



## **MATERIAL FACT**

### **JBS S.A. Announces That Its Subsidiary JBS Foods International B.V. Plans to Conduct a Registered Initial Public Offering In the U.S.**

JBS S.A. ("JBS" or the "Company"), in a further step towards advancing its planned reorganization, announces that its Board of Directors today unanimously approved the filing of a registration statement with the U.S. Securities and Exchange Commission ("SEC") of its subsidiary JBS Foods International B.V. (which shall be converted into JBS Foods International N.V.) ("JBSFI") in connection with its plan to conduct an initial public offering ("IPO") on the New York Stock Exchange ("NYSE") for its Class A common shares.

JBSFI has its official seat and registered office address in The Netherlands and shall house all of the international businesses of JBS plus Seara. JBS S.A. will continue to manage and control the Brazilian beef business and related activities including leather processing.

Wesley Mendonça Batista will be the Chairman, a non-executive director, of JBS Foods International. The Board of Directors of JBSFI will be composed of nine members, the majority of whom will be independent. Gilberto Tomazoni, who has held senior executive positions at JBS for the past four years, will be the CEO, while Russ Colaco will be CFO. The Company believes that this revised structure and proposed IPO reflects its global production platform, product portfolio and broad international customer base.

The Company expects to complete the IPO during the first half of 2017. The timing, number of Class A common shares and price of the proposed offering have not yet been determined.

This notice does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

With regard to this material fact, the management of JBS S.A. will conduct a conference call with analysts and investors tomorrow, December 06, 2016 at 10:00am (BRT) in Portuguese and 12:00pm (BRT) in English. Please use the following dial-in instructions:

<b>Conference Call in Portuguese</b>	<b>Conference Call in English</b>
December 6 <sup>th</sup> , 2016 10:00am (Brasilia Time) 07:00am (New York Time) Brazil: +55 11 3193-1001 or 2820-4001 Password: JBS	December 6 <sup>th</sup> , 2016 12:00am (Brasilia Time) 09:00am (New York Time) Brazil: +55 11 3193-1001 or 2820-4001 International: +1 412 317-6029 Password: JBS

**São Paulo, December 5<sup>th</sup>, 2016**

**Jeremiah O'Callaghan**

**Investor Relations Officer**