



RANDON S.A. IMPLEMENTOS E PARTICIPAÇÕES

Publicly-traded Company
CNPJ/MF n° 89.086.144/0001-16

MATERIAL FACT

Randon SA Implementos e Participações ("Randon" or "Company"), a publicly-traded company, with headquarters at Av. Abramo Randon, 770, Interlagos, Caxias do Sul, RS, in compliance with the rules laid down by Law No. 6.404/76, December 15, 1976, as amended ("Corporations Law"), and Instruction No. 358 of January 3, 2002, as amended ("CVM Instruction 358"), hereby informs its shareholders and the market in general that, at the Board of Directors Meeting held on November 13, 2017 ("RCA"), the directors decided to formalize a favorable statement for the acquisition, through the subsidiary Fras-le SA, of the following holding companies:

(i) shares representing the total capital stock of PALR S.A., a corporation incorporated under the laws of Argentina, headquartered in the Autonomous City of Buenos Aires, which is the parent company of ARMETAL AUTOPARTES S.A. ;

(ii) shares representing the capital stock of ARMETAL AUTOPARTES S.A., which is the controlling shareholder of FARLOC ARGENTINA S.A.C.y F., both companies incorporated under the laws of Argentina, with headquarters in the Autonomous City of Buenos Aires; and,

(iii) shares representing the capital stock of FANACIF S.A., a corporation incorporated under the laws of Uruguay, with headquarters in Montevideo.

The value of the transaction is approximately R \$ 91,327,669.00, which will be adjusted on the Closing Date, as provided in the purchase and sale agreements, at which time Fras-le will make the disbursement and will effectively takeover control and management of the companies object of the business.

The Closing will take place after the previous conditions, including the approval by the shareholders of Fras-le, at the Extraordinary General Meeting, pursuant to art. 256 of Law No. 6.404/76, taking into account that it constitutes a relevant investment, pursuant to art. 247 of the same Law.

With this agreement, Randon Companies, through Fras-le, aim to strengthen their global performance, increase their product portfolio and expand their participation in the auto parts distribution market.

The company will keep its shareholders and the market timely and adequately informed about the closing of the transaction.

Caxias do Sul (RS), November 13, 2017.

Geraldo Santa Catharina
Investor Relations Director