

JBS S.A.

Corporate Taxpayer's ID (CNPJ/MF): 02.916.265/0001-60

Company Registry (NIRE): 35.300.330.587

**EXCERPT FROM THE MINUTES OF THE BOARD OF DIRECTORS'
MEETING HELD ON JULY 4, 2013 AT 10:00 A.M.**

Date, Time and Venue: July 4, 2013, at 10:00 a.m., at the headquarters of JBS S.A. ("Company"), located at Avenida Marginal Direita do Tietê, 500, Bloco I, 3º Andar, Vila Jaguara, CEP 05118-100, in the city and state of São Paulo.

Call Notice: Call notice was sent via email to all members of the Board of Directors, pursuant to Article 18 of the Company's Bylaws.

Attendance: The majority of the members of the Company's Board of Directors were present, representing sufficient quorum to install the Meeting.

Agenda: (i) Approval of the creation of the Company's Innovation and Marketing Committee and appointment of its members; (ii) Renewal of the Company's existing share buyback program through approval of acquisition of shares issued by the Company for holding in treasury and subsequent cancellation or sale, and ratification of the acquisitions up to date; (iii) Ratification of the sale of all shares of Misr Cold Centers and Storage Company SAE, a corporation headquartered in Egypt, owned by JBS Holding Inc. (an indirect subsidiary of the Company) to third parties; (iv) Approval of the sale of the entire equity interest in Lesstor LLC, a Company subsidiary headquartered in Russia, to a local partner; and (v) Ratification of the acquisition, by JBS Holding Internacional S.A., a Company subsidiary, of one hundred percent (100%) of the shares of Nawelur S.A., a corporation headquartered in Uruguay, to be used in the acquisition of tannery assets in Uruguay.

Presiding Board: Joesley Mendonça Batista, **Chairman;** and Francisco de Assis e Silva, **Secretary.**

Resolutions:

The members of the Board of Directors decided to change the order of the items on the Agenda. Subsequently, they unanimously approved:

(i) the renewal of the Company's existing share buyback program, as envisaged in Article 10, item XVI of the Company's Bylaws, in compliance with Normative

Instruction 10 of the Brazilian Securities and Exchange Commission - CVM (“CVM Instruction 10”), aiming to authorize the acquisition of up to ninety-one million, four hundred eighty-six thousand, two hundred and ninety (91,486,290) registered, book-entry, non-par, common shares issued by the Company for holding in treasury and subsequent cancellation or sale, with no reduction in the capital stock, and the Board of Executive Officers will be responsible for defining the opportune time for the transaction and the number of shares to be effectively acquired, pursuant to the scopes and validity of this authorization. In compliance with Article 18 of CVM Instruction 10, it was decided that: (a) the Company’s objective is to maximize value generation to shareholders by efficiently managing the capital structure, (b) considering the number of shares currently held in treasury by the Company, totaling seventy-six million, one hundred and one thousand, six hundred and sixty-four (76,101,664) shares, the number of shares to be acquired is up to ninety-one million, four hundred eighty-six thousand, two hundred and ninety (91,486,290) registered, book-entry, non-par, common shares issued by the Company, totaling one hundred sixty-seven million, five hundred eighty-seven thousand, nine hundred fifty-four (167.587.954) shares, equivalent to ten percent (10%) of the outstanding shares; (c) the transaction herein authorized shall be performed within three hundred sixty-five (365) days as of this date, i.e. until July 4, 2014; (d) the number of outstanding shares, as per the definition of Article 5 of CVM Instruction 10, is one billion, six hundred seventy-five million, eight hundred seventy-nine thousand, five hundred forty-four (1,675,879,544) registered, book-entry, non-par, common shares; (e) the transactions for acquisition will be carried out at market price, with the intermediation of: **1.** BTG PACTUAL CM LTDA., headquartered at Avenida Brigadeiro Faria Lima, 3729 - 10º andar, in the city and state of São Paulo, **2.** CONCORDIA S.A. CVMCC, headquartered at Rua Libero Badaró, 425 - 23º andar, in the city and state of São Paulo, **3.** CONVENÇÃO S.A. CVC, headquartered at Rua Amauri, 255 - 8º andar, in the city and state of São Paulo, **4.** FATOR S.A. CV, headquartered at Rua Doutor Renato Paes de Barros, 1.017, 11º e 12º andares, in the city and state of São Paulo, **5.** J. SAFRA CORRETORA DE VALORES E CÂMBIO LTDA., headquartered at Avenida Paulista, 2100 - 16º/19º andares, in the city and state of São Paulo, **6.** BRASIL PLURAL CORRETORA DE CÂMBIO, TÍTULOS E VALORES MOBILIÁRIOS S.A., headquartered at Rua Surubim, nº 373, Térreo, Cjs 01 e 02, in the city and state of São Paulo, **7.** VOTORANTIM CTVM LTDA., headquartered at Avenida das nações Unidas, 14.171 - Torre A, 14º andar, in the city and state of São Paulo and **8.** XP INVESTIMENTOS CCTVM S.A., headquartered at Avenida das Américas, 3434 - Bloco 7, sala 201/208, in the city and state of Rio de Janeiro. The decision of selling or cancelling these shares will be made in an opportune time and the market will be duly informed. The Company’s Board of Executive Officers are hereby authorized to take all measures necessary to implement, whenever they consider appropriate, the above resolution;

(ii) the ratification of the sale of all shares of Misr Cold Centers and Storage Company SAE, a corporation headquartered in Egypt, owned by JBS Holding Inc. (the Company's indirect subsidiary) to third parties;

(iii) the sale of the entire equity interest of the Company in Lesstor LLC, a Company subsidiary headquartered in Russia, to a local partner;

(iv) the ratification of the acquisition, by JBS Holding Internacional S.A., a Company subsidiary, of one hundred percent (100%) of the shares of Nawelur S.A., a corporation headquartered in Uruguay, to be used in the acquisition of tannery assets in Uruguay; and

(v) the creation of the Company's Innovation and Marketing Committee, with the appointment of the following people to compose said Committee: Tarek Mohamed Noshy Nasr Mohamed Farahat, as the Chairman, Wesley Mendonça Batista, Joesley Mendonça Batista, Gilberto Meirelles Xandó Baptista, Gilberto Tomazoni, Renato Mauro Menezes Costa, José Augusto de Carvalho Júnior, as members. Anne Karine Chaves will act as the secretary of the meetings of said Committee, and its internal regulations will be approved in an opportune time by the members of the Committee elected hereby.

Closure and drawing up of the minutes: There being no further business to discuss, and after the Chairman offered the floor to anyone who intended to speak, as no one did, the meeting was adjourned for the time necessary to draw up these minutes, which were then read, approved and signed by all attending board members. **Attending members:** Joesley Mendonça Batista, Wesley Mendonça Batista, José Batista Sobrinho, Humberto Junqueira de Farias, Marcus Vinicius Pratini de Moraes, Carlos Alberto Caser, João Carlos Ferraz and Tarek Mohamed Noshy Nasr Mohamed Farahat.

This is a free English translation of the excerpt from the original minutes drawn up in the Company's records.

São Paulo, July 4, 2013.

Francisco de Assis e Silva
Secretary