

**MARCOPOLO S.A.**  
C.N.P.J nº 88.611.835/0001-29  
NIRE no. 43 3 0000723 5  
Public company

## **RELEVANT FACT**

### **MINUTES OF THE BOARD OF DIRECTORS MEETING**

On the 7th day of November 2016, at 11:00 am, by teleconference and electronic media, the members of the Board of Directors of Marcopolo SA, with attendance also by teleconference of the members of the Audit Committee took the following **resolutions: I - Interest on equity (year 2016):** Approved the distribution of interest on equity at the gross value of BRL 118,431,641.75 (one hundred and eighteen million, four hundred thirty and one thousand six hundred and forty-one reais and seventy five cents) at a rate of BRL 0.131 per representative share of the capital of the company, interest which will be imputed to mandatory dividends declared in advance due to the 2016 financial year, due to their net amount. Of this amount, income tax shall be retained, according to the legislation. The interest on equity will be credited to individual accounts of shareholders on November 11, 2016, based on the positions of shareholders on November 10, 2016, and will be paid on December 15, 2016, and company shares, from 11/11/2016, inclusive, will be traded ex-interest. The interest approved herein are attributed to mandatory dividends declared in advance, due to the current year, by their net amount, in accordance with item V of Resolution No. 207/96 of the Brazilian Securities Commission - CVM.

**II - Capital Increase by Private Subscription, within the limit of authorized capital, with the issuance of preferred shares only:** Approved the Company's capital increase, within the limit of authorized capital with the possibility of partial approval, with issuance for private subscription of new entry preferred shares, under the following terms and conditions: **a) Increase Objective:** Preserve the Company's financial position, due to the current economic climate and Brazil's politics, which affected the segment of capital goods, especially the bus industry of the country. **B) Increase amount:** The amount of the increase will be at least BRL

24,409,574.10 (twenty-four million four hundred and nine thousand five hundred and seventy-five reais and two cents) and a maximum of BRL 97,638,299.10 (ninety-seven million, six hundred thirty-eight thousand, three hundred reais and seven cents) through the private placement of at least 9,040,583 book-entry preferred shares and a maximum of 36,162,333 book-entry preferred shares with no par value. The total amount of the capital increase will be allocated to the Company's cash. Company controllers have committed to subscribe all the shares they are entitled to in this capital increase, being thus guaranteed the subscription of the minimum stock value required for partial approval of the capital increase; **c) Issue Price:** The issue price was fixed at BRL 2.70 (two reais and seventy cents) per share, in accordance with Article 170, § 1, item III of the Brazilian Corporate Law, based on the weighted average price of the preferred shares issued by the Company in the last 60 trading days prior to this date, with a discount of 18.9% as a way to encourage minority shareholders to participate in the capital increase. **d) Base Date:** They will be entitled to subscribe the holders of common and preferred shares issued by the Company, in proportion to their holdings in the shares held November 10, 2016. **e) Preemptive Right:** Shareholders may exercise their preemptive rights to subscribe for new shares in the period from November 11 to December 12, 2016, at the rate of 3.9999999602%, i.e. one new share for every 25 common shares and preferred shares held in the Company on the base date of November 10, 2016. The lower fractions shall be disregarded for purposes of the right of first refusal. In calculating the percentage of subscription were excluded from the Company's issuance of shares those held in treasury. **f) Assignment of preemptive rights:** Under § 6 of Article 6 of the Brazilian Corporate Law, shareholders may assign their right of preference. In addition to that, the relocation of the remaining rights among the shareholders who have made this option will be admitted. **g) Payment method:** The new shares subscribed in the capital increase approved herein shall be paid upon subscription in cash or by compensation of credit originated from interest on capital approved on this date, which will be paid by the Company on 15 December 2016, subject to the provisions of Notice to Shareholders to be released today. **h) Subscription of Remaining Shares:** If total subscription of all the shares of the capital increase

within the period for exercise of preemptive rights fails to take place, shareholders who have made this choice in the Application Form, may subscribe for the remaining shares at the same price and pay them in cash, from 16 to 19 December 2016, at the proportion of shares subscribed in the preference period, and shareholders with shares held in custody at the Central Depository of the BM&FBOVESPA must subscribe them through their custody agents (brokers) and shareholders with escrowed shares at Itaú Unibanco shall attend the Itaú branches to be included in the Notice to shareholders to be released after the end of the period of preferential subscription, which will also inform about all other procedures to subscribe to any unsubscribed shares. **i) Rights of subscribed shares:** The new shares that are subscribed for under this capital increase will be entitled, on equal terms with the existing shares, to full payment of all benefits, including dividends and/or interest on capital that may be declared as of the approval of this capital increase. **j) total or partial approval of the Capital Increase:** After the subscription process ends, the Board of Directors will meet on 23 December 2016 to verify the subscription and payment of shares and approve partially or totally the capital increase. If unsubscribed shares remain after the deadline for exercising the Right of First Refusal and unsubscribed share proration period, the Board of Directors shall make partial ratification of the capital increase, subject to the minimum subscription amount already guaranteed by the controllers. The unsubscribed shares will be canceled. In the event of partial ratification of the capital increase, the right to revise its investment decision will be provided to subscribers, conditioned on the subscription of shares at the full subscription of the capital increase or part of the subscription of shares originally issued in an amount not less than the minimum subscription. In the latter case, the subscriber shall state in the Application Form if they want to exercise their preemptive rights to all of the shares of the capital increase or the amount equivalent to the proportion between the number of actually subscribed shares and the maximum number of shares regarding the capital increase. In the absence of an explicit statement, it shall be deemed that the subscriber is interested in receiving the totality of the shares subscribed. **k) Authorization to the Board:** The company Board of Directors is authorized to

perform all acts deemed necessary to implement the capital increase approved herein. **I) Audit Committee:** For purposes of § 3 of Article 163 of Law 6404/76, attended the meeting, also by electronic means, the members of the Audit Committee. **CLOSING:** With nothing further to discuss, the meeting was closed, and these minutes were drawn up, which were read and approved, and signed by all participants. Caxias do Sul, November 7, 2016. Paulo Cezar da Silva Nunes – Chairman, Oscar de Paula Bernardes Neto – Deputy Chairman, Carlos Alberto Casiraghi, Flavio Cesar Maia Luz, Luciano Moisés Bado, Luiza Damasio Ribeiro do Rosario and Odair Lucietto – Advisors; Carlos Zignani – Secretary.

As Chairman and Secretary of the Board of Directors of Marcopolo S.A., we declare that these Minutes are a faithful copy of the original drawn up in Book n. 19, pg. ...., and that the signatures above are authentic.

Caxias do Sul, November 7, 2016.

PAULO CEZAR DA SILVA NUNES  
Chairman

CARLOS ZIGNANI  
Secretary

Ivete Pistorello  
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