

SUL AMÉRICA S.A.

National Registry of Corporate Taxpayers' (CNPJ/MF) 29.978.814/0001-87

National Registry of Corporate Taxpayers (NIRE) 33.3.0003299-1

**Publicly Held Company with Authorized Share Capital
Publicly held company registration number 02112-1**

MATERIAL FACT

Sul América S.A. (B3: SULA11) ("Company"), in compliance with the provisions of Law No. 6.404/76 and of the Brazilian Securities and Exchange Commission ("Comissão de Valores Mobiliários" or "CVM") Rule No. 358/2002, as amended, informs its shareholders and the market in general that its subsidiary Sul América Odontológico S.A. has executed, on this date, an agreement for the acquisition of 100% of Prodent Assistência Odontológica Ltda, a limited liability company with head offices in São Paulo, National Registry of Corporate Taxpayers' (CNPJ/MF) 61.590.816/0001-07 ("Prodent"), for the amount of R\$ 145.7 million.

Founded in 1989, Prodent is the eighth largest Brazilian dental care operator and presented, in 2017, operational revenues of approximately R\$ 100 million, loss ratio of around 30% and gross margin of 45%.

With such acquisition, SulAmérica will add over 400 thousand beneficiaries to its dental portfolio, achieving the mark of around 1.5 million beneficiaries, and strengthening its position and relevancy in such segment.

The conclusion of the referred acquisition is subject to the fulfillment of certain conditions precedent, as established in the respective agreement, including the prior approval of competent regulatory bodies.

SulAmérica, the largest independent insurer and the third largest health and dental care operator in Brazil in terms of revenues, has a strategic focus in the dental care segment. It currently has 2.2 million insured members in health and over 1 million beneficiaries in dental.

Rio de Janeiro, October 8, 2018.

Ricardo Bottas Dourado dos Santos
Vice-President of Control and Investor Relations Officer