



## 2017 RESULTS

**JBS ended 2017 with a 18.9% higher EBITDA  
of R\$13.4 billion**

*FY free cash flow was R\$2.8 billion*

- In 2017, net revenue was **R\$163.2 billion**, equivalent to **US\$51.5 billion**
- Gross profit totaled **R\$23.8 billion**, an increase of 11.5%, with gross margin increasing from 12.5% to 14.6%
- FY EBITDA was **R\$13.4 billion**, 18.9% higher than 2016, with EBITDA margin increasing from 6.6% to 8.2%
- Adjusted net income\* was **R\$2.1 billion**, while reported net income was R\$534.2 million
- Operating cash flow was **R\$5.2 billion** and free cash flow was **R\$2.8 billion**
- Leverage was reduced to **3.38x** from 4.16x in 4Q16, while short-term debt decreased by **25.5%**
- Total liquidity was **R\$15.2 billion**, **R\$1.7 billion** higher than short-term debt

\*Adjusted to exclude the impact from adherence to the Special Tax Regularization Program (PERT).

**“To be the best in all that we do, completely focused on our business, ensuring the best products and services to our customers, a relationship of trust with our suppliers, profitability for our shareholders and the opportunity of a better future for all of our team members.” – JBS mission**



# A MESSAGE FROM THE PRESIDENT

JBS is a company that, since its founding in 1953, has been comprised of people who share the same values and are engaged in the same mission.

We believe that things are achieved through hard work, by people who are passionate about what they do and dedicated to being the best in all that we do.

Over the past 65 years, there has not been a single day that was not a challenging day. Due to the efforts of our 235,000 team members, we have had the capacity to transform challenges into opportunities and overcome any obstacle in front of us.

JBS has qualities that make it unique. First, the value of our people. We have a spectacular team that is dedicated and highly committed, and which, in tough times, always chose the team over the individual. Second, our team is led by experts that are well-recognized by the market, who have the autonomy to lead our different businesses.

In 2017, we ended another year with solid, consistent results that demonstrate our capacity to overcome challenges. The determination and discipline of our team were essential in achieving one of the best operational results in our history. 2017 adjusted net income was R\$2.1 billion, while reported net income was R\$534.2 million, 128.7% higher than 2016. Our consolidated sales reached R\$163.2 billion, with an EBITDA of R\$13.4 billion, which represents an increase of 18.9% over the previous year, and an EBITDA margin of 8.2%.

We fulfilled our commitment to reduce leverage, achieving 3.38x (net debt/EBITDA) – the lowest in our sector in Brazil – in addition to recording a total liquidity higher than our short-term debt.

This is the result of JBS's presence in different markets and wide portfolio of products provided to more than 350,000 customers worldwide. Quality and service have always been priorities for our company. We focus each and every day on achieving a standard of excellence in food safety and innovation, while providing the best service to our customers.

If we were able to grow over the past 65 years, it is only due to the trust we have from our suppliers. The commitment to produce what is best is derived from the mutual respect we share with our partners. Working in partnership, we produce products of the highest quality.

We also made important steps to improve transparency in 2017. We aim to establish an industry standard for compliance. To accomplish this, we established a Compliance Department that acts independently, reports directly to the Board of Directors and is led by the newly-appointed Global Head of Compliance. We also implemented the “Always Do it Right” compliance program to consolidate all of our compliance initiatives. To ensure a culture of compliance is deeply-rooted in our company, we provided compliance and ethics training to all leadership and established a new whistleblower hotline, the JBS Ethical Line. In January of this year, Transparency International, an NGO that analyzes anticorruption programs and the level of corporate transparency in the 100 largest Brazilian companies, provided JBS with an 8.1 “high score,” versus a national average score for all other companies of 5.7.

We believe that JBS' commitment to sustainability will ensure the Company's future. This is reflected in the progress achieved in projects addressing environmental preservation and in the external recognition of our efforts, including certification from CDP (Carbon Disclosure Project), a global entity dedicated to analyzing climate change processes. Our programs to fight against deforestation and to manage water efficiently are the most developed in the sector. We also created an Animal Well-Being Committee that has the responsibility to establish guidelines to prioritize the proper treatment of the animals under our care.

We ended 2017 stronger and more united. I am very proud of everything that we are building and even more confident in our future. To those who have supported us throughout our history and to those who are a part of it, thank you very much.



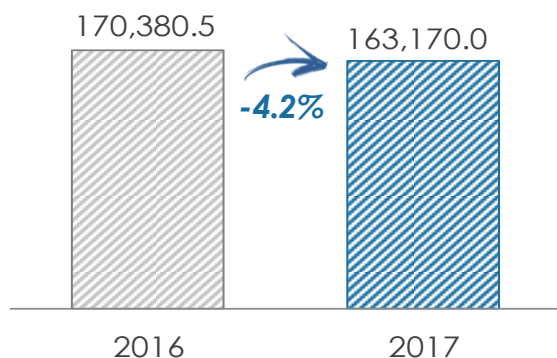
**José Batista Sobrinho**  
JBS Global CEO

# 2017 FINANCIAL HIGHLIGHTS

## NET REVENUE

### R\$163.2Bn

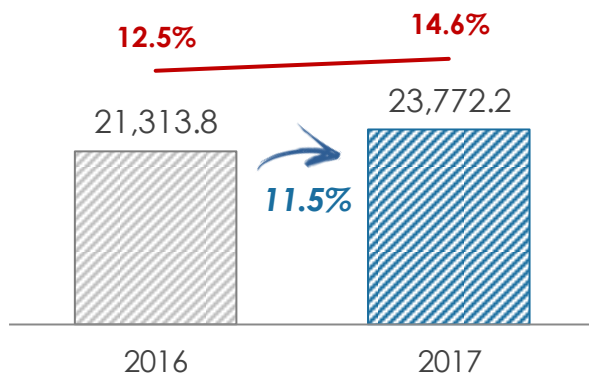
Reduction of 4.2% compared with 2016



## GROSS PROFIT

### R\$23.8Bn

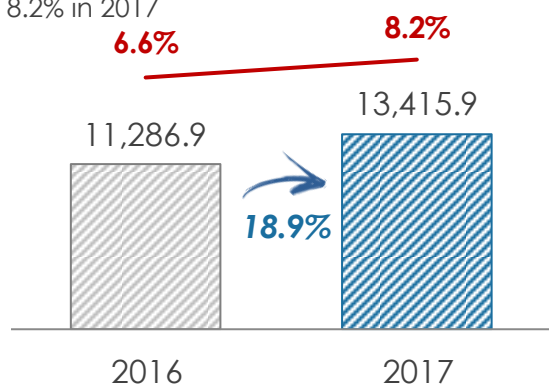
Increase in gross margin from 12.5% in 2016 to 14.6% in 2017



## ADJUSTED EBITDA

### R\$13.4Bn

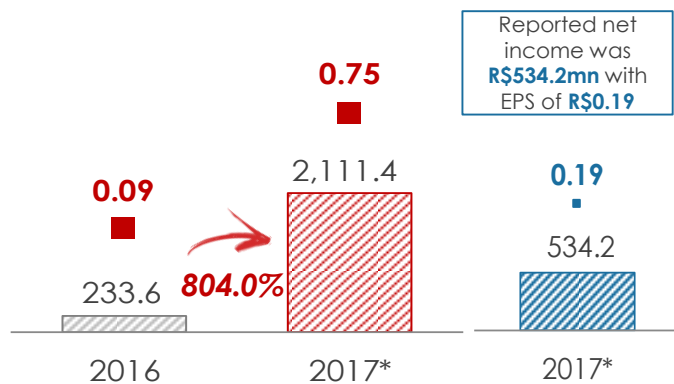
Increase in EBITDA margin from 6.6% in 2016 to 8.2% in 2017



## ADJUSTED NET INCOME

### R\$2.1Bn

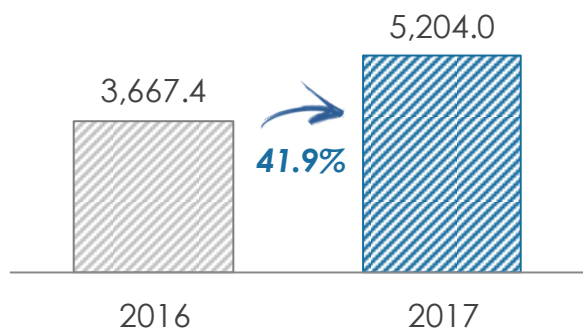
Excluding the net effect from adherence to PERT



## OPERATIONAL CASH FLOW

### R\$5.2Bn

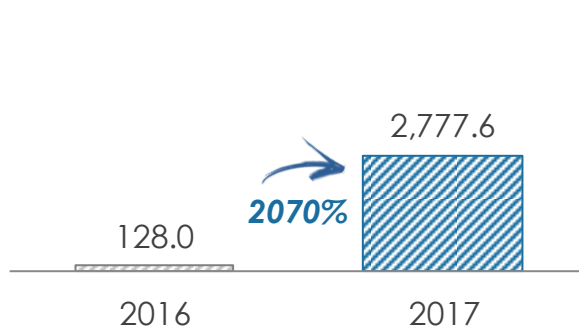
A 41.9% Increase when compared with 2016



## FREE CASH FLOW

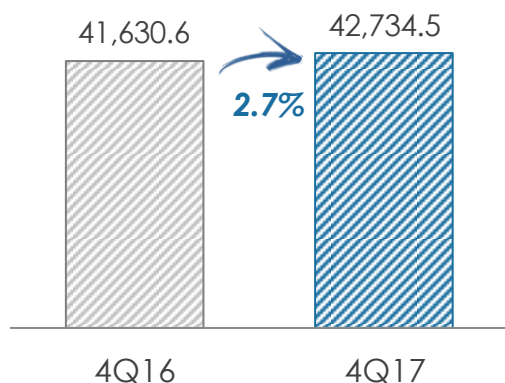
### R\$2.8Bn

A 2070% Increase when compared with 2016



# 4Q17 FINANCIAL HIGHLIGHTS

## NET REVENUE



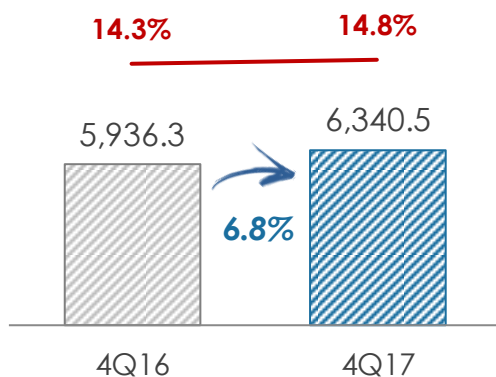
**R\$42.7 Bn**

2.7% higher than 4Q16.

## GROSS PROFIT

**R\$6.3 Bn**

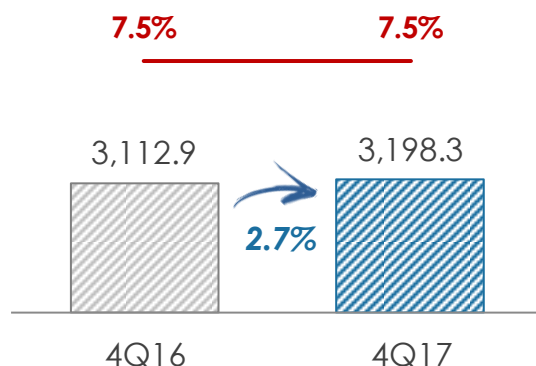
Increase in gross margin from 14.3% in 4Q16 to 14.8% in 4Q17



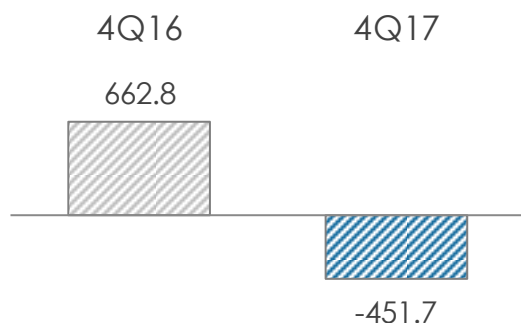
## EBITDA

**R\$3.2 Bn**

EBITDA margin was stable 7.5% both in 4Q16 and 4Q17



## NET INCOME

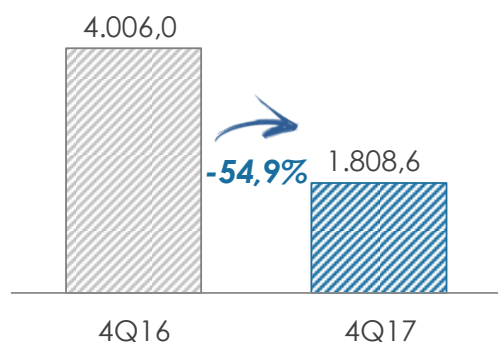


In 4Q17, JBS recorded a loss of

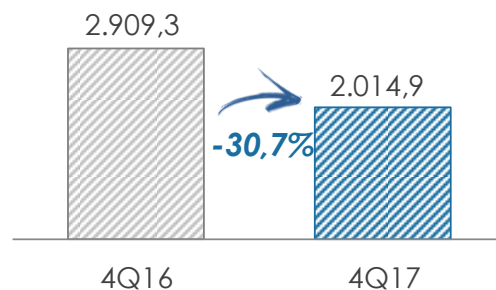
**R\$451.7 mn**

# 2017 AND 4Q17 FINANCIAL HIGHLIGHTS

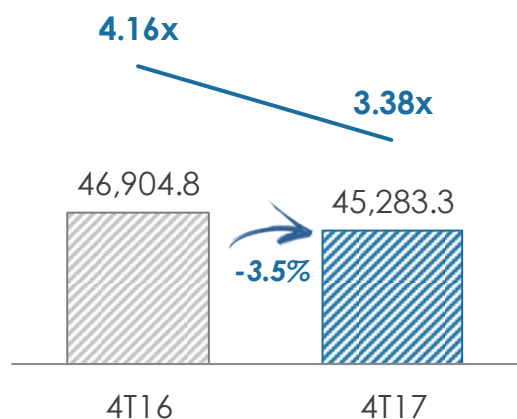
## OPERATIONAL CASH GENERATION R\$1.8Bn



## FREE CASH GENERATION R\$2.0Bn



## NET DEBT AND LEVERAGE



Leverage was reduced to

**3.38x** in 4Q17,

despite the FX impact at the closing of the quarter (R\$3.26 in 4Q16 to R\$3.31 in 4Q17)

## JBS Consolidated Financial Income

R\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	R\$ MM	% ROL	R\$ MM	% ROL		4Q17 vs 3Q17	R\$ MM		% ROL	4Q17 vs 4Q16	R\$ MM	% ROL	
<b>Net Revenue</b>	<b>42,734.5</b>	<b>100.0%</b>	<b>41,144.4</b>	<b>100.0%</b>	3.9%	<b>41,630.6</b>	<b>100.0%</b>	2.7%	<b>163,170.0</b>	<b>100.0%</b>	<b>170,380.5</b>	<b>100.0%</b>	-4.2%
Cost of Goods Sold	(36,394.0)	-85.2%	(34,292.7)	-83.3%	6.1%	(35,694.2)	-85.7%	2.0%	(139,397.7)	-85.4%	(149,066.7)	-87.5%	-6.5%
<b>Gross Profit</b>	<b>6,340.5</b>	<b>14.8%</b>	<b>6,851.7</b>	<b>16.7%</b>	-7.5%	<b>5,936.3</b>	<b>14.3%</b>	6.8%	<b>23,772.2</b>	<b>14.6%</b>	<b>21,313.8</b>	<b>12.5%</b>	11.5%
Selling Expenses	(2,457.0)	-5.7%	(2,125.8)	-5.2%	15.6%	(2,461.0)	-5.9%	-0.2%	(8,862.0)	-5.4%	(9,849.7)	-5.8%	-10.0%
General and Adm. Expenses	(2,246.3)	-5.3%	(3,321.0)	-8.1%	-32.4%	(1,561.4)	-3.8%	43.9%	(8,216.3)	-5.0%	(5,006.8)	-2.9%	64.1%
Net Financial Income (expense)	(2,075.3)	-4.9%	(898.5)	-2.2%	131.0%	(939.8)	-2.3%	120.8%	(5,595.3)	-3.4%	(6,311.3)	-3.7%	-11.3%
Equity in earnings of subsidiaries	1.4	0.0%	9.3	0.0%	-84.6%	3.5	0.0%	-59.6%	18.6	0.0%	17.5	0.0%	6.4%
Other Income (expense)	173.7	0.4%	(161.2)	-0.4%	-	(19.2)	0.0%	-	34.5	0.0%	127.3	0.1%	-72.9%
<b>Operating Income</b>	<b>(263.0)</b>	<b>-0.6%</b>	<b>354.6</b>	<b>0.9%</b>	-	<b>958.5</b>	<b>2.3%</b>	-	<b>1,151.8</b>	<b>0.7%</b>	<b>290.8</b>	<b>0.2%</b>	<b>296.0%</b>
Income and social contribution taxes	(82.1)	-0.2%	124.3	0.3%	-	(250.5)	-0.6%	-67.2%	(126.3)	-0.1%	274.3	0.2%	-
Minority interest	(106.6)	-0.2%	(155.8)	-0.4%	-31.6%	(45.3)	-0.1%	135.4%	(491.3)	-0.3%	(331.5)	-0.2%	48.2%
<b>Net Income (Loss)</b>	<b>(451.7)</b>	<b>-1.1%</b>	<b>323.0</b>	<b>0.8%</b>	-	<b>662.8</b>	<b>1.6%</b>	-	<b>534.2</b>	<b>0.3%</b>	<b>233.6</b>	<b>0.1%</b>	<b>128.7%</b>
<b>Adjusted EBITDA</b>	<b>3,198.3</b>	<b>7.5%</b>	<b>4,319.3</b>	<b>10.5%</b>	-26.0%	<b>3,112.9</b>	<b>7.5%</b>	2.7%	<b>13,415.9</b>	<b>8.2%</b>	<b>11,286.9</b>	<b>6.6%</b>	18.9%
<b>Earnings per Share</b>	<b>n.a.</b>		<b>0.12</b>		-	<b>0.14</b>		-	<b>0.19</b>		<b>0.09</b>		111.1%

# 2017 AND 4Q17 CONSOLIDATED RESULTS

## Net Revenue

In 2017, net revenue totaled R\$163,170.0 million, a 4.2% reduction compared with 2016, as a result of the impact of FX variation and the sale of assets as a part of the divestment plan.

In 4Q17, JBS posted a consolidated net revenue of R\$42,734.5 million in 4Q17, an increase of 2.7% compared with 4Q16. In the quarter, approximately 76% of JBS global sales came from markets where the company operates and 27% from exports.

## EBITDA

In 2017, EBITDA was R\$13,181.7 million, an increase of 16.8% in relation to the previous year. EBITDA margin increased from 6.6% in 2016 to 8.2% in 2017.

EBITDA in 4Q17 was R\$3,198.3 million, an increase of 2.7% in relation to 4Q16. EBITDA margin remained stable at 7.5%.

R\$ Million	4Q17	3Q17	Δ%	4Q16	Δ%	2017	2016	Δ%
<b>Net income for the period (including minority interest)</b>	<b>(345.1)</b>	<b>478.9</b>	-	<b>708.1</b>	-	<b>1,025.5</b>	<b>565.1</b>	81.5%
Financial income (expense), net	2,075.3	898.5	131.0%	939.8	120.8%	5,595.3	6,311.3	-11.3%
Current and deferred income taxes	82.1	(124.3)	-	250.5	-67.2%	126.3	-274.3	-
Depreciation and amortization	1,154.3	1,127.5	2.4%	1,153.6	0.1%	4,471.7	4,500.6	-0.6%
Equity in subsidiaries	(1.4)	(9.3)	-84.6%	(3.5)	-59.6%	(18.6)	(17.5)	6.4%
Write-off of Mercosul	(272.3)	109.6	-	0.0	-	(162.8)	0.0	-
Results from adherence to PERT	0.0	1,839.8	-	0.0	-	1,839.8	0.0	-
Goodwill on the acquisition of tax credits	0.0	(76.0)	-	0.0	-	(76.0)	0.0	-
State tax payable installments	388.6	0.0	-	0.0	-	388.6	0.0	-
Other income / expenses	116.9	74.6	56.8%	32.9	255.3%	191.6	56.1	241.3%
Investigation impacts due to the leniency agreement	0.0	0.0	-	31.6	-	34.6	145.6	-76.3%
<b>(=) Adjusted EBITDA</b>	<b>3,198.3</b>	<b>4,319.3</b>	<b>-26.0%</b>	<b>3,112.9</b>	<b>2.7%</b>	<b>13,415.9</b>	<b>11,286.9</b>	<b>18.9%</b>

## Net Financial Results

In 2017, net financial expense was R\$5,592.3 million, a R\$716.0 million reduction compared with 2016.

JBS recorded net financial expense of R\$2,075.3 million in 4Q17. Net results from foreign exchange variation and the fair value of adjustments of derivatives was negative R\$1,092.7 million. Interest expense was R\$981.0 million, while interest income was R\$43.1 million. Taxes, contributions, tariffs and other expenses resulted in an expense of R\$44.6 million.

## Net Income

In 2017, net income adjusted by the net effect of adherence to the PERT program was R\$2,111.4 million, while reported net income totaled R\$534.2 million. 2017 EPS was R\$0.19.

JBS registered a R\$451.7 million loss in the quarter.

## Cash Flow Provided by Operating Activities and Free Cash Generation

In 2017, net cash generated by JBS' operating activities was R\$5,204.0 million, a 41.9% increase over 2016. Free cash generation (after investments) was R\$2,777.6 million in 2017, a 2070% increase over 2016.

In 4Q17, net cash generated by JBS' operating activities was R\$1,808.6 million, a 54.9% decrease compared with 4Q16. Free cash generation was R\$2,014.9 million in 4Q17, a 30.7% decrease over 4Q16.

## Cash Flow Used in Investing Activities

In 2017, total cash flow from investments was R\$2,462.0 million, of which 3,112.0 relate to THE acquisition of property, plant and equipment (CAPEX).

In 4Q17, total cash flow from investments was positive R\$170.7 million, of which R\$831.9 million refers to cash received from the sale of assets in the divestment plan.



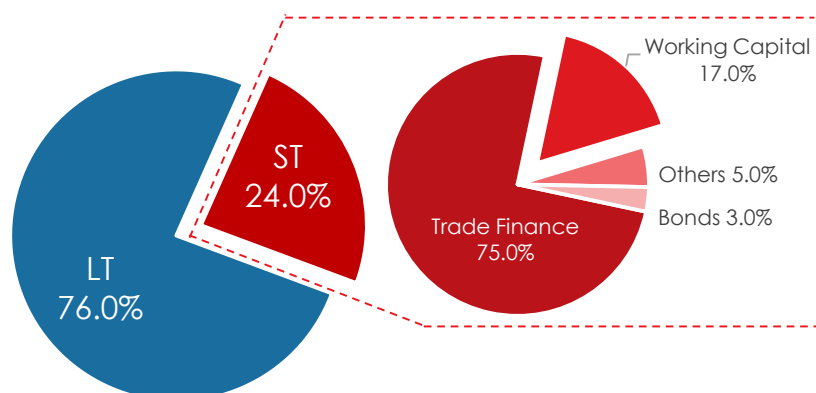
# 2017 AND 4Q17 CONSOLIDATED RESULTS

## Indebtedness

JBS ended 2017 with R\$11,741.3 million in cash. In addition, JBS USA has a US\$1,051.4 million fully available unencumbered line under revolving credit facilities, equivalent to R\$3,478.03 million at the prevailing exchange rate at the end of the year, providing JBS with a total liquidity of R\$15,219.3 million, R\$1.7 billion higher than short-term debt. Net debt decreased from R\$46,904.8 million in 2016 to R\$45,283.3 million, even considering a FX impact, which was R\$3.26 at the end of 2016 and R\$3.31 at the end of 2017. Leverage was down from 4.16x in 2016 to 3.38x in 2017.

R\$ Million	12/31/17	12/31/16	Var. %
<b>Gross Debt</b>	<b>57,024.7</b>	<b>56,260.4</b>	<b>1.4%</b>
(+) Short Term Debt	13,526.1	18,148.8	-25.5%
(+) Long Term Debt	43,498.6	38,111.6	14.1%
(-) Cash and Equivalents	11,741.3	9,355.6	25.5%
<b>Net Debt</b>	<b>45,283.3</b>	<b>46,904.8</b>	<b>-3.5%</b>
Leverage	<b>3.38x</b>	<b>4.16x</b>	

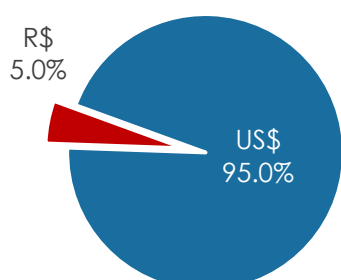
## Debt profile Short-Term / Long-Term



Short-term debt in relation to total debt was reduced to 24% in 4Q17, of which 75% is related to export trade financing costs incurred by the JBS Brazilian businesses.

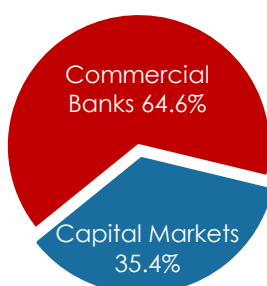
## Currency & Cost Breakdown

✓ 9.13% p.a.

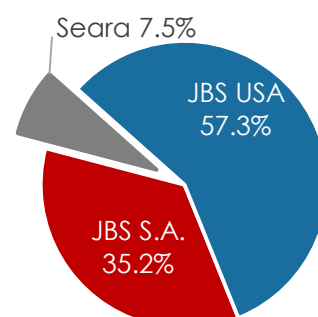


✓ 5.40% p.a.

## Source Breakdown

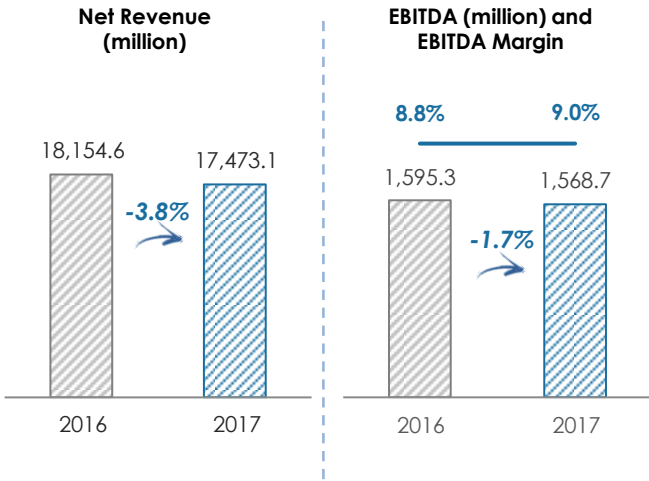


## Entity Breakdown

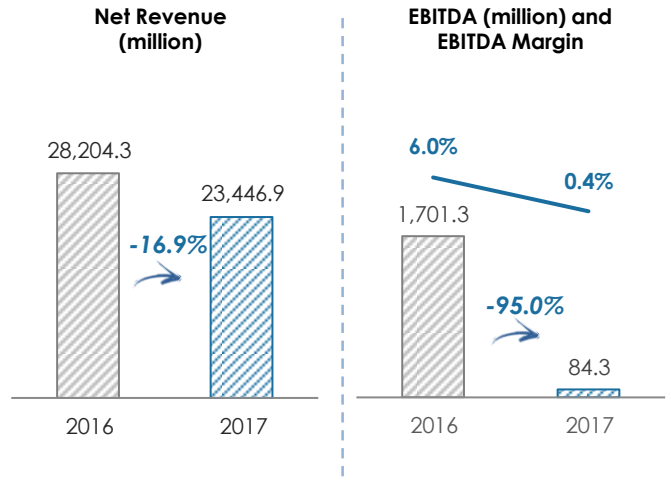


# 2017 BUSINESS UNITS

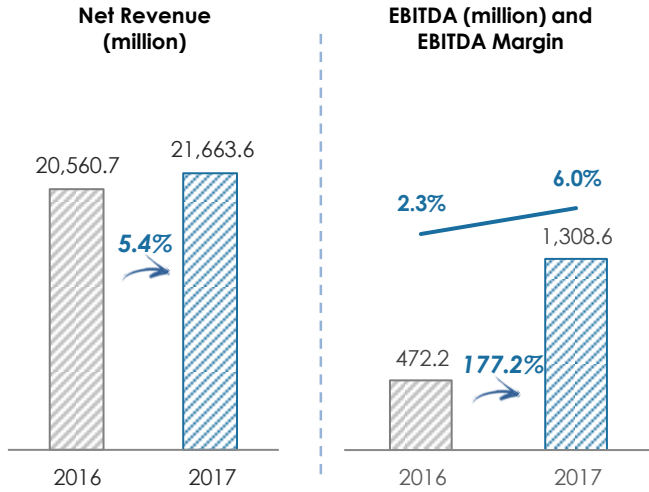
## Seara (R\$)



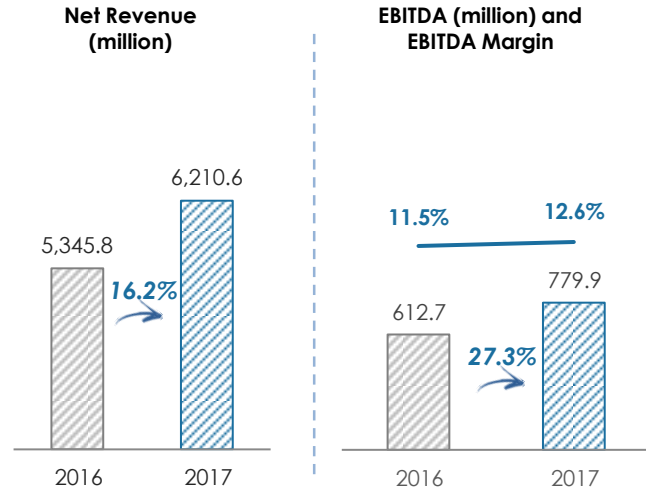
## JBS Brazil (R\$)



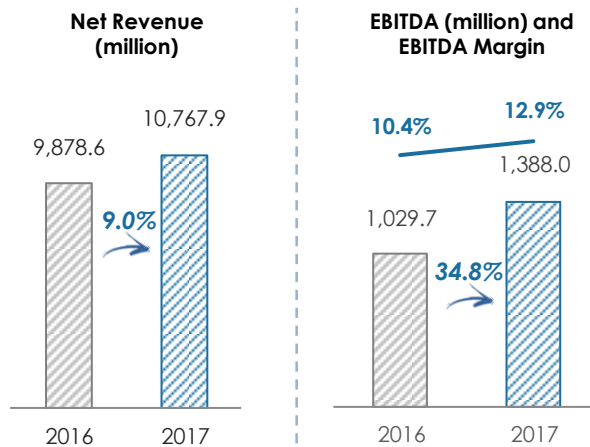
## JBS USA Beef (US\$)



## JBS USA Pork (US\$)



## Pilgrim's Pride<sup>1</sup> (US\$)

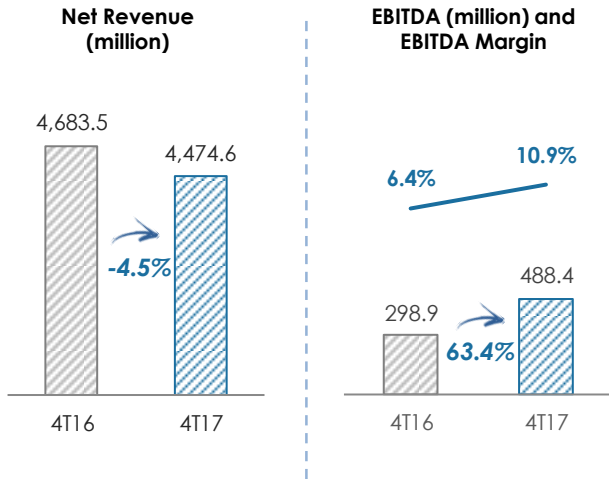


Note 1: includes Moy Park results in 2016

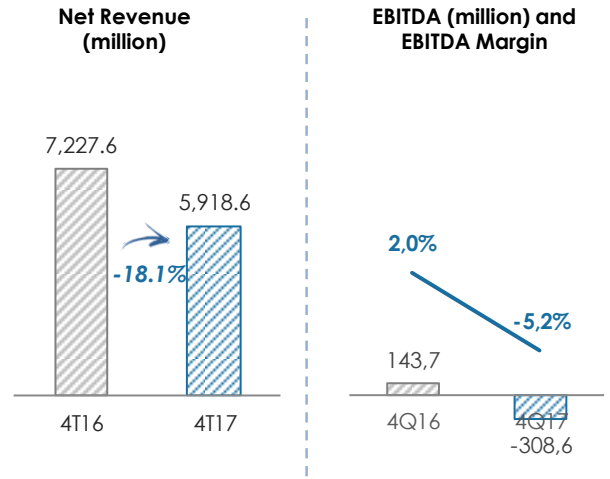


# 4Q17 BUSINESS UNITS

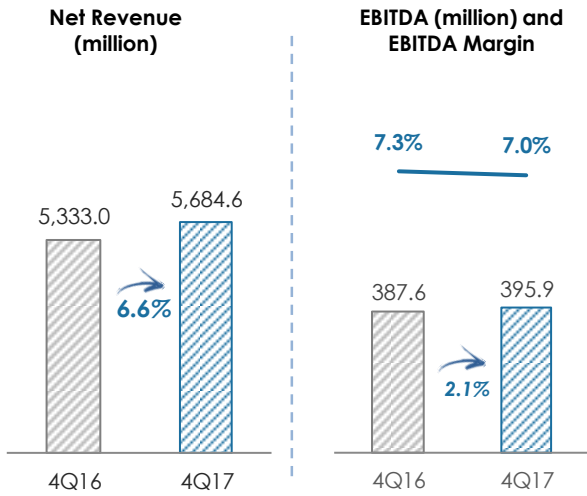
## Seara (R\$)



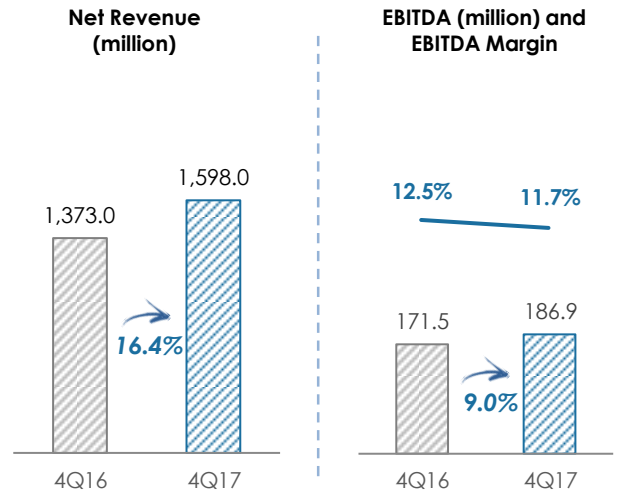
## JBS Brazil (R\$)



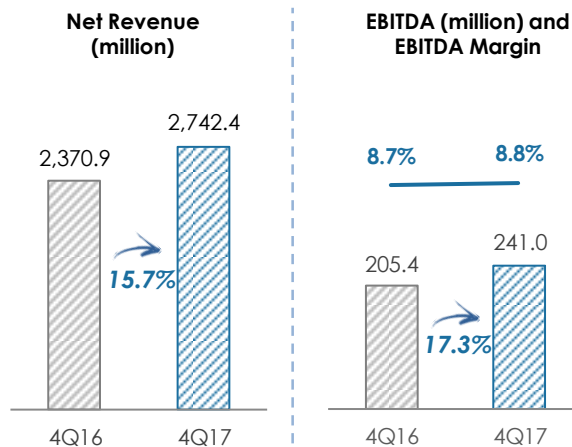
## JBS USA Beef (US\$)



## JBS USA Pork (US\$)



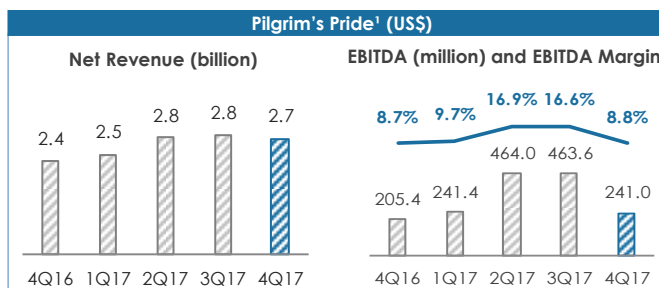
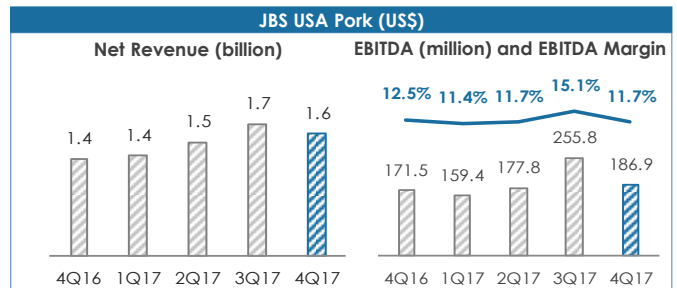
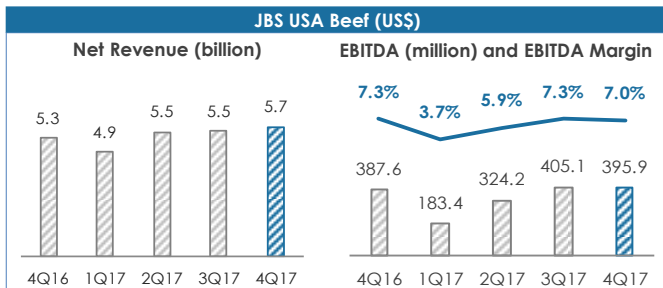
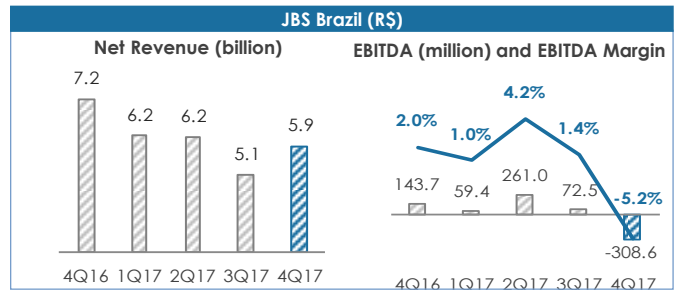
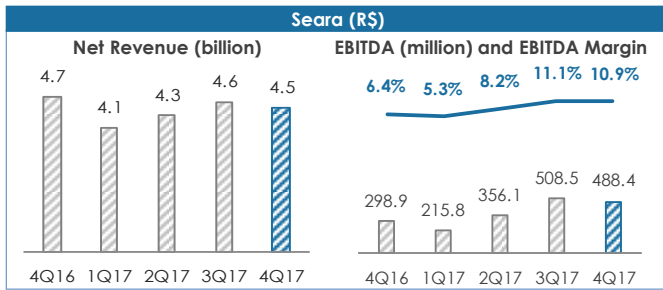
## Pilgrim's Pride<sup>1</sup> (US\$)



Note 1: includes Moy Park results in 4Q16

# BUSINESS UNITS 2017 AND 4Q17

Million		4Q17	3Q17	Δ%	4Q16	Δ%	2017	2016	Δ%
<b>Net Revenue</b>									
Seara	R\$	4,474.6	4,589.7	-2.5%	4,683.5	-4.5%	17,473.1	18,154.6	-3.8%
JBS Brazil	R\$	5,918.6	5,131.2	15.3%	7,227.6	-18.1%	23,446.9	28,204.3	-16.9%
JBS USA Beef	US\$	5,684.6	5,533.7	2.7%	5,333.0	6.6%	21,663.6	20,560.7	5.4%
JBS USA Pork	US\$	1,598.0	1,690.4	-5.5%	1,373.0	16.4%	6,210.6	5,345.8	16.2%
Pilgrim's Pride	US\$	2,742.4	2,793.9	-1.8%	2,370.9	15.7%	10,767.9	9,878.6	9.0%
<b>EBITDA</b>									
Seara	R\$	488.4	508.5	-4.0%	298.9	63.4%	1,568.7	1,595.3	-1.7%
JBS Brazil	R\$	-308.6	72.5	-	143.7	-	84.3	1,701.3	-95.0%
JBS USA Beef	US\$	395.9	405.1	-2.3%	387.6	2.1%	1,308.6	472.2	177.2%
JBS USA Pork	US\$	186.9	255.8	-26.9%	171.5	9.0%	779.9	612.7	27.3%
Pilgrim's Pride	US\$	241.0	463.6	-48.0%	205.4	17.3%	1,388.0	1,029.7	34.8%
<b>EBITDA Margin</b>									
Seara	%	10.9%	11.1%	-0.16 p.p.	6.4%	4.53 p.p.	9.0%	8.8%	0.19 p.p.
JBS Brazil	%	-5.2%	1.4%	-6.63 p.p.	2.0%	-7.20 p.p.	0.4%	6.0%	-5.67 p.p.
JBS USA Beef	%	7.0%	7.3%	-0.36 p.p.	7.3%	-0.30 p.p.	6.0%	2.3%	3.74 p.p.
JBS USA Pork	%	11.7%	15.1%	-3.44 p.p.	12.5%	-0.80 p.p.	12.6%	11.5%	1.10 p.p.
Pilgrim's Pride	%	8.8%	16.6%	-7.80 p.p.	8.7%	0.12 p.p.	12.9%	10.4%	2.47 p.p.



Note 1: includes Moy Park results in all quarters.

# BUSINESS UNITS 2017 AND 4Q17

## Seara

In 4Q17, Seara's net revenue totaled R\$4,474.6 million, which represents a 4.5% decrease in relation to 4Q16, mainly due to lower volumes, notably in fresh poultry, both domestically and internationally, and in pork exports, which were impacted by the temporary ban Russia imposed on Brazilian pork. It is important to highlight the positive performance of holiday products, which posted a higher profitability in comparison to the previous year. In 2017, net revenue was R\$17,473.1 million, a 3.8% reduction compared to 2016, reflecting lower fresh poultry revenues, partially compensated by fresh pork, which sales increased in both markets.

Throughout the year, Seara continued to consistently execute its strategy, which pillars include a focus on profitability, consumer preference and the expansion of its consumer base, both direct and indirect. In 2017, the indirect distribution channel grew by 28%. Additionally, Seara continued to invest in innovation and in the launch of new products (94 SKUs during last year), and also evolved significantly for the past few years in repurchase rate, which grew from nearly 62% in 2014 to approximately 78% in 2017, and in presence in Brazilian homes, which increased from around 61% in 2014 to 76% in 2017.

Seara EBITDA in 4Q17 was R\$488.4 million, 63.4% higher than 4Q16, due to an increase in gross margin, which was favored by lower raw material costs, especially grains. EBITDA margin in the quarter was 10.9%, compared with 6.4% in 4Q16. For the year, Seara presented an EBITDA of R\$1,568.7 million, a decrease of 1.7%, with EBITDA margin of 9.0% compared with 8.8% in 2016.

## Highlights

R\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR	R\$	% NR	YoY
<b>Net Revenue</b>	<b>4,474.6</b>	<b>100.0%</b>	<b>4,589.7</b>	<b>100.0%</b>	<b>-2.5%</b>	<b>4,683.5</b>	<b>100.0%</b>	<b>-4.5%</b>	<b>17,473.1</b>	<b>100.0%</b>	<b>18,154.6</b>	<b>100.0%</b>	<b>-3.8%</b>
Cost of Goods Sold	(3,541.8)	-79.2%	(3,630.0)	-79.1%	-2.4%	(3,981.9)	-85.0%	-11.1%	(14,201.0)	-81.3%	(14,874.0)	-81.9%	-4.5%
Gross Profit	932.7	20.8%	959.7	20.9%	-2.8%	701.5	15.0%	33.0%	3,272.0	18.7%	3,280.6	18.1%	-0.3%
<b>EBITDA</b>	<b>488.4</b>	<b>10.9%</b>	<b>508.5</b>	<b>11.1%</b>	<b>-4.0%</b>	<b>298.9</b>	<b>6.4%</b>	<b>63.4%</b>	<b>1,568.7</b>	<b>9.0%</b>	<b>1,595.3</b>	<b>8.8%</b>	<b>-1.7%</b>

# BUSINESS UNITS 2017 AND 4Q17

## **JBS Brazil (including Leather and New Businesses)**

JBS Brazil 4Q17 net revenue was R\$5,918.6 million, a 18.1% reduction over 4Q16. For the year, net revenue totaled R\$23,446.9 million, a 16.9% decrease from 2016, reflecting the sale of beef operations in Argentina, Paraguay and Uruguay, as well as the 14.0% reduction in the number of animals processed in Brazil. It is important to highlight that the Company has been increasing capacity utilization, which resulted in a 6.9% increase in the number of animals processes during the quarter compared to the 3Q17.

Despite the lower volumes of animals slaughtered in 2017, the Company has been focusing on developing its distribution in relevant markets and on new sales channels in Brazil, while also entering into strategic partnerships with key customers and improving its portfolio with a more profitable mix, which includes the launching of new products and brands, such as "1953", launched last year in the premium category. These efforts reflected a 6.1% increase in fresh beef sales prices in comparison to 2016.

EBITDA in 4Q17 was R\$308.6 million negative, with negative EBITDA margin of 5.2%. For the year, EBITDA totaled R\$84.3 million, a 95% reduction when compared to 2016, with an EBITDA margin of 0.4%. Results from this business unit were impacted by the above-mentioned reduction in the number of animals processed, by the maintenance of the Company's operational structure, by a significant deterioration of the leather cycle in 2017, which has been showing signs of recovery in 2018, and by non-recurring expenses.

### Highlights<sup>1</sup>

R\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	R\$	% NR	R\$	% NR	QoQ	R\$	% NR	YoY	R\$	% NR	R\$	% NR	YoY
<b>Net Revenue</b>	<b>5,918.6</b>	<b>100.0%</b>	<b>5,131.2</b>	<b>100.0%</b>	<b>15.3%</b>	<b>7,227.6</b>	<b>100.0%</b>	<b>-18.1%</b>	<b>23,446.9</b>	<b>100.0%</b>	<b>28,204.3</b>	<b>100.0%</b>	<b>-16.9%</b>
Cost of Goods Sold	(4,929.2)	-83.3%	(4,182.0)	-81.5%	17.9%	(5,923.3)	-82.0%	-16.8%	(19,445.9)	-82.9%	(22,253.2)	-78.9%	-12.6%
Gross Profit	989.4	16.7%	949.2	18.5%	4.2%	1,304.3	18.0%	-24.1%	4,001.1	17.1%	5,951.2	21.1%	-32.8%
<b>EBITDA</b>	<b>(308.6)</b>	<b>-5.2%</b>	<b>72.5</b>	<b>1.4%</b>	<b>-</b>	<b>143.7</b>	<b>2.0%</b>	<b>-</b>	<b>84.3</b>	<b>0.4%</b>	<b>1,701.3</b>	<b>6.0%</b>	<b>-95.0%</b>

Note 1: Includes results from Beef operations in Argentina, Paraguay and Uruguay in the previous quarters.

# BUSINESS UNITS 2017 AND 4Q17

## JBS USA Beef (including Australia and Canada)

JBS USA Beef reported net revenue of US\$5.7 billion 4Q17, 6.6% higher than 4Q16 and US\$21,663.6 million for FY 2017, an increase of 5.4% compared with 2016. This performance was achieved, in part, as the result of volume and price increases.

EBITDA in 4Q17 was US\$395.9 million, and the EBITDA margin was 7.0%. In FY 2017, EBITDA was US\$1,308.6 million, an increase of 177.2%. The EBITDA margin increased from 2.3% in 2016 to 6.0% in 2017.

The strengthening of the North America economy, notably in the United States, and the continued reduction in unemployment contributed to an increase in demand in the domestic market and an increase in beef prices in the region. Additionally, the increased availability of cattle, coupled with stable production capacity also contributed to an increase in the industry's margins. It is important to highlight that in 2017, JBS USA exports significantly exceeded those reported in 2016, due to increased volumes and higher margins. In addition to more favorable market conditions, improvements in operational efficiencies and a differentiated strategy of commercial relationships also contributed to the strong performance.

In Australia, the lack of availability of cattle affected the Company's performance. Although performance was positive in 2017, it was below that reported in 2016. On a positive note, Primo Smallgoods, which operates in the increasingly attractive prepared foods segment, produced encouragingly positive results.

### Highlights (US GAAP)

US\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR	US\$	% NR	YoY
<b>Net Revenue</b>	<b>5,684.6</b>	<b>100.0%</b>	<b>5,533.7</b>	<b>100.0%</b>	<b>2.7%</b>	<b>5,333.0</b>	<b>100.0%</b>	<b>6.6%</b>	<b>21,663.6</b>	<b>100.0%</b>	<b>20,560.7</b>	<b>100.0%</b>	<b>5.4%</b>
Cost of Goods Sold	(5,262.8)	-92.6%	(5,103.8)	-92.2%	3.1%	(4,931.9)	-92.5%	6.7%	(20,281.9)	-93.6%	(20,063.0)	-97.6%	1.1%
Gross Profit	421.8	7.4%	429.9	7.8%	-1.9%	401.1	7.5%	5.2%	1,381.7	6.4%	497.7	2.4%	177.6%
<b>EBITDA</b>	<b>395.9</b>	<b>7.0%</b>	<b>405.1</b>	<b>7.3%</b>	<b>-2.3%</b>	<b>387.6</b>	<b>7.3%</b>	<b>2.1%</b>	<b>1,308.6</b>	<b>6.0%</b>	<b>472.2</b>	<b>2.3%</b>	<b>177.2%</b>

# BUSINESS UNITS 2017 AND 4Q17

## JBS USA Pork

JBS USA Pork reported net revenue of US\$6 billion in 4Q17, an increase of 16.4% compared with 4Q16. For FY 2017, net revenue totaled US\$6.2 billion, 16.2% higher than 2016. The increase was driven by growth in the demand for pork in domestic and international markets, as well as the expansion of the business in the US through the acquisition of Plumrose USA in May 2017.

EBITDA was US\$186.9 million in 4Q17, 9.0% higher than 4Q16. The EBITDA margin was 11.7%. In 2017, EBITDA was US\$779.9 million and, despite the increase in competitiveness in the domestic market, EBITDA margin increased from 11.5% in 2016 to 12.6% in 2017.

The excellent performance reported by JBS USA Pork, which was also the best result achieved by any US-based pork operation in the United States, is a testament to the effectiveness of the managerial team, their unrelenting focus on operational efficiencies, their decision to diversify into higher value-added products and the strengthening of commercial partnerships with key customers. Performance has also been positively affected by the smooth integration of Plumrose USA, acquired in May 2017, which has enabled JBS to increase its presence in the prepared foods segment.

## Highlights (US GAAP)

US\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	US\$	% NR	US\$	% NR	QoQ	US\$	% NR	YoY	US\$	% NR	US\$	% NR	YoY
<b>Net Revenue</b>	<b>1,598.0</b>	<b>100.0%</b>	<b>1,690.4</b>	<b>100.0%</b>	<b>-5.5%</b>	<b>1,373.0</b>	<b>100.0%</b>	<b>16.4%</b>	<b>6,210.6</b>	<b>100.0%</b>	<b>5,345.8</b>	<b>100.0%</b>	<b>16.2%</b>
Cost of Goods Sold	(1,407.2)	-88.1%	(1,436.5)	-85.0%	-2.0%	(1,197.2)	-87.2%	17.5%	(5,421.9)	-87.3%	(4,750.1)	-88.9%	14.1%
Gross Profit	190.8	11.9%	253.9	15.0%	-24.8%	175.8	12.8%	8.5%	788.7	12.7%	595.7	11.1%	32.4%
<b>EBITDA</b>	<b>186.9</b>	<b>11.7%</b>	<b>255.8</b>	<b>15.1%</b>	<b>-26.9%</b>	<b>171.5</b>	<b>12.5%</b>	<b>9.0%</b>	<b>779.9</b>	<b>12.6%</b>	<b>612.7</b>	<b>11.5%</b>	<b>27.3%</b>



# BUSINESS UNITS 2017 AND 4Q17

## Pilgrim's Pride Corporation - "PPC"

Pilgrim's Pride recorded net revenue of US\$2,742.4 million in 4Q17, a 15.7% increase in relation to 4Q16, in a comparison that includes Moy Park in both quarters. In 2017, net revenue totaled US\$10,767.9 million, which corresponds to an increase of 9.0% compared with 2016.

Net revenue from US operations increased by 18% when compared with 4Q16, due to higher prices and synergies from the integration of GNP above expectations. In 2017, revenue grew by 11.6% in the country.

In Mexico, net revenue increased by 8.0% in the quarter, due to higher volumes. In the year, revenue increased by 5.4%

In Europe, net revenue increased by 12.9%, due to higher volumes. In 2017, revenue grew by 2.5%.

EBITDA was US\$241.0 million, a 17.3% increase in relation to 4Q16, due to a solid performance of PPC's operations throughout the world, partially offset by higher production costs and logistic challenges from the natural events that occurred in the quarter. EBITDA margin in 4Q17 was 8.8%. In the year, EBITDA was US\$1,388 million, with EBITDA margin increasing from 10.4% in 2016 to 12.9% in 2017.

PPC concluded several strategic investments that contributed to its position as a leader in the production of organic poultry. Additionally, its operations are focused on the strengthening of relationships with key costumers, differentiation in its portfolio of brands and products, and on the improvement of its margins profile.

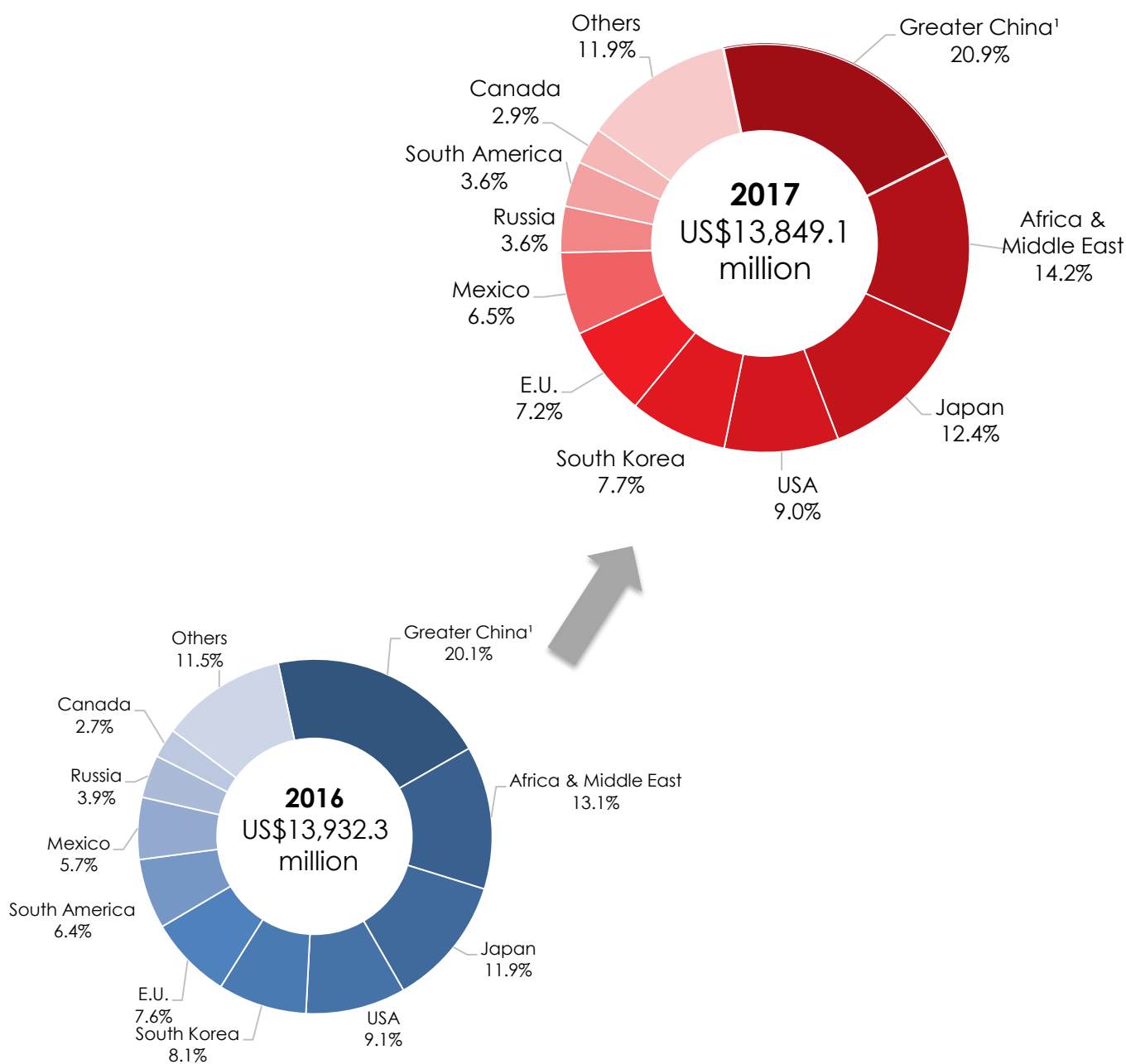
PPC net income was US\$134.3 million, which corresponds to an EPS of US\$0.54 in the quarter. In the year, net income totaled US\$694.6 million, with an EPS of US\$2.79.

### Highlights (US GAAP)<sup>1</sup>

US\$ Million	4Q17		3Q17		Δ%	4Q16		Δ%	2017		2016		Δ%
	US\$	% NR	US\$	% NR		QoQ	US\$		% NR	YoY	US\$	% NR	
<b>Net Revenue</b>	<b>2,742.4</b>	<b>100.0%</b>	<b>2,793.9</b>	<b>100.0%</b>	<b>-1.8%</b>	<b>2,370.9</b>	<b>100.0%</b>	<b>15.7%</b>	<b>10,767.9</b>	<b>100.0%</b>	<b>9,878.6</b>	<b>100.0%</b>	<b>9.0%</b>
Cost of Goods Sold	(2,480.5)	-90.5%	(2,315.3)	-82.9%	7.1%	(2,142.0)	-90.3%	15.8%	(9,296.2)	-86.3%	(8,774.6)	-88.8%	5.9%
Gross Profit	261.8	9.5%	478.6	17.1%	-45.3%	228.9	9.7%	14.4%	1,471.6	13.7%	1,104.0	11.2%	33.3%
<b>EBITDA</b>	<b>241.0</b>	<b>8.8%</b>	<b>463.6</b>	<b>16.6%</b>	<b>-48.0%</b>	<b>205.4</b>	<b>8.7%</b>	<b>17.3%</b>	<b>1,388.0</b>	<b>12.9%</b>	<b>1,029.7</b>	<b>10.4%</b>	<b>34.8%</b>

# TABLES AND CHARTS

**Graph I – JBS Consolidated Exports Breakdown in 2016 and 2017**



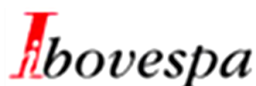
Note 1. Considers China and Hong Kong

**Table I – 4Q17 Breakdown of Production Costs by Business Unit (%)**

4Q17 (%)	Consolidated	JBS Brazil	Seara	USA Beef	USA Pork	PPC
Raw material (livestock)	76.7%	85.0%	66.3%	84.9%	74.9%	53.2%
Processing (including ingredients and packaging)	11.3%	8.4%	21.8%	5.2%	12.5%	25.4%
Labor Cost	12.0%	6.6%	11.9%	9.9%	12.5%	21.4%

# ADDITIONAL INFORMATION

## Indexes



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# FINANCIAL STATEMENTS

## Statement of financial position

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	12/31/17	12/31/16	12/31/17	12/31/16
<b>Current Assets</b>				
Cash and cash equivalents	2,138,802	4,712,796	11,741,308	9,355,622
Trade accounts receivable	2,302,913	2,767,655	9,333,291	9,589,185
Inventories	1,823,640	1,673,501	9,684,878	9,608,474
Biological assets	-	-	2,767,250	2,673,113
Recoverable taxes	182,885	698,885	974,404	1,677,791
Derivative assets	-	-	30,760	38,250
Assets held for sale	-	-	817,705	-
Other current assets	264,807	369,246	755,948	977,370
<b>TOTAL CURRENT ASSETS</b>	<b>6,713,047</b>	<b>10,222,083</b>	<b>36,105,544</b>	<b>33,919,805</b>
<b>Non-Current Assets</b>				
Biological Assets	-	-	967,761	977,040
Recoverable taxes	5,453,216	2,948,627	7,521,141	4,718,535
Related party receivables	2,040,471	5,231,553	897,535	1,315,526
Investments in associates, subsidiaries and joint ventures	18,562,666	16,334,231	64,006	362,627
Property, plant and equipment	11,544,181	11,475,628	33,563,104	33,110,891
Defferref Income Taxes	-	-	434,861	454,117
Intangible assets	94,739	46,494	5,512,070	5,012,095
Goodwill	9,085,970	9,085,970	22,488,247	21,916,694
Other non-current assets	512,486	455,627	1,141,682	1,028,433
<b>TOTAL NON-CURRENT ASSETS</b>	<b>47,293,729</b>	<b>45,578,130</b>	<b>72,590,407</b>	<b>68,895,958</b>
<b>TOTAL ASSETS</b>	<b>54,006,776</b>	<b>55,800,213</b>	<b>108,695,951</b>	<b>102,815,763</b>

# FINANCIAL STATEMENTS

## Statement of financial position

In thousands of Brazilian Reals - R\$

	Company		Consolidated	
	12/31/17	12/31/16	12/31/17	12/31/16
<b>Current Liabilities</b>				
Trade accounts payable	2,029,104	2,050,265	9,992,778	10,716,987
Loans and financing	8,223,197	12,281,028	13,526,051	18,148,818
Accrued income taxes and other taxes	259,803	165,030	1,392,755	500,930
Accrued payroll and social charges	572,066	412,296	3,007,816	2,595,381
Dividends payable	127,463	90,503	127,463	90,503
Other financial liabilities	7,659	7,659	73,156	161,114
Derivative liabilities	10	-	118,684	133,125
Liabilities held for sale	-	-	23,305	-
Other current liabilities	699,211	684,898	917,333	1,001,766
<b>TOTAL CURRENT LIABILITIES</b>	<b>11,918,513</b>	<b>15,691,679</b>	<b>29,179,341</b>	<b>33,348,624</b>
<b>Non-Current Liabilities</b>				
Loans and financing	11,834,158	14,021,384	43,498,600	38,111,596
Accrued income taxes and other taxes	667,388	71,841	787,223	228,752
Accrued payroll and social charges	1,434,838	-	1,848,200	437,218
Other financial liabilities	24,827	31,427	39,868	102,145
Deferred income taxes	1,965,792	1,870,461	3,697,195	3,763,048
Provisions	1,820,007	1,684,814	2,888,150	2,707,646
Other non-current liabilities	53,641	54,657	616,706	599,482
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>17,800,651</b>	<b>17,734,584</b>	<b>53,375,942</b>	<b>45,949,887</b>
<b>Equity</b>				
Share capital - common shares	23,576,206	23,576,206	23,576,206	23,576,206
Capital reserve	(289,295)	(1,743,893)	(289,295)	(1,743,893)
Other reserves	67,906	73,516	67,906	73,516
Profit reserves	2,277,205	3,648,562	2,277,205	3,648,562
Accumulated other comprehensive income (loss)	(1,344,410)	(3,180,441)	(1,344,410)	(3,180,441)
<b>Attributable to company shareholders</b>	<b>24,287,612</b>	<b>22,373,950</b>	<b>24,287,612</b>	<b>22,373,950</b>
<b>Attributable to non-controlling interest</b>	<b>-</b>	<b>-</b>	<b>1,853,056</b>	<b>1,143,302</b>
<b>EQUITY</b>	<b>24,287,612</b>	<b>22,373,950</b>	<b>26,140,668</b>	<b>23,517,252</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>54,006,776</b>	<b>55,800,213</b>	<b>108,695,951</b>	<b>102,815,763</b>

# FINANCIAL STATEMENTS

Statements of income for the three months period ended December 31, 2017 and 2016

In thousands of Brazilian Reais - R\$

	Company		Consolidated	
	2017	2016	2017	2016
<b>NET REVENUE</b>	6,178,211	7,059,155	42,734,478	41,630,579
Cost of sales	(5,241,039)	(5,816,959)	(36,393,976)	(35,694,230)
<b>GROSS PROFIT</b>	<b>937,172</b>	<b>1,242,196</b>	<b>6,340,502</b>	<b>5,936,349</b>
General and administrative expenses	(1,246,582)	(762,987)	(2,246,330)	(1,561,388)
Selling expenses	(556,193)	(536,124)	(2,457,048)	(2,461,019)
Other expenses	(1,223)	(25,332)	(153,419)	(36,635)
Other income	306,399	15,210	327,128	17,425
<b>OPERATING EXPENSE</b>	<b>(1,497,599)</b>	<b>(1,309,233)</b>	<b>(4,529,669)</b>	<b>(4,041,617)</b>
<b>OPERATING PROFIT</b>	<b>(560,427)</b>	<b>(67,037)</b>	<b>1,810,833</b>	<b>1,894,732</b>
Finance income	150,548	304,511	47,968	66,669
Finance expense	(1,322,292)	(600,984)	(2,123,236)	(1,006,434)
	<b>(1,171,744)</b>	<b>(296,473)</b>	<b>(2,075,268)</b>	<b>(939,765)</b>
Share of profit of equity-accounted investees, net	1,348,283	909,118	1,431	3,545
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>(383,888)</b>	<b>545,608</b>	<b>(263,004)</b>	<b>958,512</b>
Current income taxes	647,421	838,558	235,163	293,428
Deferred income taxes	(715,267)	(721,399)	(317,300)	(543,888)
	(67,846)	117,159	(82,137)	(250,460)
<b>NET INCOME</b>	<b>(451,734)</b>	<b>662,767</b>	<b>(345,141)</b>	<b>708,052</b>
<b>ATTRIBUTABLE TO:</b>				
Company shareholders			(451,734)	662,767
Non-controlling interest			106,593	45,285
			<b>(345,141)</b>	<b>708,052</b>
Basic income per share - (R\$)	(0.17)	0.14	(0.17)	0.14
Diluted income per share - (R\$)	(0.17)	0.14	(0.17)	0.14



# FINANCIAL STATEMENTS

Statements of cash flows for the three months period ended December 31, 2017 and 2016

(In thousands of Brazilian Reals)

Cash flow from operating activities	Company		Consolidated	
	2017	2016	2017	2016
<b>Net income</b>	<b>(451,734)</b>	<b>662,767</b>	<b>(345,141)</b>	<b>708,052</b>
Adjustments for:				
Depreciation and amortization	194,448	177,931	1,154,284	1,153,633
Allowance for doubtful accounts	73,876	(2,382)	77,685	(1,491)
Share of profit of equity-accounted investees	(1,348,283)	(909,118)	(1,431)	(3,545)
(Gain) loss on sale of assets	1,224	1,891	8,960	5,872
Taxes expense	67,847	(117,159)	82,136	250,461
Finance income (expense), net	1,171,744	296,473	2,075,266	939,765
Share-based compensation	38,121	55,033	38,514	57,743
Provisions	(34,033)	6,747	19,893	11,729
Impairment	-	452,578	2,195	452,578
State tax installment	388,589	-	388,588	-
Divestment program	(304,057)	-	(272,330)	-
Impacts due to the leniency agreement	-	31,573	-	31,573
	<b>(202,258)</b>	<b>656,334</b>	<b>3,228,619</b>	<b>3,606,370</b>
<b>Changes in assets and liabilities:</b>				
Trade accounts receivable	(36,496)	(194,696)	326,101	(378,284)
Inventories	(92,272)	249,393	204,021	483,242
Recoverable taxes	217,893	(326,401)	183,047	(243,569)
Other current and non-current assets	111,667	(8,470)	134,333	250,488
Biological assets	-	-	(505,122)	1,051,445
Trade accounts payable	276,779	396,067	657,930	94,298
Taxes payable in installments	(1,122,178)	(7,821)	(1,174,840)	101,650
Other current and non-current liabilities	(61,548)	3,122	15,853	190,322
<b>Changes in operating assets and liabilities</b>	<b>(706,155)</b>	<b>111,194</b>	<b>(158,676)</b>	<b>1,549,592</b>
Interest paid	(465,169)	(458,394)	(1,112,773)	(1,109,943)
Interest received	29,252	304,511	64,916	32,265
Income tax paid	-	-	(213,437)	(72,326)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,344,330)</b>	<b>613,645</b>	<b>1,808,649</b>	<b>4,005,958</b>
<b>Cash flow from investing activities</b>				
Purchases of property, plant and equipment	(202,983)	(184,817)	(784,371)	(1,046,318)
Purchases of intangible assets	(4,261)	-	(5,178)	(23,119)
Proceeds from intangible assets	-	-	3,448	-
Proceeds from sale of property, plant and equipment	31,271	20,833	61,440	82,765
Additional investments in associates, joint-ventures and subsidiaries	(119,791)	(483,214)	-	-
Acquisitions, net of cash acquired	-	496,354	-	-
Proceeds from sale of Mercosul operation	785,858	-	893,917	-
Proceeds from Moy Park transference to PPC	2,387,125	-	-	-
Related party transactions	(1,921,714)	(362,037)	26,984	(116,918)
Dividends received from associates and joint-ventures	12,200	5,000	10,000	-
Other	251	(26,221)	-	6,968
<b>Net cash provided by (used in) investing activities</b>	<b>967,956</b>	<b>(534,102)</b>	<b>206,240</b>	<b>(1,096,622)</b>
<b>Cash flow from financing activities</b>				
Proceeds from loans and financings	-	4,009,598	1,067,842	6,680,164
Payments of loans and financings	(1,288,747)	(3,534,588)	(5,796,455)	(6,376,034)
Derivatives instruments received/settled	522	(19,795)	522	(16,222)
Dividends paid	-	(28)	-	(28)
Dividends paid to non-controlling interest	-	-	(5,047)	(5,040)
Stock option exercise	-	-	-	3,311
PPC treasury shares purchase	-	-	-	(396,128)
PPC treasury shares sale	-	-	-	25,310
Purchase of treasury shares	-	-	-	-
Proceeds from treasury shares sale	-	-	-	-
Other	-	-	27,323	3,470
<b>Net cash provided by (used in) financing activities</b>	<b>(1,288,225)</b>	<b>455,187</b>	<b>(4,705,815)</b>	<b>(81,197)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>27,049</b>	<b>(15,148)</b>	<b>334,979</b>	<b>(779,745)</b>
Net change in cash and cash equivalents	(1,637,550)	519,582	(2,355,947)	2,048,394
Cash and cash equivalents at the beginning of the period	3,776,352	4,193,214	14,097,255	7,307,228
<b>Cash and cash equivalents at the end of the period</b>	<b>2,138,802</b>	<b>4,712,796</b>	<b>11,741,308</b>	<b>9,355,622</b>

# DISCLAIMER

*We make statements about future events that are subject to risks and uncertainties. Such statements are based on the beliefs and assumptions of our Management and information to which the Company currently has access. Statements about future events include information about our current intentions, beliefs or expectations, as well as those of the members of the Company's Board of Directors and Officers.*

*Disclaimers with respect to forward-looking statements and information also include information on possible or presumed operating results, as well as statements that are preceded, followed or that include the words "believe," "may," "will," "continue," "expects," "predicts," "intends," "plans," "estimates," or similar expressions.*

*Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, depending, therefore, on circumstances that may or may not occur. Future results and shareholder value creation may differ materially from those expressed or implied by the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.*