



Results for 1Q12

JBS S.A. (Bovespa: JBSS3)*

São Paulo, May 15th, 2012

JBS reported adjusted net income of R\$240 million

Net revenue increased 9.1% compared with 1Q11

1Q12 HIGHLIGHTS

- ✓ JBS posted consolidated net revenue of R\$16.0 billion, 9.1% higher than 1Q11.
- ✓ Consolidated EBITDA was R\$696.5 million. EBITDA margin was 4.4%.
 - JBS Mercosul was the highlight during the quarter reporting net revenue of R\$3,827.4 million, an increase of 6.2% over 1Q11. EBITDA increased 64.9% over the same period and was R\$508.6 million, EBITDA margin was 13.3%.
 - JBS USA Pork net revenue totaled US\$855.4 million, 2.2% higher than 1Q11. EBITDA was US\$55.8 million.
 - JBS USA Chicken (PPC) posted net revenue of US\$1.9 billion and EBITDA of US\$104.0 million in the period, reversing the negative result presented in 1Q11.
- ✓ Adjusted net Income in the period was R\$240.3 million excluding deferred income tax liabilities generated by goodwill (this only generates effective income tax payment if the company sells the investment that generated goodwill). Without this adjustment net income was R\$116.1 million.
- ✓ The Company ended the quarter with R\$5.15 billion in cash or cash equivalent, corresponding to 100% of short-term debt.

2012 Events

- ✓ JBS initiated operations in the poultry industry in Brazil through the lease of Frangosul assets, with capacity to process 1.1 million birds/day.
- ✓ JBS adds 12 beef slaughter units in Brazil with a combined capacity to process around 8,000 head/day.
- ✓ This expansion in Brazil, in poultry and beef, will add an estimated additional annualized revenue of R\$4.5 billion.
- ✓ The approval of the Voluntary Public Offering to Exchange JBS shares for shares issued by Vigor.

*JBS S.A. ("JBS") (Bovespa: JBSS3), the global leading producer of animal protein announces today its results for the first quarter of 2012 (1Q12). For the purpose of analysis, this report considers the results for the quarter ended December 31, 2011 (4Q11) and March 31, 2011 (1Q11).

The consolidated results of JBS are presented in Brazilian Real (R\$) and when separately analyzed, each business unit reports its results in the currency of the country in which it operates. The operations of JBS Australia are an integral part of the subsidiary JBS USA and both results refer to the period of 13 weeks ended May 25, 2012 (1Q12). The quantitative data, such as volumes and heads slaughtered, are not audited.





Results for 1Q12

ANALYSIS OF RESULTS BY BUSINESS UNIT

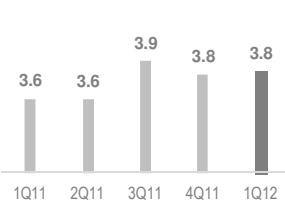
Analysis of the principal financial indicators of JBS by Business Unit (in local currency)

		1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue						
JBS USA Beef	US\$	4,078.8	4,491.6	-9.2%	3,793.3	7.5%
JBS USA Pork	US\$	855.4	923.1	-7.3%	836.6	2.2%
JBS USA Chicken	US\$	1,888.8	1,829.3	3.3%	1,892.5	-0.2%
JBS Mercosul	R\$	3,827.4	3,800.5	0.7%	3,604.2	6.2%
EBITDA						
JBS USA Beef	US\$	-45.4	223.6	-	269.7	-
JBS USA Pork	US\$	55.8	77.0	-27.5%	101.7	-45.1%
JBS USA Chicken	US\$	104.0	22.6	360.1%	-53.5	-
JBS Mercosul	R\$	508.6	407.7	24.7%	308.3	64.9%
EBITDA Margin						
JBS USA Beef	%	-1.1%	5.0%	-	7.1%	-
JBS USA Pork	%	6.5%	8.3%	-	12.2%	-
JBS USA Chicken	%	5.5%	1.2%	-	-2.8%	-
JBS Mercosul	%	13.3%	10.7%	-	8.6%	-

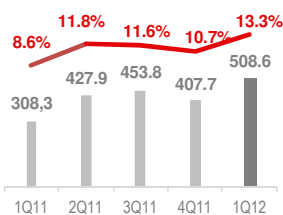
Performance by Business Unit

JBS Mercosul

Net sales (R\$ billion)

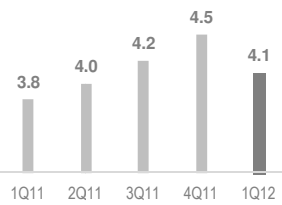


EBITDA (R\$ million)

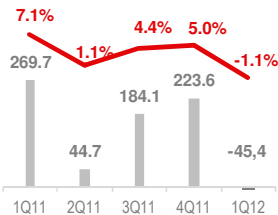


JBS USA
(Including Australia)

Net sales (US\$ billion)

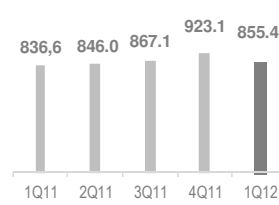


EBITDA (US\$ million)

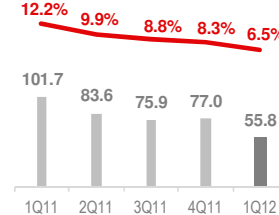


JBS USA

Net sales (US\$ million)

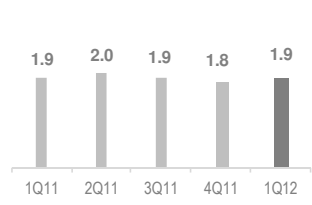


EBITDA (US\$ million)

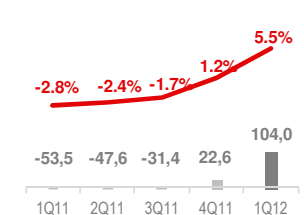


JBS USA (PPC)

Net sales (US\$ billion)



EBITDA (US\$ million)



— EBITDA Margin (%)





Results for 1Q12

Consolidated analysis of the principal operational indicators of JBS

R\$ million	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue	16,011.1	16,934.5	-5.5%	14,672.7	9.1%
Cost of Goods Sold	(14,357.2)	(15,040.0)	-4.5%	(12,984.3)	10.6%
Gross Income	1,653.9	1,894.5	-12.7%	1,688.4	-2.0%
Gross Margin	10.3%	11.2%	-	11.5%	-
Selling Expenses	(816.4)	(839.3)	-2.7%	(737.5)	10.7%
General and Adm. Expenses	(427.9)	(491.4)	-12.9%	(418.9)	2.1%
Net Financial Income (expense)	(155.8)	(549.2)	-71.6%	(351.1)	-55.6%
Other Income (expense)	(12.2)	(22.4)	-45.6%	(8.8)	39.0%
Operating Income	241.6	(7.9)	-	172.2	40.3%
Income and social contribution taxes	(112.1)	(15.3)	632.6%	(82.2)	36.3%
Participation of non-controlling shareholders	(13.4)	48.7	-	57.0	-
Net Income (Loss)⁽¹⁾	116.1	25.6	354.0%	147.0	-21.0%
EBITDA	696.5	940.6	-26.0%	835.9	-16.7%
EBITDA Margin	4.4%	5.6%	-	5.7%	-
Net Income (Loss) per share	0.04	0.01	-	0.06	-

(1) Participation of Controlling Shareholders.

Number of Heads Processed and Sales Volume*

	1Q12	4Q11	Δ%	1Q11	Δ%
Heads Processed (thousand)					
Cattle	3,717.9	3,625.7	2.5%	3,750.2	-0.9%
Hogs	3,307.0	3,651.9	-9.4%	3,303.6	0.1%
Smalls	934.8	894.7	4.5%	574.0	62.9%
Volume Sold (thousand tons)*					
Domestic Market*	1,706.1	1,667.9	2.3%	1,738.4	-1.9%
Fresh and Chilled Beef	1,449.3	1,423.2	1.8%	1,467.4	-1.2%
Processed Beef	34.8	35.9	-3.1%	32.9	5.6%
Others	222.0	208.9	6.3%	238.0	-6.8%
Exports	448.9	502.9	-10.7%	499.0	-10.0%
Fresh and Chilled Beef	418.2	472.4	-11.5%	466.7	-10.4%
Processed Beef	14.7	14.4	1.8%	17.8	-17.5%
Others	16.1	16.1	-0.3%	14.5	10.9%
TOTAL	2,155.0	2,170.9	-0.7%	2,237.4	-3.7%

* Not including chicken





Results for 1Q12

CONSOLIDATED RESULTS

Net Revenue

JBS consolidated net revenue in 1Q12 was R\$16,011.1 million, an increase of 9.1% compared to 1Q11 when the Company posted R\$14,672.7 million. This expansion was caused primarily by the performance in the USA Beef, due to higher prices during the quarter, and by the Mercosul Unit, which presented an increase of 16.0% in volume sold of fresh beef in the domestic market combined with export price increase.

In 1Q12, approximately 78% of global sales were generated domestically in the markets that the Company is present and 22% came from exports.

EBITDA

1Q12 EBITDA was R\$696.5 million, a decline of 16.7% compared to 1Q11. This result was due to a negative result coming from JBS USA Beef business unit, which posted negative EBITDA of US\$45.4 million, compared to positive EBITDA of US\$ 269.7 million in 1Q11. This result was partially offset by the reversal of PPC negative EBITDA of US\$53.5 million in 1Q11, to US\$ 104.0 million positive in 1Q12. JBS Mercosul expanded its EBITDA by approximately R\$200 million in the period, which more than offset the lower results in the JBS USA Pork business. The consolidated EBITDA margin was 4.4%

This result reinforces the importance of the Company's protein and geographical diversification, as can be seen on the consolidated results, made possible by the good performance of some business units at times when other business units face difficulties.

Financial Result

1Q12 financial result was R\$155.8 million, an improvement of 55.6% over 1Q11, reflecting the exchange rate variation in the period of R\$230.0 million, driven mainly by 2.9% decrease in the exchange rate of U.S. Dollar against the Real in the period. On the other hand, derivatives result was negative R\$109.9 million, due to long positions in U.S. currency which were maintained since the previous period and increased during 1Q12 at favorable rates.

Net Income

Adjusted net Income in the period was R\$240.3 million excluding deferred income tax liabilities generated by goodwill (this only generates effective income tax payment if the company sells the investment that generated goodwill). Without this adjustment net income was R\$116.1 million.

Capital Expenditure

In 1Q12, total capital expenditure (CAPEX) of JBS in property, plant, and equipment was R\$292 million, 7.4% lower than 1Q11 and in line with depreciation and amortization which was R\$285 million. The main focus of investments were for the improvement of productivity and the increase in storage capacity and distribution globally.





Results for 1Q12

Indebtedness

JBS' net debt to EBITDA, excluding Pilgrim's Pride (PPC), a US Listed Company controlled by JBS, was 3.6x at the end of 1Q12. The leverage indicator increased due to JBS USA Beef negative margin during the 1Q12, which negatively impacted EBITDA LTM in US\$332.1 million.

JBS (excluding PPC)

R\$ million	3/31/12	12/31/11	Var.%
Gross debt	16,380.9	16,201.8	1.1%
(+) Short Term Debt	4,990.3	5,310.1	-6.0%
(+) Long Term Debt	11,390.6	10,891.7	4.6%
(-) Cash and Equivalents	5,055.6	5,195.7	-2.7%
Net debt	11,325.3	11,006.1	2.9%
Net debt/EBITDA ⁽¹⁾	3.6x	3.0x	

(1) EBITDA LTM. U.S. dollar exchange rate of the last day of the period. Pilgrim's Pride was excluded from the debt calculation of JBS due to the fact that PPC is a non-recourse subsidiary controlled by JBS.

Including Pilgrim's Pride, leverage increased from 4.0x in 4Q11 to 4.3x in 1Q12, due to JBS USA beef weak performance, as mentioned previously, despite PPC good result, as expected, which added US\$157,5 million to LTM EBITDA.

JBS including Pilgrim's Pride

R\$ million	3/31/12	12/31/11	Var.%
Gross debt	18,686.1	18,872.2	-1.0%
(+) Short Term Debt	5,018.7	5,339.4	-6.0%
(+) Long Term Debt	13,667.3	13,532.8	1.0%
(-) Cash and Equivalents	5,150.8	5,288.2	-2.6%
Net debt	13,535.3	13,584.0	-0.4%
Net debt/EBITDA ⁽¹⁾	4.3x	4.0x	

(1) EBITDA LTM. U.S. dollar exchange rate of the last day of the period.



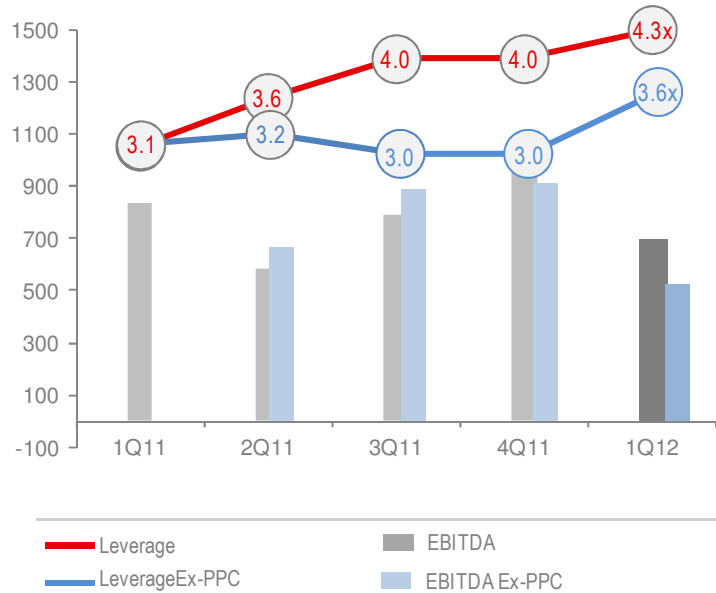


Results for 1Q12

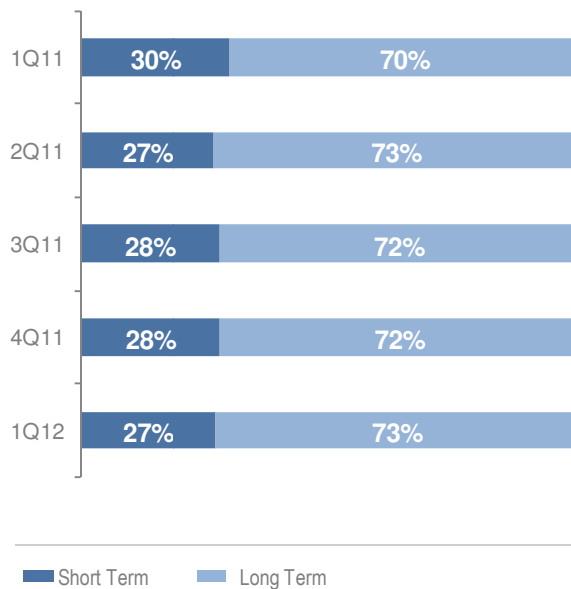
Cash Position

The Company ended the quarter with R\$5.15 billion in cash or cash equivalent, corresponding to 100% of short-term debt.

Leverage



ST / LT Debt Profile



Source: JBS





Results for 1Q12

ANALYSIS OF RESULTS BY BUSINESS UNIT

JBS USA Beef (including Australia), 45% of JBS S.A. Net Revenue



1Q12 net revenue for this business unit was US\$4,078.8 million, outperforming 4Q11 by 7.5%. This result reflects an increase in average sales prices in the domestic and export markets since 2011. Compared to 4Q11, revenue decreased 9.2%, as a consequence of lower export volumes and reduced prices in the domestic market.

EBITDA was negative US\$45.4 million, impacted by an historical high price of livestock, which increased 17.6% in the period, and by a 4.8% appreciation of Australian Dollar against U.S. Dollar in the quarter which impacted cost of goods sold in that country. This increase in price of cattle in the U.S. was combined with low sales prices both domestically and in exports.

The Company believes in the recovery of margins in this sector through better sales prices and a balance between supply and demand during 2012, besides the increase in demand and higher cattle availability seasonally. The management remains committed to operate with low cost, focused on increased profitability per animal processed and an improved sales mix.

Highlights (US GAAP)

US\$ million	1Q12	4Q11	Δ%	1Q11	Δ%
Heads slaughtered (thousand)	1,960.3	2,108.7	-7.0%	2,003.1	-2.1%
Net Revenue	4,078.8	4,491.6	-9.2%	3,793.3	7.5%
EBITDA	(45.4)	223.6	-	269.7	-
EBITDA margin %	-1.1%	5.0%		7.1%	

Breakdown of Net Revenues

Domestic Market	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (US\$ million)	3,105.4	3,261.8	-4.8%	2,774.1	11.9%
Volume (tons)	881.3	872.9	1.0%	908.7	-3.0%
Average Price (US\$/Kg)	3.52	3.74	-5.7%	3.05	15.4%

Exports	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (US\$ million)	973.3	1,229.9	-20.9%	1,019.2	-4.5%
Volume (tons)	249.4	304.7	-18.1%	280.8	-11.2%
Average Price (US\$/Kg)	3.90	4.04	-3.3%	3.63	7.5%





Results for 1Q12

JBS USA Pork, 10% of JBS S.A. Net Revenue



Net revenue for the quarter was US\$855.4 million, 2.2% above 1Q11, reflecting primarily an increase in domestic average sales prices. Compared to 4Q11, there was a decrease of 7.3% as a result of seasonally lower number of heads processed and sales volume.

EBITDA was US\$55.8 million during 1Q12 and margin was 6.5%. 1Q12 results were impacted by 3.5% increase in raw material combined with a reduction in export volume, due to some weaker markets.

Highlights (US GAAP)

US\$ million	1Q12	4Q11	Δ%	1Q11	Δ%
Animals slaughtered (thousand)	3,307.0	3,651.9	-9.4%	3,303.6	0.1%
Net Revenue	855.4	923.1	-7.3%	836.6	2.2%
EBITDA	55.8	77.0	-27.5%	101.7	-45.1%
EBITDA margin %	6.5%	8.3%		12.2%	

Breakdown of Net Revenues

Domestic Market	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (US\$ million)	697.5	763.9	-8.7%	683.2	2.1%
Volume (thousand tons)	292.3	310.5	-5.9%	321.0	-8.9%
Average Price (US\$/Kg)	2.39	2.46	-3.0%	2.13	12.1%

Exports	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (US\$ million)	157.9	159.2	-0.8%	153.4	2.9%
Volume (thousand tons)	68.5	65.8	4.1%	71.5	-4.2%
Average Price (US\$/Kg)	2.30	2.42	-4.7%	2.15	7.4%





Results for 1Q12



JBS USA Chicken (Pilgrim's Pride Corporation, a US listed Company controlled by JBS USA), 21% of JBS S.A. Net Revenue

1Q12 net revenue was US\$1,888.8 million, stable compared to 1Q11. Adjusted EBITDA was US\$104.0 million, reversing the negative result of US\$53.5 million in 1Q11.

The resumption of margins in the chicken industry can be proven by first quarter results. PPC obtained positive operating cash flow of US\$29.4 million and net income of US\$39.6 million in the period. There was also a reduction of US\$221.5 million in net debt through the conclusion of the offering made in 1Q12 and cash generation in the period.

These results reinforce the Company's strategy to operate with low cost, operational efficiency and "spirit of ownership" at all levels of the organization. The focus of the administration is to value all cuts of the bird and not be dependent only on the high price of white meat to raise margins and maintain profitability in the long run.

In addition, the Company believes that the industry can be profitable even with volatility in grain prices, by focusing on reducing costs and balancing supply and demand.

Highlights (US GAAP)

US\$ million	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue	1,888.8	1,829.3	3.3%	1,892.5	-0.2%
EBITDA	104.0	22.6	360.1%	(53.5)	-
EBITDA margin %	5.5%	1.2%		-2.8%	





Results for 1Q12



JBS Mercosul, 24% of JBS S.A. Net Revenue

Net revenue of JBS Mercosul came in at R\$3,827.4 million in 1Q12, an increase of 6.2% in comparison with 1Q11, as a result of an increase in domestic sales prices and volumes. Compared to 4Q11, revenue was flat. EBITDA for the quarter was R\$508.6 million, an increase of 64.9% in comparison with 1Q11. EBITDA margin was the highlight and came in at 13.3%.

JBS Mercosul exceptional result was driven by the beef operation in Brazil, as shown by the numbers of JBS Controller (Company) in the income statement (page 16 of this release). Gross margin increased from 21.4% in 1Q11 to 26.8% in 1Q12, reflecting the increased availability of livestock for slaughter and improved price base of raw materials. EBITDA at JBS Controller was R\$514.4 million with EBITDA margin of 15.4% which demonstrates the synergy gains during 2011 and reduction in operating costs.

Highlights

R\$ million	1Q12	4Q11	Δ%	1Q11	Δ%
Heads slaughtered (thousand)	1,757.6	1,517.0	15.9%	1,747.1	0.6%
Net Revenue	3,827.4	3,800.5	0.7%	3,604.2	6.2%
EBITDA	508.6	407.7	24.7%	308.3	64.9%
EBITDA margin %	13.3%	10.7%		8.6%	

Breakdown of Net Revenues

Domestic Market	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (million R\$)					
Fresh and Chilled Product	1,828.8	1,748.9	4.6%	1,625.6	12.5%
Processed Items	190.6	195.9	-2.7%	183.0	4.1%
Others	559.1	553.3	1.0%	448.5	24.6%
TOTAL	2,578.5	2,498.0	3.2%	2,257.1	14.2%
Volume (thousand tons)					
Fresh and Chilled Product	275.8	239.7	15.1%	237.7	16.0%
Processed Items	34.8	35.9	-3.1%	32.9	5.6%
Others	222.0	208.9	6.3%	238.0	-6.8%
TOTAL	532.5	484.5	9.9%	508.7	4.7%
Average Price (R\$/Kg)					
Fresh and Chilled Product	6.63	7.30	-9.2%	6.84	-3.1%
Processed Items	5.48	5.46	0.4%	5.56	-1.4%
Others	2.52	2.65	-4.9%	1.88	34.0%





Results for 1Q12

JBS Mercosul, 24% of JBS S.A. Net Revenues



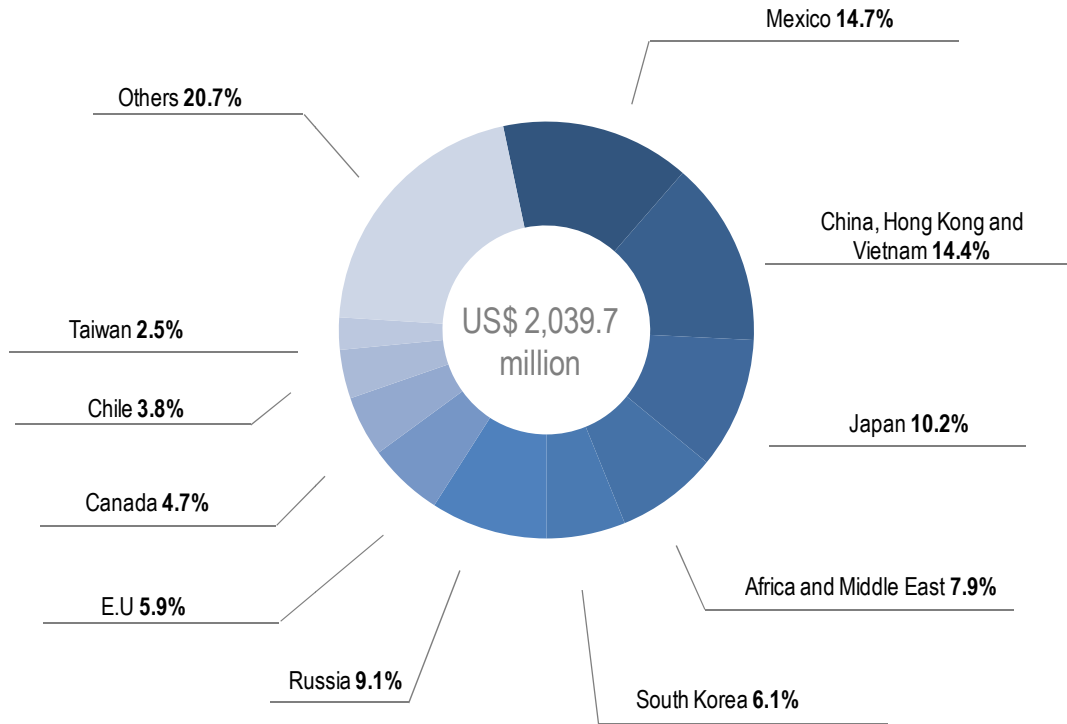
Breakdown of Net Revenues

Exports	1Q12	4Q11	Δ%	1Q11	Δ%
Net Revenue (million R\$)					
Fresh and Chilled Beef	817.9	892.4	-8.3%	872.7	-6.3%
Processed Beef	173.7	159.5	8.9%	166.3	4.5%
Others	257.3	250.5	2.7%	308.1	-16.5%
TOTAL	1,248.9	1,302.4	-4.1%	1,347.0	-7.3%
Volume (thousand tons)					
Fresh and Chilled Beef	100.3	101.9	-1.7%	114.4	-12.4%
Processed Beef	14.7	14.4	1.8%	17.8	-17.5%
Others	16.1	16.1	-0.3%	14.5	10.9%
TOTAL	131.0	132.5	-1.1%	146.7	-10.7%
Average Price (R\$/Kg)					
Fresh and Chilled Beef	8.16	8.75	-6.8%	7.63	6.9%
Processed Beef	11.84	11.07	7.0%	9.35	26.7%
Others	16.03	15.56	3.0%	21.29	-24.7%



TABLES AND CHARTS

Graph I - JBS Consolidated Exports Distribution 1Q12



Source: JBS

Table I - Breakdown of Production Costs by Business Unit (%)

1Q12 (%)	Consolidated	JBS Mercosul	USA Beef	USA Pork	USA Chicken
Raw material (livestock)	80.3%	86.2%	87.4%	83.0%	55.6%
Processing (including ingredients and packaging)	10.6%	7.7%	5.5%	7.3%	27.3%
Labor Cost	9.2%	6.2%	7.1%	9.7%	17.1%

Source: JBS



Results for 1Q12



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Results for 1Q12

CONSOLIDATED FINANCIAL STATEMENTS – JBS S.A.

JBS S.A.

Balance sheets (In thousands of Reais)

	Company		Consolidated	
	March 31, 2012	December 31, 2011	March 31, 2012	December 31, 2011
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	3,177,231	3,612,867	5,150,828	5,288,194
Trade accounts receivable, net	1,840,663	1,883,093	4,431,010	4,679,846
Inventories	1,691,558	1,544,261	5,594,857	5,405,705
Biological assets	-	-	171,295	209,543
Recoverable taxes	1,421,441	1,330,609	1,916,537	1,690,311
Prepaid expenses	13,099	8,148	138,013	131,033
Other current assets	219,142	256,225	467,021	526,649
TOTAL CURRENT ASSETS	8,363,134	8,635,203	17,869,561	17,931,281
NON-CURRENT ASSETS				
Long-term assets				
Credits with related parties	611,629	88,505	498,069	552,197
Judicial deposits and others	167,347	104,207	411,653	389,947
Recoverable taxes	560,558	562,027	622,664	626,126
Total long-term assets	1,339,534	754,739	1,532,386	1,568,270
Investments in subsidiaries	6,254,220	7,561,574	-	-
Property, plant and equipment, net	8,057,574	7,803,582	15,364,157	15,378,714
Intangible assets, net	9,531,393	9,531,506	12,478,965	12,532,619
	23,843,187	24,896,662	27,843,122	27,911,333
TOTAL NON-CURRENT ASSETS	25,182,721	25,651,401	29,375,508	29,479,603
TOTAL ASSETS	33,545,855	34,286,604	47,245,069	47,410,884

The accompanying notes are an integral part of the financial statements





Results for 1Q12

JBS S.A.

Balance sheets (In thousands of Reais)

	Company		Consolidated	
	March 31, 2012	December 31, 2011	March 31, 2012	December 31, 2011
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Trade accounts payable	838,313	666,375	3,193,850	3,323,886
Loans and financings	4,226,873	4,574,702	5,018,748	5,339,433
Income taxes	-	-	10,193	211,528
Payroll, social charges and tax obligation	429,565	347,863	1,182,422	1,167,163
Payables related to facilities acquisitions	136,040	10,589	136,040	10,589
Other current liabilities	443,724	466,402	423,232	343,100
TOTAL CURRENT LIABILITIES	6,074,515	6,065,931	9,964,485	10,395,699
NON-CURRENT LIABILITIES				
Loans and financings	6,210,233	7,095,193	13,667,344	13,532,761
Convertible debentures	1,283	1,283	1,283	1,283
Payroll, social charges and tax obligation	-	-	673,041	683,812
Payables related to facilities acquisitions	48,881	2,048	48,881	2,048
Deferred income taxes	413,298	289,798	797,598	678,372
Provision for lawsuits risk	142,325	140,975	197,295	251,560
Other non-current liabilities	26,412	27,554	243,696	266,161
TOTAL NON-CURRENT LIABILITIES	6,842,432	7,556,851	15,629,138	15,415,997
SHAREHOLDERS' EQUITY				
Capital stock	21,506,247	21,506,247	21,506,247	21,506,247
Capital transaction	(10,127)	(10,212)	(10,127)	(10,212)
Capital reserve	373,366	985,944	373,366	985,944
Revaluation reserve	100,100	101,556	100,100	101,556
Profit reserves	1,440,799	1,440,799	1,440,799	1,440,799
Treasury shares	-	(610,550)	-	(610,550)
Valuation adjustments to shareholders' equity in subsidiaries	126,972	127,071	126,972	127,071
Accumulated translation adjustments in subsidiaries	(3,025,984)	(2,877,033)	(3,025,984)	(2,877,033)
Retained earnings	117,535	-	117,535	-
Attributable to controlling interest	20,628,908	20,663,822	20,628,908	20,663,822
Attributable to noncontrolling interest	-	-	1,022,538	935,366
TOTAL SHAREHOLDERS' EQUITY	20,628,908	20,663,822	21,651,446	21,599,188
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	33,545,855	34,286,604	47,245,069	47,410,884

The accompanying notes are an integral part of the financial statements





Results for 1Q12

JBS S.A.

Statements of income for the three months period ended March 31, 2012 and 2011 (In thousands of Reais)

	Company		Consolidated	
	2012	2011	2012	2011
NET SALE REVENUE	3,350,379	3,172,007	16,011,080	14,672,740
Cost of goods sold	(2,451,641)	(2,493,902)	(14,357,175)	(12,984,313)
GROSS INCOME	898,738	678,105	1,653,905	1,688,427
OPERATING INCOME (EXPENSE)				
General and administrative expenses	(162,472)	(145,423)	(427,891)	(418,917)
Selling expenses	(327,025)	(298,505)	(816,404)	(737,451)
Financial expense, net	(38,775)	(303,081)	(155,821)	(351,130)
Equity in earnings of subsidiaries	(130,962)	195,505	-	-
Other income (expenses), net	75	2,894	(12,185)	(8,769)
	(659,159)	(548,610)	(1,412,301)	(1,516,267)
NET INCOME BEFORE TAXES	239,579	129,495	241,604	172,160
Current income taxes	750	748	16,643	(194,595)
Deferred income taxes	(124,250)	16,725	(128,728)	112,360
	(123,500)	17,473	(112,085)	(82,235)
NET INCOME OF THE PERIOD	116,079	146,968	129,519	89,925
ATTRIBUTABLE TO:				
Controlling interest			116,079	146,968
Noncontrolling interest			13,440	(57,043)
			129,519	89,925
Net income basic per thousand shares - in reais	39.16	59.17	39.16	59.17

The accompanying notes are an integral part of the financial statements





Results for 1Q12

JBS S.A.

Statements of cash flows for the three months period ended March 31, 2012 and 2011 (In thousands of Reais)

	Company		Consolidated	
	2012	2011	2012	2011
Cash flow from operating activities				
Net income of the period attributable to controlling interest	116,079	146,968	116,079	146,968
Adjustments to reconcile loss to cash provided on operating activities				
. Depreciation and amortization	105,084	97,270	285,043	311,161
. Allowance for doubtful accounts	-	1,128	(2,086)	7,851
. Equity in earnings of subsidiaries	130,962	(195,505)	-	-
. Loss (gain) on assets sales	(75)	(1,525)	6,114	(1,863)
. Deferred income taxes	124,251	(16,725)	128,728	(112,360)
. Current and non-current financial charges	(297,993)	86,527	(219,501)	164,524
. Provision for lawsuits risk	1,350	2,108	(15)	2,692
. Impairment	-	-	4,144	-
	179,658	120,246	318,506	518,973
Decrease (increase) in operating assets				
Trade accounts receivable	43,934	33,627	210,061	31,632
Inventories	(147,297)	44,596	(273,759)	(105,371)
Recoverable taxes	(44,593)	(76,027)	(225,116)	(84,412)
Other current and non-current assets	(31,007)	(46,039)	2,440	(90,819)
Related party receivable	(347,365)	(87,495)	44,691	68,268
Biological assets	-	-	33,374	(10,642)
Increase (decrease) operating liabilities				
Trade accounts payable	167,155	(33,372)	(104,951)	(430,175)
Other current and non-current liabilities	100,559	(217,471)	21,961	(264,225)
Noncontrolling interest	-	-	13,440	(57,043)
Valuation adjustments to shareholders' equity in subsidiaries	-	-	(77,156)	(72,655)
	(78,956)	(261,935)	(36,509)	(496,469)
Net cash provided by (used in) operating activities				
Cash flow from investing activities				
Additions to property, plant and equipment and intangible assets	(226,991)	(104,355)	(291,965)	(315,305)
Increase in investments in subsidiaries	-	(552,356)	-	-
Decrease in investments in subsidiaries	871,887	-	-	-
Proceeds received from termination agreement of Inalca JBS	-	504,002	-	504,002
Net effect of working capital of acquired (merged) company	-	-	151	-
	644,896	(152,709)	(291,814)	188,697
Net cash provided by (used in) investing activities				
Cash flow from financing activities				
Proceeds from loans and financings	453,764	1,381,281	4,421,162	2,727,498
Payments of loans and financings	(1,453,397)	(1,739,270)	(4,211,525)	(2,860,053)
Capital transactions	85	-	(263)	-
Shares acquisition of own emission	(2,028)	(55,398)	(1,680)	(55,398)
	(1,001,576)	(413,387)	207,694	(187,953)
Net cash provided by (used in) financing activities				
Effect of exchange variation on cash and cash equivalents				
	-	-	(16,737)	(21,573)
Variance in cash and cash equivalents	(435,636)	(828,031)	(137,366)	(517,298)
Cash and cash equivalents at the beginning of the year	3,612,867	3,000,649	5,288,194	4,074,574
	3,177,231	2,172,618	5,150,828	3,557,276

The accompanying notes are an integral part of the financial statements





Results for 1Q12

DISCLAIMER

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.

