

MAGNESITA REFRAATÓRIOS S.A.

Publicly-held Company

CNPJ/MF (Corporate Taxpayers Registration) nº 08.684.547/0001-65

NIRE (Commercial Registration Number) 31.300.026.485

**MINUTES OF THE EXTRAORDINARY SHAREHOLDERS'
MEETING HELD ON DECEMBER 14, 2015**

- 1. Date, Time and Place:** On December 14, 201, at 11:30 am (BrT), at the headquarters of Magnesita Refratários S.A. ("Company"), in the City of Contagem, State of Minas Gerais, at Praça Louis Ensck, no. 240, Cidade Industrial, Zip Code no. 32210-050.
- 2. Notice of Meeting:** Made in accordance with the provisions set forth in article 124 of Law no. 6,404/76 ("Corporations Law"), upon call of the shareholders through Call Notice published in the editions of November 28, 2015, December 1, 2015 and December 2, 2015 of newspaper "Hoje em Dia", in pages 14, 12 and 13, respectively, and in the editions of November 28, 2015, December 1, 2015 and December 2, 2015 of the Official Gazette of the State of Minas Gerais (Diário Oficial do Estado de Minas Gerais), in pages 1, 2 e 5, respectively.
- 3. Attendance:** Presence of shareholders representing more than 71% of the Company's corporate capital, as confirmed by signatures in the Book of Attendance at Shareholders' Meetings (Livro de Presença de Acionistas). Also present, in accordance with the provisions of article 164 of the Corporations Law, Mr. Pedro Wagner Pereira Coelho, member of the Company's Audit Committee.
- 4. Chairman and Secretary:** Chairman – **Luiz Gustavo Perrotti Rossato**
Secretary – **Livia Mariz Junqueira**
- 5. Agenda:** (i) to approve the capitalization of part of the Special Goodwill Reserve in the total amount of R\$ 53,324,012.50, related to the tax benefit earned by the Company until the end of the 2014's fiscal year due to the goodwill amortization, which shall be on the benefit of all shareholders and without the issuance of new shares, pursuant to article 6º, § 2º, of the CVM Instruction No. 319/99; (ii) to approve the reduction of the corporate capital in the amount of R\$ 895,296,851.06 to absorb the accrued losses calculated in the balance sheet comprised in the 2015's third quarterly report in the amount of R\$ 918,599,001.17 deducted by R\$ 23,302,150.11; (iii) to approve the grouping of shares issued by the Company in the proportion of 25 to 1; (iv) to approve, after the consummation of the grouping of shares, the split of each common share issued by the Company in the proportion of 1 share to 5 shares; and (v) to approve the following amendment of Article 5 of the Company's Bylaws, also reflecting the cancellation of shares held in treasury in reason of the 3rd Repurchase Program of Shares issued by the Company.
- 6. Resolutions on Drawing Up and Publication of the Minutes and Reading of the**

Agenda: Pursuant to paragraphs 1st and 2nd of article 130 of the Corporations Law, it was approved, by unanimous vote, the drawn up of these minutes in summary form and its publication with the omission of the shareholders' signatures. As well, by unanimous vote, it was waived the reading of the items of the agenda of this Shareholders' Meeting.

7. Other Resolutions: With the abstention from voting by those legally prevented, the following resolutions were approved:

7.1. To approve, by unanimous vote, the capitalization of part of the Special Goodwill Reserve in the total amount of fifty-three million, three hundred and twenty-four thousand and twelve Brazilian Reais and fifty cents (R\$ 53,324,012.50), related to the tax benefit earned by the Company until the end of the 2014's fiscal year due to the goodwill amortization, which shall be on the benefit of all shareholders and without the issuance of new shares, pursuant to article 6, §2nd, of the CVM Instruction No. 319/99, being the total amount of this capitalization destined to the Company's capital reserve;

7.2. To approve, by unanimous vote, the reduction of the corporate capital in the amount of (eight hundred and ninety-five million, two hundred and ninety-six thousand, eight hundred and fifty-one Brazilian Reais and six cents (R\$ 895,296,851.06) to absorb the accrued losses calculated in the balance sheet comprised in the 2015's third quarterly report;

7.3 To approve, by unanimous vote, the grouping of shares issued by the Company in the proportion of twenty-five (25) shares to (one) 1 share, under the terms described on item 7.3.1 below;

7.3.1. A term of thirty (30) days, counted from the publication of the Notice to Shareholders, to be published after the completion of this Meeting, will be granted to the shareholders holding common shares to, at their own free and exclusive discretion, adjust their stock position in multiples tranches of twenty-five (25) shares, by means of trading on the *BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros* ("BM&FBOVESPA"), in order to remain integrating the Company's shareholding structure with at least one share after the grouping of shares is effective. After the expiration of the thirty (30) days term for the settlement of shares by the Company's shareholders, any fractional shares resulting from the grouping of shares will be separated, grouped in whole numbers, and sold on as many auctions as needed, to be held in due course on the BM & FBOVESPA, and the amounts resulting from the sale of fractional shares made available to the respective shareholders after the financial settlement of the sale. The date of the auction of fractional shares, its details and the date on which the result of the auction proceeds will be available to shareholders will be notified after the expiration of the term for adjustment of shareholding positions through a Notice to Shareholders to be released in due time.

7.3.2. Likewise, the common shares depositary receipts of the Company held in custody by Deutsche Bank under the American Depositary Receipts program - Level I, traded in the US OTC market under the code "MFRSY," will also be grouped following the same proportion and

the same procedure set forth herein.

7.4. To approve, by unanimous vote, after the consummation of the grouping of shares approved on item 7.3 above, the split of each common share issued by the Company in the proportion of one (01) share to five (5) shares, under the terms of item 7.4.1 below;

7.4.1. After the expiration of the thirty (30) days term set on item 7.3.1 below for the shares adjustment by the shareholders of the Company (i.e. the same day and immediately after the consummation of the grouping of shares), the shares representing the Company's capital stock will be traded exclusively at the ratio resulting from the grouping of shares and from the split of shares issued by Company, maintaining the same currently existing rights, including with respect to payment of dividends and eventual capital remuneration.

7.4.2. Likewise, the Company's common share deposit certificates held in custody by Deutsche Bank under the American Depositary Receipts program - Level I, traded in the US OTC market under the code "MFRSY", will also be split following the same proportion and the same procedure set forth herein.

7.5. In view of the grouping of common shares issued by the Company in the proportion of twenty five (25) shares to one (01) share and the split of each common share issued by the Company in the proportion of one (01) share to five (05) shares, as well as the capital reduction of eight hundred and ninety-five million, two hundred and ninety-six thousand, eight hundred and fifty-one Brazilian Reais and six cents (R\$ 895,296,851.06) and the cancellation of shares held in treasury as a result of the 3rd Repurchase Program of Shares, as approved by the Board of Directors' meeting of November 12, 2015, at 11:00 am (BrT), to approve, by unanimous vote, the amendment to the caput of Article 5 of the Company's Bylaws, which will be effective with the following wording, thereby the Company's Bylaws to be enforced with the wording of Annex I hereto:

“Article 5 - The Company's corporate capital is R\$1.632.849.262,59 (one billion, six hundred and thirty-two million, eight hundred and forty-nine thousand, two hundred and sixty-two Brazilian Reais and fifty-nine cents), totally subscribed and paid in, divided into 53.432.265 (fifty-three million, four hundred and thirty-two thousand, two hundred and sixty-five) common shares, registered, book-entry shares without face value.”

8. Closing, Drawing Up and Approval: There being no further business, these minutes were drawn up, read, approved and signed by all attending shareholders. SIGNATURES: Chairman and Secretary: Chairman – Luiz Gustavo Perrotti Rossato; Secretary - Livia Mariz Junqueira. Shareholders: ALUMINA HOLDINGS LLC, REARDEN L HOLDINGS 3 SA RL, ALUMINA HOLDINGS, LLC, MAG FDO DE INVEST EM PARTICIPACOES, REARDEN L HOLDINGS 3 S.A.R.L, GPCP4 FDO DE INVEST EM PARTICIPACOES. (p.p. Livia Mariz Junqueira); KROSAKI HARIMA CORPORATION (p.p. Leandro Moreira Valente Barbas); EMERGING MARKETS INTERNATIONAL FUND, NORGE BANK, VANGUARD TOTAL

INTERNATIONAL STOCK INDEX FD, A SE VAN S F, MARKET VECTORS BRAZIL SMALL-CAP ETF, THE TBC PRIVATE TRUST, THE BOMBARDIER TRUST UK, EMERGING MARKETS SMALL CAPIT EQUITY INDEX NON-LENDABLE FUND, BOMBARDIER TRUST CANADA GLOBAL EQUITIES FUND, TEACHER RETIREMENT SYSTEM OF TEXAS, ISHARES MSCI BRAZIL SMALL CAP ETF, SPDR S&P EMERGING MARKETS SMALL CAP ETF, VANGUARD FTSE ALL-WORLD EX-US SMALL-CAP INDEX FUND ASOVIEIF, CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM, SSBAT CO INVESTMENT FDS FOR TAX ERP - MSCI EMS CAP ISL FD, COLLEGE RETIREMENT EQUITIES FUND, PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO, FLORIDA RETIREMENT SYSTEM TRUST FUND, EMERGING MARK SMALL CAPITALIZAT EQUITY INDEX NON-LENDABLE FD B, STATE ST B AND T C INV F F T E RETIR PLANS, EMERGING MARKETS SMALL CAPITALIZATION EQUITY INDEX FUND, MUNICIPAL EMPLOYEES RETIR. SYSTEM OF MICHIGAN, ST ST MSCI EMERGING MKT SMALL CI NON LENDING COMMON TRT FUND, THE MASTER TRUST BANK OF JAPAN, LTD AS TRUSTEE OF BNY MELLON, THE PENSION RESERVES INVESTMENT MANAG. BOARD, MICROSOFT GLOBAL FINANCE, ACADIAN ALL COUNTRY W EX US LS FUND, AQR EMERGING SMALL CAP EQUITY FUND, L.P., STATE OF OREGON, IBM DIVERSIFIED GLOBAL EQUITY FUND, ONTARIO PUBLIC S EMP UNION P T FUND, VANGUARD TOTAL WSI FD, A SOV INTERNATIONAL EQUITY INDEX FDS, UTAH STATE RETIREMENT SYSTEMS, SPDR S&P EMERGING MARKETS ETF, NTGI-QM COMMON EMERGING MARKETS SMALL CAP INDEX FUND - LENDI, ADVANCED SERIES TRUST - AST GOLDMAN SACHS MULTI-ASSET PORTFO, GOLDMAN SACHS GIVI GLOBAL EQUITY - GROWTH M TILT PORTFOLIO, MELLON BANK N.A EB COLLECTIVE INVESTMENT FUND PLAN, NTGI-QM COMMON DAC WORLD EX-US INVESTABLE MIF – LENDING, CF DV ACWI EX-U.S. IMI FUND (p.p. Anderson Carlos Koch); RBC - FUNDO DE INVESTIMENTO EM ACOES, LUCRO 2 FIM CP INVESTIMENTO NO EXTERIOR, TOPAZIO FUNDO DE INVESTIMENTO MULTIMERCADO CREDITO PRIVADO I, M1262 FUNDO DE INVESTIMENTO MULTIMERCADO, IPE FIM CREDITO PRIVADO INVESTIMENTO NO EXTERIOR, IMBUIA FIM CREDITO PRIVADO INVESTIMENTO NO EXTERIOR, PSR FIM CP IE, ALBATROZ FUNDO DE INVESTIMENTO MULTIMERCADO CREDITO PRIVADO, HELMER HANSSEN MULTISTRATEGIA FD DE INV MULTIMERCADO CP IE, PE DE MEIA - FIM CREDITO PRIVADO (p.p. Livia Mariz Junqueira); FARO CAPITAL LSR FIM INVESTIMENTO NO EXTERIOR CP, FARO CAPITAL FIA, UV SEQUOIA FIM INVESTIMENTO NO EXTERIOR CREDITO PRIVADO, UV IPE FI MULTIMERCADO INVESTIMENTO NO EXTERIOR - CP, UV BAOBA FIM - INVESTIMENTO NO EXTERIOR - CREDITO PRIVADO, UV PLATANO FIM CREDITO PRIVADO IE, UV ARAUCARIA FIA, UV CAMBUI FIM IE CP (p.p. Livia Mariz Junqueira); CLAUDIO EWERTON FERREIRA RODARTE, SITA SOCIEDADE C.C.V.M. SA, CLAUDE EULER MINVIELLE, RICARDO EULER, CLUBE DE INVESTIMENTOS SIGMA, CLUBE DE INVESTIMENTO HORIZONTE, CLUBE DE INVESTIMENTO SITA UM, CLUBE DE INVESTIMENTOS SÃO PEDRO, SERGIO VALADARES PORTELLA, CLUBE DE INVESTIMENTOS EXTRATHVS, CLUBE DE INVESTIMENTO MAM, CLUBE DE INVESTIMENTO FAB, JOSE MARTINS HORTA VALERIO DA SILVA, CLUBE DE

INVESTIMENTO SITADOIS (p.p. Livia Mariz Junqueira); CSHG CLIQUE FUNDO DE INVESTIMENTO EM ACOES (p.p. Livia Mariz Junqueira); and FUNDO DE INVESTIMENTO EM ACOES MAINA, LONG BRASIL ACOES - FUNDO DE INVESTIMENTO, WARM FUNDO DE INVESTIMENTO EM ACOES (p.p. Livia Mariz Junqueira).

I declare that these minutes are a true copy of the original drawn up in the relevant book.

Contagem, December 14, 2015.

Luiz Gustavo Perrotti Rossato
Chairman

Livia Mariz Junqueira
Secretary