



# Results for 4Q10 and for 2010

"In God We Trust,  
Nature We Respect"

**São Paulo, March 23<sup>rd</sup>, 2011** – JBS S.A. ("JBS") (Bovespa: JBSS3), the global leading producer of animal protein announces today its results for the fourth quarter of 2010 (4Q10) and for the full year of 2010. For the purpose of analysis, this report considers the results for the quarter ended September 30, 2010 (3Q10) and December 31, 2009 (4Q09) as well as the fiscal year 2009.

The Company's consolidated financial results have been prepared for the years ending on the 31<sup>st</sup> of December 2010 and 2009 and are in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

On March 4<sup>th</sup>, 2011, JBS signed a "Termination Agreement" with the Cremonini Group ending its participation in INALCA (refer to Notice to the Market on March 4<sup>th</sup>, 2011). The consolidated numbers for the quarter do not consider the results of INALCA JBS.

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 December 26, 2010 (4Q10). The quantitative data, such as volumes and heads slaughtered, are not audited.

## **2010 HIGHLIGHTS** (Excluding the results of INALCA JBS for the last 9 months of 2010)

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- ✓ Net revenue for 2010 was R\$55,055.8 million.
- ✓ JBS presented an organic growth of 14.2% in net sales, in local currency
  - JBS USA Beef and Pork presented organic growth of 16.7% and 31.7%, respectively comparing 2009 to 2010.
- ✓ Consolidated EBITDA was R\$3,756.2 million in 2010 with an EBITDA margin of 6.8%.
- ✓ The adjusted net income in 2010 was R\$ R\$196.1 million.

## **4Q10 HIGHLIGHTS** (Excluding the results of INALCA JBS)

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- ✓ In 4Q10, the net revenue was R\$14,319.6 million.
- ✓ The EBITDA was R\$865.9 million with an EBITDA margin of 6%.
  - JBS USA Pork presented EBITDA of US\$102.4 million, 258% greater than the 4Q09 and an historically high EBITDA margin of 12.8% in 4Q10.
  - JBS USA Beef presented EBITDA of US\$194.8 million and EBITDA margin of 5.4%.



# Results for 4Q10 and for 2010

## MESSAGE FROM THE PRESIDENT

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2010 was a year of various achievements. We can highlight the integration of Pilgrim's Pride into our American operations and the merger with Bertin into our Mercosul operations. As for operations, it is important to note our sales growth, which exceeded R\$ 55 billion, with organic growth of 14.2% and an EBITDA of R\$3.75 billion, presenting an EBITDA margin of 6.8% in 2010 compared to 3.7% in 2009.

### JBS USA

The acquisition of Pilgrim's Pride at the end of 2009 was concluded based on studies that proved its economic potential and its alignment with our strategy to diversify into other proteins. The USA is the largest chicken producer in the world, and has recently become very cost competitive, thus allowing the US industry to increase its international market share. In a short time frame, we managed to integrate Pilgrim's into our American operations, capturing considerable synergies, which enabled us to achieve an EBITDA exceeding R\$800 million and an EBITDA margin of 7.0%. At the same time we increased our market participation.

Achieving these goals was only possible after a full restructuring, including positive changes in senior management and centralization of corporate activities. Besides that, we optimized sales channels, which includes the international market as well as introducing significant improvement in our product mix, with an increased amount of value added products.

### JBS Mercosul

The incorporation of Bertin, at the end of 2009, has increased significantly our market share in Brazil. The highlights of this segment were the efforts to integrate and to capture synergies in the administrative, commercial, operations and logistics areas of the companies. From an estimated R\$485 million of synergies in two years, we captured about two-thirds of that value. There is more potential for synergies to be captured, the most significant relating to processes optimization, cost reduction per head processed and improvement in yield per carcass.

The outlook for the coming year is favorable, as we are well positioned with production platforms located in the main raw material supply regions. Moreover, we are operating our plants with a higher level of capacity utilization which enables us to be more efficient.

In Argentina, we took several structural measures to adapt to the country's current situation. We temporarily suspended operations in four industrial units, reduced significantly the number of employees and, because of export restrictions, directed production to meet the domestic market. But investments in Argentina are expected to pay-off in the long run and when the economy recovers, we believe we can add value to this platform due to the tradition of Argentine beef on the international market.

### Italy

During the year, we have made numerous efforts to resolve pending issues between the partners of Inalca JBS. These efforts resulted in the dissolution of the partnership and signing of the Termination Agreement. The Cremonini group paid € 218.9 million to JBS S.A. for our part in the company.

Also in Italy, we took control of 100% of Rigamonti, a company of which we already held 70% since December 2009. The company produces about 7,000 tons of processed meat per year and has a 40% market share in the segment in which it operates.



# Results for 4Q10 and for 2010

## Results

Our net revenue reached R\$ 55.1 billion. This amount represents a 57.7% growth over the previous year. Our EBITDA reached R\$3.75 billion, placing us in a prominent position among the leading companies in Brazil, representing a 194.2% growth over the previous year.

Increased volumes and organic growth, inevitably lead to a need for working capital. Last year, our R\$ 55 billion revenues, of which almost 30% resulted from international trade, demanded a considerable amount of capital and yet we were able to maintain our leverage at comfortable levels. We ended the year with our net debt/EBITDA relation in 3,0X, but when eliminating non-recurring issues, this factor reduces to 2,8X.

We decided to pay the debentures premium and, consequently extend the deadline for conversion of JBS stock until the end of this year because we believe that there will be more adequate conditions in 2011. As an alternative, we are reviewing the current debenture conditions in order to propose a solution that creates value for our shareholders.

## Perspectives for 2011

When we look back, we realize much has been done. When we look forward, we see that there is still a lot to do. In 2011, we began a phase at our Company, one of collecting the positive results on our actions and investments.

We will continue to work on our aim to be an integrated global food company and on our constant search for new clients and markets in order to expand our distribution channels and exports. We will be completely focused on obtaining the highest possible return on our investments, thus creating value for our shareholders.

We are working with a macroeconomic scenario of increasing global demand for proteins this year, especially in emerging economies and of stable production in our productive sector to meet such demand. We are confident that our company's performance will improve substantially.

Our challenge is to continue to be a Company with growing revenues while maintaining our simplicity, efficiency, concentration and traditional dynamism. To achieve this, we will work together, consistently, perennially and with a focus on growth.

Without the effort and cooperation of all our employees we would never have reached where we are today. We thank all of those who believe and invest in our Company. We count on the support of all our partners, suppliers, clients, shareholders and other stakeholders.

**Wesley Batista**  
**President & CEO**



# Results for 4Q10 and for 2010

## ANALYSIS OF CONSOLIDATED RESULTS

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

		4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
<b>Net Revenue</b>									
JBS USA Beef	US\$	3,588.7	3,358.4	6.9%	2,817.0	27.4%	13,103.6	11,232.3	16.7%
JBS USA Pork	US\$	799.4	772.2	3.5%	605.6	32.0%	2,956.7	2,245.0	31.7%
JBS USA Chicken	US\$	1,811.3	1,719.9	5.3%	1,602.7	13.0%	6,881.7	6,813.8	1.0%
JBS Mercosul	R\$	3,362.8	3,491.0	-3.7%	1,528.7	120.0%	13,333.6	6,073.9	119.5%
<b>EBITDA</b>									
JBS USA Beef	US\$	194.8	103.5	88.2%	126.0	54.6%	663.7	398.7	66.5%
JBS USA Pork	US\$	102.4	90.8	12.8%	28.6	258.0%	276.8	76.1	263.8%
JBS USA Chicken	US\$	124.8	170.0	-26.6%	64.9	92.3%	481.9	495.4	-2.7%
JBS Mercosul	R\$	238.8	363.7	-34.3%	117.6	103.1%	1,289.6	304.4	323.7%
<b>EBITDA Margin</b>									
JBS USA Beef	%	5.4%	3.1%	-	4.5%	-	5.1%	3.5%	-
JBS USA Pork	%	12.8%	11.8%	-	4.7%	-	9.4%	3.4%	-
JBS USA Chicken	%	6.9%	9.9%	-	4.0%	-	7.0%	7.3%	-
JBS Mercosul	%	7.1%	10.4%	-	7.7%	-	9.7%	5.0%	-

### Performance by Business Unit

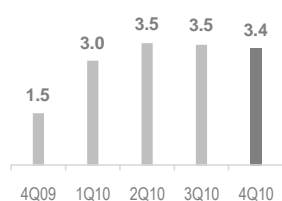
JBS Mercosul   

JBS USA   
(Including Australia)

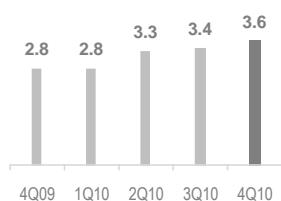
JBS USA 

JBS USA (PPC) 

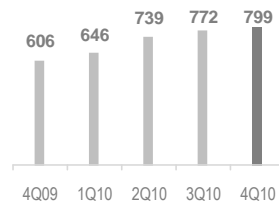
Net sales (R\$ billion)



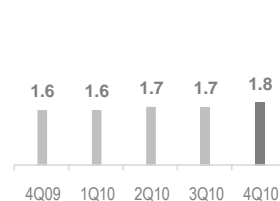
Net sales (US\$ billion)



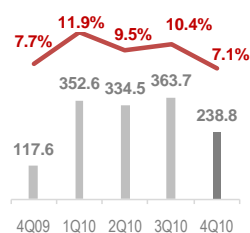
Net sales (US\$ million)



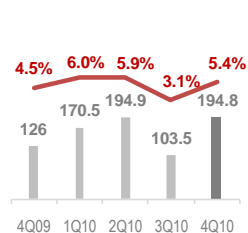
Net sales (US\$ billion)



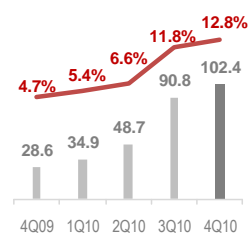
EBITDA (R\$ mi) EBITDA margin



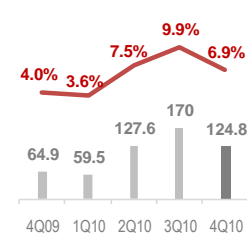
EBITDA (US\$ mi) EBITDA margin



EBITDA (US\$ mi) EBITDA margin



EBITDA (US\$ mi) EBITDA margin



 EBITDA margin (%)



# Results for 4Q10 and for 2010

## Consolidated analysis of the principal operational indicators of JBS

R\$ million	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
<b>Net Revenue</b>	<b>14,319.6</b>	<b>14,069.6</b>	<b>1.8%</b>	<b>7,408.9</b>	<b>93.3%</b>	<b>55,055.8</b>	<b>34,905.6</b>	<b>57.7%</b>
Cost of Goods Sold	-12,522.7	-12,291.3	1.9%	-6,570.1	90.6%	-48,296.8	-31,765.9	52.0%
<b>Gross Income</b>	<b>1,796.9</b>	<b>1,778.3</b>	<b>1.0%</b>	<b>838.8</b>	<b>114.2%</b>	<b>6,759.0</b>	<b>3,139.6</b>	<b>115.3%</b>
<b>Gross Margin</b>	<b>12.5%</b>	<b>12.6%</b>	<b>-</b>	<b>11.3%</b>	<b>-</b>	<b>12.3%</b>	<b>9.0%</b>	<b>-</b>
Selling Expenses	-717.7	-699.4	2.6%	-370.4	93.8%	-2,644.3	-1,645.9	60.7%
General and Adm. Expenses	-511.6	-364.5	40.4%	-161.8	216.1%	-1,650.1	-705.6	133.9%
Net Financial Income (expense)	-950.3	-363.1	161.7%	-128.7	-	-2,220.2	-579.0	283.5%
Non-recurring Expenses	-74.5	-80.7	-	0.0	-	-234.0	0.0	-
Gain on bargain purchase PPC	-9.5	0.0	-	0.0	-	-9.5	185.2	-
Other Income (expense)	1.8	10.3	-82.6%	0.4	-	65.3	7.9	723.8%
<b>Operating Income</b>	<b>-464.8</b>	<b>281.0</b>	<b>-265.4%</b>	<b>178.3</b>	<b>-360.8%</b>	<b>66.3</b>	<b>402.3</b>	<b>-83.5%</b>
Income and social contribution taxes	-34.7	-124.5	-72.1%	-50.4	-31.1%	-330.3	-182.2	81.3%
<b>Net Income (Loss)</b>	<b>0.0</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>93.3%</b>	<b>-264.0</b>	<b>220.1</b>	<b>-219.9%</b>
Participation of controlling shareholders	-499.5	156.5	-419.2%	127.9	-490.6%	-302.7	220.7	-237.1%
Participation of non-controlling shareholders	-39.8	-23.0	72.9%	0.0	-	38.7	-0.6	-6749.5%
<b>EBITDA</b>	<b>865.9</b>	<b>1,026.4</b>	<b>-15.6%</b>	<b>397.8</b>	<b>117.7%</b>	<b>3,756.2</b>	<b>1,275.9</b>	<b>194.4%</b>
EBITDA Margin	6.0%	7.3%	-	5.4%	-	6.8%	3.7%	-
<b>Adjusted Net Income (Loss)</b>	<b>-145.7</b>	<b>-</b>	<b>-</b>	<b>127.9</b>	<b>-213.9%</b>	<b>196.1</b>	<b>220.1</b>	<b>-10.9%</b>

(1) Excluding non-recurring costs (note 28 of the financial statements) and the fee paid to the debenture holders in the amount of R\$521.9 million in the 4Q10 and 2010 (Notice to the Market on the 26th of December, 2010). Consider the participation of the controlling shareholders.

## Number of Heads Slaughtered and Sales Volume

	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
<b>Heads slaughtered (thousand)</b>								
Cattle	3,632.3	3,742.0	-2.9%	3,056.0	18.9%	15,112.6	12,624.6	19.7%
Hogs	3,587.2	3,121.3	14.9%	3,388.8	5.9%	12,841.8	12,468.6	3.0%
Smalls	890.2	854.8	4.1%	719.4	23.7%	2,531.1	1,922.1	31.7%
<b>Volume Sold (thousand tons)*</b>								
<b>Domestic Market</b>	<b>1,777.0</b>	<b>1,642.8</b>	<b>8.2%</b>	<b>1,374.1</b>	<b>29.3%</b>	<b>6,696.6</b>	<b>5,509.7</b>	<b>21.5%</b>
Fresh and Chilled Beef	1,511.0	1,375.5	9.9%	1,234.9	22.4%	5,635.8	4,963.6	13.5%
Processed Beef	38.7	41.7	-7.2%	33.4	15.7%	158.2	127.8	23.8%
Others	227.3	225.6	0.7%	105.8	114.9%	902.6	418.3	115.8%
<b>Exports</b>	<b>492.6</b>	<b>559.0</b>	<b>-11.9%</b>	<b>421.8</b>	<b>16.8%</b>	<b>2,030.9</b>	<b>1,728.1</b>	<b>17.5%</b>
Fresh and Chilled Beef	442.9	505.2	-12.3%	398.8	11.1%	1,798.3	1,637.2	9.8%
Processed Beef	18.1	24.2	-25.1%	21.7	-16.4%	103.5	88.1	17.6%
Others	31.6	29.6	6.7%	1.3	2330.4%	129.0	2.9	4348.9%
<b>TOTAL</b>	<b>2,269.6</b>	<b>2,201.8</b>	<b>3.1%</b>	<b>1,795.9</b>	<b>26.4%</b>	<b>8,727.5</b>	<b>7,237.8</b>	<b>20.6%</b>

\* Not including chicken



# Results for 4Q10 and for 2010

## CONSOLIDATED RESULTS

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### Net Revenues

JBS posted consolidated net revenues of R\$55,055.8 million in 2010, an increase of 57.7% compared to 2009.

JBS USA presented net revenues of US\$22,941.9 million in 2010, 13.0% superior to 2009 pro forma, which was US\$20,291.1 million (Including PPC).

JBS Mercosul operations presented net revenues of R\$13,333.6 million in 2010, an increase of 128.9% compared to 2009. Taking into consideration the pro forma revenue of JBS Mercosul and Bertin in 2009 (note 5 of the Financial Statements), which was R\$13,122.3 millions, there was a revenue increase of 1.6%.

JBS consolidated net revenue in 2010 was R\$ 55,055.8 million, which represents a reduction of 1.4% compared to R\$ 55,817,3 million, the pro forma results of 2009 (including Bertin and PPC). This reduction is due to the fact that the revenues in 2009 took into consideration the results of INALCA JBS, while in 2010, only the results of 1Q10 are reflected. Furthermore, the real appreciated 11.9% against the dollar in the period, which also affects the company's results compared to the previous year. If adjusted for the effects of Inalca and the FX exchange, the growth of revenue would have been 14.2% over 2009.

### EBITDA

The 2010 EBITDA was R\$3,756.2 million, 194.4% superior to the previous year. The EBITDA margin was 6.8%.

JBS USA EBITDA was US\$1,422.4 million in 2010, an increase of 46.63% in relation to pro forma EBITDA of 2009.

JBS Mercosul posted an EBITDA of R\$1,289.6 for the year, 299.3% greater than in 2009. Considering the pro forma results of 2009 (including Bertin) the EBITDA went from R\$1,071.7 million to R\$1,289.6 million in 2010, an increase of 20.3%.

JBS Consolidated EBITDA presented an increase of 16.2%, when compared to the pro forma EBITDA of 2009, which was R\$3,233.8 million.

### Net Profit (Loss)

The adjusted net profit was R\$196.1 million in 2010, excluding the effects of non-recurring events.

The non-recurring expenses that impacted the results of the period were:

- i) Fee Payment to the debenture holders in the amount of R\$521.9 million (Notice to the Market on the 26th of December 2010)
- ii) JBS S.A - R\$ 77.1 million, refers to the reorganization and restructuring costs due to the incorporation of Bertin S.A. and the donation given to the political parties in 2010 elections. Besides that, there was a R\$25.5 million provision made for the losses



# Results for 4Q10 and for 2010

related to investment in Inalca JBS as a result of Termination Agreement signed on March 4, 2011, in accordance with the Notice to the Market.

iii) JBS Argentina - R\$ 41.3 million, refers to the reorganization and goodwill impairment and to the restructuring and severance payments due to the temporary suspension of operations at the Berazategui (Consignaciones Rurales), Colonia Caroya (Col-Car) and San Jose plant.

iv) JBS USA - R\$ 90.1 million, refers to the reorganization and restructuring costs due to the acquisition of Pilgrim's Pride Corporation.

Considering the effects above, the Company presented a Net Loss of R\$302.8 million in 2010.

## Capital Expenditure

In 2010, the total capital expenditure of JBS in property, plant, and equipment was R\$1,443.2 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 2.9x in the 3Q10 to 3.0x for the quarter. It is important to note that the Company incurred non-recurring costs in the period such as: The fee paid to the debenture holders, and the R\$208.3 million in cash used to repurchase Company's shares in the 4Q10. Excluding these effects, the leverage ratio would have reduced to 2.8x.

R\$ million	31/12/10	30/09/10	Var.%
<b>Gross debt</b>	<b>15,564.7</b>	<b>14,952.6</b>	<b>4.1%</b>
(-) Cash and Equivalents	4,063.8	4,402.5	-7.7%
<b>Net debt</b>	<b>11,500.9</b>	<b>10,550.1</b>	<b>9.0%</b>
(-) Fee for the debentures in the 4Q10 <sup>(2)</sup>	521.9	---	---
(-) Repurchase of shares by the company <sup>(3)</sup>	212.3	---	---
<b>Adjusted Net debt for the non-reoccurring events</b>	<b>10,766.7</b>	<b>10,550.1</b>	<b>2.1%</b>
Net debt/EBITDA <sup>(1)</sup>	<b>3.0x</b>	<b>2.9x</b>	
Adjusted Net debt/EBITDA <sup>(1)</sup>	<b>2.8x</b>	<b>2.9x</b>	

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

(2) Fee paid to debenture holders, as announced in the notice to the market on the 27th of December, 2010.

(3) The Company repurchased 30,7 million shares in the 4Q10 with an average price of R\$6.9.



# Results for 4Q10 and for 2010

## Organic Growth

JBS obtained net revenue of R\$55.1 billion for the year and all the business units presented double digit organic growth, in their local currency, for the period.

The USA Beef Unit grew 33.9% between 1Q09 and 4Q10 and from 2009 to 2010 by 16.7%, equivalent to US\$1,872 million.

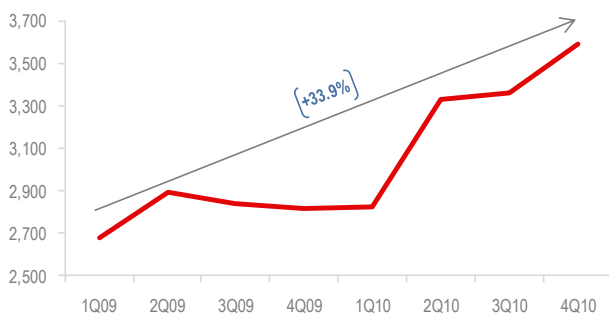
The USA Pork Unit grew 51.9% between 1Q09 and 4Q10 and from 2009 to 2010 by 31.7%, equivalent to US\$712 million.

The USA Chicken Unit grew 10.3% between the 1st and 4th Quarter of 2010.

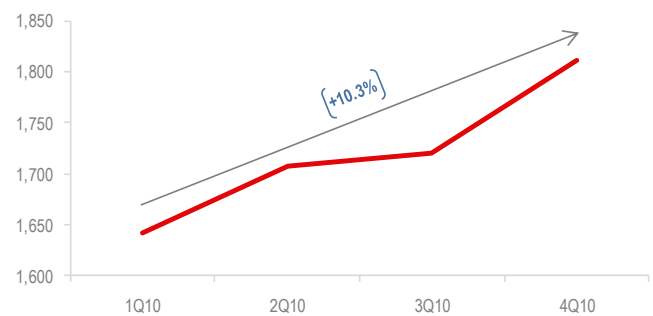
JBS Mercosul grew 13.7% between the 1st and 4th Quarter of 2010.

## Net Revenue Growth by Business Unit

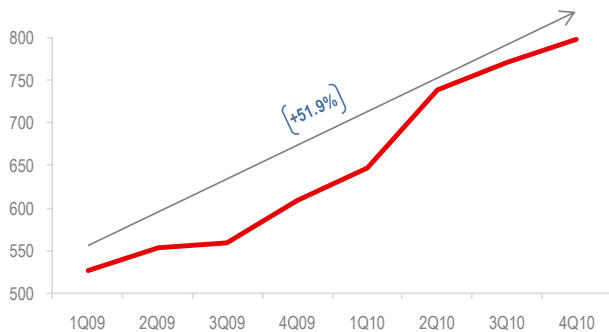
JBS USA Beef – Net Revenue (US\$ million)



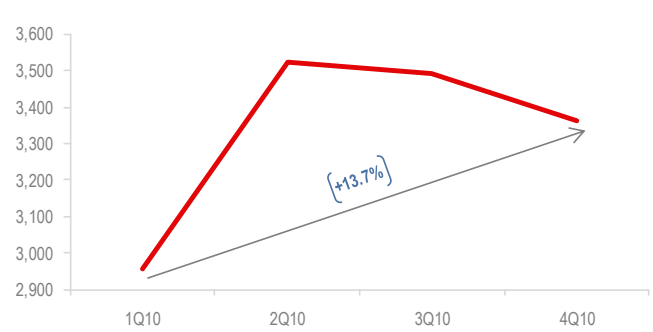
JBS USA Chicken – Net Revenue (US\$ million)



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



JBS Mercosul – Net Revenue (R\$ million)



Source: JBS





# Results for 4Q10 and for 2010

## 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\$3,588.7 million, 27.4% greater than the 4Q09. The 4Q10 results reflect an increase in volume and average sales price in the domestic market. Comparing to 3Q10, the increase was 6.9%.

EBITDA was \$ 194.8 million in the period, an increase of 54.6% and 88.2% over 4Q09 and 3Q10, respectively, with an EBITDA margin of 5.4% in 4Q10.

In 2010, net revenue was US\$13,103.5 million, an increase of 16.7% over 2009, which was \$11,232.3 million. EBITDA was US\$ 663.7 million, 66.5% superior compared to the previous year. EBITDA margin rose from 3.5% in 2009 to 5.1% in 2010.

The improvement in performance reflects the gains in operational efficiencies such as reducing the cost of production per head slaughtered, increase in the productivity per carcass and reduction of selling, general and administrative expenses.

### Highlights (US GAAP)

US\$ million	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Heads slaughtered (thousand)	2,047.3	2,080.2	-1.6%	1,891.4	8.2%	8,194.8	8,012.8	2.3%
Net Revenue	3,588.7	3,358.4	6.9%	2,817.0	27.4%	13,103.5	11,232.3	16.7%
EBITDA	194.8	103.5	88.2%	126.0	54.6%	663.7	398.7	66.5%
EBITDA margin %	5.4%	3.1%		4.5%		5.1%	3.5%	

### Breakdown of Net Revenues

Domestic Market	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Net Revenue (US\$ million)	2,864.9	2,352.9	21.8%	2,074.4	38.1%	9,780.0	8,556.1	14.3%
Volume (tons)	917.0	829.6	10.5%	713.9	28.4%	3,304.5	3,075.9	7.4%
Average Price (US\$/Kg)	3.12	2.84	10.2%	2.91	7.5%	2.96	2.78	6.4%

Exports	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Net Revenue (US\$ million)	723.8	1,005.5	-28.0%	742.5	-2.5%	3,323.5	2,746.6	21.0%
Volume (tons)	295.5	311.0	-5.0%	277.1	6.6%	1,116.6	1,143.7	-2.4%
Average Price (US\$/Kg)	2.45	3.23	-24.3%	2.68	-8.6%	2.98	2.40	23.9%



# Results for 4Q10 and for 2010



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

JBS USA Pork division achieved historical results for the quarter. The net revenue was US\$799.4 million, 32.0% greater than the 4Q09, reflecting an increase in prices for domestic sales and an increase in volumes for exports. Compared to the previous quarter, the increase was 3.5%.

EBITDA reached US\$102.4 million in the quarter, 258% higher y-o-y. The EBITDA margin was 12.8%.

The consolidated net revenue for the year was US\$2,956.7 million, an increase of 31.7% for the year. EBITDA increased by 263.7%, from US\$76.1 million in 2009 to US\$276.8 in 2010.

The Pork Business unit demonstrates an improvement in operational efficiency and cost reduction, besides the balance between of the industry slaughter capacity and the supply of raw material.

## Highlights (US GAAP)

US\$ million	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Animals slaughtered (thousand)	3,587.2	3,121.3	14.9%	3,388.8	5.9%	12,841.8	12,468.6	3.0%
Net Revenue	799.4	772.2	3.5%	605.6	32.0%	2,956.7	2,245.0	31.7%
EBITDA	102.4	90.8	12.8%	28.6	258.0%	276.8	76.1	263.7%
EBITDA margin %	12.8%	11.8%		4.7%		9.4%	3.4%	

## Breakdown of Net Revenues

Domestic Market	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Net Revenue (US\$ million)	695.2	679.8	2.3%	523.1	32.9%	2,567.7	1,922.6	33.6%
Volume (thousand tons)	348.0	308.1	12.9%	337.8	3.0%	1,285.1	1,169.9	9.8%
Average Price (US\$/Kg)	2.00	2.21	-9.4%	1.55	29.0%	2.00	1.64	21.6%

Exports	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Net Revenue (US\$ million)	104.2	92.4	12.8%	82.5	26.3%	388.9	322.4	20.6%
Volume (thousand tons)	64.4	52.9	21.8%	46.0	40.0%	214.6	169.3	26.8%
Average Price (US\$/Kg)	1.62	1.75	-7.4%	1.79	-9.8%	1.81	1.90	-4.8%



# Results for 4Q10 and for 2010



## JBS USA Chicken (PPC controlled by JBS USA) – 22% of JBS S.A. Net Revenues

Net revenue for the period was US\$1,811.3 million, 13% greater than the 4Q09. Compared to 3Q10, the increase was 5.3%. The improvement in revenue reflects the increase in volumes sold in both retail and foodservices. Compared to the 4Q09, the U.S. sales and volume increased by 10% and 13%, respectively. In Mexico, the sales increased 36%, while volume increased 8%, reflecting the increase in demand.

EBITDA was US\$124.8 million, 92.3% greater than the 4Q09, reflecting the improvement in gross margin in all segments compared to the previous year. EBITDA margin was 6.9%.

In the quarter, grain prices were much higher compared to 2009. Corn and soybeans rose on average of 45% and 10% respectively. The price of fresh chicken improved for the period, which partly offset the increase in grain prices.

The consolidated net revenue grew 1% compared to 2009, from US\$6,813.8 million to US\$6,881.7 million. EBITDA for the year decreased by 2.7%, from US\$495.4 million in 2009 to US\$481.9 million in 2010.

## Highlights (US GAAP)

US\$ million	4Q10	3Q10	Δ%	4Q09		2010	2009	Δ%
Net Revenue	1,811.3	1,719.9	5.3%	1,602.7	13.0%	6,881.7	6,813.8	1.0%
EBITDA	124.8	170.0	-26.6%	64.9	92.3%	481.9	495.4	-2.7%
EBITDA margin %	6.9%	9.9%		4.0%		7.0%	7.3%	-



# Results for 4Q10 and for 2010



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

Revenues of JBS Mercosul showed a decrease of 3.7% in comparison to 3Q10, reaching R\$3,362.8 million, impacted by a reduction in export volume sold, partially compensated by the improvements in export prices.

The EBITDA was R\$238.8 million in the 4Q10, a decrease of 34.3% in comparison with the previous quarter. The EBITDA margin was 7.1%. Besides seasonality, the results of the period reflected an increase in cattle prices.

For the year, the net revenue went from R\$6,073.9 million in 2009 to R\$13,333.6 in 2010, an increase of 119.5%, mainly due to the incorporation of Bertin. The EBITDA for the year was R\$1,289.6 million, 299.3% greater than 2009, which demonstrates the synergy gains from merging with Bertin, along with the gains in efficiency and improvement in operations. EBITDA margin rose from 5.5% in 2009 to 9.7% in 2010.

## Highlights

R\$ million	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
Heads slaughtered (thousand)	1,585.0	1,661.8	-4.6%	1,063.1	49.1%	6,819.6	4,201.2	62.3%
Net Revenue	3,362.8	3,491.0	-3.7%	1,528.7	120.0%	13,333.6	6,073.9	119.5%
EBITDA	238.8	363.7	-34.3%	117.6	103.1%	1,289.6	304.4	323.7%
EBITDA margin %	7.1%	10.4%		7.7%		9.7%	5.0%	

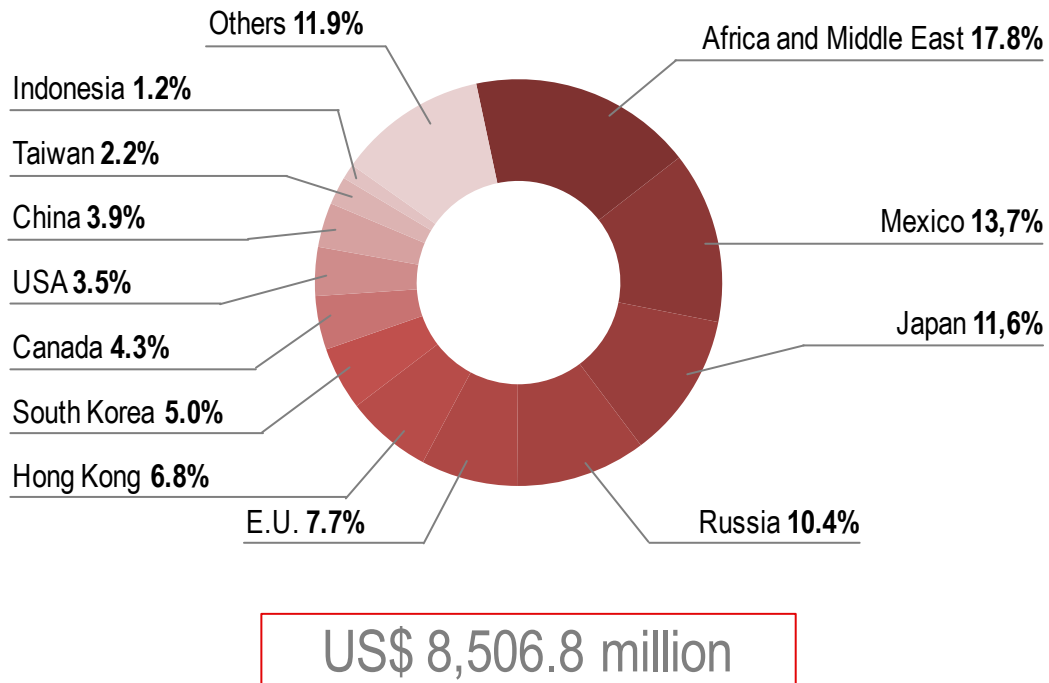
## Breakdown of Net Revenues

Domestic Market	4Q10	3Q10	Δ%	4Q09	Δ%	2010	2009	Δ%
<b>Net Revenue (million R\$)</b>								
Fresh and Chilled Product	1,646.4	1,523.1	8.1%	777.3	111.8%	5,923.3	2,845.4	108.2%
Processed Items	139.8	124.5	12.3%	77.6	80.2%	503.2	327.9	53.4%
Others	434.4	447.8	-3.0%	106.9	306.5%	1,677.3	358.9	367.3%
<b>TOTAL</b>	<b>2,220.6</b>	<b>2,095.5</b>	<b>6.0%</b>	<b>961.7</b>	<b>130.9%</b>	<b>8,103.8</b>	<b>3,532.2</b>	<b>129.4%</b>
<b>Volume (thousand tons)</b>								
Fresh and Chilled Product	246.1	237.8	3.5%	149.9	64.2%	1,011.1	581.2	74.0%
Processed Items	38.7	41.7	-7.2%	33.4	15.7%	158.2	127.8	23.8%
Others	227.3	225.6	0.7%	105.8	114.9%	902.6	418.3	115.8%
<b>TOTAL</b>	<b>512.0</b>	<b>505.1</b>	<b>1.4%</b>	<b>289.1</b>	<b>77.1%</b>	<b>2,071.9</b>	<b>1,127.2</b>	<b>83.8%</b>
<b>Average Price (R\$/Kg)</b>								
Fresh and Chilled Product	6.69	6.40	4.5%	5.19	29.0%	5.86	4.90	19.7%
Processed Items	3.62	2.99	21.0%	2.32	55.7%	3.18	2.57	23.9%
Others	1.91	1.98	-3.7%	1.01	89.2%	1.86	0.86	116.6%
<b>Exports</b>								
<b>Net Revenue (million R\$)</b>								
Fresh and Chilled Beef	703.5	972.3	-27.6%	435.7	61.5%	3,354.5	1,820.1	84.3%
Processed Beef	195.0	184.7	5.6%	124.7	56.4%	813.4	576.5	41.1%
Others	243.7	238.5	2.2%	6.6	3612.6%	1,061.9	15.4	6778.4%
<b>TOTAL</b>	<b>1,142.2</b>	<b>1,395.5</b>	<b>-18.2%</b>	<b>566.9</b>	<b>101.5%</b>	<b>5,229.8</b>	<b>2,412.1</b>	<b>116.8%</b>
<b>Volume (thousand tons)</b>								
Fresh and Chilled Beef	83.0	141.4	-41.3%	69.4	19.6%	460.7	298.6	54.3%
Processed Beef	18.1	24.2	-25.1%	21.7	-16.4%	103.5	88.1	17.6%
Others	31.6	29.6	6.7%	1.3	2330.4%	129.0	2.9	4348.9%
<b>TOTAL</b>	<b>132.7</b>	<b>195.2</b>	<b>-32.0%</b>	<b>92.4</b>	<b>43.7%</b>	<b>693.3</b>	<b>389.6</b>	<b>77.9%</b>
<b>Average Price (R\$/Kg)</b>								
Fresh and Chilled Beef	8.47	6.88	23.2%	6.28	35.0%	7.28	6.09	19.5%
Processed Beef	10.76	7.63	40.9%	5.74	87.2%	7.86	6.55	20.0%
Others	7.71	8.06	-4.3%	5.05	52.8%	8.23	5.32	54.6%

## TABLES AND CHARTS

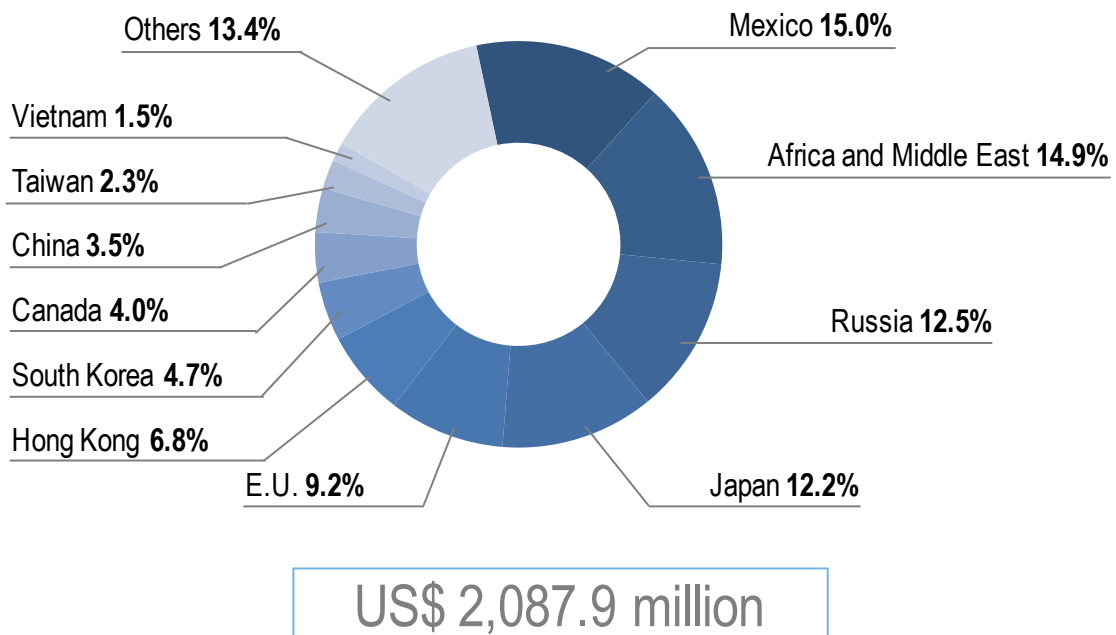
**Graph I - JBS Consolidated Exports Distribution**

JBS Consolidated Exports Distribution - 2010



Source: JBS

JBS Exports Distribution – 4Q10



Source: JBS



# Results for 4Q10 and for 2010



To Contact JBS:



## Head Office

Avenida Marginal Direita do Tietê, 500  
CEP: 05118-100 – São Paulo – SP  
Brazil  
Phone: (55 11) 3144-4000  
Fax: (55 11) 3144-4279  
[www.jbs.com.br](http://www.jbs.com.br)

## Investor Relations

Phone: (55 11) 3144-4447  
E-mail: [ir@jbs.com.br](mailto:ir@jbs.com.br)  
[www.jbs.com.br/ir](http://www.jbs.com.br/ir)



# Results for 4Q10 and for 2010

## CONSOLIDATED FINANCIAL STATEMENT – JBS S.A.

<b>JBS S.A.</b>						
<b>Balance sheets</b>						
<b>(In thousands of Reais)</b>						
	<b>Company</b>			<b>Consolidated</b>		
	<b>December 31, 2010</b>	<b>December 31, 2009</b>	<b>January 1, 2009</b>	<b>December 31, 2010</b>	<b>December 31, 2009</b>	<b>January 1, 2009</b>
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	3.000.649	4.097.027	1.522.973	4.063.833	5.067.530	2.291.619
Trade accounts receivable, net	1.672.729	1.273.377	552.991	3.904.483	3.201.437	2.256.721
Inventories	1.109.472	758.536	539.510	4.711.938	3.476.645	2.270.317
Recoverable taxes	1.088.310	841.306	447.343	1.416.809	1.066.033	623.022
Prepaid expenses	13.844	13.233	1.754	109.140	131.915	70.881
Other current assets	161.066	296.882	166.275	533.998	810.407	468.947
<b>TOTAL CURRENT ASSETS</b>	<b>7.046.070</b>	<b>7.280.361</b>	<b>3.230.846</b>	<b>14.740.201</b>	<b>13.753.967</b>	<b>7.981.507</b>
<b>NON-CURRENT ASSETS</b>						
<b>Long-term assets</b>						
Credits with related parties	-	-	1.700.868	332.679	326.972	54.777
Judicial deposits and others	88.208	70.640	16.378	519.643	558.615	102.571
Recoverable taxes	553.770	550.848	37.632	616.308	615.748	65.307
<b>Total long-term assets</b>	<b>641.978</b>	<b>621.488</b>	<b>1.754.878</b>	<b>1.468.630</b>	<b>1.501.335</b>	<b>222.655</b>
Investments in subsidiaries	9.329.030	7.234.791	4.652.319	-	-	-
Biological assets	-	-	-	430.685	249.618	279.356
Property, plant and equipment, net	7.598.963	7.599.627	1.816.206	15.219.343	15.014.548	5.825.225
Intangible assets, net (Note 15)	11.294.531	11.302.764	962.751	12.667.244	13.366.982	2.107.745
Other investments	10	10	10	3.122	3.984	5.722
<b>TOTAL NON-CURRENT ASSETS</b>	<b>28.222.534</b>	<b>26.137.192</b>	<b>7.431.286</b>	<b>28.320.394</b>	<b>28.635.132</b>	<b>8.218.048</b>
<b>TOTAL ASSETS</b>	<b>35.910.582</b>	<b>34.039.041</b>	<b>12.417.010</b>	<b>44.529.225</b>	<b>43.890.434</b>	<b>16.422.210</b>



# Results for 4Q10 and for 2010

## JBS S.A.

### Balance sheets

(In thousands of Reais)

	Company			Consolidated		
	December 31, 2010	December 31, 2009	January 1, 2009	December 31, 2010	December 31, 2009	January 1, 2009
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Trade accounts payable	566.982	627.542	383.979	2.837.973	2.546.036	1.930.998
Loans and financings	4.342.593	3.926.390	1.494.690	5.191.248	5.123.099	2.210.380
Payroll, social charges and tax obligation	375.600	287.082	62.722	1.140.678	721.854	470.908
Declared dividends	-	122.953	51.127	-	122.953	51.127
Debit with third parties for investment	45.746	431.267	-	45.746	431.267	-
Other current liabilities	509.482	481.401	76.772	469.437	360.053	342.072
<b>TOTAL CURRENT LIABILITIES</b>	<b>5.840.403</b>	<b>5.876.635</b>	<b>2.069.290</b>	<b>9.685.082</b>	<b>9.305.262</b>	<b>5.005.485</b>
<b>NON-CURRENT LIABILITIES</b>						
Loans and financings	6.679.915	5.311.023	2.991.344	10.373.479	9.304.014	3.401.708
Convertible debentures	3.462.212	3.462.212	-	3.462.212	3.462.212	-
Deferred income taxes	390.774	344.704	60.827	1.037.892	1.141.278	348.849
Provision for contingencies	136.002	210.088	48.244	322.427	431.249	69.343
Debits with related parties	1.532.002	1.106.890	-	-	-	-
Debit with third parties for investment	149.964	171.939	210.480	149.964	171.938	210.480
Other non-current liabilities	124.939	47.919	40.473	803.320	923.960	392.450
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>12.475.808</b>	<b>10.654.775</b>	<b>3.351.368</b>	<b>16.149.294</b>	<b>15.434.651</b>	<b>4.422.830</b>
<b>SHAREHOLDERS' EQUITY</b>						
Capital stock	18.046.067	16.483.544	4.495.581	18.046.067	16.483.544	4.495.581
Capital reserve	500.775	714.503	769.463	500.775	714.503	769.463
Revaluation reserve	106.814	112.352	118.178	106.814	112.352	118.178
Profit reserves	574.804	810.538	863.238	574.804	810.538	863.238
Valuation adjustments to shareholders' equity	(1.719)	(914)	(2.920)	(1.719)	(914)	(2.920)
Accumulated translation adjustments	(1.632.370)	(612.392)	752.812	(1.632.370)	(612.392)	752.812
<b>Attributable to controlling interest</b>	<b>17.594.371</b>	<b>17.507.631</b>	<b>6.996.352</b>	<b>17.594.371</b>	<b>17.507.631</b>	<b>6.996.352</b>
<b>Attributable to noncontrolling interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.100.478</b>	<b>1.642.890</b>	<b>(2.457)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>17.594.371</b>	<b>17.507.631</b>	<b>6.996.352</b>	<b>18.694.849</b>	<b>19.150.521</b>	<b>6.993.895</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>35.910.582</b>	<b>34.039.041</b>	<b>12.417.010</b>	<b>44.529.225</b>	<b>43.890.434</b>	<b>16.422.210</b>





# Results for 4Q10 and for 2010

## JBS S.A.

### Statements of income for the years ended December 31, 2010 and 2009 (In thousands of Reais)

	Company		Consolidated	
	2010	2009	2010	2009
<b>NET SALE REVENUE</b>	<b>11.770.293</b>	<b>5.148.794</b>	<b>55.055.802</b>	<b>34.905.571</b>
Cost of goods sold	<u>(9.338.628)</u>	<u>(4.170.692)</u>	<u>(48.296.810)</u>	<u>(31.765.938)</u>
<b>GROSS INCOME</b>	<b>2.431.665</b>	<b>978.102</b>	<b>6.758.992</b>	<b>3.139.633</b>
<b>OPERATING INCOME (EXPENSE)</b>				
General and administrative expenses	(503.405)	(193.241)	(1.650.075)	(705.586)
Selling expenses	(995.067)	(486.686)	(2.644.309)	(1.645.854)
Financial income (expense), net	(1.927.045)	(512.603)	(2.220.182)	(578.975)
Equity in subsidiaries	827.857	475.514	-	-
Non-recurring expenses	(102.607)	-	(233.951)	-
Bargain purchase gain	-	-	(9.463)	185.189
Other income, net	7.013	3.432	65.288	7.927
	<u>(2.693.254)</u>	<u>(713.584)</u>	<u>(6.692.692)</u>	<u>(2.737.299)</u>
<b>INCOME (LOSS) BEFORE TAXES</b>	<b>(261.589)</b>	<b>264.518</b>	<b>66.300</b>	<b>402.334</b>
Current income taxes	2.853	3.001	(361.594)	(49.728)
Deferred income taxes	<u>(44.012)</u>	<u>(46.809)</u>	<u>31.294</u>	<u>(132.478)</u>
	<u>(41.159)</u>	<u>(43.808)</u>	<u>(330.300)</u>	<u>(182.206)</u>
<b>NET INCOME (LOSS) PER THOUSAND SHARES</b>	<b>(302.748)</b>	<b>220.710</b>	<b>(264.000)</b>	<b>220.128</b>
<b>Attributable to:</b>				
Controlling interest			(302.748)	220.710
Noncontrolling interest			<u>38.748</u>	<u>(582)</u>
			<u>(264.000)</u>	<u>220.128</u>
<b>Net income (loss) basic per thousand shares in the end of the year - in reais (Note 26)</b>	<b>(121,45)</b>	<b>94,99</b>	<b>(121,45)</b>	<b>94,99</b>
<b>Statement of EBITDA (Earnings before income taxes, interest, depreciation and amortization)</b>				
Net income (loss) before taxes	(261.589)	264.518	66.300	402.334
Financial income (expense), net	1.927.045	512.603	2.220.182	578.975
Depreciation and amortization	286.115	97.515	1.226.300	479.811
Equity in subsidiaries	(827.857)	(475.514)	-	-
Bargain purchase gain	-	-	9.463	(185.189)
Non-recurring expenses	102.607	-	233.951	-
<b>AMOUNT OF EBITDA</b>	<b>1.226.321</b>	<b>399.122</b>	<b>3.756.196</b>	<b>1.275.931</b>



# Results for 4Q10 and for 2010

## JBS S.A.

### Statements of cash flows for the years ended December 31, 2010 and 2009 (In thousands of Reais)

	Company		Consolidated	
	2010	2009	2010	2009
<b>Cash flow from operating activities</b>				
Net income (loss) of the year	(302.748)	220.710	(302.748)	220.710
Adjustments to reconcile net income (loss) to cash provided				
. Depreciation and amortization	286.115	97.515	1.226.300	479.811
. Allowance for doubtful accounts	7.180	6.018	16.498	11.395
. Equity in subsidiaries	(827.857)	(475.514)	-	-
. Noncontrolling interest income	-	-	38.748	(582)
. Write-off of fixed assets	6.961	3.878	11.400	12.833
. Deferred income taxes	44.012	46.809	(31.294)	132.478
. Current and non-current financial charges	448.829	(378.143)	640.024	333.471
. Provision for contingencies	(73.368)	4.207	(22.336)	8.128
. Capital loss in investment	9.199	-	-	-
. Adjustment of assets and liabilities to present value	-	(426)	-	(426)
. Impairment	25.514	-	83.831	1.048
	(376.163)	(474.946)	1.660.423	1.198.866
<b>Variation in operating assets and liabilities</b>				
Increase in trade accounts receivable	(531.026)	(108.890)	(951.928)	(34.872)
Decrease (increase) in inventories	(350.936)	259.878	(1.237.510)	332.118
Increase in recoverable taxes	(239.357)	(122.018)	(273.708)	(132.735)
Increase in other current and non-current assets	31.791	40.070	262.511	184.388
Decrease (increase) in credits with related parties	-	-	(2.101)	458.274
Decrease (increase) in biological assets	-	-	(189.908)	33.810
Increase (decrease) in trade accounts payable	(60.870)	(166.651)	320.303	(317.805)
Increase (decrease) in other current and non-current liabilities	(311.617)	220.309	(77.739)	1.224.265
Increase in debits with related parties	1.598.237	1.112.548	-	-
Valuation adjustments to shareholders' equity	-	-	(936.089)	(1.341.871)
Adjustments to first-time adoption of IFRS	-	-	(55.733)	(70.876)
<b>Net cash provided by (used in) operating activities</b>	<b>(239.941)</b>	<b>760.300</b>	<b>(1.481.479)</b>	<b>1.533.562</b>
<b>Cash flow from investing activities</b>				
Additions (disposal) to property, plant and equipment and intangible assets	(533.831)	(468.189)	(1.257.374)	(1.817.389)
Additions to investments	(3.037.658)	(1.348.475)	-	-
Net effect of the working capital of acquired company	-	(2.471.683)	(338.119)	(3.945.740)
<b>Net cash used in investing activities</b>	<b>(3.571.489)</b>	<b>(4.288.347)</b>	<b>(1.595.493)</b>	<b>(5.763.129)</b>
<b>Cash flow from financing activities</b>				
Loans and financings	5.693.809	2.436.612	14.197.470	4.585.835
Payments of loans and financings	(4.309.777)	(2.124.757)	(13.465.178)	(3.177.843)
Convertible debentures	-	3.462.212	-	3.462.212
Capital increase	1.600.000	2.527.354	1.600.000	2.527.354
Declared dividends	-	(122.953)	-	(122.953)
Transaction costs for the issuing of titles and securities	(55.252)	-	(55.252)	-
Shares acquisition of own emission	(213.728)	(76.367)	(213.728)	(76.367)
<b>Net cash provided by financing activities</b>	<b>2.715.052</b>	<b>6.102.101</b>	<b>2.063.312</b>	<b>7.198.238</b>
<b>Effect of exchange variation on cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>9.963</b>	<b>(192.760)</b>
Net increase (decrease) in cash and cash equivalents	(1.096.378)	2.574.054	(1.003.697)	2.775.911
Cash and cash equivalents at the beginning of the year	4.097.027	1.522.973	5.067.530	2.291.619
<b>Cash and cash equivalents at the end of the year</b>	<b>3.000.649</b>	<b>4.097.027</b>	<b>4.063.833</b>	<b>5.067.530</b>



# Results for 4Q10 and for 2010

## **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.*