

RUMO S.A.

Publicly-held company
CNPJ/MF nº 02.387.241/0001-60
NIRE 413.000.19886

NOTICE TO THE MARKET

Rumo S.A. (B3: RAIL3) (“Rumo” or “Company”), pursuant to article 12 of the CVM Instruction nº 358, dated January 3, 2002, as amended by CVM Instruction nº 568, dated September 17, 2015, hereby informs that, the Company received correspondence from Morgan Stanley Capital Services LLC, Morgan Stanley & Co. LLC, Morgan Stanley Smith Barney LLC, Caieiras Fundo de Investimento Multimercado and Formula XVI Fundo de Investimento Multimercado Credito Privado – Investimento no Exterior, by which informed the Company that, acting on behalf of its clients, it has economic exposure to 79,646,518 common shares, representing 5.1% of all common shares issued by Rumo.

Curitiba, October 16, 2017

Ricardo Lewin

Vice-President of Finance and Investor Relations Officer

Morgan Stanley

October 10, 2017

RUMO S.A.
Ricardo Lewin
Investor Relations Officer
R Emilio Bertolini 100
82920030 City: Curitiba State: PR
Initial Filing

Dear Sir,


In compliance with the *Comissão de Valores Mobiliários* ("CVM") Instruction 358 dated January 3, 2002, Article 12, please be notified that, as of October 5, 2017, Morgan Stanley (in the aggregate, through its subsidiaries, Morgan Stanley Capital Services LLC, Morgan Stanley & Co. International plc, Morgan Stanley Uruguay Ltda., Morgan Stanley & Co. LLC, Morgan Stanley Smith Barney LLC, Caieiras Fundo de Investimento Multimercado and Formula XVI Fundo de Investimento Multimercado Credito Privado – Investimento no exterior)¹ reached a position / economic exposure equivalent to 5.2% of the RUMO S.A. (the "Company") outstanding common shares.

Such position already includes 79,646,518 common shares issued by the Company; as well as long economic exposure through physically settled derivatives referenced in 2,091,400 or 0.1% of the outstanding common shares of the Company.

Finally, Morgan Stanley reached long economic exposure through cash-settled derivative instruments referencing 12,897,701 or 0.8% of the outstanding common shares of the Company; and short economic exposure through cash-settled derivative instruments referencing 95,738,643 or 6.1% of the outstanding common shares of the Company.

Morgan Stanley does not intend to change the control or management of the Company.

Sincerely,

By: 
Cesar Coy - Authorized Signatory