

RANDON S.A. IMPLEMENTOS E PARTICIPAÇÕES

Public-Trade 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, May 18, 2016, and June 14, 2016 ("Notices to Shareholders"), informs its shareholders and the market in general about the re-ratification of the 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 re-ratified on April 11, 2016 ("Capital Increase"), which was partially approved on this date at a meeting of the Board of Directors.

Considering that due to an operating failure, inaccurate information was submitted and assessed by the Board of Directors on the Capital Increase, particularly regarding the number of shares subject to retraction and to shares to be canceled, the Board of Directors, on this date, has re-ratified the partial approval of the Capital Increase.

Therefore, the Board of Directors has approved, on this date, the re-ratification of 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 14,155,159 (Fourteen million, one hundred and fifty-five thousand and one hundred and fifty-nine) common shares and 26,888.834 (Twenty six million, eight hundred and eighty-eight thousand, and eight hundred and thirty-four) preferred shares, each of which are subscribed and paid up at the Price per Share.

Please also be advised that 527,660 (Five hundred and twenty-seven thousand, six hundred and sixty) common shares and 2,476,805 (Two million, four hundred and seventy-six, eight 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 the shares whose subscription was subject to the subscription of the total Capital Increase or of those with a value lower 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 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\$ 1,293,169.864.11 (One billion, two hundred and ninety-three million, one hundred and sixty-nine thousand, eight hundred and sixty-four Reais and eleven cents)**, made up of **345,775, 809** (Three hundred and forty-five million, seven hundred and seventy-five thousand, eight hundred and nine) shares, of which **116,515,527** (One hundred and sixteen million, five hundred and fifteen Thousand, and five hundred and twenty-seven) are **common shares** and **229,260, 282** (Two hundred and twenty-nine million, two hundred and sixty thousand, two hundred and eight-two are **preferred shares**, all book-entry shares with no par value.

As a result of the cancellation of the above-mentioned shares, the Company confirms that, on June 17, 2016, it returned the corresponding and correct 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, and that, therefore, no other arrangements are to be made.

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 29, 2016

Geraldo Santa Catharina
Investor Relations Director