

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 THE MARKET

Sul América S.A. (B3: SULA11) ("Company" or "SulAmérica") hereby informs its shareholders that the fractions of shares resulting from the issuance of bonus shares as approved at the Annual and Extraordinary General Meetings held on March 29, 2017, have been grouped into whole numbers of shares and sold in an auction held at B3 S.A. - Brasil, Bolsa, Balcão ("B3") on June 23, 2017.

In the auction, a total of 1.233 units were sold, each unit being composed of one common share and two preferred shares, net of R\$17.544687753 per unit and R\$5.848229251 per common or preferred share issued by the Company not represented by an unit.

The respective amounts will be made available to the shareholders who are entitled to their receipt as of July 4, 2017, as follows:

- a) as for shareholders registered in the books of the Company whose information is current, the credit will be carried out directly by Itaú Corretora de Valores S.A., the institution responsible for the bookkeeping of the Company's shares, to the shareholder's account at the Financial Institution indicated in the shareholder's registration details; and
- b) regarding the other shareholders, the payment will be made directly to B3, which will transfer the respective amounts to the shareholders registered in its records through their Custody Agents.

Rio de Janeiro, June 30, 2017.

Arthur Farne d'Amoed Neto
Investors Relations Officer