



# Results for 1Q11

"In God We Trust,  
Nature We Respect"

**São Paulo, May 10<sup>th</sup>, 2011** – JBS S.A. ("JBS") (Bovespa: JBSS3), the global leading producer of animal protein announces today its results for the first quarter of 2011 (1Q11). For the purpose of analysis, this report considers the results for the quarter ended December 31, 2010 (4Q10) and March 31, 2010 (1Q10).

The Company's consolidated financial results have been prepared for the years ending on the 31<sup>st</sup> of March 2011 and 2010 (Result) and 31<sup>st</sup> of March 2011 and 31<sup>st</sup> of December 2010 (Balance sheet) and are in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

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 March 27, 2011 (1Q11). The quantitative data, such as volumes and number of heads slaughtered, are not audited.

## **1Q11 HIGHLIGHTS** (Excluding the results of INALCA JBS)

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### **Net Revenue**

- ✓ Net revenue was R\$14,672.7 million, 20.2% higher than 1Q10. Excluding the effects of FX variation, the revenue growth was 29.9%.
  - JBS USA Beef presented net revenue of US\$3,793.3 million, 34.1% higher than 1Q10.
  - JBS USA Pork presented net revenue of US\$836.6 million, 29.5% higher than 1Q10.
  - JBS USA Chicken presented net revenue of US\$1,892.5 million, 15.2% higher than 1Q10.
  - JBS Mercosul presented net revenue of R\$3,604.2 million, 27.7% higher than 1Q10.

### **EBITDA**

- ✓ EBITDA was R\$835.9 million with an EBITDA margin of 5.7%.
  - JBS USA Beef presented an EBITDA of US\$269.7 million, 58.2% higher than 1Q10, with an EBITDA margin of 7.1%.
  - JBS USA Pork presented an EBITDA of US\$105.3 million, 201.7% higher than 1Q10, with an EBITDA margin of 12.6%.
  - JBS Mercosul presented an EBITDA of US\$308.3 million, with an EBITDA margin of 8.6%.

### **Net Income**

- Net income was R\$147.0 million in 1Q11, 47.9% above 1Q10, equivalent to R\$0.06 per share.

### **Others Highlights**

- Exports grew by 17.4% in 1Q11 compared to 4Q10, reaching US\$2.45 billion.
- Initiation of the process of rebalancing the Company's debt.

## ANALYSIS OF CONSOLIDATED RESULTS

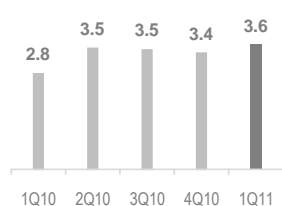
### Analysis of the principal financial indicators of JBS by Business Unit

		1Q11	4Q10	Δ%	1Q10	Δ%
<b>Net Revenue</b>						
JBS USA Beef	US\$	3,793.3	3,588.7	5.7%	2,827.7	34.1%
JBS USA Pork	US\$	836.6	799.4	4.7%	645.9	29.5%
JBS USA Chicken	US\$	1,892.5	1,811.3	4.5%	1,642.9	15.2%
JBS Mercosul	R\$	3,604.2	3,362.8	7.2%	2,822.7	27.7%
<b>EBITDA</b>						
JBS USA Beef	US\$	269.7	194.8	38.5%	170.5	58.2%
JBS USA Pork	US\$	105.3	102.4	2.8%	34.9	201.7%
JBS USA Chicken	US\$	-55.2	124.8	-	59.5	-
JBS Mercosul	R\$	308.3	238.8	29.1%	362.7	-15.0%
<b>EBITDA Margin</b>						
JBS USA Beef	%	7.1%	5.4%	-	6.0%	-
JBS USA Pork	%	12.6%	12.8%	-	5.4%	-
JBS USA Chicken	%	-2.9%	6.9%	-	3.6%	-
JBS Mercosul	%	8.6%	7.1%	-	12.8%	-

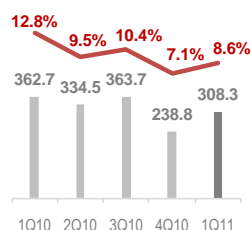
### Performance by Business Unit

#### JBS Mercosul

Net sales (R\$ billion)



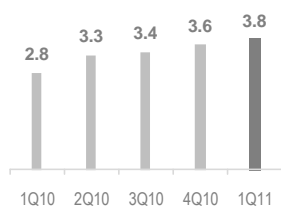
EBITDA (R\$ mi) EBITDA margin



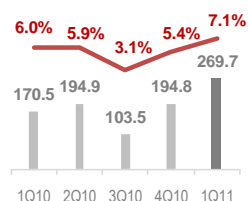
#### JBSUSA

(Including Australia)

Net sales (US\$ billion)

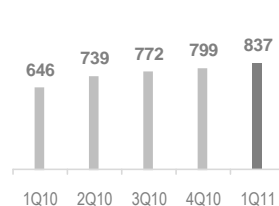


EBITDA (US\$ mi) EBITDA margin

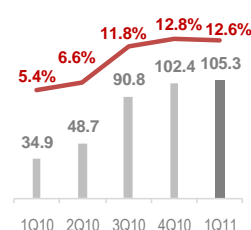


#### JBS USA

Net sales (US\$ million)

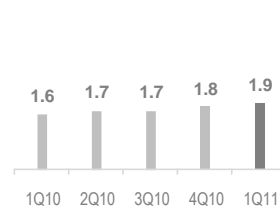


EBITDA (US\$ mi) EBITDA margin

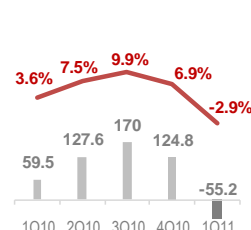


#### JBS USA (PPC)

Net sales (US\$ billion)



EBITDA (US\$ mi) EBITDA margin



EBITDA margin (%)



# Results for 1Q11

## Consolidated analysis of the principal operational indicators of JBS

R\$ million	1Q11	4Q10	Δ%	1Q10	Δ%
<b>Net Revenue</b>	<b>14,672.7</b>	<b>14,319.6</b>	<b>2.5%</b>	<b>12,207.3</b>	<b>20.2%</b>
Cost of Goods Sold	-12,984.3	-12,522.7	3.7%	-10,808.7	20.1%
<b>Gross Income</b>	<b>1,688.4</b>	<b>1,796.9</b>	<b>-6.0%</b>	<b>1,398.6</b>	<b>20.7%</b>
<b>Gross Margin</b>	11.5%	12.5%	-	11.5%	-
Selling Expenses	-737.5	-717.7	2.8%	-556.1	32.6%
General and Adm. Expenses	-418.9	-511.6	-18.1%	-323.9	29.4%
Net Financial Income (expense)	-351.1	-950.3	-63.1%	-369.8	-5.1%
Other Income (expense)	-8.8	-82.2	-89.3%	-67.6	-87.0%
<b>Operating Income</b>	<b>172.2</b>	<b>-464.8</b>	<b>-</b>	<b>81.2</b>	<b>112.0%</b>
<b>Discontinued Operations Result</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>12.2</b>	<b>-</b>
Income and social contribution taxes	-82.2	-34.7	136.9%	-29.4	179.5%
Participation of non-controlling shareholders	-57.0	39.8	-	-35.3	-
<b>Net Income (Loss)<sup>(1)</sup></b>	<b>147.0</b>	<b>-539.3</b>	<b>-</b>	<b>99.4</b>	<b>47.9%</b>
<b>EBITDA</b>	<b>835.9</b>	<b>865.9</b>	<b>-3.5%</b>	<b>862.0</b>	<b>-3.0%</b>
EBITDA Margin	5.7%	6.0%	-	7.1%	-
<b>Net Income (Loss) per share</b>	<b>0.06</b>	<b>-0.22</b>	<b>-</b>	<b>0.04</b>	<b>38.4%</b>

(1) Participation of Controlling Shareholders.

## Number of Heads Slaughtered and Sales Volume

	1Q11	4Q10	Δ%	1Q10	Δ%
<b>Heads slaughtered (thousand)</b>					
Cattle	3,750.2	3,632.3	3.2%	3,504.2	7.0%
Hogs	3,303.6	3,587.2	-7.9%	3,115.6	6.0%
Smalls	574.0	890.2	-35.5%	786.2	-27.0%
<b>Volume Sold (thousand tons)*</b>					
<b>Domestic Market</b>	<b>1,738.4</b>	<b>1,777.0</b>	<b>-2.2%</b>	<b>1,522.1</b>	<b>14.2%</b>
Fresh and Chilled Beef	1,467.4	1,511.0	-2.9%	1,255.1	16.9%
Processed Beef	32.9	38.7	-14.8%	38.4	-14.2%
Others	238.0	227.3	4.7%	228.6	4.1%
<b>Exports</b>	<b>527.9</b>	<b>492.6</b>	<b>7.2%</b>	<b>419.6</b>	<b>25.8%</b>
Fresh and Chilled Beef	466.7	442.9	5.4%	359.0	30.0%
Processed Beef	17.8	18.1	-1.9%	31.7	-44.0%
Others	43.4	31.6	37.4%	28.8	50.6%
<b>TOTAL</b>	<b>2,266.3</b>	<b>2,269.6</b>	<b>-0.1%</b>	<b>1,941.7</b>	<b>16.7%</b>

\* Not including chicken



# Results for 1Q11

## CONSOLIDATED RESULTS

### Net Revenues

JBS posted consolidated net revenue of R\$14,672.7 million in 1Q11, an increase of 20.2% compared to 1Q10. All the business units presented double digit organic growth from 1Q10 to 1Q11, in their local currency, reflecting a general increase in average prices, mainly in the export market.

Compared with 4Q10, net revenue grew 2.5%, due to a strong demand in exports and an increase of sales prices.

### EBITDA

EBITDA for 1Q11 was R\$835.9 million, a decline of 3.0% compared to 1Q10, due to the negative results presented by Pilgrim's Pride (JBS USA Chicken), almost totally offset by the great performance of the USA Beef and Pork business unit.

Regarding 4Q10, the EBITDA presented a decrease of 3.5% for the same reasons as mentioned above.

### Net Income

Net income was R\$147.0 million in 1Q11, 47.9% higher than 1Q10, equivalent to R\$0.06 per share.

### Capital Expenditure

In 1Q11, the total capital expenditure of JBS in property, plant, and equipment was R\$315.3 million. The principal investments were for the improvement of productivity and the increase in storage capacity and distribution.

### Indebtedness

The net ratio debt to EBITDA increased from 3.0x in 4Q10 to 3.1x for the quarter. The slight increase in debt refers to the working capital needs of the Company. It is important to note that the Company's Cash and Equivalents is equal to 80% of the short term debt, and more than 70% of the debt is long term.

R\$ million	31/03/11	31/12/10	Var.%
<b>Gross debt</b>	<b>15,162.7</b>	<b>15,183.4</b>	<b>-0.1%</b>
(+) Short Term Debt	4,585.7	4,966.2	-7.7%
(+) Long Term Debt	10,577.0	10,217.2	3.5%
(-) Cash and Equivalents	3,557.3	4,074.6	-12.7%
<b>Net debt</b>	<b>11,605.5</b>	<b>11,108.8</b>	<b>4.5%</b>
Net debt/EBITDA (1)	<b>3.1x</b>	<b>3.0x</b>	

(1) LTM include Bertin, Pilgrim's Pride, and INALCA JBS pro-forma.



# Results for 1Q11

## Organic Growth

JBS obtained net revenue of R\$14,672.7 billion for the year and all the business units presented double digit organic growth, in their local currency, for the period.

JBS USA Beef Unit grew 41.5% between 1Q09 and 1Q11.

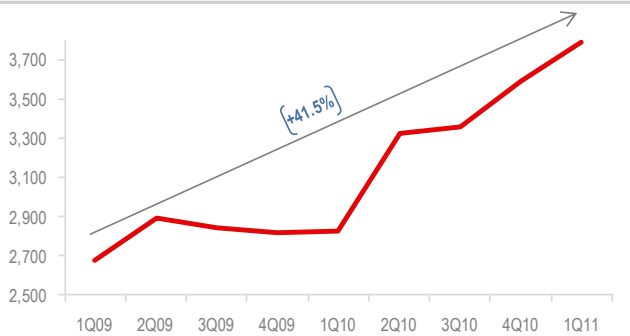
JBS USA Pork Unit grew 59.1% between 1Q09 and 1Q11.

JBS USA Chicken Unit grew 15.2% between 1Q10 and 1Q11.

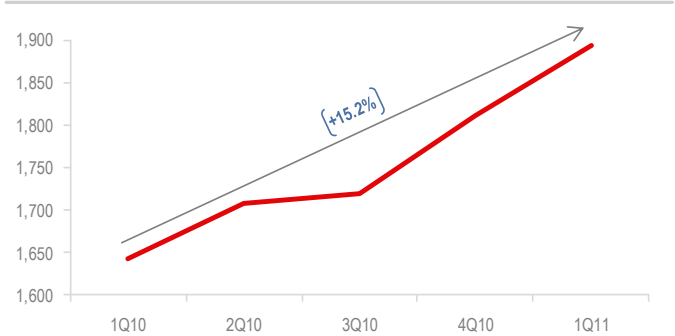
JBS Mercosul grew 27.7% between the 1Q10 and 1Q11.

## Net Revenue Growth by Business Unit

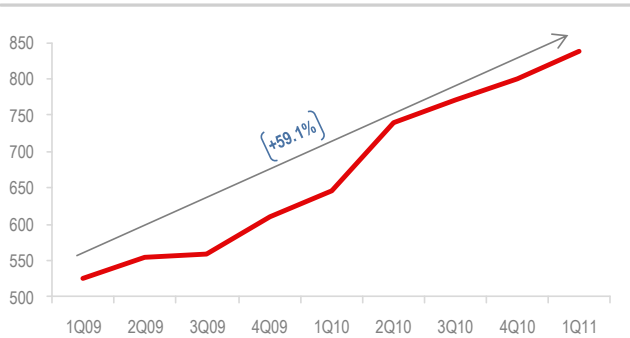
JBS USA Beef – Net Revenue (US\$ million)



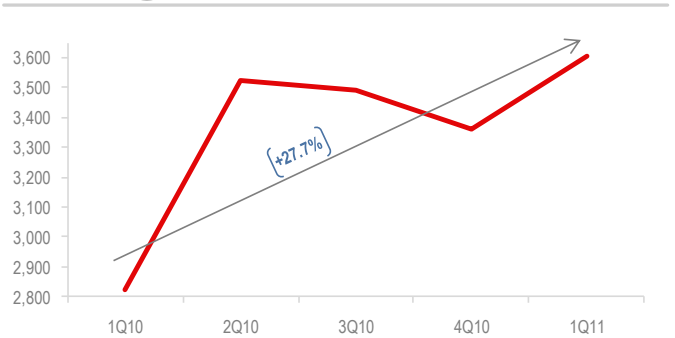
JBS USA Chicken – Net Revenue (US\$ million)



JBS USA Pork – Net Revenue (US\$ million)



JBS Mercosul – Net Revenue (R\$ million)



Source: JBS



# Results for 1Q11

## ANALYSIS OF RESULTS BY BUSINESS UNIT

### JBS USA Beef (including Australia) – 43% of JBS S.A. Net Revenues



Net revenue for the period was US\$3,793.3 million, 34.1% higher than 1Q10. 1Q11 results reflect an increase in volume and average sales price. Comparing to 4Q10, the increase was 5.7% due to the increase in average sales price of exports.

EBITDA was US\$269.7 million in the period, an increase of 58.2% and 38.5% over 1Q10 and 4Q10, respectively, with an EBITDA margin of 7.1% in 1Q11, a record for the period.

The results of the quarter reflect the focus in productivity and operational efficiencies implemented by the management of the Company over the past years. The diversification of exports through the opening of new markets also improved the results.

### Highlights (US GAAP)

US\$ million	1Q11	4Q10	Δ%	1Q10	Δ%
Heads slaughtered (thousand)	2,003.1	2,047.3	-2.2%	1,880.0	6.5%
Net Revenue	3,793.3	3,588.7	5.7%	2,827.7	34.1%
EBITDA	269.7	194.8	38.5%	170.5	58.2%
EBITDA margin %	7.1%	5.4%		6.0%	

### Breakdown of Net Revenues

Domestic Market	1Q11	4Q10	Δ%	1Q10	Δ%
Net Revenue (US\$ million)	2,774.1	2,864.9	-3.2%	2,177.6	27.4%
Volume (tons)	908.7	917.0	-0.9%	728.3	24.8%
Average Price (US\$/Kg)	3.05	3.12	-2.3%	2.99	2.1%

Exports	1Q11	4Q10	Δ%	1Q10	Δ%
Net Revenue (US\$ million)	1,019.2	723.8	40.8%	650.1	56.8%
Volume (tons)	280.8	295.5	-5.0%	219.0	28.2%
Average Price (US\$/Kg)	3.63	2.45	48.2%	2.97	22.3%



# Results for 1Q11



## JBS USA Pork – 10% of JBS S.A. Net Revenues

Net revenue for the period was US\$836.6 million, 29.5% higher than 1Q10, reflecting a significant increase in export volumes and average sales price. Compared to the previous quarter, the increase was 4.7%, due to an increase in average sales price in the export market.

EBITDA reached US\$105.3 million in the quarter, 201.7% higher y-o-y. EBITDA margin was 12.6% in 1Q11. Regarding 4Q10, the increase was 2.8%.

The Pork Business unit performance demonstrated a strong demand in exports, a streamlined operation, lower cost of production and an adjusted product mix with higher aggregated value in order to maximize performance.

### Highlights (US GAAP)

US\$ million	1Q11	4Q10	Δ%	1Q10	Δ%
Animals slaughtered (thousand)	3,303.6	3,587.2	-7.9%	3,115.6	6.0%
Net Revenue	836.6	799.4	4.7%	645.9	29.5%
EBITDA	105.3	102.4	2.8%	34.9	201.7%
EBITDA margin %	12.6%	12.8%		5.4%	

### Breakdown of Net Revenues

Domestic Market	1Q11	4Q10	Δ%	1Q10	Δ%
Net Revenue (US\$ million)	683.2	695.2	-1.7%	553.6	23.4%
Volume (thousand tons)	321.0	348.0	-7.7%	318.8	0.7%
Average Price (US\$/Kg)	2.13	2.00	6.5%	1.74	22.6%

Exports	1Q11	4Q10	Δ%	1Q10	Δ%
Net Revenue (US\$ million)	153.4	104.2	47.2%	92.2	66.4%
Volume (thousand tons)	71.5	64.4	11.0%	47.7	50.1%
Average Price (US\$/Kg)	2.15	1.62	32.6%	1.93	10.9%



# Results for 1Q11



## JBS USA Chicken (Pilgrim's Pride Corporation which is controlled by JBS USA) – 22% of JBS S.A. Net Revenues

Net revenue for the period was US\$1,892.5 million, 15.2% higher than 1Q10, reflecting an increase in volumes sold. Compared to 4Q10, the increase was 4.5%.

EBITDA was US\$-55.2 million, compared to US\$59.5 million in 1Q10. The deterioration in EBITDA reflects high grain prices and chicken products not following suit. Besides that, the high input costs resulted in an increase in inventories of finished goods, which were reduced in 1Q11 and impacted the outcome in the period.

The volumes sold in foodservices remained stable in comparison with the previous quarter, while retail sales and frozen sales for the foodservice sector increased. The improvement in the sales mix offers an opportunity to swing into profitability during 2011.

### Highlights (US GAAP)

US\$ million	1Q11	4Q10	Δ%	1Q10	Δ%
Net Revenue	1,892.5	1,811.3	4.5%	1,642.9	15.2%
EBITDA	(55.2)	124.8	-	59.5	-
EBITDA margin %	-2.9%	6.9%		3.6%	





# Results for 1Q11

## JBS Mercosul - 25% of JBS S.A. Net Revenues



Net revenue of JBS Mercosul showed an increase of 27.7% in comparison to 1Q10, reaching R\$3,604.2 million, reflected by an increase in sales price and in export volumes. In comparison with 4Q10, the increase was 7.2%, due to the larger sales volume in exports.

EBITDA was R\$308.3 million in 1Q11, a decrease of 15.0% in comparison with 1Q10, a result of increased raw material costs for the period. EBITDA for the period represented an increase of 29.1% when compared to the previous quarter. EBITDA margin was 8.6%.

### Highlights

R\$ million	1Q11	4Q10	Δ%	1Q10	Δ%
Heads slaughtered (thousand)	1,747.1	1,585.0	10.2%	1,722.4	1.4%
Net Revenue	3,604.2	3,362.8	7.2%	2,822.7	27.7%
EBITDA	308.3	238.8	29.1%	362.7	-15.0%
EBITDA margin %	8.6%	7.1%		12.8%	

### Breakdown of Net Revenues

Domestic Market	1Q11	4Q10	Δ%	1Q10	Δ%
<b>Net Revenue (million R\$)</b>					
Fresh and Chilled Product	1,625.6	1,646.4	-1.3%	1,289.2	26.1%
Processed Items	183.0	139.8	30.9%	117.8	55.4%
Others	448.5	434.4	3.2%	384.1	16.8%
<b>TOTAL</b>	<b>2,257.1</b>	<b>2,220.6</b>	<b>1.6%</b>	<b>1,791.1</b>	<b>26.0%</b>
<b>Volume (thousand tons)</b>					
Fresh and Chilled Product	237.7	246.1	-3.4%	243.2	-2.2%
Processed Items	32.9	38.7	-14.8%	38.4	-14.2%
Others	238.0	227.3	4.7%	228.6	4.1%
<b>TOTAL</b>	<b>508.7</b>	<b>512.0</b>	<b>-0.7%</b>	<b>510.2</b>	<b>-0.3%</b>
<b>Average Price (R\$/Kg)</b>					
Fresh and Chilled Product	6.84	6.69	2.2%	5.30	29.0%
Processed Items	5.56	3.62	53.7%	3.07	81.2%
Others	1.88	1.91	-1.4%	1.68	12.2%



# Results for 1Q11

JBS Mercosul - 25% of JBS S.A. Net Revenues

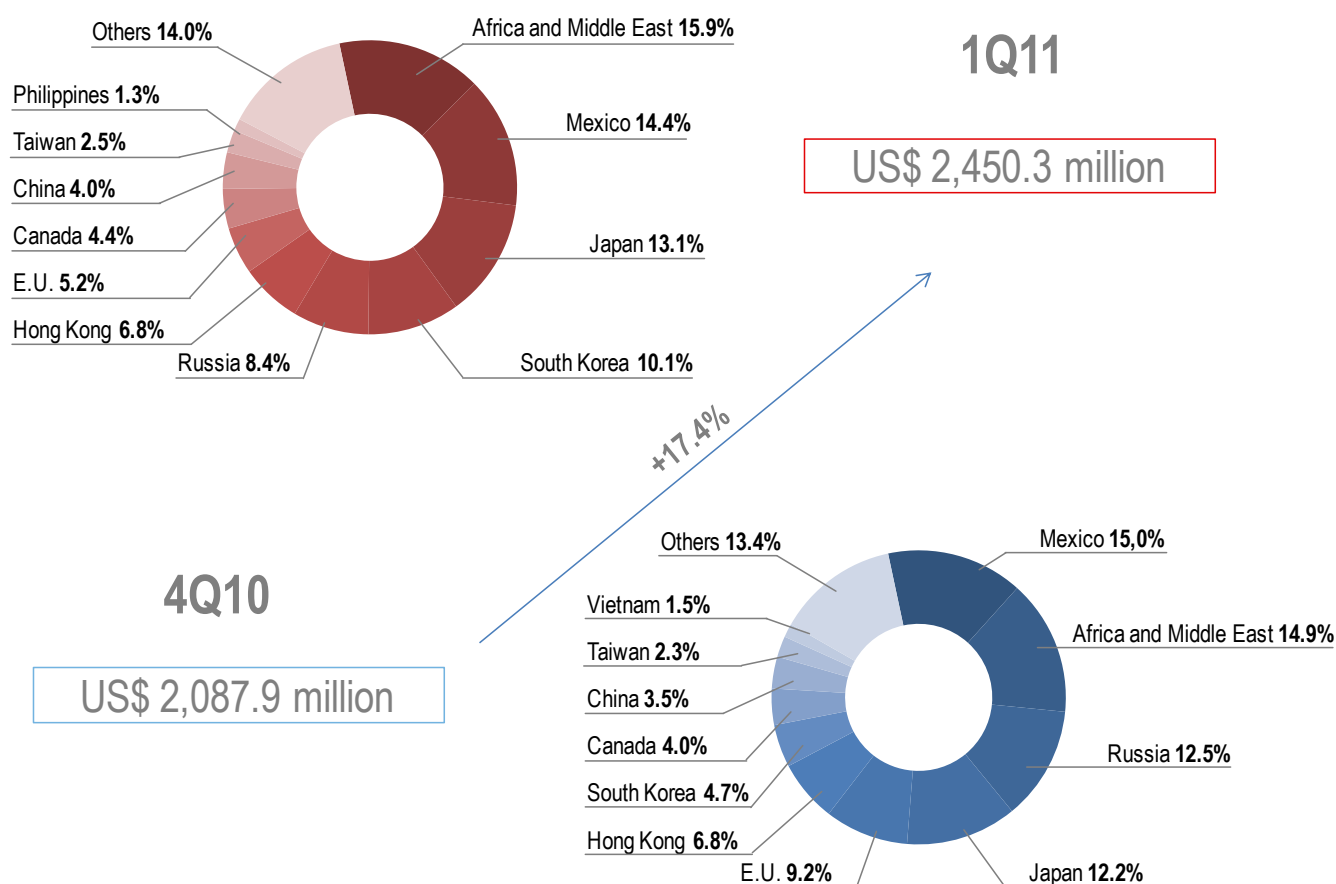


## Breakdown of Net Revenues

Exports	1Q11	4Q10	Δ%	1Q10	Δ%
<b>Net Revenue (million R\$)</b>					
Fresh and Chilled Beef	872.7	703.5	24.1%	675.4	29.2%
Processed Beef	166.3	195.0	-14.7%	209.3	-20.6%
Others	308.1	243.7	26.4%	281.2	9.6%
<b>TOTAL</b>	<b>1,347.0</b>	<b>1,142.2</b>	<b>17.9%</b>	<b>1,165.9</b>	<b>15.5%</b>
<b>Volume (thousand tons)</b>					
Fresh and Chilled Beef	114.4	83.0	37.8%	98.8	15.8%
Processed Beef	17.8	18.1	-1.9%	31.7	-44.0%
Others	43.4	31.6	37.4%	28.8	50.6%
<b>TOTAL</b>	<b>175.6</b>	<b>132.7</b>	<b>32.3%</b>	<b>159.3</b>	<b>10.2%</b>
<b>Average Price (R\$/Kg)</b>					
Fresh and Chilled Beef	7.63	8.47	-10.0%	6.84	11.6%
Processed Beef	9.35	10.76	-13.1%	6.59	41.8%
Others	7.10	7.71	-8.0%	9.75	-27.2%

## TABLES AND CHARTS

**Graph I - JBS Consolidated Exports Distribution**



Source: JBS

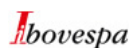
**Tables I - Breakdown of Production Cost by Business Unit (%)**

1Q11 (%)	Consolidated	JBS Mercosul	USA Beef	USA Pork	USA Chicken
Raw material (livestock)	78.7%	85.8%	85.3%	82.5%	59.0%
Processing (including ingredients and packaging)	11.1%	8.3%	5.7%	6.5%	24.7%
Labor Cost	10.2%	5.9%	9.0%	11.0%	16.3%

4Q10 (%)	Consolidated	JBS Mercosul	USA Beef	USA Pork	USA Chicken
Raw material (livestock)	78.3%	87.0%	85.1%	79.8%	55.6%
Processing (including ingredients and packaging)	10.5%	7.9%	6.0%	7.3%	25.4%
Labor Cost	11.2%	5.1%	8.9%	12.9%	19.1%



# Results for 1Q11



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# Results for 1Q11

## CONSOLIDATED FINANCIAL STATEMENT – JBS S.A.

### JBS S.A.

#### Balance sheets (In thousands of Reais)

	Company		Consolidated	
	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	2,172,618	3,000,649	3,557,276	4,074,574
Trade accounts receivable, net	1,622,891	1,672,729	3,969,279	4,036,104
Inventories	1,064,876	1,109,472	4,520,914	4,476,934
Biological assets	-	-	420,186	417,028
Recoverable taxes	1,165,464	1,088,310	1,595,519	1,515,013
Prepaid expenses	18,739	13,844	133,249	107,825
Asset held for sale	-	504,002	-	504,002
Other current assets	201,869	161,066	397,446	351,817
<b>TOTAL CURRENT ASSETS</b>	<b>6,246,457</b>	<b>7,550,072</b>	<b>14,593,869</b>	<b>15,483,297</b>
<b>NON-CURRENT ASSETS</b>				
<b>Long-term assets</b>				
Credits with related parties	-	-	260,653	332,679
Judicial deposits and others	88,561	88,218	456,515	448,875
Recoverable taxes	553,006	553,770	612,471	616,297
<b>Total long-term assets</b>	<b>641,567</b>	<b>641,988</b>	<b>1,329,639</b>	<b>1,397,851</b>
Investments in subsidiaries	10,520,786	10,443,000	-	-
Property, plant and equipment, net	7,608,170	7,598,963	14,520,433	14,624,201
Intangible assets, net	9,532,172	9,531,739	12,398,817	12,425,499
<b>TOTAL NON-CURRENT ASSETS</b>	<b>28,302,695</b>	<b>28,215,690</b>	<b>28,248,889</b>	<b>28,447,551</b>
<b>TOTAL ASSETS</b>	<b>34,549,152</b>	<b>35,765,762</b>	<b>42,842,758</b>	<b>43,930,848</b>



# Results for 1Q11

## JBS S.A

### Balance sheets (In thousands of Reais)

	Company		Consolidated	
	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Trade accounts payable	534,603	566,982	2,489,032	2,962,395
Loans and financings	3,870,767	4,342,593	4,585,704	4,966,198
Payroll, social charges and tax obligation	315,553	375,600	1,090,844	1,205,167
Debit with third parties for investment	28,427	45,746	28,427	45,746
Other current liabilities	452,902	509,482	276,593	332,208
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,202,252</b>	<b>5,840,403</b>	<b>8,470,600</b>	<b>9,511,714</b>
<b>NON-CURRENT LIABILITIES</b>				
Loans and financings	6,917,276	6,679,915	10,577,036	10,217,156
Convertible debentures	3,462,212	3,462,212	3,462,212	3,462,212
Payroll, social charges and tax obligation	-	-	308,482	317,633
Debit with third parties for investment	4,208	5,144	4,208	5,144
Deferred income taxes	372,084	390,774	873,264	1,003,050
Provision for contingencies	138,110	136,002	324,058	321,660
Debits with related parties	891,749	1,532,002	-	-
Other non-current liabilities	44,053	124,939	288,471	397,430
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>11,829,692</b>	<b>12,330,988</b>	<b>15,837,731</b>	<b>15,724,285</b>
<b>SHAREHOLDERS' EQUITY</b>				
Capital stock	18,046,067	18,046,067	18,046,067	18,046,067
Capital transaction	(9,947)	(9,949)	(9,947)	(9,949)
Capital reserve	445,377	500,775	445,377	500,775
Revaluation reserve	105,362	106,814	105,362	106,814
Profit reserves	1,337,564	1,337,564	1,337,564	1,337,564
Valuation adjustments to shareholders' equity	(1,817)	(1,719)	(1,817)	(1,719)
Accumulated translation adjustments	(2,553,818)	(2,385,181)	(2,553,818)	(2,385,181)
Retained earnings	148,420	-	148,420	-
<b>Attributable to controlling interest</b>	<b>17,517,208</b>	<b>17,594,371</b>	<b>17,517,208</b>	<b>17,594,371</b>
<b>Attributable to noncontrolling interest</b>	<b>-</b>	<b>-</b>	<b>1,017,219</b>	<b>1,100,478</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>17,517,208</b>	<b>17,594,371</b>	<b>18,534,427</b>	<b>18,694,849</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>34,549,152</b>	<b>35,765,762</b>	<b>42,842,758</b>	<b>43,930,848</b>



# Results for 1Q11

## JBS S.A.

### Statements of income for the three months period ended March 31, 2011 and 2010 (In thousands of Reais)

	Company		Consolidated	
	2011	2010	2011	2010
<b>NET SALE REVENUE</b>	<b>3,172,007</b>	<b>2,500,158</b>	<b>14,672,740</b>	<b>12,207,315</b>
Cost of goods sold	(2,493,902)	(1,973,049)	(12,984,313)	(10,808,723)
<b>GROSS INCOME</b>	<b>678,105</b>	<b>527,109</b>	<b>1,688,427</b>	<b>1,398,592</b>
<b>OPERATING INCOME (EXPENSE)</b>				
General and administrative expenses	(145,423)	(60,963)	(418,917)	(323,860)
Selling expenses	(298,505)	(192,274)	(737,451)	(556,110)
Financial income (expense), net	(303,081)	(358,996)	(351,130)	(369,844)
Equity in subsidiaries	195,505	177,023	-	-
Other income (expenses), net	2,894	(5,855)	(8,769)	(67,569)
	<b>(548,610)</b>	<b>(441,065)</b>	<b>(1,516,267)</b>	<b>(1,317,383)</b>
<b>INCOME BEFORE TAXES</b>	<b>129,495</b>	<b>86,044</b>	<b>172,160</b>	<b>81,209</b>
Current income taxes	748	737	(194,595)	(59,063)
Deferred income taxes	16,725	332	112,360	29,645
	<b>17,473</b>	<b>1,069</b>	<b>(82,235)</b>	<b>(29,418)</b>
<b>NET INCOME OF CONTINUED OPERATIONS</b>	<b>146,968</b>	<b>87,113</b>	<b>89,925</b>	<b>51,791</b>
Net income of discontinued operations	-	12,246	-	12,246
<b>NET INCOME PER THOUSAND SHARES</b>	<b>146,968</b>	<b>99,359</b>	<b>89,925</b>	<b>64,037</b>
<b>ATTRIBUTABLE TO:</b>				
Controlling interest			146,968	99,359
Noncontrolling interest			(57,043)	(35,322)
			<b>89,925</b>	<b>64,037</b>
<b>Net Income basic per thousand shares in the end of the year - in reais</b>	<b>59.17</b>	<b>42.76</b>	<b>59.17</b>	<b>42.76</b>
<b>Statement of EBITDA (Earnings before income taxes, interest, depreciation and amortization)</b>				
Net income before taxes	129,495	86,044	172,160	81,209
Financial income (expense), net	303,081	358,996	351,130	369,844
Depreciation and amortization	97,270	74,445	311,161	308,088
Equity in subsidiaries	(195,505)	(177,023)	-	-
Net income of discontinued operations	-	-	-	25,686
Bargain purchase gain	-	-	(3,400)	-
Reorganization and restructuring	-	8,640	-	77,134
Indemnity	-	-	4,879	-
<b>AMOUNT OF EBITDA</b>	<b>334,341</b>	<b>351,102</b>	<b>835,930</b>	<b>861,961</b>



# Results for 1Q11

## JBS S.A.

### Statements of cash flows for the three months period ended March 31, 2011 and 2010 (In thousands of Reais)

	Company		Consolidated	
	2011	2010	2011	2010
<b>Cash flow from operating activities</b>				
Net income of the period	146,968	99,359	146,968	99,359
Adjustments to reconcile net income to cash provided				
. Depreciation and amortization	97,270	74,445	311,161	308,088
. Allowance for doubtful accounts	1,128	3,685	7,851	8,228
. Equity in subsidiaries	(195,505)	(177,023)	-	-
. Net income on discontinued operations	-	(12,246)	-	(12,246)
. Gain on assets sales	(1,525)	(3,864)	(1,863)	(4,720)
. Deferred income taxes	(16,725)	(332)	(112,360)	(29,645)
. Current and non-current financial charges	86,527	503,931	164,524	326,722
. Provision for contingencies	2,108	-	2,692	(742)
	<b>120,246</b>	<b>487,955</b>	<b>518,973</b>	<b>695,044</b>
<b>Variation in operating assets and liabilities</b>				
Decrease (increase) in trade accounts receivable	33,627	(164,829)	31,632	(106,338)
Decrease (increase) in inventories	44,596	(29,312)	(105,371)	(116,762)
Increase in recoverable taxes	(76,027)	(40,995)	(84,412)	(71,800)
Increase in other current and non-current assets	(46,039)	(199,026)	(90,819)	(139,352)
Decrease (increase) in credits with related parties	-	-	68,268	(155)
Decrease (increase) in biological assets	-	-	(10,642)	(13,372)
Increase (decrease) in trade accounts payable	(33,372)	(420,139)	(430,175)	(104,979)
Decrease in other current and non-current liabilities	(217,471)	(373,451)	(264,225)	(531,542)
Increase (decrease) in debits with related parties	(87,495)	1,115,009	-	-
Receivable due to termination agreement Inalca JBS	504,002	-	504,002	-
Decrease on noncontrolling interest	-	-	(57,043)	(34,761)
Valuation adjustments to shareholders' equity	-	-	(72,655)	32,472
	<b>242,067</b>	<b>375,212</b>	<b>7,533</b>	<b>(391,545)</b>
<b>Net cash provided by (used in) operating activities</b>				
<b>Cash flow from investing activities</b>				
Additions to property, plant and equipment and intangible assets	(104,355)	(33,003)	(315,305)	(224,350)
Additions to investments	(552,356)	(2,825,911)	-	(1,536)
Net effect of the working capital of acquired company	-	-	-	(125,546)
	<b>(656,711)</b>	<b>(2,858,914)</b>	<b>(315,305)</b>	<b>(351,432)</b>
<b>Net cash used in investing activities</b>				
<b>Cash flow from financing activities</b>				
Loans and financings	1,381,281	1,428,781	2,727,498	5,656,060
Payments of loans and financings	(1,739,270)	(1,896,484)	(2,860,053)	(7,001,546)
Shares acquisition of own emission	(55,398)	-	(55,398)	-
	<b>(413,387)</b>	<b>(467,703)</b>	<b>(187,953)</b>	<b>(1,345,486)</b>
<b>Net cash provided by financing activities</b>				
<b>Effect of exchange variation on cash and cash equivalents</b>				
	-	-	(21,573)	12,940
Variance in cash and cash equivalents	(828,031)	(2,951,405)	(517,298)	(2,075,523)
Cash and cash equivalents at the beginning of the period	3,000,649	4,097,027	4,074,574	5,067,530
	<b>2,172,618</b>	<b>1,145,622</b>	<b>3,557,276</b>	<b>2,992,007</b>
<b>Cash and cash equivalents at the end of the period</b>				





# Results for 1Q11

## **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.*