

MATERIAL FACT

JBS SIGNS NORMALIZATION AGREEMENT WITH FINANCIAL INSTITUTIONS IN BRAZIL

JBS S.A. (the “Company” or “JBS” – B3: JBSS3; OTCQX: JBSAY) in accordance with the terms of CVM Instruction No. 358, dated January 3, 2002, as amended, communicates to its shareholders and to the market in general that, as a consequence of its global deleveraging process, solid economic and operational performance, as well as a favorable cash flow generation outlook, the Company has entered into a Normalization Agreement, together with its Brazilian operating subsidiaries and global leather division (together, “JBS Brazil”), related to credit lines with certain financial institutions representing 78% (seventy-eight percent) of the principal amount of the indebtedness that JBS Brazil currently holds with financial institutions in Brazil and abroad (“Normalization Agreement”).

The terms of the Normalization Agreement ensure the maintenance of credit lines totaling approximately R\$12.2 billion for a period of 36 months as of July, 2018, and includes approximately a 25% amortization of the principal payable between January, 2019, and the expiry of the Normalization Agreement in July, 2021.

“The establishment of this Normalization Agreement demonstrates the trust that financial institutions have in the Company’s management and contributes to a significant extension of the average maturity terms of our indebtedness, ensuring financial liquidity and the continuity of our solid operational performance”, commented José Batista Sobrinho, Global CEO of JBS.

São Paulo, May 14, 2018.

Jeremiah O’Callaghan

Investor Relations Officer