



TAURUS™

Investors Webconferenece

4Q16 – 2016 Financial Results

28/03/2017



4Q16
2016

Summary


1. Highlights

2. Economic Performance

- *Net Revenue & Gross Margin*
- *SG&A & EBITDA*
- *Financial results*
- *Debt*
- *Balance Sheet*
- *Working Capital*

3. Q&A

Highlights

- ✓ Debt renegotiation conclusion
- ✓ Daily average production  20% in 2016 x 2015

Net Revenue

- ✓ R\$ 830.3 millions  0.8% (2016/2015)
- ✓ R\$ 223.5 millions  0.2% (4Q16/3Q16)

Gross Margin

- ✓ Gross Margin 2016: 23.3%  6.1p.p. (2016/2015)
- ✓ Gross Margin 4Q16: 15.4%  6.3p.p. (4Q16/3Q16)

EBITDA

- ✓ EBITDA 2016: (R\$ 63.9 millions)
- ✓ EBITDA 4Q16: (R\$ 19.0 millions)

INDICATORS

In millions of R\$

Indicators	4Q16	3Q16	4Q15	2016	2015	Variação		
						4Q16/3Q16	4Q16/4Q15	2016/2015
Net Revenue	223.5	223.0	262.6	830.3	823.8	0.2%	-14.9%	0.8%
Domestic Market	54.9	62.4	61.6	211.6	233.6	-12.0%	-10.9%	-9.4%
External Market	168.6	160.6	201.0	618.7	590.2	5.0%	-16.1%	4.8%
COGS	189.1	174.7	186.1	637.1	581.7	8.2%	1.6%	9.5%
Gross Profit	34.4	48.3	76.4	193.2	242.1	-28.8%	-55.0%	-20.2%
Gross Margin - %	15.4%	21.7%	29.1%	23.3%	29.4%	-6.3 p.p.	-13.7 p.p.	-6.1 p.p.
SG&A	-62.2	-77.2	-84.8	-291.4	-303.0	-19.4%	-26.6%	-3.8%
EBIT	-27.8	-28.9	-8.3	-98.2	-60.9	-3.8%	233.5%	61.2%
EBIT Margin - %	-12.4%	-13.0%	-3.2%	-11.8%	-7.4%	0.5 p.p.	-9.3 p.p.	-4.4 p.p.
Financial Result, net	-28.0	-24.4	-14.9	-2.7	-218.6	14.8%	88.0%	-98.8%
Depreciation and Amortization	8.9	8.4	8.4	34.3	35.3	6.0%	6.0%	-2.8%
Net Income, consolidated	-58.9	-55.4	-5.4	-103.0	-253.8	6.2%	998.6%	-59.4%
Net Income Margin- %	-26.3%	-24.9%	-2.0%	-12.4%	-30.8%	-1.5 p.p.	-24.3 p.p.	18.4 p.p.
EBITDA (*)	-19.0	-20.5	0.0	-63.9	-25.7	-7.3%	-	148.6%
EBITDA Margin - %	-8.5%	-9.2%	0.0%	-7.7%	-3.1%	0.7 p.p.	-8.5 p.p.	-4.6 p.p.
Assets	893.0	929.5	1,022.2	893.7	1,022.2	-3.9%	-12.6%	-12.6%
Unsecured Liability	-171.9	-133.2	-60.1	-171.9	-60.1	29.1%	185.9%	185.9%



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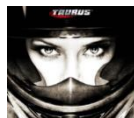
3. Q&A

NET REVENUE AND GROSS MARGIN

In millions of R\$



**FIREARMS
& Accessories**



**HELMETS
& Accessories**



OTHERS

	Net Revenue					Gross Margin		
	2016	Part. %	2015	Part. %	Var.	2016	2015	Var.
Firearms	707.3	85%	684.4	83%	3.3%	20.9%	29.4%	-8.5 p.p.
Helmets	100.5	12%	110.5	13%	-9.1%	30.0%	30.1%	-0.1 p.p.
Others	22.5	3%	28.9	4%	-22.1%	66.2%	27.3%	38.9 p.p.
Total	830.3	100%	823.8	100%	0.8%	23.3%	29.4%	-6.1 p.p.

	Net Revenue					Gross Margin		
	4Q16	Part. %	3Q16	Part. %	Var.	4Q16	3Q16	Var.
Firearms	204.2	91%	192.5	86%	6.1%	14.9%	19.4%	-4.5 p.p.
Helmets	14.4	6%	26.0	12%	-44.6%	5.6%	28.5%	-22.9 p.p.
Others	4.9	3%	4.5	2%	8.9%	65.3%	80.0%	-14.7 p.p.
Total	223.5	100%	223.0	100%	0.2%	15.4%	21.7%	-6.3 p.p.

SG&A

	4Q16	3Q16	4Q15	2016	2015	4Q16x3Q16	4Q16x4Q15	2016x2015
SG&A	62.2	77.2	84.8	291.4	303.0	-19.4%	-26.6%	-3.8%
Net Revenue	223.5	223.0	262.6	830.3	823.8	0.2%	-14.9%	0.8%
SG&A Margin	27.8%	34.6%	32.3%	35.1%	36.8%	-6.8 p.p.	-4.5 p.p.	-1.7 p.p.

EBITDA

	4Q16	3Q16	4Q15	2016	2015	4Q16x3Q16	4Q16x4Q15	2016x2015
= Net Income	(58.9)	(55.4)	(5.4)	(103.0)	(253.9)	6.3%	990.7%	-59.4%
(+) Taxes	3.0	2.1	(17.9)	2.1	(25.7)	42.9%	-	-
(+) Financial Result, net	28.0	24.4	14.9	2.7	218.6	14.8%	87.9%	-98.8%
(+) Depreciation / Amortization	8.9	8.4	8.4	34.3	35.3	6.0%	6.0%	-2.8%
= EBITDA CVM Inst. 527/12	(19.0)	(20.5)	0.0	(63.9)	(25.7)	-7.3%	-	148.6%

	4Q16	3Q16	4Q15	2016	2015	4Q16x3Q16	4Q16x4Q15	2016x2015
Interest	(21.4)	(17.3)	(18.9)	(75.9)	(66.5)	23.7%	13.2%	14.1%
Exchange Variation	(0.6)	(5.3)	8.8	92.7	(162.8)	-88.7%	-	-
Swap on Financial Operations	0.5	-	(1.0)	(8.6)	14.0	-	-	-
Other Income / Expenses, net	(6.5)	(1.8)	(3.8)	(10.9)	(3.3)	261.1%	71.1%	230.3%
Financial Result, net	(28.0)	(24.4)	(14.9)	(2.7)	(218.6)	14.8%	87.9%	-98.8%

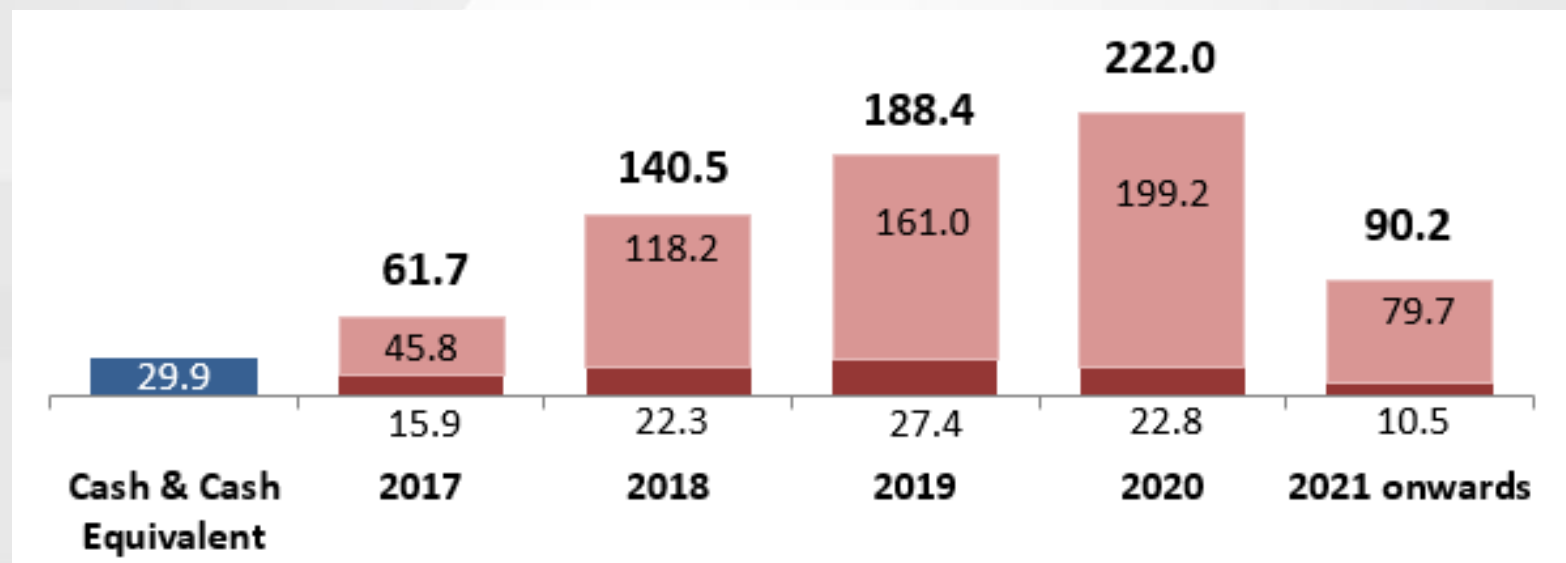
DEBT

In millions of R\$

DEBT		Dec/2016	Sep/16	Dec/2015	Dec/16 X Sep/16	Dec/16 X Dec/15
Short Term	Loans and Financing	26.6	257.4	212.7	-89.7%	-87.5%
	Debentures	0.4	131.2	94.9	-99.7%	-99.6%
	Advance of Receivables	6.1	5.0	54.6	22.0%	-88.8%
	Foreign and Exchange withdraws	28.1	181.0	191.9	-84.5%	-85.4%
	Financial Instruments	0.5	8.8	-6.0	-94.3%	-108.3%
	TOTAL SHORT TERM	61.7	583.4	548.1	-89.4%	-88.7%
Long Term	Loans and Financing	573.1	106.1	199.2	440.2%	187.7%
	Debentures	68.0	0.0	33.0	-	106.1%
	TOTAL LONG TERM	641.1	106.1	232.2	504.2%	176.1%
TOTAL DEBT		702.8	689.5	780.3	1.9%	-9.9%
Cash and Cash Equivalents		29.9	30.7	94.9	-2.6%	-68.5%
Net Debt		672.9	658.8	685.4	2.1%	-1.8%

DEBT PAYMENT SCHEDULE

In millions of R\$



BALANCE SHEET

In millions of R\$

	Dec/16	Dec/15
TOTAL ASSETS	893.0	1,022.2
Current	472.4	591.8
<i>Cash and Cash Equivalents</i>	<i>26.7</i>	<i>60.3</i>
<i>Interest Earnings and Bank Deposits</i>	<i>2.6</i>	<i>22.0</i>
Receivables	150.2	192.1
Inventories	244.2	221.9
Recoverable taxes	20.5	36.5
Financial Instruments	-	7.0
Other Current Assets	28.2	52.0

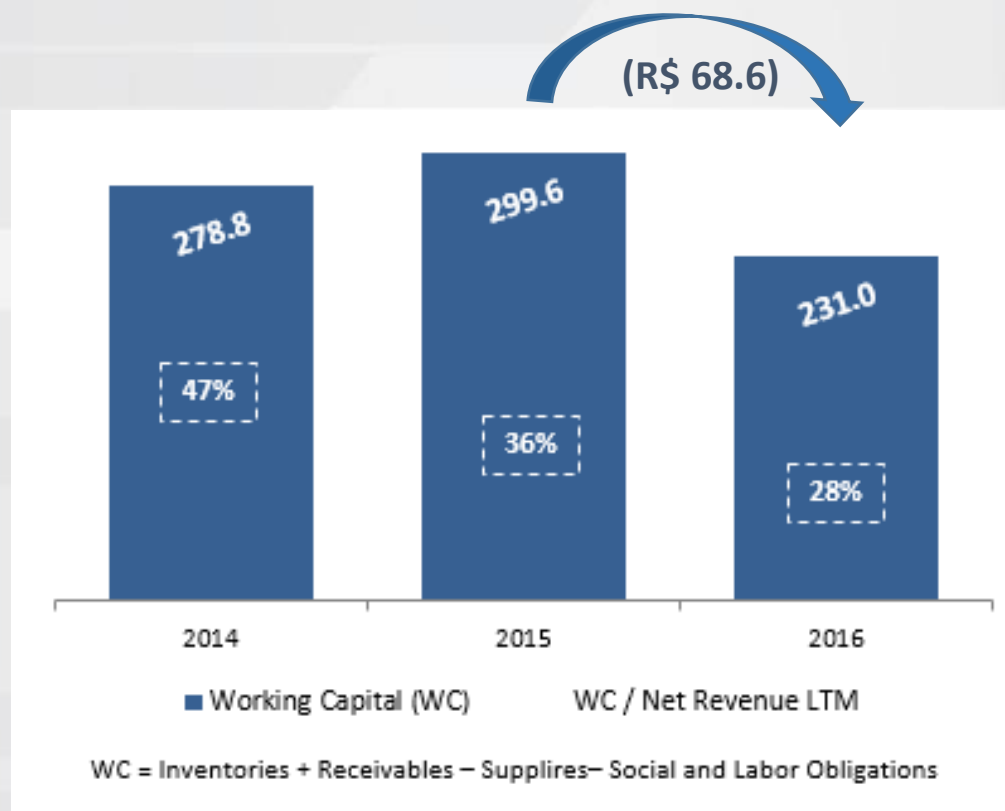
Non-Current	420.6	430.4
Long Term Assets	57.2	63.8
<i>Negotiable bonds</i>	<i>0.6</i>	<i>12.6</i>
Deferred taxes	44.5	45.8
Other non-current assets	12.1	5.4
Investments	50.5	12.0
Property, Plant and Equipment	238.7	273.2
Intangible assets	74.2	81.4

	Dec/16	Dec/15
TOTAL LIABILITIES	893.0	1,022.2
Current	385.8	802.9
Social and Labor Obligations	34.6	33.1
Suppliers	128.7	81.2
Tax Liabilities	39.2	26.6
<i>Loans and Financing</i>	<i>26.6</i>	<i>212.7</i>
<i>Debentures</i>	<i>0.4</i>	<i>94.9</i>
<i>Advance of receivables</i>	<i>6.1</i>	<i>54.6</i>
<i>Foreign exchange withdraws</i>	<i>28.1</i>	<i>191.9</i>
<i>Financial Instruments</i>	<i>0.5</i>	<i>1.0</i>
Others Liabilities	70.4	63.5
Provisions	51.2	43.4
Non-Current	679.1	279.5
<i>Loans and Financing</i>	<i>573.1</i>	<i>199.2</i>
<i>Debentures</i>	<i>68.0</i>	<i>33.0</i>
Others Liabilities	5.6	5.7
Deferred taxes	15.2	0.7
Provisions	17.2	40.9
Unsecured Liability	-171.9	-60.2
Realized Capital	394.0	364.7
Capital Reserves	-40.8	-29.3
Retained Losses	-668.1	-566.2
Equity valuation adjustments	49.7	31.7
Accumulated translation adjustments	93.3	138.9

Current Liquidity	
Dec/16	Dec/15
1.22x	0.74x

WORKING CAPITAL

In millions of R\$



- Δ Receivables: - R\$ 41,9*
- Δ Inventories: + R\$ 22,3*
- Δ Soc. & Lab. Obligations: - R\$ 1,5*
- Δ Suppliers: - R\$ 47,5*



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