



## **MATERIAL FACT**

### **JBS Announces the Filing of Registration Statements on Forms F-1 and F-4 with the SEC**

### **JBS also announces that it filed a request to register as a Foreign Issuer allied with a BDR Program with the CVM in Brazil**

JBS S.A. ("JBS S.A." or the "Company" - BM&FBOVESPA: JBSS3, OTCQX: JBSAY), in compliance with the provisions set forth in the Brazilian Securities Exchange Commission ("CVM") Rule no. 358, dated January 3, 2002, as amended, informs its shareholders and the market in general that, continuing the preparation of the corporate reorganization described in the material fact dated May 11, 2016 ("Reorganization"), JBS Foods International Designated Activity Company ("JBSFI") submitted to the U.S. Securities and Exchange Commission ("SEC") Registration Statements on Forms F-1 and F-4 in order to register (a) the *pro rata* distribution of the ordinary shares of JBSFI (including in the form of Brazilian depository receipts ("BDR")) to the Company's shareholders in connection with the Company's capital reduction and (b) the transaction whereby the holders of (b.1) common shares issued by the Company that are U.S. Persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended) or that are located in the United States of America or that are residents of, or located in, jurisdictions outside of Brazil, and (b.2) common shares of the Company represented by American Depositary Shares ("ADS") may exchange their JBS S.A. common shares or JBS S.A. ADS to JBSFI in consideration for newly-issued JBSFI ordinary shares (including BDRs). The registration statement on Form F-1 must be declared effective by the SEC, among other conditions, in order for the ordinary shares of JBSFI to be listed and authorized to trade on the New York Stock Exchange as is contemplated in connection with the Reorganization.

Additionally, the Company discloses that JBSFI today filed with the CVM (i) a request to register as a foreign issuer, in accordance with CVM Rule no. 480, dated December 7, 2009, as amended, and (ii) a request to be admitted to a BDR Level II program, which shall be backed by ordinary shares issued by JBSFI, in accordance with the provisions set forth in the CVM Rule no. 332, dated April 4, 2000, as amended. In accordance with the highest standards of corporate governance and best practices, the Company shall maintain its shareholders and the market informed with regards to the progress of the registrations mentioned in this Material Fact, as well as in relation to the progress of the next steps required to consummate the Reorganization.

**São Paulo, August 5, 2016**

**Jeremiah O'Callaghan  
Investor Relations Officer**

**Important Notices and Additional Information**

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**Important Notice Regarding Forward-Looking Statements**

This communication contains certain forward-looking statements. Statements that are not historical facts, including statements about our perspectives and expectations, are forward looking statements. The words “expect”, “believe”, “estimate”, “intend”, “plan” and similar expressions, when related to JBS S.A. and its subsidiaries, indicate forward-looking statements. These statements reflect the current view of management and are subject to various risks and uncertainties. These statements are based on various assumptions and factors, including general economic, market, industry, and operational factors. Any changes to these assumptions or factors may lead to practical results different from current expectations. Excessive reliance should not be placed on those statements. Forward-looking statements relate only to the date they were made and JBS S.A. undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.