



Material Fact - JBS Finalizes the TOLEDO Group Acquisition

JBS S.A. ("JBS" or "Company") in accordance with CVM Instruction nº 358 of January 3rd 2002 communicates to its shareholders and the market in general that it has on this day finalized the acquisition of the TOLEDO Group (including TOLEDO INTERNATIONAL nv) located in Gent, Belgium for an enterprise value of EUR 11 million. TOLEDO Group is specialized in Researching, Developing and Commercializing customized cooked and frozen beef products for a wide range of end users across Western Europe with a customer base in excess of 100 clients ranging from food service, Industrial Kitchens to large food companies that use beef products as an ingredient in their finished products.

In 2009 the TOLEDO Group had net revenues in excess of USD 50 million.

The TOLEDO Group was founded by Clayton Toledo and Bob Stevens more than 20 years ago and has pioneered the development of these cooked beef products through partnerships at production level with South American Beef Companies. Exports of this group of products out of South America has increased more than tenfold over these two decades due in large part to the pioneering work of Clayton and Bob.

"We are proud to have this opportunity to continue the sales growth of these cooked beef products with this strategic acquisition, enhancing our customer base as well as our value added portfolio", Joesley Batista commented. "It is with a focus on these specialized customers that we plan to continue adding value to our business, partnering with strong regular clients to the benefit of all our stakeholders", he added.

São Paulo, July 13, 2010

Jeremiah O'Callaghan
Investors Relations Officer

About JBS S.A.

JBS S.A. is currently the world's largest protein producer and exporter having a daily harvesting capacity of 90.3 thousand head of cattle, 48.5 thousand head of pork, 7.6 million birds and 27.5 thousand head of lamb. The company's operations includes 140 production plants, 61 located in Brazil, 6 in Argentina, 2 in Paraguay, 50 in the USA, 3 in Mexico, 10 in Australia, 8 in Italy and 1 in China, Russia and Uruguay. Additionally JBS S.A. has feedlot operations in the USA, Australia, Brazil and Italy, with a onetime capacity to feed 1.05 million head of cattle, a tannery business with capacity to process 154,500 M2 of hides per day and a dairy production capacity of 1,266 tons/day. JBS' net revenues in 2009 were R\$ 34.3 billion. The Company employs about 125 thousand people and its brands "Friboi", "Swift", "Swift and Company", "La Herencia", "1855 Swift Premium", "Maturatta", "Cabaña Las Lilas", "Organic Beef Friboi", "Anglo", "Mouran", "Plata", "King Island", "Beef City", "AMH", "Inalca", "Montana", "Ibise", "Gold Kist", "Vigor", "Leco" and "Bertin" are widely recognized as symbols of quality. More information about JBS S.A. is available at www.jbs.com.br/ir.

This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of JBS. These are merely projections and, as such, are based exclusively on the expectations of JBS' management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in JBS' filed disclosure documents and are, therefore, subject to change without prior notice.

