



MINERVA S.A.

Publicly-held Company
Corporate Taxpayer's ID (CNPJ): 67.620.377/0001-14
Company Registry (NIRE): 35.300.344.022 – CVM Registration: 02093-1

NOTICE TO THE MARKET

To
BM&FBOVESPA S.A. – SECURITIES, COMMODITIES AND FUTURES EXCHANGE

Corporate Oversight Department
Rua XV de Novembro, 275 – 6.º andar
CEP 01013-001 – São Paulo, SP

c/o: Mr. Nelson Barroso Ortega
Corporate Oversight Department

w/c: Brazilian Securities and Exchange Commission (CVM)
Mr. Fernando Soares Vieira – Corporate Relations Supervisor
Mr. Francisco José Bastos Santos – Market and Broker Relations Supervisor

Ref: Clarifications – BM&FBOVESPA Official Letter 3270/2016-SAE/GAE 2

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 segments, through its undersigned Investor Relations Officer, provides the clarifications requested by the BM&FBOVESPA – Securities, Commodities and Futures Exchange ("BM&FBOVESPA") in response to BM&FBOVESPA Official Letter 3270/2016-SAE/GAE 2 ("Official Letter") dated November 21, 2016.

1. For better understanding the consultation made and the clarifications provided by the Company, we transcribe below the full content of the Official Letter:

"November 21, 2016
3270/2016-SAE/GAE 2

Minerva S.A.
Att.: Mr. Eduardo Pirani Puzziello
Investor Relations Officer

Ref.: Request for clarification regarding a news item published on the press

Dear Sirs,

The news item published on Valor Econômico newspaper on November 21, 2016 states, among other information, that the net debt/Ebitda (earnings before interest, taxes, depreciation and amortization) ratio of Minerva Foods is expected to fall to less than 2x in up to two years.

We did not identify this information on the documents sent by this company via the Empresas.NET system. If such information has been sent, please state the document and the pages where it can be found and the date and time when the document was sent.

It is worth emphasizing that the company must disclose periodic, eventual and other information of interest to the market through the Empresas.NET system, thereby ensuring its ample and immediate dissemination and the equitable treatment of its investors and other market participants.

We would therefore request that you provide us with clarification regarding that matter by November 22, 2016, without prejudice to the provisions in the sole paragraph of article 6 of CVM Instruction 358/02, confirming its veracity or otherwise, as well as any other information deemed important.

We clarify that this company's answer must be sent exclusively through the IPE system, selecting the Category: Material Fact or the Category: Notice to the Market, Type: Clarifications on CVM/Bovespa queries, and Subject: News Item published on the press, which will result in the simultaneous transmission of the file to the BM&FBOVESPA and the CVM.

We emphasize the obligation, in accordance with the sole paragraph of article 4 of CVM Instruction 358/02, to inquire the administrators and the controlling shareholders of the company, in order to ascertain whether they are aware of information that should be disclosed to the market.

The content of the abovementioned request should be transcribed before the answer of said company on the file to be sent.

This request is under the scope of the Cooperation Agreement entered into by the Brazilian Securities and Exchange Commission (CVM) and BM&FBOVESPA – Securities, Commodities and Futures Exchange on December 13, 2011, and the non-compliance may subject the company to an eventual punitive fine by the Corporate Relations Department (SEP) of the CVM, pursuant to CVM Instruction 452/07.

Sincerely,

Nelson Barroso Ortega
Corporate Oversight Department
BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange

c.c.: Brazilian Securities and Exchange Commission (CVM)
Mr. Fernando Soares Vieira – Corporate Relations Supervisor
Mr. Francisco José Bastos Santos – Market and Broker Relations Supervisor

2. As the Company has been announcing to the market - for example on page 22 of the “3Q16 Earnings Release”, made available on the Empresas.NET system under

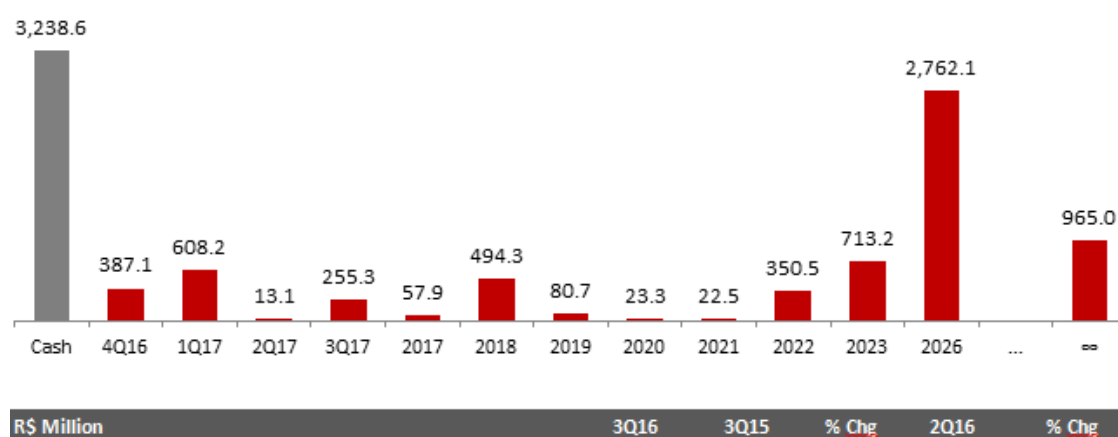
the “Economic and Financial Data” category, type “Press release”, class “Press Release”, at 08:40 p.m. of November 8, 2016 (“3Q16 Earnings Release”)¹-, it has been adopting a deleveraging strategy.

3. The information that “*the net debt/Ebitda (earnings before interest, taxes, depreciation and amortization) ratio of Minerva Foods is expected to fall to less than 2x in up to two years*” consists, in fact, of a mere example of the trend to reduce the Company’s leverage if the economic and financial indicators observed in fiscal year 2015 are repeated in the coming fiscal years.

4. As presented in the 3Q16 Earnings Release, the Company's net debt totals approximately R\$3.4 billion (see page 20), whereas earnings before interest, taxes, depreciation and amortization (“EBITDA”) related to the twelve month-period ended September 30, 2016 amounted to approximately R\$1.076 billion (see page 1).

5. The 3Q16 Earnings Release also presented the Company’s debt amortization flow through 2026, reproduced below (see page 20):

Figure 30 – Debt amortization schedule on 9/30/2016
(R\$ million)



6. As a result, considering the amortization of the Company's debt through 2018 and the maintenance, for illustration purposes, of the Company’s economic and financial indicators in fiscal year 2015 for the next few years, the Company’s leverage in 2018 would be lower than 2.

7. The Company reiterates that said situation represents only an example of the materialization of the trend verified by management in the deleveraging context and should not be interpreted as a projection, estimate or disclosure of guidance by Minerva.

¹ Which states: “[we] reiterate our commitment to continue evaluating opportunities in South America, (...) without disregarding our capital discipline and financial deleveraging objectives.” (Supporting charts are not original).

The Company's Management, through its Investor Relations department, is available to give any additional clarifications to the shareholders, debenture holders and the market through the telephone +55 (17) 3321-3355.

Barretos, November 22, 2016.

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer