

JBS S.A. RAISES US\$2.8 BILLION IN A LIABILITY MANAGEMENT EXERCISE

JBS S.A. (IBOV: JBSS3, OTCQX: JBSAY, "Company"; "JBS") informs its shareholders and the market in general, that, pursuant to Article 12 of CVM's Instruction 358 of January 3, 2002, as amended, its subsidiary JBS USA Lux S.A. ("JBS USA") has entered into an agreement to raise US\$2.8 billion through a Senior Secured Term Loan B Facility ("Term Loan"), with an interest rate of LIBOR + 2.50% due on October 30th, 2022.

Proceeds from this loan were used to pay down a total of US\$2.09 billion of the following debt:

- (i) US\$408.0 million Term Loan due 2018 with an interest rate of LIBOR + 2.75%;
- (ii) US\$486.0 million Term Loan due 2020 with an interest rate of LIBOR + 2.75%;
- (iii) US\$1.19 billion Term Loan due 2022 with an interest rate of LIBOR + 3.00%.

In addition to extending the Company's debt profile, the payment of the three Term Loans above resulted in savings of US\$8.0 million per year.

The additional US\$710.0 million will be used to pay shorter term debt with higher interest rates, which will represent annual savings of around US\$50.0 million in financial expenses.

São Paulo, February 3rd, 2017

Jeremiah O'Callaghan

Investor Relations Officer

DISCLAIMER AND SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any security and nor shall there be any offer, solicitation or sale of any security in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This press release 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 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 undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.