

JBS S.A.

Corporate Taxpayer's Registration (CNPJ) No. 02.916.265/0001-60

NIRE 35.300.330.587

Ledger of Minutes

MINUTES OF THE AUDIT COMMITTEE MEETING

HELD ON 27 MARCH, 2018

Time, Date and Place: March 27, 2018, at 2 pm, at JBS S.A.'s registered offices are in the City of São Paulo, State of Sao Paulo, at Avenida Marginal Direita do Tietê, 500, Bloco I, 3º Andar, Vila Jaguara, ZIP 05118-100 (the "Company").

Notice of Meeting: Emailed to all Audit Committee members as per Article 12 of the Audit Committee Regulations.

Attendance: The Audit Committee meeting was attended by **Adrian Lima da Hora, José Paulo da Silva Filho, Demetrius Nichele Macei** and **Francisco Vicente Santana Silva Telles**, therefore the necessary quorum was present to bring the meeting to order.

The meeting was also attended by **Jeremiah Alphonsus O'Callaghan, Andre Gustavo Rodrigues de Menezes, Eliseo Santiago Perez Fernandez, Agnaldo dos Santos Moreira Jr., Robson Nunes Moura** and **Thiago Horita**, members of the Company Board, as well as **Paulo Sérgio Tufani, Peterson Ribeiro Castro** and **Tiago Fiori**, representatives of **BDO RCS Auditores Independentes SS** ("BDO").

Steering Committee: Committee Chair, **Adrian Lima da Hora**; and Committee Secretary, **Daniel Pereira de Almeida Araujo**.

Order of BusinessFor information purposes only: **(i)** presentation, with an overview of the market and Company and subsidiary operations for the period ending on 31 December, 2017; **(ii)** analysis of the Company's financial statements for the financial year ending on December 31, 2017 (the "Financial Statements") and the Company's Management Report (the "Management Report"); **(iii)** a discussion with BDO representatives regarding the independent auditor's report on the Financial Statements (the "**Auditors' Report**"); **(iv)** presentation of the Company asset impairment test and comments on the Company's financial covenants; **(ii)** update on the work of the Company's Board Advisory Committees; and for deliberative purposes: **(i)** report on the Financial Statements; **(ii)** deliberation on the proposed appropriations from the net profit from the financial year ending on December 31, 2017; and **(iii)** examination of proposals for the Company's incorporation of **Midtown**

Participações Ltda. (“Midtown”); and **Beef Snacks do Brasil Indústria e Comércio de Alimentos S.A.** (“Beef Snacks”), as per the Midtown and Beef Snacks balance sheets.

Deliberations:

For information purposes only:

(i) **Jeremiah Alphonsus O’Callaghan**, Chairman of the Board of Directors and Director of Company Investor Relations, gave a presentation with an overview of the Company’s and its subsidiaries’ operations in the period ending on 31 December, 2017. Bringing forward one of the items on the order of business, **Jeremiah Alphonsus O’Callaghan** also noted that following publication of the Auditors’ Report with a Qualified Opinion, with emphases on the Financial Statements and Interim Statements, the discussion around the breach of the Company’s financial covenants and subsequent impact on the Financial Statements is moot;

(ii) following the presentation, members of the Fiscal Committee received copies (emailed prior to the meeting and print copies during the meeting) and analyzed the Financial Statements, the Management Report, the Auditors’ Report and the 3 (three) Interim Condensed Financial Statements for the 1st, 2nd and 3rd quarters of 2017 (the “Interim Statements”), posing a number of questions that were answered to their satisfaction by **Eliseo Santiago Perez Fernandez** and **Agnaldo dos Santos Moreira Jr.**, the Company’s Director of Administration and Control and Company Director of Accounting, respectively;

(iii) in addition to the analysis of the Financial Statements, **Paulo Sérgio Tufani**, **Peterson Ribeiro Castro** and **Tiago Fiori**, representing BDO, reported that there were no unexpected events or irregularities during their independent audit, which proceeded normally, and they did not note any relevant facts or information that warranted further observation. **Paulo Sérgio Tufani** reported on the ongoing internal investigations and their status, supporting the explanations provided by **Eliseo Santiago Perez Fernandez** and **Agnaldo dos Santos Moreira Jr.** Consequently, BDO issued an Auditors’ Report with a qualified opinion, containing emphases on the Financial Statements and Interim Statements regarding matters that involve impacts from the plea bargain agreements. **Paulo Sérgio Tufani** noted that the transitional work done by **Grant Thornton Auditores Independentes**, the new auditors hired to perform the Company’s independent audits between 2018 and 2022, had gone smoothly. Responding to a request from **Adrian Lima da Hora**, a questionnaire on BDO’s work and the Financial Statements from the period ending December 31, 2017 (4Q2017) and the resubmission of the Interim Statements for the periods ending March 31, 2017 (1Q2017), June 30, 2017 (2Q2017) and September 30, 2017

(3Q2017), answered and signed by **Paulo Sérgio Tufani** had been filed at the company's head office and attached to these minutes ("Schedule I"); and

(iv) Thiago Horita, Financial Planning Manager, then carried out a presentation to update members of the Company's Fiscal Committee on the impairment test applied to the Company's Brazilian assets, highlighting the work done by **Ernst & Young Assessoria Empresarial Ltda.**, and he subsequently responded to all the questions posed by the Fiscal Committee members;

(v) finally, **Daniel Pereira de Almeida Araujo**, secretary of the Fiscal Committee, gave a presentation to update the Company's Fiscal Committee members on the work being done by (1) the Financial and Risk Management Committee, (2) the Sustainability Committee, (3) the Audit Committee and (4) the Governance Committee:

(1) this included a brief presentation on the work performed by the Financial and Risk Management Committee, highlighting its efforts to monitor the 4Q17 Dashboard (addressing management of short-term debt and currency hedging) and the discussion around current Hedge Policies (Risk Management Policy, emphasizing the updated changes to the Risk Management Policy made in February/2018, the Authorities Table, the Brokerage Hiring Policy and the Share Buy-Back Policy);

(2) a brief presentation on the work being done by the Company's Sustainability Committee, which addressed the 5 main Sustainability projects in Brazil at its March/2018 meeting: the JBS Sustainability Communication Strategy (Reputation survey); the Results of the BNDES Audit and the BNDES team visit to the Lins/SP plant; the Status of the 2017 RAS; the JBS quality/sustainability Seal (end consumer); the SWOT Analysis: Sustainability; the Flag Project and the JBS Global 2025 Project and Hiring of the Sustainability Area Manager;

(3) a brief presentation on the work being carried out by the Company's Audit Committee, commenting on interactions with the Company accounting area during analysis of the Financial Statements, the Interim Statements and highlighting discussions with members of BDO in relation to the Financial Statements and the Interim Statements; and

(4) a brief presentation on the work being done by the Company's Governance Committee, noting the discussions on the Proposal to ratify 2017 global compensation for management and the Fiscal Committee; the global compensation

Proposal for management and the Fiscal Committee in 2018; the Proposal to ratify election of the Board of Directors' members elected by the Board during its term of office; the Proposal to amend the Bylaws; the Proposal to renew Management's scope of authority; the Review of the Management Report and Directors' Opinions (Item 10 of the Reference Form - MD&A); highlighting the update on compliance actions and the Committee's review of and recommendations in relation to the new Company Code of Ethics and Conduct.

For deliberative purposes:

(i) upon conclusion of the foregoing items, the Fiscal Committee members declared that (a) they had carried out analyses of the Financial Statements drawn up by the Company pursuant to article 163, section VII of Law 6,404/76 (the "Brazilian Corporations Act"); (b) they had accompanied the work carried out by BDO by means of questions and discussions, as per Article 163, paragraph 4 of the Brazilian Corporations Act; and (c) queries were made regarding material transactions carried out by the Company management in relation to the Financial Statements, as per Article 163, paragraph 2 of the Brazilian Corporations Act. Based on this review, on the information and explanations received and taking into account the Management Report and the Auditors' Report, the Fiscal Committee declared it was not aware of any additional facts leading it to believe the Financial Statements do not reflect the information contained therein, in all material aspects, and they are in a position to be published by the Company, notwithstanding any unknown effects, if any, from the matters referred to in the "Basis for qualified opinion" section of the Independent Auditors' Report, related to (a) the Plea Bargain Agreement, the Leniency and Independent Investigation Agreement and (b) the Independent Audit of Seara Alimentos Ltda.;

(ii) after receiving and analyzing a copy of the Company Management Proposal, the Fiscal Committee members stated their agreement with the proposed distribution of income from the financial year ending December 31, 2017; and

(iii) finally, based on the Midtown and Beef Snacks evaluation reports, they issued a favorable opinion regarding incorporation of Midtown and Beef Snacks by the Company. The Midtown and Beef Snacks evaluation reports and opinions have been filed at the Company headquarters and attached to these minutes (Schedule II and Schedule III, respectively).

Summary of the Minutes: The Audit Committee authorized registration of the minutes in summary format and publication without the attendees' signatures, as per paragraphs 1 and 2, article 130 of the Brazilian Corporations Act.

Conclusion: Having concluded the business at hand, the floor was opened to those in attendance and as no-one wished to speak, the meeting was adjourned for the time required to register these minutes, which were read and approved by all in attendance.

Sao Paulo, 27 March, 2018.

Adrian Lima Da Hora
Meeting Chair

Daniel Pereira de Almeida Araujo
Meeting Secretary

Committee members in attendance:

Adrian Lima Da Hora

José Paulo da Silva Filho

Demetrius Nichele Macei

Francisco Vicente Santana Silva Telles

Schedule I

Questionnaire on the work carried out by BDO in relation to the JBS S.A. Accounting Statements, accompanied by the Independent Auditors Report for the financial year ending December 31, 2017 (4Q2017) and resubmission of the interim accounting Statements accompanied by the Independent Auditors' Report for the periods ending March 31, 2017 (1Q 2017), June 30, 2017 (2Q 2017) and September 30, 2017 (3Q 2017).

Schedule II

Midtown Evaluation Report and Opinion

Schedule III

Beef Snacks Evaluation Report and Opinion