

MARCOPOLO S.A.
C.N.P.J. (National Registry of Legal Entities) no. 88.611.835/0001-29.
Publicly-Traded Company
NIRE (Corporate Registration) no. 43 3 0000723 5

NOTICE TO SHAREHOLDERS

CLOSING OF SURPLUS SHARES SUBSCRIPTION AND PARTIAL APPROVAL OF CAPITAL INCREASE

MARCOPOLO S.A. (BM&FBovespa: POMO3, POMO4), further to the information already disclosed in the Relevant Fact and Notice to Shareholders dated of November 07, 2016, and in the Notice to Shareholders of December 15, 2016, announces that, on December 20, 2016, the term for the apportionment of unsubscribed shares for subscription of shares related to the capital increase approved by the Board of Directors on November 07, 2016, within the authorized capital limit.

In the period from December 16 through 20, 2016, intended to the subscription of unsubscribed shares, 2,591,766 new book entry preferred shares with no par value were subscribed and paid in, at the price of BRL 2.70 per share, totaling BRL 6,997,768.20. The value subscribed in the apportionment period of the leftovers, added to the value subscribed in the preference period (13,764,012 shares), and discounting the shares subscribed under the condition of the capital being increased by the maximum fixed amount (Conditioned Shares), totals the subscription of 16,187,774 new book-entry preferred shares, with no par value, in the total amount of BRL 43,706,989.80.

Considering that the minimum amount required to make the Company's capital stock increase has been reached, the Board of Directors, at a meeting held today, approved partially the capital increase approved at the Board of Directors' meeting held on November 7, 2016, with the issuance of 16,187,774 new book entry preferred shares, totaling BRL 43,706,989.80 (forty-three million, seven hundred and six thousand, nine hundred and eighty-nine reais and eighty), which corresponds to 44.7641859832% of the fixed maximum value.

Due to the capital increase approved hereby, the capital stock of the company is increased in BRL 43,706,989.80, corresponding to 16,187,774 book entry preferred shares. The capital stock is now increased from 1,220,915,478.20 (one billion, two hundred and twenty million, nine hundred and fifteen thousand, four hundred and seventy-eight reais and twenty cents), split into 909,008,235 (nine hundred and nine million, eight thousand, two hundred and thirty-five) shares, being 341,625,744 (three hundred and forty-one million, six hundred and twenty-five thousand, seven hundred and forty-four) uncertified common shares, and 567,382,491 (five hundred and sixty-seven million, three hundred and eighty-two thousand, four hundred and ninety-one) preferred shares, all of them without par value, to BRL 1,264,622,468.00 (one billion, two hundred and sixty-four million, six hundred and twenty-two thousand, four hundred and sixty-eight reais), represented by 925,196,009 (nine hundred and twenty-five million, one hundred and ninety-six thousand and nine) shares, of which 341,625,744 (three hundred and forty-one million, six hundred and twenty-five thousand, seven hundred and forty-four) uncertified common shares and 583,570,265 (five hundred and eighty-three million, five hundred and seventy thousand and two hundred and sixty-five) book entry preferred shares, all of them without par value.

As a result of the partial approval deliberated hereby, the members of the Board of Directors also approved the cancellation of 19,974,559 entry preferred shares, being 19,806,555 shares that were not subscribed, 67 shares that were subscribed under the condition of the subscription of the total capital increase, and 167,937 preferred shares that were subscribed under the condition which the capital stock is not increased by the maximum amount fixed, only to subscribe in proportion to the shares effectively subscribed (Conditioned Shares). The amount of BRL 2.70 per share paid in by shareholders who subscribed Conditional Shares, which were canceled, will be reimbursed by the Company. Thus, it will place the respective amount at the disposal of the conditional share subscribers on December 27, 2016. The amount will be passed on to their subscribers through their custody agents.

The new book entry preferred shares issued under the now approved capital increase will be entitled, on equal terms with the existing shares, to the full payment of all benefits, including dividends and/or interests on own capital that may be declared from this date on.

Caxias do Sul, RS, December 23, 2016.

José Antonio Valiati
Investor Relations Officer