



RAN DON S.A. IMPLEMENTOS E PARTICIPAÇÕES

Publicly-Traded Company
CNPJ 89.086.144/0011-98
NIRE 43300032680

Notice to Shareholders

Pursuant to CVM Instruction 358/02, as amended, Randon S.A. Implementos e Participações ("Company") informs its shareholders and the market in general that its Board of Directors, on its meeting held on April 08, 2016, and reratified on April 11th, approved the proposal to increase the capital stock of the Company, within the limits of its authorized capital, in accordance with article 6, paragraph 1 of the Company's By-laws, by R\$ 99.990.000,00 (Ninety-nine million, nine hundred and ninety thousand Reais), which increases the Company's registered capital from R\$ 1.200.000.000,00 (One billion and two hundred million Reais) to R\$ 1.299.990.000,00 (One billion, two hundred and ninety-nine million, nine hundred and ninety thousand Reais) through the issuance of 14,682,819 (Fourteen million, six hundred and eighty-two thousand, eight hundred and nineteen) common shares and 29,365,639 (Twenty-nine million , three hundred and sixty-five thousand, six hundred and thirty-nine) preferred shares ("Capital increase"), with minimum subscription amount of R\$ 60,000,000 (Sixty million) ("Minimum Subscription Volume").

The Capital increase has the following characteristics:

1. **Total Capital Increase**: R\$ 99.990.000,00 (Ninety-nine million, nine hundred and ninety thousand Reais) through the issuance of 14,682,819 (Fourteen million, six hundred and eighty-two, eight hundred and nineteen) common shares, and 29,365,639 (Twenty-nine million, three hundred and sixty-five thousand, six hundred and thirty-nine) preferred shares, all shares registered and without par value, being such amount entirely allocated to the capital stock of the Company. If the total amount of the Capital Increase is fully subscribed and paid-in, the Capital Stock of the Company will increase from R\$ 1.200.000.000,00 (One billion and two hundred million Reais) to R\$ 1.299.990.000,00 (One billion, two hundred and ninety-nine million, nine hundred and ninety thousand Reais) made up of 117,043,187 (One hundred and seventeen million, forty-three thousand, one hundred and eighty-seven) common shares and 231,737,087 (Two million and thirty-one million, seven hundred and thirty-seven thousand, and eighty-seven) preferred shares, all registered, book-entry type and with no par value, in conformity with the Minimum Subscription Volume.

2. **Quantity of Shares Issued**: 14,682,819 (Fourteen million, six hundred and eighty-two, eight hundred and nineteen) common shares and 29,365,639 (Twenty-nine million, three hundred and sixty-five thousand, six hundred and thirty-nine) preferred shares. The shareholders of common shares of the Company may subscribe to 0.143442421 common shares and 0.27587933% preferred shares, while the shareholders of preferred shares may subscribe 14.62012143% in preferred shares.



3. **Type of Share**: Common shares and preferred shares, all registered, book-entry type and with no par value, in all identical to those already existing.

4. **Issue Price**: The issue price has been set at R\$ 2,27 per share.

5. **Justification of the Issue Price**: The establishment of the Issue Price per share, of the New Shares ("Price per Share"), at R\$ 2,27, was based on a 12% discount on the average trading volume of the daily prices of the preferred shares issued by the Company in the trading sessions held at BM&FBOVESPA over the period of 60 (sixty) days prior to this date, not promoting, therefore, undue dilution of the current shareholders' ownership of the Company, pursuant to article 170, paragraph 1, subparagraph III, of the Brazilian Corporation Law.

The *Price per Share* selection criteria is justified considering that such criteria is based on the market price of the common and preferred shares issued by the Company, at BM&FBOVESPA, and on a discount, on account of the market conditions, as provided by article 170, §1º, item (III) of the Corporations Law.

Considering the Company's need to raise funds, the discount (given on account of the market conditions and based on a study of discounts in private capital increases) aims to encourage minority shareholders to join the operation and, at the same time, guarantee subscription by the Controlling Company. The discount is also justified (i) by the low liquidity of the Company's shares; and (ii) by the current market situation.

6. **Paying-In Condition**: Cash, in national currency, at the moment of subscription, upon the payment of the issue price.

7. **Allocation of Resources**: The Capital increase is intended (i) to strengthen the capital structure and equity of the Company, and (ii) raise funds so that the Company may subscribe to shares of its controlled company Fras-le S.A. within a Public Offering of Primary Distribution of Shares issued by its controlled company Fras-le S.A. ("Fras-le"), all registered, book-entry type, with no par value, free and clear of any liens or encumbrances ("Shares"), which was held in Brazil with restricted placement efforts, pursuant to the terms of the Securities and Exchange Commission ("CVM") No. 476, of January 16, 2009, as amended ("CVM Instruction 476" and "Restricted Offering", respectively) with Restricted Offering` investors on the non-organized over-the-counter market, in accordance with the Material Fact released by Fras-le on April 8, 2016. The Company's Management believes that the purpose of the Capital Increase, that of strengthening the capital structure and equity of the Company, in accordance with the Company's liquidity policies, will be fulfilled by achieving the Minimum Subscription Volume, even if the Capital increase has not been fully subscribed.



8. Dilution: If the current shareholders of the Company exercise their preemptive right, there will be no dilution. The percentage of dilution for shareholders who do not subscribe to any share, during the period to exercise their preemptive right relating the capital increase, will be 12.62928591%, considering the total amount of the Capital increase.

9. Right to Subscribe: It will be granted, to all shareholders holding shares on this date, a term of 30 (thirty) days for them to exercise their preemptive right, beginning on April 12, 2016 up to May 12, 2016.

10. Procedures for Subscription: Shareholders wishing to exercise their preemptive right, when subscribing to new shares, shall go to any branch of *Banco Itaú Unibanco S.A.*, for subscription of new shares, by signing the subscription instrument and paying the corresponding price. The subscription term will be 30 days from April 12, 2016 to May 12, 2016. Shareholders with subscription rights in custody on the Depositary Central should exercise their respective rights through custody agents and according to the rules established by the Depositary Central itself.

11. Remaining Unsubscribed Shares: If there is no subscription to all the shares of the Capital Increase, after the expiration of the deadline to exercise the preemptive right, any remaining unsubscribed shares will be prorated among the shareholders who have expressed, in the Subscription Instrument, their intention to subscribe to the unsubscribed shares, pursuant to article 171, § 7, subparagraph "b" of the Brazilian Corporation Law, within 15 (fifteen) days from the Notice to Shareholders date of disclosure, by informing the number of unsubscribed shares remaining. In the event that, following such an apportionment, unsubscribed New Shares still remain, the Company will not auction the remaining unsubscribed shares and will approve the Capital Increase partially through the cancellation of the unsubscribed shares remaining, on the condition that the subscribed amount reaches the Minimum Volume of subscription.

12. Partial Approval: If the amount of the Capital Increase is not reached but the Minimum Subscription Volume is reached, an auction of the Unsubscribed Shares remaining will not be carried out and the Company shall convene a new Board of Directors' Meeting to approve capital increase partially.

In view of the possibility of partial approval of the Capital Increase, and seeking to ensure that the shareholders wishing to subscribe to part of the Capital Increase may, at the time they exercise their right to subscribe, condition their investment decision to the final conditions of the Capital Increase, each shareholder may, at the time of subscription, condition the subscription of the increase they are entitled to : (i) to the total subscription value of the Capital Increase; (ii) to the subscription to a certain minimum value of Capital Increase, provided that this value is not lower than the Minimum Subscription Volume; (iii) to receiving the totality of the subscribed shares; or (iv) to receiving only shares in the minimum quantity required to keep their share in the capital stock of the Company.



The shareholders who wish to use their rights, as provided for in the above paragraph, must make such an option by expressing, in the proper space of the Subscription Instrument, (a) if their subscription is subject to the subscription of the total Capital Increase; (b) if their subscription is subject to the subscription of a minimum amount of Capital Increase so they can carry out their respective subscription; and (c) if the subscription is subject to a minimum amount of the Capital Increase, shareholders shall choose one of the following alternatives: (1) I wish to receive the total shares subscribed by me, regardless of the value of the Capital Increase; or (2) I wish to receive the minimum amount required to keep my share in the capital stock of the Company, as the final value of Capital Increase may be. If the shareholder has chosen option (c) (2), the shareholder shall indicate, in the Subscription Instrument, the following data, so that the Company can return the surplus values (which will be the total amount paid by the shareholder, reduced by the amount required so that he/she may just keep his/her proportional share in the Capital Stock of the Company): Bank, Branch, current account, name or company name, CPF (Private Taxpayer`s Registry) or CNPJ (General Taxpayer`s Registry), address, and telephone number.

Considering the possibility of partial approval as determined in the above paragraph, the Company informs that there will not be concession of a deadline for investment review.

13. Dividends: The common and preferred shares now being issued are in all identical to the existing common and preferred shares, and will be fully entitled to all benefits, including dividends and any capital remuneration that may be stated as a result of the approval of the Capital Increase.

14. Service Locations: Shareholders wishing to exercise their respective preemptive rights shall go, within the term to exercise their preemptive right, to any specialized branch of Banco Itaú Unibanco S.A. Shareholders with subscription rights in custody on the Depositary Central should exercise their respective rights through custody agents and according to the rules established by the Depositary Central itself.

15. Additional Information: Additional information may be obtained from the investor relations area of the Company. Other information on the Capital Increase and the conditions for the subscription and payment of the shares issued, may be seen at Annex 30 (xxxii) of CVM Instruction 480/2009, as amended by Instruction 552/2014, released to the market as an annex to the Board of Directors` Meeting, held on this date.

São Paulo, April 11, 2016

Geraldo Santa Catharina

Investor Relations Director