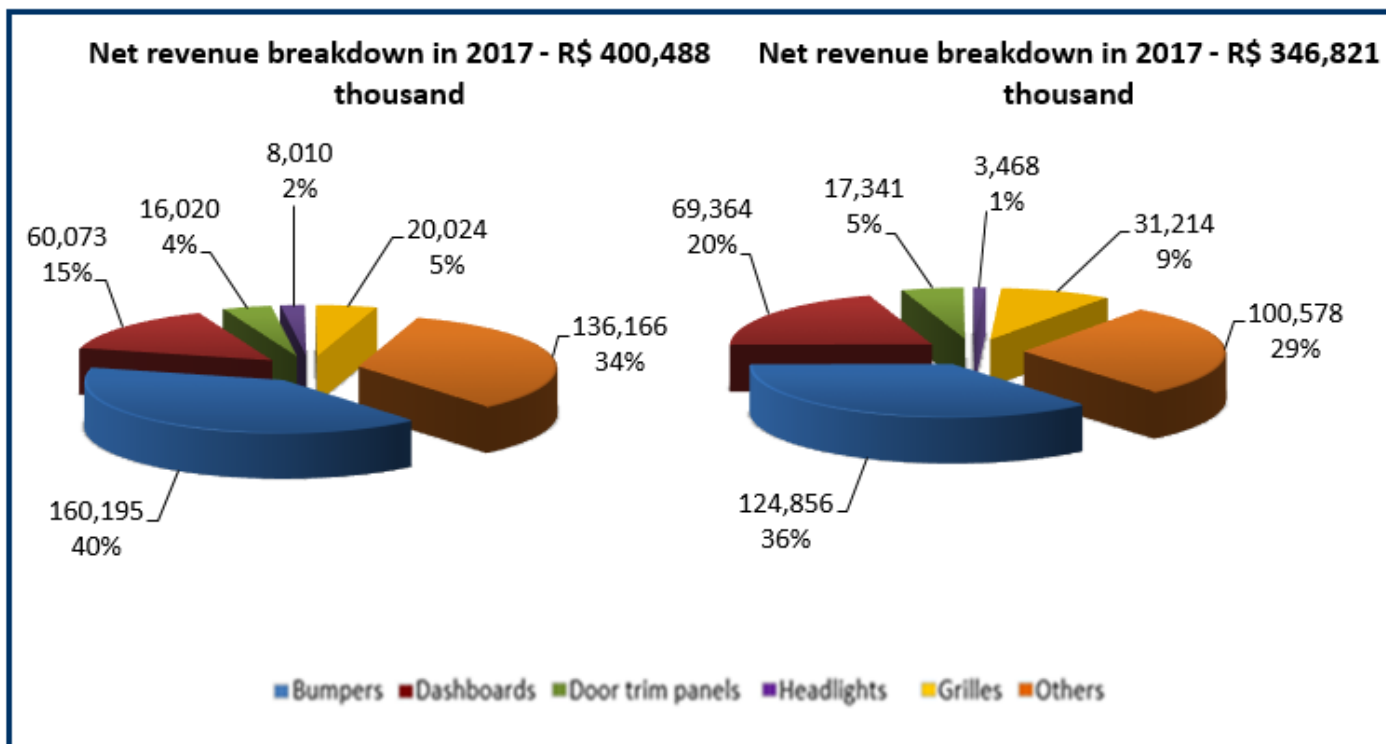
On December 13, 2018, the Company's debt restructuring was approved at the Extraordinary Shareholders' Meeting.

At the Board of Directors meeting held on November 13, 2018, already in the context of the restructuring process of the Company, the resignation of the former directors Mr. André Cambauva do Nascimento and Gordiano Pessoa Filho and the election of the current officers Mr. Fabio Ernesto Isaia for the positions of Chief Executive Officer of the Company and Director of Plascar Ltda. and Paulo Antônio Silvestri, for the positions of Investor Relations Officer of the Company and Director of Plascar Ltda.



PLASCAR	
Gross sales	
2018	R\$ 433,046
2017	R\$ 505,120
Variation (%)	-14.3%

PLASCAR	
Net sales	
2018	R\$ 346,821
2017	R\$ 400,488
Variation (%)	-13.4%



Gross Results vs Gross Margin %

In 2018 the gross margin was positive 3.1% versus 8.3% in 2017,

EBITDA in R\$ vs. EBITDA%

The EBITDA in 2018 amounted negative R\$ 85,090 thousand. The EBITDA margin was negative 24.5% in 2018 versus a positive 0.2% in 2017.

The net loss was R\$ 257,254 thousand in 2018, in the same period of 2017 the net loss was R\$ 71,947 thousand.

Recursos Humanos

Despite economic adversities in the country, and the needs for headcount cuts, the Company continues to invest in the professional development of its employees, with approximately 53.7 hours of learning and training per employee (in the last 12 months), focused on SENAI workshop, technical training besides internal training, with technical and operational development.

In 2018, the Company ended up the year with 1,793 employees (1,808 in 2017).

Disclaimer

We make statements about future events that are subject to risks and uncertainties. Such statements are based on the assumptions of our Management and information to which the Company currently has access. Statements about future events include information about our current intentions, beliefs or expectations, as well as those of the members of the Company's Board of Directors and Officers.

Statements and information about the future are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, depending, therefore, on circumstances that may or may not occur. Future results and shareholder value creation may differ significantly from those expressed or implied by the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Simplified financial statements

Assets

Statement of financial position

(in thousand of Reais)

	Company		Consolidated	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Current assets				
Cash and cash equivalents	-	11	303	1,128
Trade accounts receivable	-	-	12,326	25,844
Inventories	-	-	34,497	38,826
Recoverable taxes	-	-	807	856
Other assets	16	16	6,906	7,075
Total current	16	27	54,839	73,729
Non-current assets				
Other trade accounts receivable	-	-	3,857	3,857
Recoverable taxes	-	-	2,800	2,750
Judicial deposits	-	-	4,778	4,349
Property, plant and equipment	7	7	358,154	439,690
Related parties	-	-	-	-
Other assets	-	-	8,828	9,005
Total non-current	7	7	378,417	459,651
Total assets	23	34	433,256	533,380

Liabilities

Statement of financial position

(in thousand of Reais)

	Company		Consolidated	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Current liabilities				
Loans and financing	-	-	444,485	370,963
Trade accounts payable	-	-	23,730	51,049
Accrued income taxes and other taxes	17	21	42,077	29,284
Accrued payroll and social charges	-	-	42,721	27,234
Advances from customers	-	-	96,348	82,296
related parties	-	-	2,232	59
Provision for investment losses	504,388	248,361	-	-
Other liabilities	-	-	112,726	70,281
Total current	504,405	248,382	764,319	631,166
Non-current liabilities				
Provision for contingencies	-	-	5,940	9,636
Related parties	9,923	8,703	-	-
Accrued payroll and social charges	-	-	5,047	7,389
Deferred income taxes and social contribution	-	-	16,827	14,114
Accrued income taxes and other taxes	-	-	110,346	128,386
Other trade accounts payable	-	-	45,638	13
Total non-current	9,923	8,703	183,798	159,538
Equity				
Share capital	481,972	481,972	481,972	481,972
Capital reserve	-	22,269	-	22,269
Equity valuation adjustment	1,158	7,717	1,158	7,717
Accumulated losses	(997,435)	(769,009)	(997,435)	(769,009)
Attributable to controlling interest	(514,305)	(257,051)	(514,305)	(257,051)
Attributable to non-controlling interest	-	-	(556)	(273)
Total equity (negative equity)	(514,305)	(257,051)	(514,861)	(257,324)
Total liabilities and equity (negative equity)	23	34	433,256	533,380

Simplified financial statements

Statement of income

for the year ended December 31, 2018 and 2017
(in thousand of Reais)

	Company		Consolidated	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Net revenue	-	-	336,504	389,175
Cost of goods sold	-	-	(335,938)	(367,141)
Gross revenue/(loss)	-	-	566	22,034
Operating income and expenses				
Selling expenses	-	-	(20,353)	(16,430)
General and administrative expenses	(1,219)	(1,113)	(62,100)	(51,295)
Equity-accounted investees results	(256,027)	(70,827)	-	-
Other operating income/expenses	-	-	(43,743)	4,025
Operating results	(257,246)	(71,940)	(126,196)	(63,700)
Operating results before financial results	(257,246)	(71,940)	(125,630)	(41,666)
Financial results				
Financial income	-	-	2,788	2,358
Financial expenses	(8)	(7)	(130,929)	(107,224)
	(8)	(7)	(128,141)	(104,866)
Results before income tax and social contribution	(257,254)	(71,947)	(253,771)	(146,532)
Income tax and social contribution				
Deferred	-	-	(3,765)	74,507
	-	-	(3,765)	74,507
Net loss	(257,254)	(71,947)	(257,536)	(72,025)
Attributable to:				
Non-controlling interest	-	-	(282)	(78)
Controlling interest	(257,254)	(71,947)	(257,254)	(71,947)
	(257,254)	(71,947)	(257,536)	(72,025)

Simplified financial statements

Cash flow for the year ended December 31, 2018 and 2017

(in thousand of Reais)

Cash flow from operating activities

net loss before income tax and social contribution

Adjustment for net loss conciliation to cash generated by (used in)

Operating activities:

	Company		Consolidated	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
Depreciation and amortization	-	-	40,348	42,385
Loss on disposal of assets	-	-	221	1,660
	-	-	44,084	-
Interest and currency fluctuation, net	-	-	122,829	99,794
Accrual/reversal of provision for judicial deposits	-	-	(3,696)	-
Accrual/reversal of provision for inventory adjustment to market and obsolescence	-	-	(1,083)	(585)
Accrual/reversal of allowance for doubtful accounts	-	-	-	(450)
Equity-accounted investees results	256,027	70,827	-	-
Others	-	-	-	-

(increase)/decrease in asset and liability accounts

Trade accounts receivable	-	-	12,730	151
Inventory	-	-	5,412	13,853
Recoverable taxes	-	-	(1)	1,079
Other assets	-	-	707	(2,203)
Judicial deposits	-	-	-	-
Trade accounts payable	-	-	(27,650)	11,988
Payroll and social charges	-	-	9,579	(33,620)
Advances from customers	-	-	(3,369)	(22,060)
Income tax and other taxes	(4)	-	(15,208)	41,072
Provision for judicial deposits (payments)	-	-	-	(3,352)
Other trade accounts payable	-	-	66,879	16,828
Net cash generated by (used in) operating activities	(1,231)	(1,120)	(1,989)	20,008

Cash flow from investing activities

Acquisition of property, plant and equipment and intangible assets	-	-	(3,117)	(6,994)
Proceeds from disposal of assets	-	-	-	-
Net increase in loans receivable from related parties	-	-	-	-
Net cash generated by (used in) investing activities	-	-	(3,117)	(6,994)

Cash flow from financing activities

Payments of loans and financing (principal and interest)	-	-	(8,748)	(22,233)
Payments of reassessed taxes	-	-	-	-
Borrowing of loans	-	-	10,856	12,209
Net increase in loans to receive from related parties	1,220	1,123	2,173	2,321
Net cash generated by (used in) financing activities	1,220	1,123	4,281	(12,345)

Net change in cash and cash equivalents

	(11)	3	(825)	669
Cash and cash equivalents at the beginning of the period	11	8	1,128	459
Cash and cash equivalents at the end of the period	-	11	303	1,128
Net change in cash and cash equivalents	(11)	3	(825)	669

Subsequent Event

On January 31, 2019, pursuant to the Notice to Shareholders and Material Fact disclosed to the market, there was an increase in the Company's paid in capital with the contribution through the use of credits held against Plascar Ltda on private subscription, in the amount of R\$ 449,483 through the issuance of 7,455,251 common shares by Padua IV SA, thus concluding the Company's restructuring process.

Below is the new Corporate Structure after the subscription of capital.

