

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

3rd Interim dividends of 2018

We are writing to inform shareholders that, the Board of Directors at the meeting held on October 25, 2018, decided “*ad referendum*” that it will propose to the Ordinary General Meeting that will examine the balance sheet and financial statements for the 2018 financial year, the 3rd distribution of dividends in the amount of R\$47,225,071.31 (Forty-seven million, two hundred and twenty-five thousand, seventy-one reais and thirty-one cents). The shareholders of common shares will receive an interim dividend of R\$0.052457439 per share (excluding treasury shares as legislation), referring to the period up to September 30, 2018, that will be paid from November 21, 2018, without remuneration or monetary restatement and no withdrawal tax will be imposed on the dividend.

Shareholders whose names were registered with the Company on November 5, 2018 will have the right to receive the interim dividends. The Company's shares will be traded ex-dividend from November 6, 2018 on the B3 S.A. – Brasil, Bolsa, Balcão.

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., the depositary institution of the shares of this Company, and those who hold the shares held in custody at B3 will have their credits transferred by the respective custodian agents, as of the date of the start of payment. Shareholders with outdated registrations that do not contain the CPF or CNPJ number or bank credit option will have their credits deposited after the cadastral regularization, which may be done at any branch of Itaú Unibanco S.A.

Sobral (CE), October 25, 2018.

GRENDENE S. A.

Francisco Olinto Velo Schmitt
Investor Relations Officer