

Contract Execution or Termination

MARCOPOLO S.A.

National Registry of Legal Entity (Tax ID) - CNPJ nº 88.611.835/0001-29

Company Registry Identification Number NIRE nº 43300007235

Publicly Traded Company

RELEVANT FACT

In compliance with the Brazilian Securities and Exchange Commission (CVM) Statement of Instruction number 358/2002, MARCOPOLO S.A. informs that on March 5, 2007 it acquired 39.59% of the capital stock of San Marino Ônibus e Implementos Ltda., headquartered in Caxias do Sul - Rio Grande do Sul (RS), located at Rua Irmão Gildo Schiavo, nº 110, Bairro Ana Rech, registered under the National Registry of Legal Entity (Tax ID) - CNPJ nº 93.785.822/0001-06, which also operates in the manufacture of bus bodies line of business. In 2006, San Marino produced 2,784 bus bodies and reached Net sales revenue of R\$ 185 million.

The final value of the investment will depend on the adjustments that will take place based on “due diligence” and in the balance sheet specially prepared for this purpose.

Even though they operate in the same business segment, both MARCOPOLO and San Marino will continue with their activities independently, seeking nevertheless the development of synergies and competitive improvement in each one.

Caxias do Sul, March 5, 2007.

Carlos Zignani
Investors Relations Executive Officer