

GUARARAPES CONFECÇÕES S.A.

NIRE No. 24.300.000.731

CNPJ/MF No. 08.402.943/0001-52

Publicly-held Company

NOTICE TO THE MARKET

GUARARAPES CONFECÇÕES SA ("Company"), In response to Official Letter No. 628/2018-SAE, received on April 4, 2018 ("Official Letter"), hereby informs its shareholders and the market in general of the following.

Through this Official Letter, the Office of Company Supervision and Offers of Equity Securities of B3 S.A. – Brasil, Bolsa, Balcão ("B3") requested clarification from the Company, as follows:

"In news published by the agency Broadcast on 04/04/2018, under the title" Broadcast Column: Tax matters delay transfer of Vale's shares to funds", among other information, it states that:

- 1. Riachuelo now goes to the market to raise R\$ 800 million in debentures;*
- 2. The lead banks have just been contracted;*
- 3. The retailer wants to extend its debts.*

We request clarification on the items that were reported, by 04/05/2018, with your confirmation or not, as well as other information considered important.

The Company confirms that it has evaluated and held negotiations with certain financial institutions that are part of the securities distribution system, regarding a possible general public distribution, under restricted placement efforts, pursuant to the Brazilian Securities and Exchange Commission ("CVM") Instruction No. 476/09, of simple, non-convertible debentures, for the amount of up to R\$ 800 million. However, the Company emphasizes that, at present, there is no binding document signed with the respective financial institutions, in the same manner that the general public distribution and the issue of debentures themselves has not been approved by the Company's relevant corporate bodies.

In addition to not having corporate approval or signing a binding document with the intermediary institutions, the Company emphasizes that the information divulged in the news was not supplied by the Company or any of its shareholders, managers and/or employees.

We also emphasize that the Company recognizes the importance of standards that seek to ensure information symmetry in the market and has as a timely policy to comply with these standards. However, contracting debt transactions is part of the Company's ordinary business management, which continually evaluates various debt structures as part of its financing strategy for its core activities and to manage its debt profile.

Therefore, new debt taken out by the Company, under any structure, should not in itself be considered a material fact under the terms of article 3 of CVM Instruction 358/02. As such, it is important to note that the publication of the news in question did not lead to an unusual change in the trading of the Company's shares during the entire trading session on April 4, 2018.

Nevertheless, the Company will keep the market informed on matters related to the aforementioned transaction, including the disclosure, today, of a Material Fact informing the market of its intention to issue the debentures, in accordance with current legislation and regulations.

Lastly, believing to have clarified the questions asked in the Official Letter, the Company makes itself available to provide any additional clarifications that may be necessary.

Natal, April 5, 2018.

Flávio Rocha
Vice President and Investor Relations Officer