

GRENDENE S.A.

Listed company - CNPJ n. 89.850.341/0001-60 - NIRE n. 23300021118-CE

MATERIAL ANNOUNCEMENT

Closing of the buyback program for Grendene's common shares (GRND3)

In accordance with CVM Instruction 358 of January 3, 2002, GRENDENE S.A. (GRND3), hereby informs its Stockholders that the Company's Board of Directors approved, at a meeting held on this date, the closing of the buyback program for Grendene's common shares, without par value of the Company, which was approved at the Board of Directors' meeting held on July 27, 2017, according to the Relevant Fact, published on the same date, further clarifying that 3,937,029 shares issued by the Company were acquired under this program.

Farroupilha, RS, October 25, 2018.

Francisco Olinto Velo Schmitt

Investor Relations Officer