

RANDON 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"), concerning the Notices to Shareholders made available on April 11, 2016 and May 18, 2016, ("Notices to Shareholders"), informs its shareholders and the market in general about the content below - Capital Increase within the limit of the Company's authorized capital, approved by its Board of Directors during a meeting held on April 8, 2015, and ratified on April 11, 2016 ("Capital Increase"), which was partially approved on this date at a meeting of the Board of Directors.

Considering that (i) the period to exercise the right to subscribe shares remaining of the Capital Increase ended on June 2, 2016, (ii) and that unsubscribed shares still remained, (iii) the minimum subscription amount of R\$ 60.000.000,00 (Sixty million Reais), ("Minimum Subscription Amount") was achieved and (iv) given the possibility of partial approval of the Capital increase, some shareholders have conditioned their subscription to the subscription of the total Capital Increase or of an amount lower than the total Capital Increase – but always according to the Minimum Subscription Amount – under the conditions indicated in the respective subscription instrument; the Company's Board of Directors has approved, on this date, the partial approval of the Capital increase in the amount of R\$ 93.213.232,46 (Ninety-three million, two hundred and thirteen thousand, two hundred and thirty-two Reais, plus forty-six cents) through the issuance of 14,155,164 (Fourteen million, one hundred and fifty-five thousand and one hundred and sixty-four) common shares and 26,907,934 (Twenty six million, nine hundred and seven thousand, and nine hundred and thirty-four) preferred shares, each of which are subscribed and paid up at the Price per Share.

Please also be advised that 527,655 (Five hundred and twenty-seven thousand, six hundred and fifty-five) common shares and 2,457,705 (Two million, four hundred and fifty-seven, seven hundred and five) preferred shares issued under the Capital increase were canceled, as approved by the Board of Directors on that date – considered the unsubscribed shares and shares whose subscription was subject to the subscription of the total Capital Increase or of those with a lower value than the total Capital Increase - (in accordance with the Minimum Subscription Amount), under the conditions indicated in the respective subscription instruments.

As a result of the cancellation of the above-mentioned shares, the Company will return, on June 17, 2016, the corresponding amount to the shareholders who have conditioned their subscription to the subscription of the total Capital increase or to a value lower than that of the Capital Increase (in accordance with the Minimum Subscription Amount), under the conditions indicated in the respective subscription instruments, as established in the Board of Directors` meeting held on April 8, 2016, and ratified on April 11, 2016, as well as in the Board of Directors` meeting held on that date.

As a result of the Capital increase, now partially approved, the capital stock of the Company will increase from R\$ 1.200.000.000,00 (One billion and two hundred million Reais), made up of 304,731,816 (Three hundred and four million, seven hundred and thirty-one thousand, eight hundred and sixteen) shares, of which 102,360,368 (One hundred and two million, three hundred and sixty thousand, three hundred and sixty-eight) are common shares, and 202,371,448 (Two hundred and two million, three hundred and seventy-one thousand, four hundred and forty-eight) are preferred shares, all book-entry shares with no par value, to **R\$ 1,293,213,232.46 (One billion, two hundred and ninety-three million, two hundred and thirteen thousand, two hundred and thirty-two Reais and six cents)**, made up of **345,794,914** (Three hundred and forty-five million, seven hundred and ninety-four thousand, nine hundred and fourteen) shares, of which **116,515,532** (One hundred and sixteen million, five hundred and fifteen Thousand, and five hundred and thirty-two) are **common shares** and **229,279,382** (Two hundred and twenty-nine million, two hundred and seventy-nine thousand, three hundred and eight-two) are **preferred shares**, all book-entry shares with no par value.

Finally, we inform you that, in due course, an Extraordinary General Meeting will be convened to deliberate on the amendment of Article 5 of the By-Laws of the Company, due to the partial approval of the Capital Increase.

Additional information may be obtained from the investor relations area of the Company – Phone: (55) (54) 3239-2505 or by the e-mail ri@randon.com.br

Caxias do Sul, June 14, 2016

Geraldo Santa Catharina
Investor Relations Director