



Negotiations for a private subscription

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

JBS S.A. ("JBS"), in accordance to CVM Instruction CVM 358/02, informs its shareholders and the market in general that due to the article published on today's edition of the newspaper "Valor Econômico", it was informed by J&F Participações S.A. ("J&F"), controlling shareholder of JBS, that J&F has been in negotiations for a private subscription with several investors, being BNDESPAR one of these possible investors, in case the current shareholders do not exercise their preference right. Until the present date, there is no final deliberation on the participants of this subscription.

São Paulo, June 25, 2007

Sérgio Longo
Director of Finance and Investor Relations