



Material Fact

U.S. Bankruptcy Court Confirms Pilgrim's Pride Plan of Reorganization

JBS S.A. (JBSS3) hereby informs its shareholders and the market in general, that the United States Bankruptcy Court for the Northern District of Texas has approved the amended joint plan of reorganization of the Company in the Chapter 11 cases pending before the court.

Following a court hearing held December 8 in Ft. Worth, Judge D. Michael Lynn yesterday entered an order confirming the amended plan of reorganization, paving the way for the Debtors to exit bankruptcy later this month. Pilgrim's Pride said that it expects to emerge from bankruptcy before the end of December.

In September, the Debtors filed a joint plan of reorganization and related disclosure statement with the court. Under terms of the joint plan of reorganization, Pilgrim's Pride has entered into an agreement to sell 64% of the new common stock of the reorganized Pilgrim's Pride to JBS U.S.A. for \$800 million in cash. The completion of the transaction is subject to the closing of an exit facility for senior secured financing in an aggregate principal amount of up to \$1.75 billion, certain regulatory approvals and other customary closing conditions.

São Paulo, December 11, 2009.

Jeremiah O'Callaghan
Investors' Relation Officer