



MINERVA S.A.

Publicly-held Company

Corporate Taxpayer's ID (CNPJ/MF): 67.620.377/0001-14

Company Registry (NIRE): 35.300.344.022 | CVM Code: 02093-1

MATERIAL FACT

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, in accordance with CVM Instruction 358, of January 3, 2002, hereby informs its shareholders and the market in general that today it entered into a Memorandum of Understanding for the acquisition of 100% of the shares of the meatpacking company Red Carnica S.A.S. and 100% of the shares of Red Industrial Colombiana S.A.S. (jointly "Frigorífico Red Carnica"), located in the city of Ciénaga de Oro, in the region of Cordoba, Colombia.

The investment will total approximately US\$30 million (thirty million U.S. dollars), including: a) the acquisition of assets; b) working capital and c) investments to expand and renovate the facilities. Frigorífico Red Carnica does not have any financial debt. The effective implementation of the acquisition is still pending compliance with various preliminary authorizations and conditions precedent common to this type of transaction, including a due diligence process and the negotiations of final contracts.

Frigorífico Red Carnica owns a processing and slaughtering unit with slaughtering and deboning capacity of 850 heads/day and is strategically located in a privileged region in Colombia.

Cordoba is the largest beef producing region in the country, with various export permits (the Middle East, Russia, Egypt, Hong Kong, Venezuela, Peru, and Angola, among others) and access to the ports of Tolu, Cartagena and Barranquilla. According to the USDA, Colombia is recognized by its approximately 25 million heads of cattle. The country shows important growth potential in the meatpacking industry, domestic market development (population estimated at 45 million inhabitants) and increased participation in global beef exports, with the possibility of opening new markets.

It is important mentioning that Minerva has a subsidiary in Colombia dedicated to live cattle exports since November 2010. After the implementation of the operation, this unit will be integrated to the meatpacking company structure to capture synergies and reduce operational costs.

If the conditions precedent are complied with and the operation is implemented, the acquisition of Frigorífico Red Carnica will represent an important step in Minerva's growth plan in South America, announced in 2012. With this pioneering movement to Colombia, the Company, which already has operations in Brazil, Paraguay and Uruguay, reinforces its strategy of geographic diversification and participation in new markets. The operational internationalization offers competitive advantages, mitigates risks and allows increased arbitrage between the markets.

The Company will keep its shareholders informed of the events related to the operation as the due diligence process and negotiation of final contracts advance to comply with applicable legislation.

Barretos, February 20, 2015.

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer