



MATERIAL FACT

JBS S.A. and Pilgrim's Pride to acquire Tyson Foods Mexican and Brazilian Poultry Businesses

Sao Paulo, Brazil - July 28, 2014 - JBS S.A. (BM&FBovespa: JBSS3, OTCQX: JBSAY, "JBS" or "Company"), together with Pilgrim's Pride Corporation (NASDAQ: PPC, "PPC") announced today that a definitive agreement has been entered into for the entities to purchase the totality of the poultry businesses of Tyson Foods, Inc. (NYSE: TSN) in Mexico and Brazil. The Mexican business will be acquired through Pilgrim's Pride, whose majority owner is JBS USA Holdings, Inc., a wholly owned subsidiary of JBS S.A. The Brazilian business is to be acquired through JBS Foods S.A., also a wholly owned subsidiary of JBS S.A.

The transaction is valued at US\$575 million, of which US\$400 million represents the Mexican transaction while the balance of US\$175 million represents the value of the Brazilian purchase. Both transactions will be paid for in cash and are pending regulatory approvals by the competent authorities.

The Mexican entity, known as Tyson de México, is a vertically integrated poultry business based in Gomez Palacio in North Central México for more than 20 years. It has three plants and employs more than 5,400 team members in its plants, offices and 7 distribution centers. Pilgrim's Pride Mexico anticipates incremental annual revenue of approximately US\$650 million as a result of the transaction.

The acquisition in Brazil involves 3 fully integrated production plants, two in the state of Santa Catarina and one in the state of Parana. Tyson do Brasil, which exists since 2008, employs 5,000 team members and is expected to generate annual revenues of about US\$350 million for JBS Foods.

Once the sale is completed, JBS and PPC currently expect to maintain the operations working to capacity with the existing workforce, maintaining labor contracts in place in both countries.

São Paulo, July 28, 2014.

Jeremiah O'Callaghan
Investor Relations Officer

About JBS S.A.

With a history of six decades, JBS is currently the largest protein processor in the world. The company operates in the processing of beef, pork, lamb and chicken and in processing hides. Currently, JBS has more than 300 production facilities worldwide and over 185,000 employees focused on the company's success, supported by an entrepreneurial spirit and pioneering role. In addition, the company has a diversified product portfolio, with dozens of recognized brands in Brazil and abroad, such as Swift, Friboi, Seara, Maturatta, Cabaña Las Lilas, Pilgrim's Pride, Gold Kist Farms, Pierce and 1855. This variety of products and a presence in 22 countries on five continents (from production platforms and offices) serve more than 300,000 customers in over 150 nations.