

GRENDENE S.A. – LISTED COMPANY

Corporate Taxpayers ID – CNPJ/MF nº 89,850,341/0001-60

Company's Register: NIRE Nº 23300021118-CE

Notice to Shareholders - Dividends and Interest on Equity

We inform all shareholders that an Ordinary General Meeting of this Company, held on April 11, 2016, approved the ratification of the distribution of dividends of the year ended December 31, 2015 amounting to **R\$110,894,142.10** (one hundred and ten million, eight hundred ninety and four thousand one hundred and forty-two reais and ten cents) (net R\$95,894,142.10), that will be paid from April 27, 2016 and distributed as follows:

a) In the form of Interest on Equity – calculated as part of the total value of dividends, subject to the limits in Article 9, §7, of Law 9249/95: The gross amount of **R\$100,000,000.00**, corresponding to **gross value per share of R\$0.332535249**, resulting in net payment, after deduction of 15% withholding income tax at source, of R\$ 85,000,000.00, this net amount represents net value per share of R\$0.282654961.

The Company requests that shareholders, companies and/or entities not subject to withholding income tax submit the documentation to the Company located at Av. Pedro Grendene, 131, Bairro Volta Grande, Farroupilha, RS, CEP 95180-000, care the Investor Relations Department, by April 20, 2016.

b) In the form of dividends: Complementary dividend of R\$10,894,142.10, or R\$0.036226863 per share.

This amount will not be subject to any remuneration or monetary updating, nor any withholding tax.

The Interest on Equity and complementary dividends will be payable to stockholders in the Company's books of record on **April 14, 2016 (the cut-off date)**. Thus Grendene's shares will trade **ex-dividend and ex-Interest on Equity on April 15, 2016**, on the BM&FBovespa.

This complementary distribution of Dividends and Interest on Equity (R\$110,894,142.10), plus the amount of R\$165,031,505.86, paid in advance in 2015, **totaling a gross amount of R\$275,925,647.96** (two hundred seventy-five million, nine hundred twenty-five thousand, six hundred forty-seven reais and ninety-six cents) (net R\$260,925,647.96), of which R\$10,316,725.47 related to reversal of reflex reserve (equivalent to the same reservation made controlled) and the gross amount of R\$265,608,922.49 (net R\$250,608,922.49) for the fiscal year 2015.

The payment of the amounts to be distributed will be undertaken as follows:

a) Shareholders who have already provided details of their bank account to Banco Itaú Unibanco S.A. will have the credit made available through their current account;

b) For shareholders who have not provided details of their bank account, Banco Itaú Unibanco S.A., as the Depository Financial Institution, will send information on the payment to the shareholders. This information should be presented at one of its branches with the instructions for processing the respective bank account credit.

Shareholders will have their credits available on the date of the start of the payment of this right, in accordance with their current account and bank domicile supplied to Banco Itaú Unibanco S. A.

Sobral, April 11, 2016.

Francisco Olinto Velo Schmitt
Investor Relations Officer