

## **NOTICE TO THE MARKET**

JBS S.A. (IBOV: JBSS3, OTCQX: JBSAY, "Company"; "JBS"), pursuant to CVM's Instruction 358 of January 3, 2002, as amended, announces to its shareholders and the market in general, in relation to recent media reports regarding foreign currency operations, that the Company manages its foreign currency and commodities exposure on a daily basis.

JBS has a policy of using financial protection instruments with the sole objective of minimizing currency and commodities risks associated with its debt and US dollar receivables.

In light of JBS' exposure to the US dollar, an example of a potential impact from that currency's fluctuation is that, when considering the exchange rate variation from R\$3.16 on March 31st – closing of the 1st quarter – to R\$3.40 on May 18th, without hedging JBS would have incurred a loss greater than R\$ 1 billion.

The Company reiterates that the operations undertaken during the last few days remain in line with its risk management and financial protection policies.

**São Paulo, May 19, 2017**

**Jeremiah O'Callaghan**  
**Investor Relations Officer**