

SARAIVA S/A LIVREIROS EDITORES
Publicly-held company
Corporate Taxpayer's ID (CNPJ/MF) 60.500.139/0001-26

NOTICE TO THE MARKET
Instauration of the Fiscal Council

São Paulo, May 05, 2014 - SARAIVA S/A LIVREIROS EDITORES ("Company" or "Saraiva"), one of Brazil's leading publishers and one of largest distributors of content, culture and education, **hereby informs its shareholders and the market in general that, at Annual Shareholders' Meeting, held at the Company's headquarters, the attending minority shareholders, as per the signatures in the Shareholder Attendance Book, requested the instauration of the Fiscal Council**, which shall operate until the next Annual Shareholders' Meeting of the Company.

The controlling shareholders elected Julio Sergio de Souza Cardozo and Rodrigo Rocha Monteiro de Castro as sitting members of the Fiscal Council, and Odilon Goncalves Ribeiro and Sergio Ramires Salazano as alternate members. The minority shareholders elected João Verner Juenemann and Fabio Figueiredo Carvalho as sitting member and alternate member, respectively, of the Fiscal Council.

Resumes of the sitting members of the Fiscal Council

Julio Sergio de Souza Cardozo: Mr. Cardozo is a Board member certified by the Brazilian Corporate Governance Institute. He teaches Audit and Internal Controls at Fundação Getulio Vargas and Universidade do Rio de Janeiro. He was awarded the "Accounting Research Prize of Federal Accounting Council", the "CRC-ES Medal of Accounting Merit", and the "Medal Joaquim Monteiro de Carvalho – Order of Accounting Merit". He was a partner of Ernst & Young and CEO of the South American division. He was a member of the Fiscal Council of Celesc and Usiminas. He is the President of BBA Aviation South America, Chairman of the Fiscal Council of 2016's Olympic Games and a member of the Fiscal Council of BRADESPAR S.A. He is a member of the Corporate Governance Group (GGC).

Rodrigo Rocha Monteiro de Castro: Mr. Castro is a lawyer, partner of Lehmann, Warde & Monteiro de Castro Advogados. He has specialization and a master's degree in Corporate Law and is currently working on his Ph.D. degree at the Pontifical Catholic University of São Paulo. He co-authored Bill 4,303/12 (Special Regime for Simple Corporations). He is a member of Institute for Applied Corporate Law (IDSA). He served as legal advisor to the Latin America division of the ACCOR Group. Professor of Corporate Law at Mackenzie University and International Social Sciences Institute (IICS). President of the Commission for Studies and Support to the Legal Department

of the Brazilian Bar Association (OAB-SP). Vice-President of the Council for the Movement of Defense of Law Practice (MDA). Member of the Organizing Committee of the Brazilian Corporate Law Congress. President of IDSA from 2004 to 2010.

João Verner Juenemann: Mr. Juenemann holds a degree in Business Administration from Universidade Federal do Rio Grande do Sul and in Accounting from PUC-RS. He was the founder and is the technical expert in charge of Juenemann & Associados Consultoria Empresarial Ltda (since 1977), accounting expert and investigator (since 1985), founder of Juenemann & Associados Perícias e Investigações Contábeis Ltda (since 2004), sitting member of the Fiscal Council of Instituto de Desenvolvimento Gerencial S.A., Paludo Participações S.A. (Grupo Vipal), Unetral Empreendimentos Imobiliários S.A., Moinhos de Trigo Indígena S.A., and others. Mr. Juenemann is also a sitting member of the Audit Committee of Tupy S.A. His experience includes teaching at UFRS, Fundação Dom Cabral, PUC-RS and Usininos.

The Management welcomes the new members and is confident that the Fiscal Council will make important contributions to the Company's corporate governance.

São Paulo, May 05, 2014

JOÃO LUÍS RAMOS HOPP

Chief Financial and Investor Relations Officer