

**JBS S.A.**

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

Company Registry (NIRE): 35.300.330.587

**EXTRACT OF THE MINUTES OF THE BOARD OF DIRECTORS' MEETING  
HELD ON AUGUST 13, 2014**

**Date, Time and Venue:** August 13, 2014, 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 Board of Directors attended the meeting, thus representing the sufficient quorum to install the Company's Board of Directors' Meeting.

**Presiding Board:** Joesley Mendonça Batista, **Chairman;** and Daniel Pereira de Almeida Araújo, **Secretary.**

**Agenda:**

**Informative:** (i) presentation on the panorama of the market and operations of the Company and its subsidiaries; and (ii) presentation on the National Solid Waste Policy ("PNRS") and on the current status of the sustainability actions being taken by the Company.

**Deliberative:** (i) analyze and approve the Company's quarterly financial information for the period ended June 30, 2014 ("Financial Information"); (ii) renew the plan to repurchase the Company's existing shares, through the approval of the acquisition of the Company's shares to be held in treasury and subsequently cancelled or sold, and the ratification of the acquisitions made to date; (iii) approve the Company's participation in the process of migrating the stake held by Arla Foods International AS in Dan Vigor Ind. Com. Lat. Ltda. to Vigor Alimentos S.A.; and (iv) approve the Company's entry into the Corporate Commitment to Recycling (CEMPRE) program, as a form of complying with the PNRS and the

implementation of Reverse Logistics of solid waste in Brazil.

**Resolutions:**

First, for informative purposes, the following items were examined: **(i)** the panorama of the market and operations of the Company and its subsidiaries; and **(ii)** the National Solid Waste Policy (“PNRS”) and the current status of the sustainability actions being taken by the Company.

Next, the Board Members examined the deliberative items on the agenda and unanimously resolved to:

**Deliberative:** **(i)** approve the Financial Information, which was the object of an opinion report, without any reservations or comments by the Independent Auditors (BDO RCS Auditores Independentes SS) or the Company’s Fiscal Council; **(ii)** renew the Company’s existing share buyback program, pursuant to Article 19, XVI of the Company’s Bylaws and in compliance with the requirements of CVM Instruction no. 10 (“CVM Instruction 10”), in order to authorize the acquisition of up to one hundred and nineteen million, five hundred and forty-eight thousand, seven hundred and fifty-five (119,548,755) common, registered, book entry shares, with no par value, issued by the Company, to be held in treasury and subsequently cancelled or sold, without a reduction in capital, with the Executive Board determining the opportunity and quantity of shares to be effectively acquired, subject to the limits and terms of this authorization. Pursuant to Article 18 of CVM Instruction 10, it was decided that: (a) the Company’s operational objective is to maximize the generation of value for shareholders through the efficient management of its capital structure, (b) given the amount of shares currently held in treasury by the Company, which is forty-eight million, eight hundred and ninety-four thousand, one hundred and eighty-two (48,894,182) shares, the number of shares to be acquired is up to one hundred and nineteen million, five hundred and forty-eight thousand, seven hundred and fifty-five (119,548,755) common, registered, book entry shares, with no par value, issued by the Company, totaling one hundred and sixty-eight million, four hundred and forty-two thousand, nine hundred and thirty-seven (168,442,937) shares, equivalent to ten percent (10%) of all outstanding shares; (c) the maximum term for the completion of the operation herein authorized is three hundred and sixty-five (365) days from this date, which is August 13, 2015; (d) the quantity of outstanding shares in the market,

as defined in Article 5 of CVM Instruction 10, is one billion, six hundred and eighty-four million, four hundred and twenty-nine thousand, three hundred and seventy-three (1,684,429,373) common, registered, book entry shares, with no par value; and (e) the operations to acquire the shares will be carried out at market value, 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 on the sale or cancellation of these shares will be made in due course and communicated to the market. The Company's Executive Officers will be authorized to take all of the steps necessary to carry out the above items, when they deem it appropriate; **(iii)** approve the Company's participation in the process of transferring the stake held by Arla Foods International AS in Dan Vigor Ind. Com. Lat. Ltda. to Vigor Alimentos S.A., authorizing the Company's Executive Board to take all of the steps necessary to carry out this transfer; and **(iv)** approve the Company's entry into the Corporate Commitment to Recycling (CEMPRE) program, as a form of complying with the PNRS and the implementation of Reverse Logistics of solid waste in Brazil.

**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. These minutes were drawn up in summary format, pursuant to Article 130, paragraph 1 of the Brazilian Corporate Law.

**Attending Board Members:** Joesley Mendonça Batista, Wesley Mendonça Batista, José Batista Sobrinho, Marcus Vinicius Pratini de Moraes, Humberto Junqueira de Farias, Marcio

Percival Alves Pinto, João Carlos Ferraz and Tarek Mohamed Noshy Nasr Mohamed Farahat

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

São Paulo, August 13, 2014.

Daniel Pereira de Almeida Araujo  
**Secretary**