

NOTICE TO THE MARKET

JBS Appoints Gilberto Xandó to Board of Directors

JBS S.A. (B3: JBSS3, OTCQX: JBSAY, "Company"; "JBS"), in accordance with Article 12 of CVM's Instruction 358 of January 3, 2002, as amended, announces to its shareholders and to the market in general the appointment of Gilberto Xandó to its Board of Directors, replacing Joesley Batista, who resigned from the board on May 26, 2017.

In 2011, Xandó assumed the position of CEO of Vigor, a leading company in the production and marketing of value added products in the dairy segment in Brazil. Previously, he was a senior executive in Natura Brasil and Sadia S.A., where he spent more than 20 years in areas including finance, marketing, sales and international growth and development. During his time at Sadia S.A., Xandó was responsible for overseeing the successful internationalization of the business.

Xandó holds a bachelor's degree in Business Administration from Getúlio Vargas Foundation, with a MBA in Retail from the University of São Paulo (FEA USP) and a specialization in Business Management PGA from Dom Cabral Foundation and INSEAD in France.

Tarek Farahat, Chairman of JBS S.A. stated, "I am pleased to welcome Gilberto Xandó to our board. His reputation and experience in the food industry and expertise in trade and finance will be invaluable assets as we work to rebuild trust in our business."

São Paulo, June 14, 2017

**Jeremiah O'Callaghan
Investor Relations Officer**