

MATERIAL FACT

JBS ANNOUNCES THE SALE OF MOY PARK IN CONNECTION WITH ITS DIVESTMENT PLAN

JBS S.A. (“JBS” or “Company” – B3: JBSS3; OTCQX: JBSAY), in accordance with the terms of CVM Regulation Number 358, dated January 3, 2002, as amended, communicates to its shareholders and to the market in general, further to the Material Fact of June 20, 2017, in connection with its Divestment Plan, that it has signed an agreement to sell the totality of its equity interest in Moy Park to Pilgrim’s Pride Corporation (“PPC”) for an enterprise value of £1 billion (approximately US\$1.3 billion), representing an equity value of approximately £790 million.

The transaction was unanimously approved by a Special Committee of PPC’s Board of Directors. Comprised entirely of independent members representing minority shareholders, the Special Committee was delegated full authority from the Board of Directors to analyze, negotiate and approve the transaction.

In addition to providing certainty of closure, JBS’ management believes that: (i) the transaction will allow the Company to maintain a strong financial performance, with diversified assets and an innovative product portfolio that further supports its intention to seek a public listing in the United States; (ii) the acquisition will create a more efficient corporate structure and; (iii) PPC’s leadership team as ideally suited to unlock further value at Moy Park, particularly given the recently successful integrations of Tyson de Mexico and GNP, coupled with the robust performance in its legacy business.

JBS will use the proceeds from the transaction to reduce short-term debt in Brazil, improving its debt profile and liquidity.

The transaction was unanimously approved by JBS’ Board of Directors.

São Paulo, September 11, 2017

Jeremiah O’Callaghan
Investor Relations Officer