



NOTICE TO THE MARKET

JBS IS NOT A TARGET OF A FEDERAL POLICE OPERATION

JBS S.A. (BM&FBOVESPA: JBSS3, OTCQX: JBSAY, "JBS" or "Company"), announces to its shareholders and to the market in general that, in relation to reports in the press this morning, neither the Company nor any of its executives are the target of or are related to the Federal Police operation which occurred this morning in Brazil.

São Paulo, July 1, 2016

Jeremiah O'Callaghan

Investor Relations Officer