



Rio de Janeiro, October 16, 2012

NOTICE TO THE MARKET
Apportionment of Unsubscribed Shares

MANABI S.A. (“Manabi” or the “Company”), publicly-held Corporation hereby informs to its shareholders and to the market in general, pursuant to the Notice to Shareholders (“Aviso aos Acionistas”), dated of September 11 and published on September 12, 2012, about the expiration of the preemptive rights term (“Preemptive Rights Term”) to subscribe class B preferred shares for the capital increase approved by the Board of Directors on September 6, 2012, within the Company’s authorized capital (“Capital Increase”) and about the commencement of the period to subscribe for unsubscribed shares (*sobras*), from October 17 to October 23, 2012 (“Unsubscribed Shares Allocation Term”).

October 11, 2012, was the cutoff date of the Preemptive Rights Term for the shareholders to subscribe for class B preferred shares in the Capital Increase. Within the proposed Capital Increase in the amount of 240,000 (two hundred and forty thousand) shares, 224,096 (two hundred and twenty-four thousand and ninety-six) shares have been subscribed, for the price per share of R\$2,547.25 (two thousand, five hundred and forty-seven reais and twenty-five cents), equivalent to the issue price of US\$1,250.00 (one thousand and two hundred and fifty US Dollars), converted to Reais on the basis of the sale and purchase average exchange rate of the United States dollar on September 6, 2012, as published in the Brazilian Central Bank Information System, PTAX 800, option 5, currency 220. The total amount subscribed up to this moment represents R\$570,828,536.00 (five hundred seventy million, eight hundred twenty-eight thousand, five hundred and thirty-six reais).

The right to subscribe for the remaining 15,904 (fifteen thousand, nine hundred and four) unsubscribed shares (*sobras*) may be exercised by the investors that indicated their agreement to subscribe for unsubscribed shares (*sobras*) in their respective subscription bulletin (*boletim de subscrição*) during the Preemptive Rights Term, under the following conditions:

- 1. Subscription Price:** R\$2,547.25 (two thousand, five hundred and forty-seven reais and twenty-five cents) per class B preferred share.
- 2. Form of Payment for the Shares:** at sight, at the moment the shares are subscribed.
- 3. Proportion of the Right:** 7.096958446% share per subscribed share.
- 4. Period to Subscribe for Unsubscribed Shares:** October 17 until October 23, 2012.
- 5. Places to Exercise the Right:** at the custodian agents of BM&FBOVESPA and at specialized branches of Itaú Corretora de Valores S.A.

| <u>Quantity of Unsubscribed Shares</u> | <u>% for Apportionment of Unsubscribed Shares, as per the Options</u> |
|--|---|
| 224,096 | 7.096958446 |

The current shareholder of the Company, Ontario Teachers’ Pension Plan Board (OTPP), undertook to subscribe unsubscribed shares in this Unsubscribed Shares Allocation Term or in any additional unsubscribed shares allocation term which are not subscribed by other shareholders of the Company up to the total limit equivalent, in national currency, to US\$30,000,000.00 (thirty million US Dollars), less the amount already paid by it when subscribing for the shares during the Preemptive Rights Term.

In the event the Capital Increase is not concluded upon such apportionment of unsubscribed shares, the Company (a) may carry out additional apportionments to any investors who indicated their agreement to subscribe for unsubscribed class B preferred shares of the Company (*sobras*) in their respective *boletim de subscrição* additional class B preferred shares, and/or (b) sell the remaining unsubscribed shares (*sobras*) on the stock exchange, for the benefit of the Company, pursuant to Brazilian Law.



Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the *Aviso aos Acionistas*.

FOR MORE INFORMATION, PLEASE CONTACT:

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