



MINERVA S.A.

Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF): 67.620.377/0001-14
Company Registry (NIRE): 35.300.344.022

NOTICE TO THE MARKET

Minerva S.A. ("Minerva" or "Company"), one of the leaders in South America in the production and sale of fresh beef, live cattle and cattle byproducts, with operations also in the beef, pork and poultry processing sectors, hereby informs its shareholders and the market in general that it has concluded the Buyback Offer of debt instruments issued abroad by the Company's subsidiaries, maturing in 2023 and bearing interest of 7.75% p.a. A total of US\$617,874,000 of the principal amount of the Notes, equivalent to 71.18% of the outstanding Notes, was acquired by means of the Early Buyback Offer.

The Early Buyback Offer of debt instruments was carried out using the funds raised through the new issue of 2026 Notes, totaling US\$1 billion (bearing interest of 6.50% p.a.) and is part of a liability management strategy designed to reduce annual interest expenses (down by 125 bps p.a. in relation to 2023 Notes), extend debt and establish new pricing standards for the Company's credit risk.

The additional funds raised through the new issue will be used to (1) rebuild the cash position used in the exercise of the option to purchase 2019 Notes, which bore interest of 10.875% p.a., settled on September 2016; (2) partially amortize the debt maturing in 4Q16 and 1Q17, (3) exercise, in 1Q17, the option to purchase 2022 Notes, which bear interest of 12.25% p.a., and (4) repay 2017 Notes, which mature on February 01, 2017.

It is worth noting that the liability management operation generated savings estimated at US\$4.3 million in annual interest expenses (including the price of 106.50% of the face value of 2023 Notes paid in the offer), which represents total savings of approximately US\$24 million in financial expenses at present value.

Barretos, September 29, 2016

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer