



FREE TRANSLATION (This is a free translation of the Notice to the Market disclosed by PDG Realty S.A. Empreendimentos e Participações on June 19, 2018, and is being distributed for informational purposes only.)

PDG Realty S.A. Empreendimentos e Participações – In Judicial Recovery

Publicly-Held Corporation

Corporate Taxpayer ID (CNPJ): No. 02.950.811/0001-89
Company Registry (NIRE): 35.300.158.954 | CVM Code 20478

Notice to the Market

Alteration of Independent Auditor and Election of Chairman of the Board

In compliance with the provisions of art. 28 of CVM Instruction no. 308/99, PDG Realty S.A. Empreendimentos e Participações - In Judicial Recovery ("Company"), announces to its shareholders and the market in general that was approved today during the Board of Directors Meeting the alteration of the independent auditor, from Ernst & Young Auditores Independentes S/S ("EY") to PP&C Auditores Independentes S/S. The new independent auditor (PP&C) will start the audit procedures with the second quarter information – 2Q18.

Considering that the Company is currently under judicial reorganization, the decision to substitute the independent auditor seeks to adjust the level of expenses of the Company to its current financial situation.

The Company Still Communicates that Obtained EY's Consent for Substitution, attending the determination of the art. 28 of CVM Instruction 308/99.

In addition, the Company announces that Mr. Pedro Bulhões Carvalho da Fonseca and Mr. Wladimir Rodney Palermo were elected respectively as Chairman and Vice-Chairman of the Company's Board of Directors, in accordance with the provisions of paragraph 1 of art. 12 of the Company's Bylaws.

São Paulo, June 19, 2018.

Vladimir Kundert Ranevsky
CEO, CFO and IRO