

MARCOPOLO S.A.

National Registry of Legal Entities No. 88.611.835/0001-29

NIRE Nº 43300007235

A Publicly-Held Company

**EXPLANATIONS ABOUT THE MATTERS TO BE SUBMITTED TO THE
ORDINARY/EXTRAORDINARY GENERAL MEETING TO BE HELD ON
03.27.2014**

For the purpose of informing and helping shareholders make decisions on the matters to be submitted to the O/EGM and continuing with the good corporate governance practices that have been adopted over the years, the Company provides the following information in addition to agenda of the O/EGM called for 2:00 PM on March 27th 2014:

I - In an Extraordinary General Meeting:

- a) Amend Section 5 of the Articles of Incorporation as follows to include an increase in the company's capital stock as approved in the Board of Directors meeting held on 08.05.2013: *"Section 5 – The capital stock, fully subscribed and paid up, is BRL 1,200,000,000.00, divided in 896,900,084 shares, 341,625,744 of them being common book-entry shares and 555,274,340 being preferred book-entry shares, all of them with no par value.*

The Company's Board of Directors, in a meeting held on 08.05.2013 (RCA), approved an increase in the company's capital by BRL 500,000,000.00 through the capitalization of part of the profit reserves existing on 12.31.2012, in the amount of BRL 500,000,000.00. The increase took place through the issuance of 448,450,042 shares by way of bonus, 170,812,872 of them being common shares and 277,637,170 being preferred shares, all of them on a book-entry basis with no par value, given to shareholders for free at a ratio of one new share to each outstanding common or preferred share held by the shareholders on that date (also considering treasury shares). As a result of the approved capital increase, the company's capital stock rose from BRL 700,000,000.00 to BRL 1,200,000,000.00, divided in 896,900,084, 341,625,744 of them being common book-entry shares and 555,274,340 being preferred book-entry shares, all of them with no par value. The increase took place due to the Company's need to absorb part of the profit reserves, as they exceeded the limit prescribed by law and by the Articles of Incorporation. The legal consequence of this capital increase is the need to amend Section 5 of the Articles of Incorporation, which provides about capital stock. Section 5 of the Articles of Incorporation shall hereafter read as follows: **Section 5** – The capital stock, fully subscribed and paid up, is BRL 1,200,000,000.00 (one billion two hundred million reais), divided in 896,900,084 (eight hundred ninety-six million, nine hundred thousand eighty-four) shares, 341,625,744 (three hundred forty-one million, six hundred twenty-five thousand seven hundred and forty-five) of them being common book-entry shares and 555,274,340 (five hundred fifty five million, two hundred seventy-four thousand three hundred and forty) being preferred book-entry shares, all of them with no par value. Paragraphs 1, 2, 3 and 4 remain unchanged. The management document containing a motion to amend Section 5 of the Articles of Incorporation is available on the CVM and BM&FBovespa websites under "Meeting", type "O/EGM", kind "Motion by Management", subject "Amendment to Articles of Organization" and can also be found on the company

website (www.marcopolo.com.br), "Marcopolo S.A." "Investor Relations", "Corporate Information", "Minutes and Notices" - "2014", "Ordinary/Extraordinary General Meeting" - 03/27/2014 Motion by Management.

II – In an Ordinary General Meeting:

a) Management Report and Financial Statements for the year closed on 12.31.2013 and net profit allotment:

Considering the opinion of the Independent Auditors and the Audit Committee already published in the papers Pioneiro and the Official Gazette of the State of Rio Grande do Sul, and posted on the CVM, BM&FBovespa and the Company's website on 02/25/2014, the Management recommends the approval of the Management Report for the year closed on 12.31.2013 and also recommends the approval of the Financial Statements published on February 25th 2014.

All the information concerning the profit allotment was already provided to shareholders on February 25th 2014 by means of a specific document submitted to CVM and BM&FBovespa via the IPE System under "Meeting", type "O/EGM", kind "Motion by Management", subject "Profit or Loss Allotment" and can also be found on the company website (www.marcopolo.com.br), "Marcopolo S.A." "Investor Relations", "Corporate Information", "Minutes and Notices" - "2014", "Ordinary/Extraordinary General Meeting" - 03/27/2014 Motion by Management;

b) Ratification of interest on shareholders' equity and dividends already paid and/or credited:

As already mentioned in the "Motion by Management" already submitted to CVM and BM&FBovespa, the company's Board of Directors, in meetings held on February 21st 2013, December 4th 2013 and February 21st 2014, resolved to pay interest on the shareholders' equity and dividends for the year 2013 in the total amount of **BRL 129,281,979.45** (one hundred twenty-nine million, Two hundred eighty-one thousand, nine hundred seventy-nine reais and forty-five cents),

(i) BRL 62,611,966.20 of which refer to interest on the shareholders' equity to be assigned to dividends on the account of the year 2013, BRL 15,661,362.68 of which were paid on 06/28/2013 at a rate of BRL 0.035 per share, BRL 15,661,362.68 of which were paid on 09/30/2013 at a rate of BRL 0.035 per share, BRL 15,661,362.68 of which were paid on 12/30/2013 at a rate of BRL 0.0175 per share and BRL 15,627,878.18 were credited on 12/23/2013 and shall be paid to shareholders beginning on March 31st 2014 at a rate of BRL 0.174 per share; and

(ii) BRL 66,670,013.25 of which refer to dividends, also on the account of the year 2013, already credited on 02/21/2014 and shall be paid on March 31st 2014 at a rate of BRL 0,075 per share. Out of the total amount of dividends, BRL 5,956,463.64 will be paid as mandatory dividends and BRL 60,713,549.61 as additional dividends.

Thus, the management suggest that the Meeting should ratify the interest and dividends paid as stated in the Motion by Management submitted to CVM and BM&FBovespa via the IPE System under "Meeting", type "O/EGM", kind "Motion by Management", subject "Profit or Loss Allotment" also available on the company website (www.marcopolo.com.br), "Marcopolo S.A." "Investor Relations", "Corporate Information", "Minutes and Notices" - "2014", "Ordinary/Extraordinary General Meeting" - 03/27/2014 Motion by Management;

Considering the projected cash flow supports the payment of the interest/dividends and the investments scheduled for the period, the Company understands that such amount can be paid as described.

c) Board of Directors:

Considering the term of the current members of the company's Board of Directors is expiring, the new members shall be elected in the next Ordinary and Extraordinary General Meeting, totaling seven members for a term of two years, from April 2014 through the date of the Ordinary General Meeting in 2016. The five names that will be submitted by the controllers and the name appointed by the preferred shareholder Petros can be found in the "Motion by Management" already submitted to CVM and BM&FBovespa via the IPE System under "Meeting", type "O/EGM", kind "Motion by Management", subject "Election of Board of Directors and Audit Committee members" and can also be found on the company website (www.marcopolo.com.br), "Marcopolo S.A." "Investor Relations", "Corporate Information", "Minutes and Notices" - "2014", "Ordinary/Extraordinary General Meeting" - 03/27/2014 Motion by Management; The name appointed by the minority shareholder CENTRUS for the Board of Directors was submitted to CVM and BM&FBovespa via IPE system under "Notice to Shareholders", type "Other Notices" and is also available on the company's website;

d) Audit Committee:

The Company, keeping the good governance practice of the previous years, added to the agenda item II "c" - *Elect the members of the Audit Committee* and determine the compensation thereof. As stated in the Motion by Management already submitted to CVM and BM&FBovespa on 02/22/2014 and posted on its website, the Company management proposes to its shareholders that the following names appointed by controlling shareholders be elected members of the Audit Committee in the next Ordinary and Extraordinary Meeting called for March 27th 2014 for a term until the next Ordinary General Meeting to be held in 2015: FRANCISCO SERGIO QUINTANA DA ROSA, a Brazilian citizen, married, an engineer agronomist, Individual Taxpayer Registration Number no. 095.664.300-00, ID Card no. 8008638994 - SSP/RS, resident and domiciled at Rua Santo Inácio no. 139, apt. 702, Moinhos de Vento, in the city of Porto Alegre RS as a sitting member of the Audit Committee, and SÉRVULO LUIZ ZARDIN, a Brazilian citizen, a widower,

an economist, Individual Taxpayer Registration Number no. 001.372.780-04, ID Card no. 4006892337 - SSP/RS, resident and domiciled at Rua Cônego Viana no. 240, 13º andar, in the city of Porto Alegre, RS, as an alternate member.

However, the controllers reserve the right to exercise the legal prerogative of electing the same number of members as elected by the minority shareholders and shareholders holding preferred shares plus one.

Under the law of corporations, the compensation for each member of the Audit Committee elected in the General Meeting shall not be less than 10% of the average compensation of executive officers.

e) Managers' compensation

The company management shall propose that the aggregate monthly compensation of managements be established at BRL 694,000.00, i.e., 8.5% less than the amount set at the General Ordinary Meeting held last year, all according to the Motion by Management already submitted to CVM and BM&FBovespa via IPE System under "Meeting", type "O/EGM", kind "Motion by Management", subject "Compensation of Managers and Directors" and can also be found on the company website (www.marcopolo.com.br), "Marcopolo S.A." "Investor Relations", "Corporate Information", "Minutes and Notices" – "2014", "Ordinary/Extraordinary General Meeting" – 03/27/2014 Motion by Management;

f) Shareholders entitled to a vote in the resolutions:

Shareholders holding common shares issued by the Company who attend the Meeting either in person or by proxy shall be entitled to vote in the resolutions to be made in the O/EGM called for March 27 2014.

For the election of the members of the Board of Directors under paragraph 4, Section 141 of the Law of Corporations, the ones entitled to elect and remove a member of the Board of Directors in a separate vote in a general meeting, excluding the controlling shareholders, shall be the majority of members holding, respectively: (i) shares issued by the Company carrying a vote representing at least 15% of the total shares carrying a vote; and (ii) preferred shares not carrying a vote or carrying a restricted vote, representing at least 10% of the company's capital stock.

Regarding the election of members of the Audit Committee, the holders of preferred shares shall be entitled to elect separately one member and one alternate. Minority shareholders shall have the same right provide they jointly represent 10% or more of the shares issued by the Company carrying a vote.

g) Draft for Power of Attorney for proxy in a Meeting:

In order to facilitate the representation of its shareholders in a Meeting, the company management is making available a draft on its website www.marcopolo.com.br/RI - "Corporate Information" - "Minutes and Notices" - "Ordinary/Extraordinary General Meeting" - "2014" - "Sample Power of Attorney", so an attorney-at-law for the company can be appointed to represent a shareholder in the Meeting called for March 27th 2014 at no cost and in strict compliance with the voting instructions and the powers conferred thereupon.

Caxias do Sul, March 10th 2014.

Carlos Zignani
Investor Relations Officer