

NOTICE TO THE MARKET

JBS RELEASES ITS 2017 ANNUAL AND SUSTAINABILITY REPORT

JBS S.A. (IBOV: JBSS3, OTCQX: JBSAY, "Company"; "JBS") announces to its shareholders and the market in general the release of its 2017 Annual and Sustainability Report, in accordance with Global Reporting Initiative (GRI) guidelines and to criteria required by ABRASCA (Brazilian Association of Listed Companies).

The report includes a broad view of JBS' strategy, operational and financial performance, which in 2017 represented another year of solid operating results, one of the best in its history. For the period, net sales totaled R\$163.2 billion (equivalent to US\$51.5 billion), with an EBITDA of R\$13.4 billion, 18.9% higher than in 2016, and an EBITDA margin of 8.2%. The company posted strong operating cash flow generation, which grew by 41.9% to R\$5.2 billion. JBS also fulfilled its commitment to reduce leverage, which in 2017 reached the lowest level of the sector in Brazil.

The publication also describes events and achievements of 2017, including the creation of the Global Compliance area, the launching of the "Always Do It Right" program and the new JBS Ethics Line, which was implemented last December. The Company's commitment to quality and food safety was strengthened with the creation of the Global Food Safety and Quality Assurance area, aiming to further expand JBS' access to global export markets, while ensuring the highest standards in food safety and quality control.

JBS' Sustainability initiatives are detailed in each of the area's five global themes: team member health and safety, animal welfare, water, product integrity and climate change. In each topic, the Company presents efforts related to process eco-efficiency and environmental responsibility aimed at constantly improving operational standards, production and product offering. Strategies and efforts are present from raw material sourcing to packaging disposal, representing JBS' commitment throughout the whole value chain.

[Click here](#) to access JBS' Annual and Sustainability Report.

São Paulo, April 27, 2018

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