

GRENDENE S.A.

Companhia aberta - CNPJ/MF n. 89.850.341/0001-60 - NIRE Nº. 23300021118-CE

NOTICE TO THE MARKET Change of Auditor

A Grendene S.A. (GRND3), in compliance with the provisions of section 31 of CVM Instruction 308/1999, as amended ("ICVM 308/99"), which requires rotation of contracted external auditors every period of five years, hereby advises its stockholders and the market in general that the Board of Directors at the meeting held on December 13, 2016 approved the contracting Ernst & Young Auditores Independentes S.S. (EY) to provide the services of auditing the financial statements starting with the business year of 2017, replacing the present auditors PricewaterhouseCoopers – Auditores Independentes.

In compliance with Article 28 of Instruction, that change got concurrence of the present auditors, PricewaterhouseCoopers – Auditores Independentes.

The EY will start its activities from the review of interim financial statement (ITRs) for the first quarter 2017.

Sobral – CE, 13 December, 2016

Francisco Olinto Velo Schmitt
Investor Relations Officer

Grendene S.A.