

## **MATERIAL FACT**

### **TAREK FARAHAT ELECTED CHAIRMAN OF THE BOARD OF JBS**

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 that, in a Board of Directors meeting held today, Tarek Farahat, current Board Member, was unanimously elected Chairman. Mr. Farahat replaces Mr. Joesley Batista, who resigned as Chairman and Member of the Board and the Committees in which he participated.

Tarek Farahat has worked for Procter & Gamble ("P&G") for 26 years, serving in a number of leadership positions in several regions around the globe, including the Middle East, Europe and Latin America. From 2006 to 2012, he served as president of P&G Brazil. In 2012, he became president of P&G Latin America and an officer of the Company's executive board. Tarek has been a member of the Board of Directors of JBS since 2013 and has served as Global President of Marketing and Innovation since 2015.

In the same meeting, José Batista Sobrinho was unanimously elected Vice Chairman of the Board.

The Board also ratified the creation of a Governance Committee, which will be led by Tarek Farahat and whose main objective will be to implement global best practices in corporate governance and compliance at JBS.

"Governance is my utmost priority. We will work hard to restore trust with the market and protect the more than 235 thousand families that are part of JBS. There is a significant amount of work to be done in order to regain the trust of our stakeholders", stated Tarek Farahat.

"We remain focused on offering consumers the highest quality products and services, while maintaining a close partnership with our suppliers and clients, and supporting our more than 235 thousand team members worldwide", added Tarek Farahat.

**São Paulo, May 26, 2017**

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