



NOTICE TO THE MARKET

JBS S.A. (IBOV: JBSS3, OTCQX: JBSAY, "Company"; "JBS") informs its shareholders and the market in general that, in connection with the operation conducted today by the Brazilian Federal Police, no judicial measures have been taken against the Company's executives. In addition, the company's headquarters were not a target of the operation.

The operation conducted today involves companies located in several regions of Brazil, and also involves three of JBS' facilities, two in Paraná and one in Goiás. In the facility located in Lapa, in the state of Paraná, a judicial measure was issued against one of its veterinarians, a JBS employee, who performs auxiliary inspections services for the Ministry of Agriculture.

JBS and its subsidiaries rigidly follow all regulatory guidelines in connection with the production and sale of food products in Brazil and globally, and supports all efforts aimed at punishing any violation.

JBS in Brazil and throughout the globe adopts rigorous quality standards with systems, processes and controls that guarantee food safety and product integrity. The Company further states that its food production practices have been certified by highly recognized global entities, which further confirms its high standards of food production and product integrity.

The Company strongly repudiates any practices related to product adulteration or tampering, whether in the production or sale of products, and it is available to address any concerns with the authorities.

São Paulo, March 17, 2017

**Jeremiah O'Callaghan
Investor Relations Officer**