



**JBS S.A.**

CNPJ/MF nº 02.916.265/0001-60

NIRE 35.3.0033058-7

Publicly-held company

**MATERIAL FACT**

**JBS S.A.**, in compliance with article 157, Paragraph 4, of Law 6,404 of December 15, 1976, as amended, and pursuant to Article 2 of the Brazilian Securities and Exchange Commission ("CVM") Rule 358 of January 3, 2002, as amended, informs its shareholders and the market in general, that its wholly-owned subsidiary, **JBS Foods S.A.** ("JBS Foods"), filed today with CVM, the request for (i) the registration as publicly-held company in the "A" category, pursuant to CVM Rule 480 of April 4, 2009, as amended; and (ii) together with JBS S.A., the registration of the primary and secondary public offering of common shares of JBS Foods ("Shares"), to take place in Brazil, at the non-organized over-the-counter market, under the terms of CVM Rule 400 of December 29, 2003, as amended ("CVM Rule 400"), with placement efforts abroad ("Offering"). It is expected that the Shares be accepted for trading on the BM&FBOVESPA – *Bolsa de Valores, Mercadorias e Futuros* Corporate Governance *Novo Mercado* (New Market). The Offering is conditioned on the registration of JBS Foods as a public company by CVM and market conditions.

Pursuant to Article 53 of CVM Rule 400, JBS Foods will appropriately notify the market on information about (a) other characteristics of the Offering, (b) places where the preliminary Offering Memorandum will be available, (c) the estimated dates and places where the Offering will be published and (d) the conditions, procedures, reservation period and book building period, as well as any and all information concerning the Offering.

JBS Foods is one of Brazil's largest companies in the food segment. It produces and commercializes prepared foods with high added value and poultry and pork products, under recognized brands by the national and international markets.

São Paulo, May 20, 2014

**Jeremiah O'Callaghan**  
Investor Relations Director