



Subscription operation by BNDESPAR of common shares of JBS

**JBS S.A.
CNPJ nº 02.916.265/0001-60
NIRE 35.300.330.587
Authorized Capital Publicly Held Company**

RELEVANT FACT

JBS S.A. ("JBS"), in accordance to CVM Instruction 358/02, informs its shareholders and the market in general that it has received, on this date, communication from BNDES Participações S.A. – BNDESPAR ("BNDESPAR") informing of the approval, through Decision Dir. 067/2007 – BNDESPAR, dated 6.26.2007, of the subscription operation, by BNDESPAR, of common shares of JBS, allowing for a relevant participation by BNDESPAR in the proceeds that will be raised by JBS for the acquisition of the Swift Foods Company ("Swift") through a capital increase of JBS.

The investment commitment of BNDESPAR in JBS is of up to R\$1,463,552,345.17 and the investment commitment of J&F Participações S.A. ("J&F") and/or ZMF Fundo de Investimento em Participações ("ZMF"), both shareholders of JBS, is of up to R\$390,280,674.83, totalling R\$1,853,833,020,00, or the total proposed for the capital increase of JBS, through the issuance of 227,400,000 new shares by JBS at an issue price of R\$8.1523 per share, as deliberated in the Board of Directors of JBS meetings held on 6.8.2007 and 6.27.2007. The subscription of the shares of JBS by BNDESPAR will occur through an assignment of a portion of the preference rights of J&F and/or ZMF in the subscription of new shares of JBS. The final amounts of the respective participations will only be defined after the conclusion of the period for the exercise of the preference rights by the shareholders of JBS. The investment of BNDESPAR, as well as the investment of J&F and ZMF will be subject to certain conditions precedent usual in operations of this nature.

JBS will hold a public meeting with investors, analysts and journalists on 6.28.2007 at 09:30, at the Company's administrative offices, located at Av. Marginal Direita do Tietê, 500, Vila Jaguara, São Paulo, state of São Paulo, CEP: 05118-100, to present and discuss the acquisition process of Swift. Those interested in participating may access the meeting via conference call (+ 1 888-700-0802; code: JBS), with live broadcast via internet on the website www.jbs.com.br/ir.

São Paulo, June 27, 2007

**Sérgio Longo
Director of Finance and Investor Relations**