

## **GRENDENE S.A.**

*Listed company – CNPJ/MF 89.850.341/0001-60 – NIRE 23300021118-CE*

### **MARKET NOTICE**

GRENDENE S.A. (“the Company”), hereby advises its stockholders and the market in general that it has received from its stockholders ALEXANDRE GRENDENE BARTELLE (“ALEXANDRE”), ALEXANDRE GRENDENE BARTELLE PARTICIPAÇÕES S.A. (“AGBPAR”), PEDRO GRENDENE BARTELLE (“PEDRO”), VERONA NEGÓCIOS AND PARTICIPAÇÕES S.A. (“VERONA”), MARIA CRISTINA NUNES DE CAMARGO (“MARIA CRISTINA”), PEDRO BARTELLE (“PEDRO FILHO”), GIOVANA BARTELLE VELLOSO (“GIOVANA”) AND GRENDENE NEGÓCIOS S.A. (“GRENDENE NEGÓCIOS”) statements of acquisition/disposal of stockholding interests, as per attached documents (Attachment I and II), through which the stockholders have advised the Company of the transfer, by reason of the partial split of GRENDENE NEGÓCIOS which took place on today’s date, of the totality of the 60,300,000 shares in the Company, representing 20.0519% of the share capital, owned by GRENDENE NEGÓCIOS, to its stockholders AGBPAR, a company owned by ALEXANDRE AND VERONA, a company owned by PEDRO, MARIA CRISTINA, PEDRO FILHO and GIOVANA, in which 33,300,012 nominal common shares in the Company, representing 11.0734% of the Company’s share capital, are transferred to AGBPAR and 26,999,988 nominal common shares issued by the Company, representing 8.9784% of the share capital of the Company, are transferred to VERONA.

Thus, as a consequence of the partial split of GRENDENE NEGÓCIOS and of the above mentioned transfers:

- a) GRENDENE NEGÓCIOS, previously the direct owner of 20.0519% of the share capital of the Company, now owns no shares in the Company whatsoever, and thus is no longer a stockholder of the Company;
- b) AGBPAR, previously direct holder of 19.9521% of the share capital of the Company, now directly owns 31.0255% of the share capital of the Company;

- c) VERONA, Previously direct owner of 16.6933% of the share capital of the Company, now directly owns 25.6717% of the share capital of the Company.

By reason of the transfers of stockholding interests referred to above, on today's date a private instrument of amendment to the Stockholders' Agreement of the Company, signed on October 6, 2004, between AGBPAR, VERONA, GRENDENE NEGÓCIOS, ALEXANDRE, PEDRO, MARIA CRISTINA, PEDRO FILHO AND GIOVANA, with the consent of the Company, was signed, and filed, at the Company's head office, under which GRENDENE NEGÓCIOS ceased to be a party to the said stockholders' agreement.

The other signatories – AGBPAR, VERONA, ALEXANDRE, PEDRO, MARIA CRISTINA, PEDRO FILHO and GIOVANA, continue to be parties to the stockholders' agreement of the Company, which maintains the same terms and conditions of the original stockholders' agreement, all of which were ratified and remain in full force and effect.

According to the information given by the stockholders to the Company, the transfers of stockholding interests referred to above do not alter (and do not have the intention of altering) the control of the Company, nor its administrative structure, which continues to be held by the same group of persons, who directly and indirectly hold the same 72.1807% of the share capital of the Company, as shown in the explanatory table attached to the stockholders' statements.

The stockholders have further stated that the transfers which have resulted in the acquisition/disposal of the interest referred to above are a part of an exclusively internal process of restructuring between the stockholders of the controlling group of the Company, and that at this moment there are no shares envisaged as to be acquired or disposed of.

Sobral – Ceará, July 29, 2016.

Francisco Olinto Velo Schmitt  
Investor Relations Officer  
Grendene S.A.