
M. DIAS BRANCO S.A. INDÚSTRIA E COMÉRCIO DE ALIMENTOS
Publicly-Held Company – Corporate Taxpayer ID (CNPJ): 07.206.816/0001-15 – Company Registry (NIRE): 2330000812-0

BYLAWS

CHAPTER I

CORPORATE NAME, HEADQUARTERS, JURISDICTION, PURPOSE AND TERM OF DURATION

ARTICLE 1 - M. Dias Branco S.A. Indústria e Comércio de Alimentos is a joint stock company ruled by these Bylaws and applicable legislation.

ARTICLE 2 - The Company has as purpose **(i)** the manufacture and sale of wheat-based food products, especially cookies, crackers, pasta and wheat flour; **(ii)** the manufacture of hydrogenated shortening, margarine, vegetable oils, and the import and export of these products; **(iii)** the import, manufacture and sale of wheat, corn, animal feed, other cereals and related products for resale; **(iv)** the import of raw materials, secondary materials and packaging materials; **(v)** the import of machinery, equipment, spare parts and other goods, intended for own use, sale, lease or rent; **(vi)** interest in other companies, in Brazil or abroad, affiliated or subsidiary companies.

ARTICLE 3 - The Company's headquarters and jurisdiction are located in the city of Eusébio, State of Ceará, and the Company may open and close branches, agencies, warehouses and offices whether in Brazil or abroad, by resolution taken by the Board of Executive Officers.

ARTICLE 4 - The Company started operations on October 4, 1961 and its duration term is undetermined.

CHAPTER II

CAPITAL STOCK AND SHARES

ARTICLE 5 - The Company's capital stock, fully subscribed and paid in is seven hundred and twenty-five million, six hundred and seven thousand, eight hundred and thirty reais and sixty-nine centavos (R\$ 725.607.830,69), divided into one hundred thirteen million, four hundred and fifty thousand (113,450,000) non-par registered, book-entry, common shares.

Paragraph 1 - Each common share corresponds to one vote at the General Meetings.

Paragraph 2 - The Company may not issue preferred shares or beneficiary parties.

Paragraph 3 - After three fourths (3/4), at least, of the capital stock is paid, the Company may increase it upon public or private subscription of shares. Capital increases may be paid with any

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assets and rights, including credits, as long as appraisable in cash, being excluded, however, the payment upon the offer and commitment of future profits which may be generated by the Company.

Paragraph 4 - The Company's capital stock may be increased regardless of bylaws amendment, upon resolution taken by the Board of Directors, which will establish the conditions for issuance of shares, up to the limit of 459,200,000 common shares. The capital stock may be also increased without statutory amendment, through a resolution of the Board of Directors, upon capitalization of reserves, without changing the number of shares.

Paragraph 5 – In the proportion of its owning shares, the shareholders will have preference in the subscription of a capital increase, pursuant to article 171 of Law no. 6,404/76. The preemptive right could be transferred, totally or partially, to other shareholders, whose the exercise will be in proportion according to one's participation in the capital stock. The preemptive right will be exercised in a term of thirty (30) days.

Paragraph 6 - The Company may reduce or exclude the term for the exercise of the preemptive right in the issuance of shares, debentures convertible into shares or subscription bonus whose placement is made by means of sale on a stock exchange, public subscription or trade for shares in a mandatory public offering of acquisition of control pursuant to articles 257 to 263 of Law no. 6,404/76.> There will also be no preemptive right in the granting and in the exercise of the stock option, pursuant to the provision in paragraph 3 of article 171 of Law no. 6,404/76.

Paragraph 7 - In the event of the nonperformance of the issuance price of the shares in the conditions set forth in the subscription list or in the call, the shareholder will be remiss of full right constituted in delay, pursuant to article 106, paragraph 2 of Law no. 6,404/76, being subject to the provision in article 107 of the same law.

ARTICLE 6 - The possible shareholders' agreements which set forth the purchase and sale conditions of their shares, or the preemptive right in their purchase, or the voting right exercise, will be always complied with by the Company, as long as they have been filed at the headquarters, and it is incumbent upon the management to abstain from computing the votes cast against the terms of these agreements.

Sole Paragraph - The rights, obligations and responsibilities resulting from these shareholders' agreements will be valid and opposable to third parties, as soon as they have been duly registered in the Company's share registration books. The Company's managers will ensure the compliance with these agreements and the chairman of the general meeting will not compute the vote against the provisions of these agreements.

CHAPTER III GENERAL MEETING

ARTICLE 7 - The General Meeting is the Company's decision-making body and will meet, on an ordinary basis, within the four (4) months subsequent to the end of the fiscal year for the purposes provided for by the law and, on and extraordinary basis, whenever required by the social interests.

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Paragraph 1 - The General Meeting must be called pursuant to the law, or by telegram or registered letter, by the Chairman of the Board of Directors, and the works will be presided by a board composed of the chairman and the secretary, pursuant to paragraph 2 below.

Paragraph 2 - The General Meeting will be chaired by the Chairman of the Company's Board of Directors, or, in his absence, by the one chosen by the majority of those attending the meeting. The chairman of the Meeting will choose, among those attending the meeting, the secretary of the presiding board.

Paragraph 3 - The resolutions of the General Meeting, not considering the exceptions provided for by the law, in these Bylaws or in the shareholders' agreement duly filed at the Company's headquarters, will be taken by majority vote, not computing the blank votes.

ARTICLE 8 - The shareholders may be represented at the General Meetings by attorneys-in-fact, pursuant to article 126, paragraph 1, of Law no. 6,404/76.

CHAPTER IV MANAGEMENT

Section I - General Rules

ARTICLE 9 - The Company will be managed by a Board of Directors and a Board of Executive Officers.

Paragraph 1 - It is incumbent upon the General Meeting to determine the global amount of the managers' compensation, and upon the Board of Directors the distribution of the compensation among the members of the Board of Directors and of the Board of Executive Officers.

Paragraph 2 - The managers will be invested in office by means of the execution of the instrument of investiture in the Company's records, within thirty (30) days following their election, and are exempted from posting bond for guarantee of their management. The investiture of the managers will be subject to the previous subscription of the Managers' Instrument of Agreement, referred to in the *Novo Mercado* (New Market) Listing Rules and to the Policy for Disclosure of Material Act or Fact adopted by the Company pursuant to CVM Instruction no. 358, as of January 22, 2002, and to the compliance with the applicable legal requirements.

Paragraph 3 - The members of the Board of Directors and of the Board of Executive Officers undertake, without adverse effects to the duties and responsibilities attributed to them by the law, to maintain reservation about all the Company's businesses, considering as confidential all the information they have access to and concerning the Company, its businesses, employees, managers, shareholders or contracted persons and service providers, undertaking to use this information in the Company's exclusive and best interest. The managers, when invested in office, must execute an

Instrument of Confidentiality, as well as ensure that the violation to the obligation of confidentiality does not take place by means of subordinated persons or third parties.

Paragraph 4 - The Company may contract, at its expenses, an insurance to protect the assets of the Company, the Board members and Officers against possible losses caused by conflicts or demands derived from management acts in the scope of the capital markets or out of it. Additionally, the Company may hire, also at its expenses, attorneys and other professionals who may be necessary to defend the Board members and Officers in demands caused by acts practiced in the management of the Company, even though these conflicts may have occurred after the end of the managers' term of office.

Section II - Board of Directors

ARTICLE 10 – The Board of Directors, elected by the Shareholders' Meeting, will be composed of, at least, five (5) and, at most, nine (9) sitting members, elected with their respective alternates, all of whom are natural persons, domiciled or not in Brazil, with unified term of office of one (1) year, and reelection is allowed, with one Chairman and one Vice-Chairman, appointed by the Shareholders' Meeting. At least 20% of the Board of Directors' members must be Independent Board Members, as defined by the Novo Mercado Regulation, and shall be expressly declared as such in the minutes of the Shareholders' Meeting that elects them.

Paragraph 1 – For purposes of these Bylaws, “Independent Member” is that who: (i) does not have any bond with the Company, except equity interest; (ii) is not a Controlling Shareholder, spouse or relative up to the second level, or is not or has not been, in the past 3 years, bound to a company or entity related to the Controlling Shareholder (persons bound to public education and/or research institutions are excluded from this restriction); (iii) has not been, in the past 3 years, an employee or executive officer of the Company, of the Controlling Shareholders or of a company controlled by the Company; (iv) is not a supplier or a purchaser, direct or indirect, of services and/or products of the Company, in an importance that causes loss of independence; (v) is not an employee or manager of a company or entity which is offering or demanding services and/or products of the Company; (vi) is not an spouse or a relative up to the second level of any manager of the Company; and (vii) does not receive other compensation of the Company in addition to the one of board member (earnings in cash resulting from the equity interest are excluded from this restriction).

Paragraph 2 - Those elected by means of the authorization provided for in paragraphs 4 and 5 of Article 141 of the Corporate Law will also be considered Independent Board Members.

Paragraph 3 - When, due to the compliance with the percentage referred to in the caput of this article 10, a fractional number of board members occurs, the rounding to the whole number: (i) immediately higher, when the fraction is equal or higher than 0.5 or (ii) immediately smaller, when the fraction is smaller than 0.5, will be made.

Paragraph 4 – The positions of Chairman of the Board of Directors and CEO of the Company shall not be held by the same person.

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ARTICLE 11 – The members of the Board of Directors will be replaced during their absence, impediment or vacancy, by their respective alternate. In the event of vacancy of a sitting member, the alternate member will replace him until the following first Annual or Extraordinary Shareholders' Meeting, when new sitting and alternate members shall be elected to complete the term of office; if the alternate member is not able to taking this office, the Board of Directors will operate with the remaining members, unless if the number of members is lower than the minimum legal number of members, then a Shareholders' Meeting shall be summoned within thirty (30) days in order to elect the sitting and alternate members, who shall take the office as members of the Board of Directors for the remaining period of replaced members' term of office.

ARTICLE 12 – The meetings of the Board of Directors will be summoned in writing, by its Chairman or two (2) of its members, and it is necessary, for its performance, the attendance, at least, of the majority of its members in office. The resolutions of the Board of Directors will be taken by the majority of the board members attending the meeting, and the vote of the Chairman or his/her substitute must prevail in the event of tie, as provided for in the Board of Directors' Bylaws.

Sole Paragraph - From the meetings of the Board of Directors minutes will be drawn up in the Company's records, becoming effective with the signature of the members sufficient to constitute quorum required for the instatement and resolution.

ARTICLE 13 - After the term of office ends, the Board of Directors' members will remain in the exercise of their positions until the investiture of the new board members elected.

ARTICLE 14 – In addition to the attributions provided for by the law and in these Bylaws, it is incumbent upon the Board of Directors:

- (i) to determine the general guidance of the Company's businesses;
- (ii) to inspect the management of the Board of Executive Officers and examine, at any time, the Company's records and documents;
- (iii) to call the Shareholders' Meetings;
- (iv) to previous voice about the Management Report, the accounts of the Board of Executive Officers, the Financial Statements for the year and examine the monthly balance sheets;
- (v) to distribute the compensation determined by the Shareholders' Meeting among the Company's managers;
- (vi) to elect and dismiss the executive officers, as well as determine their attributions and compensations;

- (vii) to establish criteria through which the disposal of assets only may be practiced after previous approval of the Board of Directors or Board of Executive Officers, as well as authorize the tendering of guarantees of any nature for third parties' liabilities;
- (viii) to choose and dismiss the Company's independent auditors;
- (ix) to authorize the Company to acquire shares issued by it, for cancellation or to be held in treasury and their subsequent sale;
- (x) state if it is favorable or not to any public tender offer with the Company's shares as object, through a prior, reasoned opinion, issued within 15 (fifteen) days of the disclosure of the tender offer, which should address at least (i) the expedience and opportunity of the tender offer to the interests of the shareholders and to the liquidity of their securities; (ii) the repercussion of the tender offer on the Company's interests; (iii) the strategic plans in relation to the Company disclosed by the offering parties; (iv) other points considered relevant by the Board of Directors, as well as the information required by the applicable rules established by the Brazilian Securities and Exchange Commission (CVM);
- (xi) establish a list of three companies specialized in economic appraisal of companies to prepare the appraisal report of the Company's shares in case of tender offer for cancellation of registration as publicly-held company or delisting from Novo Mercado;
- (xii) approve the Company's strategic plan, as well as the respective plan for its execution;
- (xiii) approve the Company's annual and multiannual budget;
- (xiv) approve Management and employee profit sharing programs or plans;
- (xv) establish criteria for value, duration, extension of effects, nature of operation and other, through which certain acts, including the acquisition of assets and rights and the taking out of loans, lending or borrowings, only may be practiced after previous approval of the Board of Directors or Board of Executive Officers, as defined by the Board of Directors;
- (xvi) establish criteria for value, duration, extension of effects, nature of the operation and other, through which the practice of acts implying the sale, even on a fiduciary basis, or the encumbrance of permanent assets, including to mortgage, pledge, guarantee, give in antichresis, to post bond, confess, waive, compromise or agree only may be practiced after previous approval of the Board of Directors or Board of Executive Officers, as defined by the Board of Directors;
- (xvii) define maximum limits for donations or to practice any benevolent act, including those relating to tax benefits or deductions, as well as approve these acts when they exceed the limits established;

- (xviii) authorize the acquisition of companies, interest in other companies, as well as the creation of consortia, joint ventures and/or strategic partnerships, in observance to the authority of the Shareholders' Meeting;
- (xix) establish guidelines, standpoints and votes to be observed and exercised by the Company's representatives in any meeting of the control group and/or shareholders/quotaholders or Shareholders' Meetings of associated companies or subsidiaries, or other meetings involving consortia, joint ventures or strategic partnerships in which Company holds interest; and
- (xx) resolve on the creation of specific committees, related thereto, with or without the participation of Board Members, Executive Officers, Company's employees, or outsourced workers, in order to oversee and/or guide specific corporate processes or operations.

Section III - Board of Executive Officers

ARTICLE 15 - The Board of Executive Officers is composed of seven (7) members, domiciled in Brazil, shareholders or not, appointed and dismissible by the Board of Directors, who will have the following designations:

- (i) President;
- (ii) Industrial Vice President - Cookies and crackers, Pasta and Margarine;
- (iii) Industrial Vice President - Mills;
- (iv) Commercial Vice President;
- (v) Management and Development Vice President;
- (vi) Financial Vice President; and
- (vii) Investments and Controllershship Vice President.

Paragraph 1 - The term of office of each Executive Officer will be three (3) years, and reelection is allowed. After the term of office ends, the Executive Officers will remain in the exercise of their positions until the investiture of the new Executive Officers elected.

Paragraph 2 - The exercise of the position of Executive Officer ceases by the dismissal, at any time, of the sitting executive officer, or by the end of the term of office, if there is not readmission, also in compliance with the provision in the final part of paragraph 1 above. The resignation becomes effective, in relation to the Company, from the moment in which it takes knowledge of the written communication of the renounce, inuring before third parties of good faith after its filing in the Public Registration of Commercial Companies and publication.

Paragraph 3 - The replacement of the Executive Officers, in the event of absence or temporary impairment, or also by resignation, death or incapacity, will be resolved at a Meeting of the Board of Directors, and the Chairman of the Board of Directors may appoint, on an interim basis, a substitute.

ARTICLE 16 - It is incumbent upon the Board of Executive Officers to exercise the attributions that the law, the General Meeting, the Board of Directors and these bylaws grant them for the practice of the acts required for the regular operation of the Company, taking upon it the management of the Company and the practice of all and any act which is not of the private competence of the General Meeting, pursuant to article 122 of Law no. 6,404/76.

ARTICLE 17 - Without adverse effects to the specific competences defined in the paragraphs of this article 17, it is incumbent upon the Executive Officers:

- (i) to ensure the compliance with the law and these bylaws;
- (ii) to administrate, manage and supervise the social businesses;
- (iii) to prepare the report and the financial statements of each year; and
- (iv) to practice the acts of its competence, as set forth in these bylaws and in the Internal Regulation of the Board of Executive Officers.

Paragraph 1 - It is incumbent upon the President:

- (i) to define, implement and coordinate the actions aimed at the preservation of the vision, mission and values of the Company;
- (ii) to superintend and promote coordinated and integrated actions of the productive and development process of the Company's activities;
- (iii) to supervise and control the production and profitability levels of each Division;
- (iv) to represent the Company, actively and passively, in court or out of it;
- (v) to execute agreements, take loans and financings, sell, acquire, mortgage, or, otherwise, encumber the company's assets, personal property, real property and other rights;
- (vi) to accept, withdraw, endorse and guarantee foreign exchange documents, trade bills, checks, promissory notes and any other bonds which are under the responsibility of the Company;
- (vii) to open, operate and close bank accounts.

Paragraph 2 - It is incumbent upon the Industrial Vice President - Cookies and crackers, Pasta, and Margarine:

- (i) To define policies and promote the corporate management of the productive processes of cookies and crackers, pasta and margarine, ensuring their continuous improvement, in accordance with the strategic guidelines set forth by the President;
- (ii) To direct the activities of production, packaging and storage of finished products, as well as develop production engineering projects, in the segments of cookies and crackers, pasta and margarine;
- (iii) To ensure excellence in the process of maintenance of the industrial parks of cookies and crackers, pasta and margarine, by means of the adoption of preventive and corrective procedures;
- (iv) To propose and coordinate the execution of projects of technological updating, renewal and expansion of the production parks of cookies and crackers, pasta and margarine;

- (v) To set forth policies and manage the process of corporate purchases of productive inputs, in the segments of cookies and crackers, pasta and margarine, ensuring the quality of the products acquired and competitiveness in the conditions negotiated with suppliers;
- (vi) To conduct the management activities of the systems of quality, food safety and environment, in the segments of cookies and crackers, pasta and margarine, ensuring the compliance with the legislation in force and intensifying the certifications by specialized organizations;
- (vii) To push the production and profitability levels of the production units of cookies and crackers, pasta and margarine, in conformity with the corporate strategies;
- (viii) To provide the President, by means of managerial reports, with systemized information of the activities developed and results generated in the production units of cookies and crackers, pasta and margarine, and
- (ix) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

Paragraph 3 - It is incumbent upon the Industrial Vice President - Mills:

- (i) To define policies and promote the corporate management of the productive processes of byproducts of wheat, corn and other cereals, in the Company's milling units, ensuring their continuous improvement, in accordance with the strategic guidelines set forth by the President;
- (ii) To direct the activities of production, packaging and storage of finished products, as well as develop production engineering products, in the segment of mills;
- (iii) To ensure excellence in the maintenance process of the industrial parks of the milling units, by means of the adoption of preventive and corrective procedures;
- (iv) To propose and coordinate the execution of projects of technological updating, renewal and expansion of the production parks in the milling units;
- (v) To set forth policies and manage the process of corporate purchases of productive inputs, in the segment of mills, ensuring the quality of the products acquired and competitiveness in the conditions negotiated with suppliers;
- (vi) To conduct the management activities of the systems of quality, food safety and environment, in the segment of mills, ensuring the compliance with the legislation in force and intensifying the certifications by specialized organizations;
- (vii) To push the production and profitability levels of the milling units, in conformity with the corporate strategies;
- (viii) To provide the President, by means of managerial reports, with systemized information of the activities developed and results generated in the milling units, and
- (ix) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

Paragraph 4 - It is incumbent upon the Commercial Vice President:

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- (i) To direct the corporate process of commercialization of products manufactured by the Company, implementing market development actions, in accordance with the strategic guidelines set forth by the President;
- (ii) To plan the sales of products, establishing strategies, goals and targets, as well as monitor the execution of the Commercial Plan;
- (iii) To ensure excellence in the process of sales of the Company's products, by means of the management of own teams, operators and distributors;
- (iv) To coordinate the activities of market and competition studies, subsidizing the proposition of corporate marketing strategies;
- (v) To manage the Marketing corporate activities, establishing the Marketing Plans and monitoring their implementation, with the purpose of increasing the Company's businesses;
- (vi) To conduct the logistics corporate process of distribution of products, involving the management of the distribution centers, of the inventory, of the logistics operators and of the transportation structure, reaching the maximum efficiency, the lowest cost and quality in the distribution;
- (vii) To promote periodical studies of capacity and location of the distribution logistics network, proposing improvements and monitoring its implementation;
- (viii) To push the productivity and profitability levels of the commercial units, in conformity with the corporate strategies;
- (ix) To provide the President, by means of managerial reports, with systemized information of the activities developed and results generated in the commercial units, and
- (x) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

Paragraph 5 - It is incumbent upon the Management and Development Vice President:

- (i) To direct and exercise the coordination of the management and development activities, within the corporate scope, pursuant to the strategic guidelines set forth by the President;
- (ii) To promote the information technology development, at the corporate level, trying to make available solutions compatible with the Company's strategic goals;
- (iii) To ensure the adequate information technology infrastructure, as well as adopt a information security policy and provide hardware and software support;
- (iv) To define corporate policies and implement people development actions, including recruitment and selection, training, performance management, positions and salaries, culture and organizational climate, pushing the achievement of business results established;
- (v) To set forth corporate policies and process development actions, applying rules and procedures of rationalization and continuous improvement of work flows, with the purpose of pushing the business performance;
- (vi) To coordinate the corporate activities of personnel management, comprising the management of payroll, labor charges, concession of benefits and occupational safety and medicine, in accordance with the legislation and policies of development of prevailing persons;

- (vii) To provide administrative support to the Company's several units, involving corporate services of lobby, reception, building maintenance, asset security, control of personal property, management of files and administrative purchases;
- (viii) To push the productivity and efficiency levels of the administrative and development activities, in accordance with the corporate strategies;
- (ix) To provide the President, by means of managerial reports, with systematized information of the administrative and development activities, and
- (x) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

Paragraph 6 - It is incumbent upon the Financial Vice President:

- (i) To direct and exercise the coordination of the financial activities, within the corporate scope, in accordance with the strategic guidelines set forth by the President;
- (ii) To define and implement a credit concession corporate policy, including the evaluation of credit and of guarantees presented, to minimize financial risks to the Company;
- (iii) To set forth criteria and manage the corporate process of accounts receivable, adopting actions that ensure efficiency in the activities of billing, control of receivables and collection;
- (iv) To coordinate the corporate activities of accounts payable, by means of the control of maturities of liabilities, preparation of payments, control of contracts and management of the financial position;
- (v) To develop corporate treasury activities, by means of the management of the cash flow, bank operations and control of cash and checks;
- (vi) To plan, organize and coordinate the internal audit activities;
- (vii) To push the productivity and efficiency levels of financial activities, in accordance with the Group's corporate strategies;
- (viii) To provide the President, by means of managerial reports, with systematized information of the financial activities, and
- (ix) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

Paragraph 7 - It is incumbent upon the Investments and Controllershship Vice President:

- (i) To direct and exercise the coordination of the investments and controllership activities, within the corporate scope, in accordance with the strategic guidelines set forth by the President;
- (ii) To define and implement the investments corporate policy, raise alternative sources of funds and develop studies of economic-financial feasibility of undertakings;
- (iii) To develop the investor relations activities, within the corporate scope, comprising the preparation of institutional documents, performance of presentations and submission of negotiations, in accordance with the Company's legal provisions and strategies;

- (iv) To coordinate the corporate activities of managerial and corporate controllership, including the preparation of managerial and accounting statements, support to external audits, management of the corporate documentation, cost control and budgetary management;
- (v) To direct the corporate activities of tax controllership, by means of the tax planning, tax assistance, management of tax liabilities and tax litigation, as well as the support to tax audits;
- (vi) To coordinate the advisory and contentious legal activities;
- (vii) To push the productivity and efficiency levels of the investments and controllership activities, in accordance with the Group's corporate strategies;
- (viii) To provide the President, by means of managerial reports, with systematized information of the investments and controllership activities, and
- (ix) To cooperate with the President in the formulation of development and monitoring strategies of the Company's results, contributing to the continuous improvement of the business performance, jointly with the other Vice Presidents.

ARTICLE 18 – The Board of Executive Officers will meet, whenever necessary, by means of a call of the Chief Executive Officer or at least four (4) Executive Officers. It shall be incumbent upon the Board of Executive Officers the following responsibilities, besides others assigned by the Board of Directors:

- (i) establish the basic guidelines of the Executive Officers' actions and ensure their strict compliance;
- (ii) define and systematize processes and operations, approve their policies, strategies and guidelines, evaluating their performance, the level of excellence achieved and management techniques applied;
- (iii) establish human resources compensation policies and practices, in observance to the Board of Directors' authority to create profit sharing programs or plans and to stipulate the goals of such plans, as well as general or specific resolutions of the Board of Directors;
- (iv) comply with the strategic plan and budget approved by the Board of Directors, and submitting them their results;
- (v) authorize, in cases when the Board of Directors assign them such authority, the fund-raising, the taking out of loans and borrowings, in Brazil or abroad, including by means of the issue of securities;
- (vi) authorize, in cases when the Board of Directors assign them such authority, the acquisition of assets or rights by the Company;
- (vii) authorize, in cases when the Board of Directors assign them such authority, the practice of acts implying the sale, even on a fiduciary basis, or encumber permanent assets, including to

- mortgage, pledge, guarantee, give in antichresis, to post bond, confess, waive, compromise or agree;
- (viii) authorize, in cases when the Board of Directors assign them such authority, donations or the practice of any benevolent act, including those relating to tax benefits or deductions;
 - (ix) resolve on deadlocks and/or doubts concerning the authority of each Executive Officer, the relationship among them and their performance areas; and
 - (x) authorize the opening of branches, agencies and offices.

Paragraph 1 – The meetings of the Board of Executive Officers will be called by the Chairman, and will only be instated with the attendance of the Chairman and one Executive Officer or, in the absence of the Chairman, at least four (4) Executive Officers. The meetings of the Board of Executive Officers will be chaired by the Chairman and the resolutions will be taken by majority vote, prevailing, in the event of tie, the vote of the Chairman or his substitute; in the absence of the Chairman and his substitute, in case of tie, the resolution will be submitted to the Board of Directors.

Paragraph 2 – The Executive Officer who sends a written vote about the matters purpose of the agenda will be considered present.

Paragraph 3 – The meetings of the Board of Executive Officers minutes will be drawn up in the Company's records.

ARTICLE 19 - The representation of the Company, in court or out of it, actively or passively, in any legal acts or businesses, or before any public offices or federal, state or municipal authorities, in the acts of acquisition, sale or taxation of assets and rights of the Company, as well as in the acts and operations of ordinary management of the social businesses, such as the execution of deeds of any nature, bills of exchange, checks, cash orders, contracts and, in general, any other documents or acts that are considered responsibility or obligation for the Company or that release it from obligations with third parties, and also, the acceptance, the endorsement and the guarantee of foreign exchange documents, trade bills or other bonds, will be mandatorily practiced by the Chief Executive Officer jointly with a Vice Chief Executive Officer or, in the absence of the Chief Executive Officer, the joint signature of two Vice Chief Executive Officers. The following representation rules shall also be complied with:

- (i) in case of financial transactions: the Chief Executive Officer shall sign jointly with the Vice Chief Financial Officer;
- (ii) in the execution of financial and investment agreements: the Chief Executive Officer shall sign jointly with the Vice Chief Controllership Officer;
- (iii) in the execution of other non-financial agreements: the Chief Executive Officer shall sign jointly with the Vice Chief Executive Officer of the area related to the specific agreement.

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- (iv) in the event of items (i), (ii) and (iii) above, in the absence of the Chief Executive Officer, the Vice Chief Executive Officer of the area related to the act to be practiced may sign, jointly with any other Vice Chief Executive Officer or attorney-in-fact who have been granted powers by the Chief Executive Officer;
- (v) the Company may also be represented by an attorney-in-fact empowered as provided for in Paragraph 2 below.

Paragraph 1 – The acts requiring previous authorization of the Board of Directors or Board of Executive Officers only may be practiced if such condition has been met.

Paragraph 2 – The powers of attorney on the Company’s behalf will be granted by means of previous authorization of the Board of Executive Officers or by the Chief Executive Officer jointly with the Vice Chief Executive Officer of the area related to the act to be practiced by attorney-in-fact, and will specify the powers granted. Except in cases of judicial representation or related, where the power of attorney has to be performed until the conclusion of the issue or proceeding, all other powers of attorneys shall have a specific duration, not exceeding one (1) year, and shall have limited powers; when the power of attorney aims the practice of acts that rely on the previous authorization of the Board of Directors or Board of Executive Officers, its granting shall be expressly subject to the obtainment of such authorization.

Paragraph 3 - The acts of any of the Executive Officers or attorneys-in-fact who involve the Company in obligations related to businesses and/or operations different from the corporate purpose, such as sureties, guarantees and endorsements or any other guarantees in favor of third parties, are expressly prohibited, being null and ineffective concerning the Company.

Paragraph 4 - Without adverse effects to the provision in paragraph 3 above, each Executive Officer (i) responds, before the Company and severally with it before third parties, for fault in the performance of his/her position or functions; and (ii) will have to refund the Company, with all the resulting profits, the credits or social assets applied, without written authorization of the Shareholders’ Meeting, in his/her own benefit or in the benefit of third parties, and, in the event of loss, he/she will also respond for it.”

CHAPTER V FISCAL COUNCIL

ARTICLE 20 - The Company’s non-permanent Fiscal Council will only be instated under the law, and it will be composed of three (3) to five (5) sitting members and equal number of alternates, shareholders or not, elected by the General Meeting in which its operation is required.

Paragraph 1 - The Fiscal Council’s members will be invested in office upon previous execution of the Instrument of Agreement of the Fiscal Council’s Members, referred to in the *Novo Mercado* (New Market) Rules, and after the compliance with the applicable laws.

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Paragraph 2 - The Fiscal Council's members in office will be entitled to a compensation determined by the General Meeting electing them.

Paragraph 3 - The Fiscal Council's resolutions will be taken by a majority vote and recorded in the Company's records.

Paragraph 4 - The Fiscal Council's members will have the duties and responsibilities established by the corporate law in force and in the *Novo Mercado* (New Market) Rules.

CHAPTER VI FISCAL YEAR AND INCOME

ARTICLE 21 - The fiscal year will last twelve (12) months, coinciding with the calendar year, ending on December 31 of each year. At the end of each year, the Board of Executive Officers will prepare the financial statements provided for by the law, observing the rules in force, which will comprise the proposal of allocation of the income for the year.

Sole Paragraph - Accounting principles and practices based on technical rules from professional entities authorized by the law will be adopted in the preparation of the financial statements.

ARTICLE 22 - The net profit for the period represents the income for the year after deducting accumulated losses, the provision for income tax and after any participations attributed in accordance with article 190 of law 6.404/76.

Paragraph 1 - Of the net profit for the year 5% (five percent) shall be allocated to constitute the legal reserve, which shall not exceed 20% (twenty percent) of capital.

Paragraph 2 - The General Meeting can, after being proposed by the management bodies, allocate to the tax incentive reserve, part of the net profit arising from government subsidies for investments and donations, which can be excluded from the compulsory dividend calculation base.

Paragraph 3 - The balance of net income will be adjusted in accordance with article 202 of Law 6404/76, and 25% (twenty five percent) of the adjusted balance of the discounted values for the Tax Incentive Reserve will be allocated to pay the mandatory dividend.

Paragraph 4 - After the formation of the reserves referred to in paragraphs 1 and 2 of this article, and observed the minimum mandatory distribution of dividends, the General Meeting may, upon proposal of the Management, intend portion of profits to statutory reserve called "Reserve for Investment Plan" whose purpose is to strengthen the company's working capital and reinvestment of internally generated funds, aiming at the expansion of the business. The reservation of this paragraph shall observe the maximum 95% of capital and may, by resolution of the Board of Directors, be capitalized, used to absorb losses or the distribution of dividends to shareholders.

Paragraph 5 - The balance for revenue reserves, except those for contingencies, tax incentives and unearned profits cannot exceed capital. Once this limit has been reached, the General Meeting will

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decide whether any excess will be used for a payment or increase in capital or as a dividend distribution.

ARTICLE 23 - The Company will pay the dividend of shares to the person that, on the date of the General Meeting which approves the dividend distribution, is registered as owner or usufructuary of the share.

Paragraph 1 - The dividends of shares under bank custody or deposited pursuant to articles 41 and 43 of Law 6,404/76 will be paid by the Company to the financial depository institution, which will be responsible for its delivery to the holders of the deposited shares.

Paragraph 2 - The dividends not claimed within three (3) years as from the resolution of the act which authorized their distribution, will expire in favor of the Company.

ARTICLE 24 - The Company may prepare annual, half-yearly, quarterly or monthly balance sheets, and declare, by resolution of the General Meeting, dividends to the account of profits verified in such balance sheets and/or interest on own capital, always in view of the total to be distributed at the end of the referred fiscal year, observing the limitations provided for by the law.

Paragraph 1 - - The Company's Board of Directors may declare and determine the payment of interim dividends to the profit account recorded in the interim balance sheets or profit reserves existing in the previous annual balance sheet, ad referendum the Annual General Meeting that resolves on the financial statements for the fiscal year in which the dividends were credited.

Paragraph 2 - The Company's Board of Directors may determine the amount to be credited or paid to shareholders as interest on own capital pursuant to article 9 of Law 9,249/95, amended by Law no. 9,430/96, ad referendum the Annual General Meeting that approves the financial statements for the fiscal year in which such interest were credited.

Paragraph 3 - The intercalary or interim dividends and the interest on own capital must be always attributed to the mandatory dividend.

CHAPTER VII SALE OF POWER OF CONTROL

ARTICLE 25 - The sale of the Company's share control not only by a sole transaction, but also by successive transactions, must be contracted under suspensive or resolutive condition, in which the acquirer shall undertake to conduct the public offering of acquisition of common shares to the other shareholders, observing the conditions and terms determined by the current legislation and the *Novo Mercado* (New Market) Rules, so as to ensure them a treatment similar to that provided to the Selling Controlling Shareholder.

ARTICLE 26 - The Public Offering set forth in Article 25 may also be conducted:

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- (a) in the event of onerous assignment of rights to subscribe shares or other instruments or rights related to securities convertible into shares, which may result in the Sale of the Company's Control; and
- (b) in the event of sale of control of a company holding the Company's Power of Control and, in such event, the Selling Controlling Shareholder will undertake to declare to the BM&BOVESPA S.A. - Securities, Commodities and Futures Exchange ("BM&FBOVESPA") the amount attributed to the Company in such sale and attach documentation evidencing this amount.

Sole Paragraph: For the purposes of the provisions in these Bylaws, the following shall be understood as:

- (i) "Controlling Shareholder": the shareholder(s) or Group of Shareholders that exercise the Company's Power of Control;
- (ii) "Selling Controlling Shareholder": the Controlling Shareholder, when promoting the sale of the Company's control;
- (iii) "Outstanding Shares": all the shares issued by the Company, except those held by the Controlling Shareholder, by persons bound to him, by the Board of Directors' members and the Company's Executive Officers and those held in treasury.;
- (iv) "Shares of Control": the tranche of shares ensuring, directly or indirectly, its holders the individual and/or shared exercise of the Company's Power of Control;
- (v) "Acquirer": the person to whom the Selling Controlling Shareholder transfers the Shares of Control in a Sale of the Company's Control.
- (vi) "Sale of Control": the transfer to a third party, on a remunerated basis, of the Shares of Control;
- (vii) "Group of Shareholders": the group of people (i) bound by contracts or voting agreements of any kind, whether directly or through subsidiaries, parent companies or under common control; or (ii) between whom there is a control relationship; or (iii) under common control.
- (viii) "Power of Control": it means the power effectively used to gear the social activities and guide the operation of the Company's bodies, directly or indirectly, actually or legally, regardless of interest held. There is a relative assumption of ownership of the control in relation to the Group of Shareholders who is holder of shares ensuring him/her the absolute majority of the votes of the shareholders attending the past three general meetings of the Company, even not holding shares ensuring the absolute majority of the voting capital.

ARTICLE 27 - The party holding the Company's shares and that acquires the Power of Share Control in view of the private instrument for the purchase and sale of shares executed with the Controlling Shareholder, involving any number of shares, will undertake to:

- (a) conduct the public offering provided for in Article 25 of these Bylaws; and
- (b) pay the amount equivalent to the difference between the public tender offer price and the price per share purchased on Stock Exchanges, within six (6) months prior to the acquisition of Control Power, duly restated up to payment date; said amount shall be distributed amongst all those who sold their shares in trading sections in which the Acquirer purchased them, proportionally to the net daily sale balance of each, and BMF&BOVESPA is in charge of carrying out the distribution, pursuant to its rules.

ARTICLE 28 - While the Agreement of Participation in the Novo Mercado (New Market) is in force, the Company will not record (i) any transfer of shares to the Acquirer, or to the party that may hold the Power of Control, while such person(s) does (do) not sign the Instrument of Agreement of the Controlling Shareholders as provided for in the Novo Mercado (New Market) Rules; or (ii) any Shareholders' Agreement providing for the exercise of the Power of Control, while its signatories do not sign the Instrument of Agreement of the Controlling Shareholders, referred to in the Novo Mercado (New Market) Rules.

CHAPTER VIII DEREGISTERING AS A PUBLICLY-HELD COMPANY

ARTICLE 29 - Without adverse effects to the applicable legal and regulatory provisions, deregistering as a publicly-held company will be preceded by a public offering of shares to be carried out by the Controlling Shareholder or the Company, having as minimum price, mandatorily, the economic value determined in an appraisal report, pursuant to article 30 below.

ARTICLE 30 - The appraisal report will be prepared by a specialized company with evidenced experience and independence as to the decision power of the Company, its managers and/or Controlling Shareholder, in addition to fulfilling the requirements provided for in paragraph 1 of article 8 of the Corporate Law and mentioning the responsibility set forth in paragraph 6 of the same article.

Paragraph 1 - The choice of a specialized company responsible for the determination of the Company's economic value is the private incumbency of the general meeting, from the submission, by the Board of Directors, of a triple-name list, and the respective resolution, not computing the blank votes, must be taken by the majority vote of shareholders representing the Outstanding Shares attending that meeting which, if instated in first call, must count on the attendance of shareholders representing, at least, twenty percent (20%) of the total Outstanding Shares, or if instated in second call, may count on the attendance of any number of shareholders representing the Outstanding Shares.

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Paragraph 2 - The costs incurred with the preparation of the appraisal report will be fully afforded by the offeror.

ARTICLE 31 - When announced to the market the decision of proceeding to the deregistering as a publicly-held company, the offeror must disclose the maximum value per share or per one thousand shares by which the public offering will be formulated.

Paragraph 1 - The public offering will be subject that the amount determined in the appraisal report does not exceed the amount disclosed by the offeror.

Paragraph 2 - If the economic value of the shares, determined as provided for in articles 30 and 31, is higher than the amount informed by the offeror, the decision to proceed to deregistering as a publicly-held company will be automatically revoked, except if the offeror expressly agrees to formulate the public offering by the economic value determined, and the offeror must disclose the decision taken to the market.

Paragraph 3 - The procedure for the Company's deregistering as a publicly-held company will meet further requirements set forth in rules applicable to publicly-held companies and the provisions provided for in the *Novo Mercado* (New Market) Listing Rules.

CHAPTER IX DELISTING FROM THE NOVO MERCADO (NEW MARKET)

ARTICLE 32 - The Company's delisting from the *Novo Mercado* (New Market) will be approved at the General Meeting by the majority vote of the shareholders attending the meeting and reported to BM&BOVESPA in writing, within thirty (30) days in advance.

Paragraph 1 - If the Company resolves to delist from the Novo Mercado (New Market) so that its securities are registered for trading out of the Novo Mercado (New Market), or due to corporate restructuring operation, in which the securities of the company resulting from such restructuring are not admitted for trading in the Novo Mercado (New Market) within one hundred and twenty (120) days as of the date of the general meeting that approved the operation, the Controlling Shareholder must carry out the public offering of shares owned by the other shareholders of the Company, at least, by the economic value determined in an appraisal report prepared as provided for in Article 30 of these Bylaws, pursuant to the applicable legal standards and regulations.

Paragraph 2 - If the Company does not have a Controlling Shareholder and resolves to delist from the Novo Mercado (New Market) so that its securities are registered for trading out of the Novo Mercado (New Market), or due to corporate restructuring operation, in which the securities of the company resulting from such restructuring are not admitted for trading in the Novo Mercado (New Market) within one hundred and twenty (120) days as of the general meeting that approved the operation in question, the delisting from the Novo Mercado (New Market) will depend on a public offering of shares pursuant to the conditions set forth in paragraph 1 above.

Paragraph 3 - The general meeting referred to above should define those responsible for conducting the public offering of shares, who, in attending the meeting, shall expressly undertake the obligation to carry out the offer.

Paragraph 4 - If responsibility for the public offering of shares is not defined due to corporate restructuring operation, in which the securities of the company resulting from such restructuring are not admitted for trading in the Novo Mercado (New Market), shareholders that voted in favor of the corporate restructuring undertake to carry out the offering in question.

ARTICLE 33 - If the Company resolves to delist from the Novo Mercado (New Market) due to non-compliance with obligations set forth in the Novo Mercado (New Market) Rules is tied to the execution of the public offering of shares, at the economic value of the shares, at minimum, to be assessed in an appraisal report as set forth in article 30 of these Bylaws, in accordance with all applicable legal standards and regulations.

Paragraph 1 - The Controlling Shareholder shall carry out the public offering of shares set forth in the caput hereof. If there is no Controlling Shareholder and the delisting from the Novo Mercado (New Market) referred to in the caput was resolved by the general meeting, shareholders that voted in favor of the resolution leading to the non-compliance shall be held responsible for carrying out the public offering of shares set forth in the caput.

Paragraph 2 - If there is no Controlling Shareholder and the delisting from the Novo Mercado (New Market) referred to in the caput is the result of management act or fact, the Company's Management shall call a general meeting to resolve on how to solve the non-compliance with the obligations set forth in the Novo Mercado (New Market) Rules, or, if the case, resolve to delist from the Novo Mercado (New Market).

Paragraph 3 - If the general meeting mentioned in paragraph 2 above, resolves to delist from the Novo Mercado (New Market), the general meeting will define those responsible for carrying out the public offering of shares forth in the caput, who, in attending the Meeting, shall expressly undertake to carry out the offering.

ARTICLE 34 - The sale of the Company's Power of Control occurring during the twelve (12) months subsequent to the delisting from the Novo Mercado (New Market) will oblige the Selling Controlling Shareholder, severally and jointly with the Acquirer, to offer the other shareholders the acquisition of his/her shares for the price and under the conditions obtained by the Controlling Shareholder in the sale of his/her own shares, duly updated, observing the same rules applicable to the sales of control provided for in Chapter VII of these Bylaws.

Paragraph 1 - If the price obtained by the Controlling Shareholder in the sale referred to in the caput of this article is higher than the amount of the public offering carried out in accordance with other provisions of these Bylaws, the Selling Controlling Shareholder, severally and jointly with the Acquirer, will be obliged to pay the difference of amount determined to those accepting the respective public offering, under the same conditions provided for in the caput of this article.

Paragraph 2 – The Company and the Controlling Shareholder is bound to endorse in the Company's Register of Shares Book, regarding the shares in property of the Controlling Shareholder, the onus that requires that the acquirer of those shares extend to the other Company's shareholders the same price and payments terms paid to the Selling Controlling Shareholder, in case of sale, set forth in the caput and in paragraph 1 above.

CHAPTER X ARBITRATION COURT

ARTICLE 35 - The Company, its shareholders, managers and Fiscal Council's members undertake to settle, by arbitration proceeding, before the Market Arbitration Chamber, any and all doubts and disputes that may occur related to or arising from the application, validity, enforcement, interpretation, violation and the effects thereof, of the provisions set forth in Law 6,404/76, in these Bylaws, in the rules enacted by the National Monetary Council, by the Central Bank of Brazil and the Brazilian Securities and Exchange Commission, as well as other regulations applicable to the capital market in general, in addition to those provided for in the Novo Mercado (New Market) Rules, in the Arbitration Rules, in the Sanctions Rules and the Agreement of Participation in the Novo Mercado (New Market).

CHAPTER XI GENERAL AND TRANSITORY PROVISIONS

ARTICLE 36 - With the listing of the Company in the special listing segment of BM&FBOVESPA S.A. - Securities, Commodities and Futures Exchange ("BMF&BOVESPA") called Novo Mercado (New Market), the Company, its shareholders, Management and Fiscal Council members, when instated, undertake to comply with the provisions of BMF&BOVESPA Novo Mercado (New Market) Rules ("Novo Mercado (New Market) Rules")

Paragraph 1 - The provisions of the Novo Mercado (New Market) Rules shall prevail over the provisions set forth in the Bylaws, in the cases of harm to the rights of the acquirers of the public offering of shares set forth in these Bylaws.

Paragraph 2 - Any and all terms, words or expressions included in these Bylaws, which have their meaning set forth in the Novo Mercado (New Market) Rules, shall be understood, interpreted and applied according to that definition.

ARTICLE 37 – The provision of Paragraph 4 of Article 10 of these Bylaws only shall be effective as of May 9, 2014.

**CHAPTER XII
WINDING UP**

ARTICLE 38 - The Company will be wound up in the events provided for by the law, or by resolution of the General Meeting, which will establish the winding-up form, elect the liquidator and, if that is the case, instate the Fiscal Council for the winding-up period, electing its members and determining their respective compensations.