

FRAS-LE S.A Publicly-Held Company CNPJ/MF no. 88.610.126/0001-29

ANNOUNCEMENT TO THE MARKET

Fras-le S.A ("Fras-le" or "Company"), a publicly-held company with head offices on Rodovia RS 122, Km 66, no. 10.945, in the city of Caxias do Sul (RS), informs, with deep sorrow, its shareholders and the market in general the passing away of **Mr. Raul Anselmo Randon**, the founder and chairman of the Board of Directors of Randon Companies (Controlling Company).

On behalf of the Company, its administrators express their condolences to the family and their gratitude to Mr. Raul Randon, for the legacy he left to Fras-le and to Randon Companies.

Caxias do Sul (RS), March 4th, 2018.

Sérgio Lisbão Moreira de Carvalho CEO and Investor Relations Director