

MARCOPOLO S.A.
C.N.P.J 88.611.835/0001-29
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Publicly Listed Company

RELEVANT FACT

Partial sale of equity investment in New Flyer Industries Inc. and confirmation of ongoing commercial cooperation initiatives

MARCOPOLO S.A. (BM&FBovespa: POMO3, POMO4), a leading Brazilian company in bus bodies production, announces that its wholly owned subsidiary Marcopolo Canada Holdings Corp. has sold today 4.5 million common shares of its stake in New Flyer Industries Inc. (NFI) equivalent to approximately 7.4% of the total shares outstanding, through a bought block trade transaction led by CIBC Capital Markets, for gross proceeds of CAD 181.8 million. Following closing of the transaction, Marcopolo Canada remains the largest shareholder of NFI, holding 6,587,834 shares, a stake equivalent to approximately 10.8%.

Marcopolo currently intends to maintain its equity stake in New Flyer, which is an important part of its strategy. Marcopolo and New Flyer have confirmed their ongoing commercial cooperation initiatives under their 2013 Memorandum of Understanding, pursuant to which the two companies have been exploring opportunities to cooperate on engineering, technical, purchasing and operational matters and assessing Marcopolo's technology and products for possible introduction into the Canadian and US markets through New Flyer as well as New Flyer's technology and products for potential distribution into global markets.

With this transaction combined with the implementation of other actions for the expansion of activity in export markets, reduce expenses and indirect costs, increase operational efficiency through the adoption of LEAN concepts and consolidation of Neobus after the recent acquisition of full control of the company, Marcopolo further strengthens its competitiveness in both Brazilian and world bus market.

Finally, Marcopolo informs that the Chairman of the Board of Directors, Mr. Paulo Cezar da Silva Nunes, will continue as a member of the Board of Directors of New Flyer.

Caxias do Sul, RS, September 22nd, 2016.

José Antonio Valiati
CFO & Investor Relations Officer