

JBS S.A.

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

Company Registry (NIRE): 35.300.330.587

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD ON OCTOBER 23, 2013, AT 5:00 P.M.**

Date, Time and Venue: October 23, 2013, at 5 p.m., at the headquarters of JBS S.A. ("Company"), 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 and Attendance: The call notice was sent via e-mail to the members of the Board of Directors, pursuant to Article 18 of the Company's Bylaws. All members of the Company's Board of Directors were present, representing sufficient quorum to install the Board of Directors' Meeting.

Presiding: **Joesley Mendonça Batista**, Chairman; and **Valmor Gomes Moraes**, Secretary.

Agenda: (i) To approve: (a) the issue, by the Company's subsidiary, JBS Investments GmbH, constituted under the laws of Austria ("Issuer"), of notes ("Notes"), in the total amount of one billion U.S. dollars (US\$1,000,000,000.00), for placement in the international market, to be offered to qualified institutional investors resident and domiciled in the United States of America, based on Rule 144A, issued by the Securities and Exchange Commission, and in other countries, except for Brazil and United States of America, based on Regulation S ("Issue"); and (b) the execution of all acts and signing of all documents necessary to implement the Issue, including, without limitation, the Offering Memoranda and Purchase Agreement ("Issue Documents"), as applicable; (ii) to analyze and resolve on the granting of a guarantee by the Company within the Issue ("Guarantee"); and (iii) to authorize the Company's officers to take all necessary measures and practice all acts needed to implement the resolutions to be approved related to the Issue, as well as ratify any acts already practiced by the officers in this context, if applicable.

Resolutions: Following analysis and discussion of the matters on the agenda, the members of the Board of Directors unanimously resolved to:

(i) approve: (a) the Notes Issue, guaranteed by the Company and JBS Hungary Holdings Kft., in the total amount of one billion U.S. dollars (US\$1,000,000,000.00), with the following characteristics: (x) the Notes will be remunerated at seven and seventy-five hundredths (7.750%) p.a. and will mature on October 28, 2020; and (y) the net proceeds from the Notes issue will be used to extend the Company's debt profile through the refinancing of part of its short-term debt for corporate purposes in general; and (b) the execution of all acts and signing of all documents necessary to implement the Issue, including, without limitation, the Issue Documents;

(ii) approve the granting of a personal, irrevocable and unconditional guarantee by the Company, to be constituted under the terms of the applicable regulations, against the obligations undertaken by the Issuer within the meaning of the Issue; and

(iii) authorize the Company's officers and/or attorneys-in-fact to take any and all measures, practice all acts and sign all documents needed to execute the resolutions approved herein, including, without limitation, those related to the execution of the Issue and formalization of the Guarantee, as well as ratify all acts practiced by the officers and/or attorneys-in-fact in this context.

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, Marcus Vinicius Pratini de Moraes, Peter Dvorsak, Carlos Alberto Caser, Humberto Junqueira de Farias and João Carlos Ferraz.

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

São Paulo, October 23, 2013.

Valmor Gomes Morais
Secretary