



## **MATERIAL FACT**

### **JBS AGREES TO PURCHASE PLUMROSE IN THE UNITED STATES**

JBS S.A. (IBOV: JBSS3, OTCQX: JBSAY, "Company"; "JBS") informs its shareholders and the market in general, pursuant to Article 12 of CVM's Instruction 358 of January 3, 2002, as amended, that on March 13, 2017, by way of its controlled company, JBS USA, it entered into a definitive share purchase agreement with Danish Crown A/S ("Danish Crown") to acquire Plumrose USA ("Plumrose") in the United States.

Plumrose offers an array of prepared foods and high value added products including bacon, hams, sliced deli meats and cooked ribs, sold under well-known brands, and is a respected company, known for quality, service and superior products. The acquisition includes: (i) five prepared foods facilities located in Indiana, Iowa (2), Mississippi and Vermont and; (ii) two distribution centers located in Indiana and Mississippi. Plumrose annual net revenue is estimated at \$500 million and the price for the acquisition was valued at \$ 230 million.

The acquisition of Plumrose is a continuation of JBS' strategy of expanding its portfolio of branded, high value added prepared foods, and strengthens its customer base and geographical distribution in the United States.

The transaction was approved by Danish Crown's and JBS' Board of Directors, and is subject to the usual regulatory approvals, including US antitrust authorities.

JBS will keep the market informed regarding the development of this acquisition.

Barclays acted as financial advisor, while Squire Patton Boggs acted as legal advisor to JBS in this transaction.

**São Paulo, March 13, 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.