

SUL AMÉRICA S.A.

National Registry of Corporate Taxpayers (CNPJ/MF) 29.978.814/0001-87
Number of Corporate Registry Identification (NIRE) 3330003299-1

Publicly-held Company with Authorized Share Capital

NOTICE TO SHAREHOLDERS

Sul América S.A. (BM&FBovespa: SULA11) ("Company" or "SulAmérica") hereby informs its shareholders that, as approved by the Annual and Extraordinary General Meetings held simultaneously on March 29, 2017 ("Meetings"), the payment of dividends for the fiscal year ended on December 31, 2017, in the amount of R\$80,706,529.45, to be paid at the rate of R\$0.0803632874789384 per Company's common or preferred shares not represented by unit, and R\$0.2410898624368150 per unit, will be carried out as from April 18, 2016. Shareholders registered in the Company's records as of March 29, 2017 will be entitled to receive the dividends. The Company also clarifies that the shares and units shall be traded on the Brazilian Securities, Commodities and Futures Exchange (BM&FBovespa) without rights to the dividends hereby declared from March 30, 2017 onwards.

In addition, the Company also informs that the payment of interest on capital ("JCP") as approved by the Company's Board of Directors at the meeting held on December 21, 2016 will be carried out as from April 18, 2016, in the total gross amount of R\$ 98,000,000.00, corresponding to R\$0,0975832095238894 per common or preferred share, and R\$0,2927496285716680 per unit. Shareholders registered in the Company's records on December 26, 2016 are entitled to receive interest on capital, while the shares and units traded on BM&FBovespa as from December 27, 2016 will not have rights to receive interest on capital, in accordance with the Notice to Shareholders published on December 22, 2016. The withholding income tax at source was applied to the amount of interest on capital, except to shareholders that evidenced to be exempt or immune in accordance with applicable legislation by presenting to the Company the documentary evidence of their tax status until December 30, 2016.

An increase of the Company's capital stock was also approved at the Meetings, through the capitalization of part of the balance of the Statutory Reserve balance in the amount of R\$1,000,000,000.00. Due to the capitalization, 160,256,410 new shares with no par value were issued, of which 80,325,729 common shares and 79,930,681 preferred shares were attributed to shareholders as a bonus, corresponding to 15.6775141 new common shares for each lot of 100 common shares, and 15.6775141 new preferred shares for each lot of 100 preferred shares held on March 29, 2017. The shares resulting from the bonus will automatically be constituted in units, where applicable, with the proportion of 1 (one) common share and 2 (two) preferred shares per unit being maintained. The Company's capital stock is now R\$ 3,319,882,346.85, divided into 1,182,461,903 shares, of which

592,688,393 are common shares and 589,773,510 are preferred shares, all registered, book-entry shares with no par value.

The Company informs that: (i) shareholders registered in the Company's records as of the close of trade on March 29, 2017 will be entitled to receive the bonus shares; (ii) the newly issued shares shall have the same characteristics and shall give their holders the same rights granted by the Company's bylaws and applicable legislation to shares of the same type issued by the Company, fully participating in future distributions relating to the results of the current financial year; (iii) April 4, 2017 is the expected date for credit of the shares resulting from the bonus to shareholders; (iv) the bonus shares will be issued in whole numbers, and the shareholders may, in the period from March 30, 2017 to May 5, 2017, through private negotiation or brokerage companies of their own choosing authorized to operate by BM&FBovespa, transfer the rights to fractions of shares to which they are entitled, in order to form whole numbers of shares. After the deadline mentioned above, the fractions of shares will be sold in an auction to be held at BM&FBovespa. The sale proceeds will be divided, proportionally, by the holders of said fractions, pursuant to Article 169, Paragraph 3 of Law 6,404/76; and (v) for the purposes of the provisions of Article 58, Paragraph 1 of Instruction 1585/15 by the Brazilian Federal Revenue (RFB), the unit cost attributed to the shares hereby issued is R\$ 6.24 per share.

For further information and/or clarifications, shareholders must contact the branches of Itaú Unibanco listed below or any other branch authorized to provide services to the shareholders, during banking business hours.

- Belo Horizonte, MG: Avenida João Pinheiro 195, subsolo
- Rio de Janeiro, RJ : Avenida Almirante Barroso 52, 2nd floor
- Salvador, BA: Avenida Estados Unidos 50, 2nd floor, Edifício Sesquicentenário
- São Paulo, SP: Rua Boa Vista 176, subsolo

Rio de Janeiro, March 29, 2017. The Management.