



NOTICE TO THE MARKET

JBS S.A. (BM&FBOVESPA:JBSS3) (“JBS”) communicates to its shareholders and to the market in general that Pilgrim’s Pride Corporation (NASDAQ:PPC) (“Pilgrim’s”), an American Company controlled by JBS through ownership of 75% of its shares, today confirmed in the U.S that on June 1, 2014, Pilgrim’s Pride submitted a revised proposal to acquire The Hillshire Brands Company (NYSE: HSH) (“Hillshire”) for USD55.00 per share in cash in a transaction valued at USD7.7 billion. Pilgrim’s revised proposal is not subject to any financing conditions or contingencies.

Pilgrim’s anticipates run-rate cost synergies in excess of USD300 million annually to come from operational and value-chain efficiencies and, in addition, significant growth opportunities in higher margin branded products, both in North America and internationally. Pilgrim’s projects the combination to be immediately accretive to earnings due to these significant synergies and the availability of attractive financing terms.

JBS is confident that the Pilgrim's proposal is strategically and financially compelling, and creates considerable value for the shareholders of all involved parties. The proposal is aligned with the global strategy of JBS which is to expand its presence in the value added product segment with leading brands in the markets in which it operates that offer convenience and practicality to its consumers.

Hillshire Brands is a leading company in the US market for prepared meat based products with annual revenue of approximately USD4.0 billion and with about 9,000 team members. The Company is based in Chicago and has a portfolio of leading brands like Jimmy Dean, Ball Park, Hillshire Farms, State Fair, Sara Lee, Aidells, Gallo Salame among others.

São Paulo, June 3, 2014

Jeremiah O'Callaghan

Investor Relations Officer