



# 1st Quarter 2010 Results



**JBS S.A.**  
 May 14<sup>th</sup>, 2010

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**1Q10 Conference Call**  
 Date: Friday, May 14<sup>th</sup>, 2010

**English:** 12:00pm (Brazil time)  
 11:00am (New York time)  
 Phone Brazil: +55 (11) 4003-9004  
 Phone USA: +1 516 300 1066

**Portuguese:** 10:00am (Brazil time)  
 09:00am (New York time)  
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# 1st Quarter 2010 Results

"In God we trust,  
Nature we respect"

**São Paulo, May 14<sup>th</sup>, 2010** – JBS S.A. ("JBS") (Bovespa: JBSS3), the global leading producer of animal protein announces today its results for the first quarter of 2010 (1Q10). For the purpose of analysis, this report considers the results for the quarter ended December 31, 2009 (4Q09) and March 31, 2009 (1Q09). All results, unless specified, are reported in IFRS.

The consolidated results of JBS are presented in Brazilian Reais (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 28, 2010 (1Q10).

## HIGHLIGHTS

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### Financial highlights:

- ✓ Net Revenue increased by 35.4%, from R\$9,267.9 million in 1Q09 to R\$12,550.3 million in 1Q10, mainly due to the incorporation of Bertin and acquisition of Pilgrim's Pride.
- ✓ The 1Q10 consolidated EBITDA increased 307.5% compared to the same period in 2009, from R\$211.5 million to R\$862.0 million. The EBITDA margin was 6.9% for the period, compared with 2.3% for 1Q09.
- ✓ Net Profit of R\$99.4 million in 1Q10, compared to a net loss of R\$322.7 million in 1Q09.

### Operating highlights:

- ✓ Beef US posted EBITDA of US\$170.5 million, on margin of 6.0%, a record for 1Q.
- ✓ In Mercosul, JBS posted EBITDA of R\$352.6 million, with 11.9% margin.





# 1st Quarter 2010 Results

## Message from the President

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Our first quarter 2010 was all about taking the necessary steps to integrate the deals we made at the end of last year. We finalized two transformational transactions in December and, as is our tradition, we moved fast to capture the synergies and implement the integration required to maintain our path towards improved profitability. The Bertin merger in Brazil and the acquisition of a controlling stake in Pilgrim's Pride in the US were challenges we felt we were ready for, based on our experience of acquiring, turning around and integrating many Companies in the past. We are pleased to announce that our integration and cost saving plans are ahead of schedule and we expect our results for the remaining of the year to demonstrate that.

Bertin is already an integral part of JBS in Brazil with both teams working closely together under the one roof and with the same culture and spirit at our headquarters in Sao Paulo. Pilgrim's Pride has moved on from its days in Chapter 11 and is now planting the seeds of sustained growth and profitability at our JBS USA headquarters in Greeley, Colorado. Despite a tough first quarter in our chicken business, significant savings and efficiencies are ongoing and, with demand recovering both domestically and on the export front, we are very positive about our continued performance.

The first months of the year are traditionally the most difficult ones. Protein consumption and exports are generally slow during these months. I am very proud to announce that regardless of the seasonality or the challenges related to the recent acquisitions, we are today bringing to the market the best result for a first quarter in the recent history of our Company. Across the regions where we operate, our management team has outstretched my expectations and produced results that only serve to renew my faith in their capabilities.

I would like to make a brief comment about each region.

We mentioned last year that supply was going through a challenging cycle in Australia. We saw reduced numbers of finished cattle in the latter half of last year and indeed, supply was also slow early this year, but we have seen a pickup in numbers towards the end of the quarter and we see that trend continuing. It is in the nature of Australia to export (70% of our revenues come from export sales there) and we see good traction in International trade, particularly during the coming quarters.

In the US, where we are now strong across the three proteins, while we continue to improve efficiencies, we see more balance and improved demand, all adding up to improved margins. The US marketplace is demonstrating its ability to be as cost efficient as any region, and US exports will be competitive, while we, at JBS, look to lead these exports with our knowledge of international markets and our global sales offices and distribution centers. Our results in that country for 1Q10 are a clear demonstration that we are on the right track.

Our European business had a strong quarter regardless of the economic difficulties. The good result is a reflection of the continuous efforts to improve efficiencies, the opening of our new







# 1st Quarter 2010 Results

burger facility in Russia (although it is still in ramp-up phase) and improved trade across our African distribution centers. We will continue to dedicate our efforts towards growing these businesses, particularly in Africa, where we continue to invest in infrastructure to reach out to more customers.

In Mercosul, despite a still challenging environment in Argentina, we posted very robust results, boosted by our operations in Brazil, Paraguay and Uruguay. Especially in Brazil, with the strong domestic consumption and considerable pickup in international demand, we are well placed to continue improvements, as we continue to invest in direct distribution, which should result in better and less volatile margins going forward. Our value added dairy business is a good example to mirror ourselves for the future, where the combination of further processed products, direct distribution and branding results in mid-teen margins.

Regarding our balance sheet, although our leverage remained constant, mainly due to our capex requirements and increased working capital necessities as we ramp-up recent acquisitions, it is my commitment to focus our energy on reducing our debt in the coming quarters and, as I said in our previous earnings call, one of our goals is to have an investment-grade balance sheet in the near future.

My sincere thanks to our Board of Director for their continued support. I also would like to express my gratitude to all our management and team for their continued effort and dedication.

Finally, I would like to address a word towards those Investors who were with us during our recent follow-on. During the three-week road show, I had the opportunity to meet many of you personally and here I want to thank you for your support and commitment and I want to assure you that no effort will be spared to grow our Company and improve our performance to the expectations of each of you. Thank you.

Joesley Mendonca Batista.



## ANALYSIS OF CONSOLIDATED RESULTS

Consolidated analysis of the principal operational indicators of JBS

R\$ million	1Q10	4Q09	Δ%	1Q09	Δ%
<b>Net Revenue</b>	<b>12,550.3</b>	<b>7,408.9</b>	<b>69.4%</b>	<b>9,267.9</b>	<b>35.4%</b>
Cost of Goods Sold	-11,110.7	-6,570.1	69.1%	-8,509.8	30.6%
<b>EBITDA</b>					
JBS USA Beef (US\$ mm)	170.5	126.0	35.3%	59.7	185.7%
JBS USA Pork (US\$ mm)	34.9	28.6	22.0%	7.5	366.8%
Pilgrim's Pride (US\$ mm)	59.5	-	nm	-	nm
INALCA JBS (Euro mm)	10.1	7.0	44.3%	5.6	81.1%
JBS Mercosul (R\$ mm)	352.6	117.6	199.8%	59.1	496.2%
<b>Consolidated EBITDA</b>	<b>862.0</b>	<b>397.8</b>	<b>116.7%</b>	<b>211.5</b>	<b>307.5%</b>
EBITDA margin	6.9%	5.4%	-	2.3%	-
Net financial income (expense)	-367.0	-128.7	185.2%	-446.6	-17.8%
<b>Net Income (Loss)</b>	<b>99.4</b>	<b>127.9</b>	<b>-22.3%</b>	<b>-322.7</b>	<b>-</b>
<b>Net Debt/EBITDA</b>	<b>3.1x</b>	<b>3.1x</b>	<b>-</b>	<b>2.52x</b>	<b>-</b>
Earnings per Share	0.04	0.09	-	-0.23	-

## Number of Heads Slaughtered and Sales Volume

	1Q10	4Q09	Δ%	1Q09	Δ%
<b>Heads slaughtered (thousand)</b>					
Cattle	3,683.9	3,056.0	20.5%	3,047.5	20.9%
Hogs	3,257.5	3,388.8	-3.9%	2,977.0	9.4%
Smalls	786.2	719.4	9.3%	683.4	15.0%
<b>Volume Sold (thousand tons)</b>					
<b>Domestic Market</b>	<b>1,505.9</b>	<b>1,374.3</b>	<b>9.6%</b>	<b>1,373.5</b>	<b>9.6%</b>
Fresh and Chilled Beef	1,323.4	1,235.0	7.2%	1,244.9	6.3%
Processed Beef	38.4	33.4	14.9%	31.2	23.2%
Others	144.1	105.9	36.1%	97.4	47.9%
<b>Exports</b>	<b>417.3</b>	<b>421.8</b>	<b>-1.1%</b>	<b>422.4</b>	<b>-1.2%</b>
Fresh and Chilled Beef	379.8	398.8	-4.8%	396.8	-4.3%
Processed Beef	31.8	21.7	46.3%	20.9	52.2%
Others	5.7	1.3	343.6%	4.8	20.1%
<b>TOTAL</b>	<b>1,923.2</b>	<b>1,796.1</b>	<b>7.1%</b>	<b>1,795.9</b>	<b>7.1%</b>





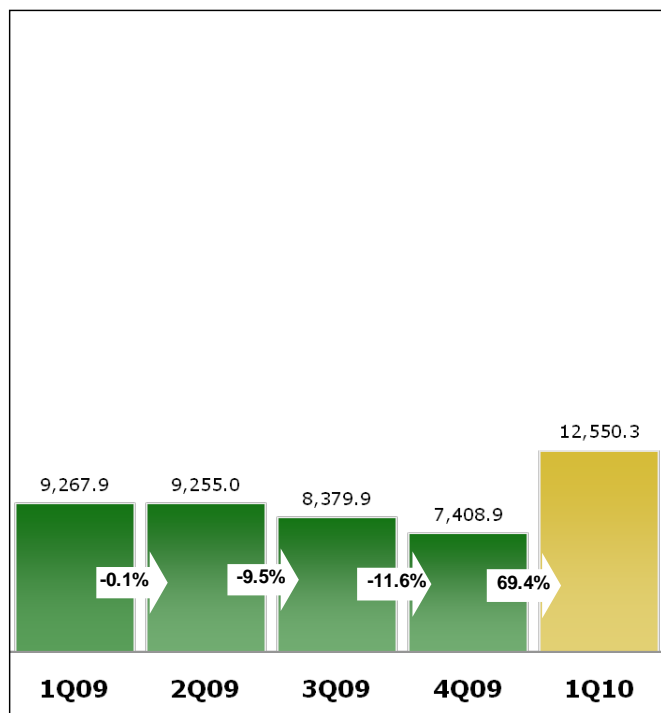
# 1st Quarter 2010 Results

JBS started 2010 with a revenue growth of 35.4% when compared to the same period of 2009, mainly due to the incorporation of Bertin S.A. and the acquisition of Pilgrim's Pride (PPC) at the end 2009.

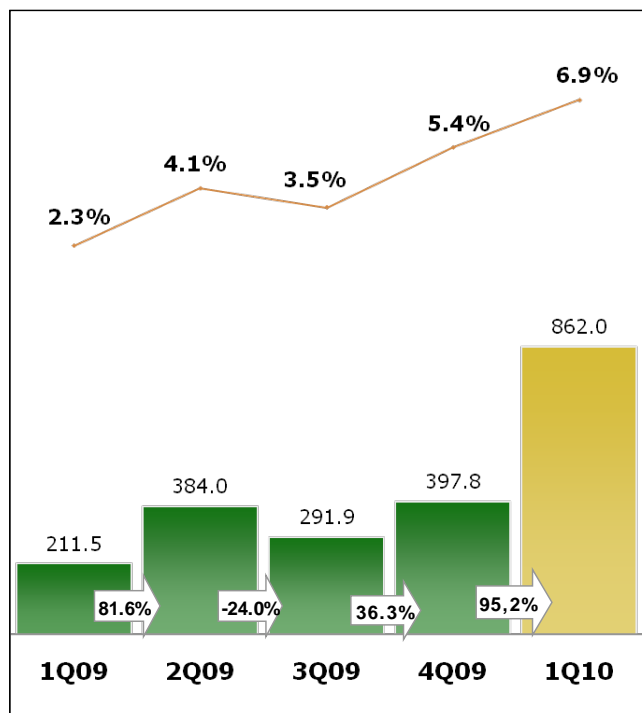
EBITDA increased 307.5% when compared with the corresponding period of 2009, going from R\$221.5 million in 1Q09 to R\$862.0 million in 1Q10. The main highlights were the beef business unit in the US, which posted a 6% EBITDA margin, and the Mercosul division, with 11.9% margin. US Pork and JBS Inalca also posted robust margins, at 5.4% and 7.2% respectively. Finally, Pilgrim's Pride Corporation, which recently emerged from bankruptcy, posted a weaker margin of 3.6%.

As a result, consolidated EBITDA margin reached 6.9% and net profit was R\$99.4 million for the period.

Net Revenue (R\$ million)



EBITDA and EBITDA Margin (R\$ million)



## Indebtedness

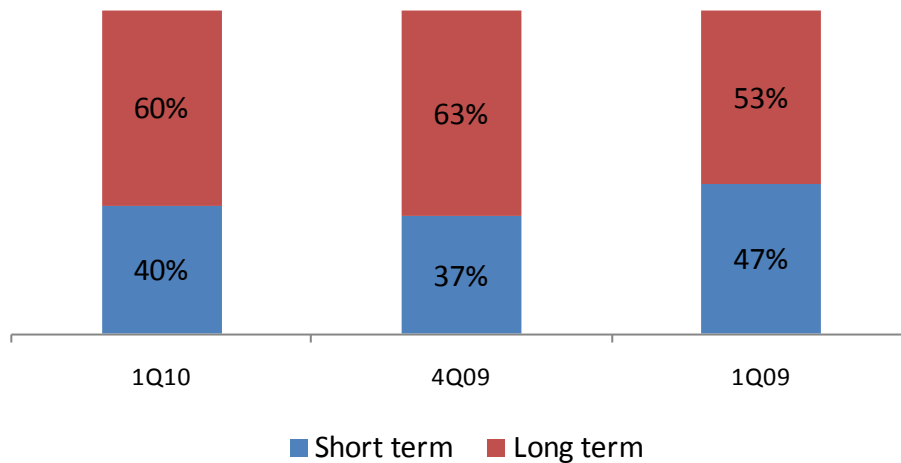
R\$ Million	03/31/10	12/31/09	Var. %
<b>Net debt</b>	<b>10,618.9</b>	<b>9,467.3</b>	<b>12.2%</b>
Cash and cash equivalents	2,992.0	4,962.5	-39.7%
Short term debt	5,432.5	5,272.1	3.0%
Long term debt	8,178.4	9,157.7	-10.7%
<b>Gross debt</b>	<b>13,610.9</b>	<b>14,429.8</b>	<b>-5.7%</b>
<b>Net Debt/EBITDA*</b>	<b>3.1x</b>	<b>3.1x</b>	

\* The last twelve months include Bertin and Pilgrim's Pro-Forma.

Net debt / EBITDA ratio remained at 3.1x q-o-q. Gross debt declined 5.7%, while Net Debt increased 12.2%, reflecting working capital requirements to ramp up recent acquisitions, as well as investments in fixed assets, further impacted by FX fluctuations.

The vast majority of the company's ST debt is composed of revolving trade finance credit lines.

As demonstrated below, the percentage of short term debt was 40% in 1Q10, compared with 37% in 4Q09 and 47% in 1Q09.



Source: JBS





# 1st Quarter 2010 Results

## ANALYSIS OF RESULTS BY BUSINESS UNIT

### JBS USA Beef (including Australia) – 40% of JBS S.A. Net Revenue



Net Revenue of the Beef Business Unit of JBS USA was US\$2,827.7 million for the period, practically stable when compared to 4Q09 (down 0.4%) but up 5.5% when compared to 1Q09, reflecting a decline in volumes, offset by an increase in sales price, due to the generally more favorable market conditions.

EBITDA climbed from US\$59.7 million in 1Q09 to US\$170.5 million in 1Q10, representing an increase of 185.7% for the period. This variation reflects the operational improvements implemented by the administration of JBS, such as reducing costs related to SG&A, freight, packaging and suppliers. In comparison with 4Q09, the increase was 35.3%. This increase was due to the favorable market conditions, increase in export prices, reduction of freight cost and general and administrative expenses.

A relatively short supply of livestock at the beginning of the quarter at JBS Australia was partially offset by a normalized supply at the end of the quarter, while the strong Australian Dollar restrained exports.

### Highlights

US\$ million	1Q10	4Q09	Δ%	1Q09	Δ%
Heads slaughtered (thousand)	1,933.7	1,891.4	2.2%	1,979.3	-2.3%
Net Revenue	2,827.7	2,817.0	0.4%	2,680.2	5.5%
EBITDA	170.5	126.0	35.3%	59.7	185.7%
EBITDA margin %	6.0%	4.5%		2.2%	

### Breakdown of Net Revenue

Domestic Market	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (US\$ million)	2,177.6	2,074.4	5.0%	2,150.0	1.3%
Volume (thousand tons)	728.3	715.4	1.8%	816.2	-10.8%
Average Price (US\$/Kg)	2.99	2.90	3.1%	2.63	13.5%

Exports	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (US\$ million)	650.1	742.5	-12.5%	530.2	22.6%
Volume (thousand tons)	219.0	277.1	-21.0%	283.3	-22.7%
Average Price (US\$/Kg)	2.97	2.68	10.8%	1.87	58.6%







# 1st Quarter 2010 Results

## JBS USA Pork – 9% of JBS S.A. Net Revenue



The Pork Business Unit of JBS USA obtained Net Revenues of US\$645.9 million for the period, 22.7% better when compared to 1Q09 which was US\$526.3 million. In comparison with the previous quarter, revenue increase by 6.6%.

The EBITDA for the quarter was US\$34.9 million, an increase of 366.8% when compared to 1Q09. The increase in volume sold combined with increase in average price was sufficient to offset the effects of a 17.1% increase in hog prices, which can be attributed to the more favorable market conditions domestically and internationally when compared with 1Q09.

### Highlights

US\$ million	1Q10	4Q09	Δ%	1Q09	Δ%
Animals slaughtered (thousand)	3,257.5	3,388.8	-3.9%	2,977.0	9.4%
Net Revenue	645.9	605.6	6.6%	526.3	22.7%
EBITDA	34.9	28.6	22.0%	7.5	366.8%
EBITDA margin %	5.4%	4.7%		1.4%	

### Breakdown of Net Revenue

Domestic Market	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (US\$ million)	553.6	523.1	5.8%	444.5	24.5%
Volume (thousand tons)	318.8	337.8	-5.6%	269.7	18.2%
Average Price (US\$/Kg)	1.74	1.55	12.1%	1.65	5.4%

Exports	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (US\$ million)	92.2	82.5	11.8%	81.8	12.7%
Volume (thousand tons)	47.7	46.0	3.6%	46.2	3.0%
Average Price (US\$/Kg)	1.93	1.79	7.9%	1.77	9.4%





# 1st Quarter 2010 Results



## Pilgrim's Pride Corporation (controlled by JBS USA) – 23% of JBS S.A. Net Revenue

Pilgrim's Pride obtained a Net Revenue of US\$1,642.9 million for the period, 3.2% less when compared to 1Q09. The EBITDA reduced from US\$80.8 million in 1Q09 to US\$59.5 million in 1Q10.

Sales of the USA operation reduced by 6.0% in relation to 1Q09 followed by a reduction of 11.6% in volume, a consequence of plant closures in 2Q09, along with a reduction in sales in the value added product category.

Sales originating from the Mexico operations increased 26.7% and volume increased 33.2%, reflecting the increase in demand and the more favorable exchange rate, partially compensating for the decrease in average prices.

### Highlights

US\$ million	1Q10	1Q09	Δ%
Net Revenue	1,642.9	1,698.1	-3.2%
EBITDA	59.5	80.8	-26.3%
EBITDA margin %	3.6%	4.8%	



## INALCA JBS Business Unit - 4% of JBS S.A. Net Revenue



INALCA JBS' net revenues decreased 3.0% in relation to 1Q09 and 1.2% in relation to 4Q09. Despite the drop in net revenues, EBITDA increased 81.1 % over 1Q09, from €5.6 million to €10.1 million in 1Q10, as margins expanded from 3.9% to 7.2%. In comparison with 4Q09, the EBITDA increase was 44.3%. While facing a challenging macroeconomic environment in Europe, JBS Inalca benefited from improved operations in Africa and in Russia.

### Highlights

€ million	1Q10	4Q09	Δ%	1Q09	Δ%
Heads slaughtered (thousand)	98.2	101.5	-3.3%	94.5	3.9%
Net Revenue	139.7	141.4	-1.2%	144.0	-3.0%
EBITDA	10.1	7.0	44.3%	5.6	81.1%
EBITDA margin %	7.2%	5.0%		3.9%	

Note: The above figures refer to the 50% of INALCA JBS, owned by JBS S.A.

### Breakdown of Net Revenue

Domestic Market	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (€ million)	113.3	116.2	-2.5%	98.2	15.4%
Volume (thousand tons)	35.1	33.3	5.4%	36.2	-3.0%
Average Price (€/Kg)	3.23	3.49	-7.5%	2.71	19.0%

Exports	1Q10	4Q09	Δ%	1Q09	Δ%
Net Revenue (€ million)	26.4	25.2	4.8%	45.8	-42.4%
Volume (thousand tons)	6.4	6.3	1.6%	7.2	-11.1%
Average Price (€/Kg)	4.13	4.33	-4.8%	6.36	-35.2%



## JBS Mercosul - 24% of JBS S.A. Net Revenue



Results in the region were boosted by strong domestic consumption in Brazil allied with increased exports out of Brazil, Paraguay and Uruguay, partially offset by the restricted market conditions in Argentina.

Net revenues reached R\$2,957.9 million, while EBITDA amounted to R\$352.6 million, generating an EBITDA margin of 11.9%.

## Highlights

R\$ million	1Q10	4Q09	Δ%	1Q09	Δ%
Heads slaughtered (thousand)	1,652.0	1,063.1	55.4%	973.7	69.7%
Net Revenue	2,957.9	1,528.7	93.5%	1,329.7	122.4%
EBITDA	352.6	117.6	199.8%	59.1	496.2%
EBITDA margin %	11.9%	7.7%		4.4%	

## Breakdown of Net Revenue

Domestic Market	1Q10	4Q09	Δ%	1Q09	Δ%
<b>Net Revenue (million R\$)</b>					
Fresh and Chilled Product	1,522.4	777.3	95.9%	592.1	157.1%
Processed Items	142.0	77.6	83.0%	87.9	61.6%
Others	120.5	106.9	12.7%	103.5	16.4%
<b>TOTAL</b>	<b>1,784.9</b>	<b>961.7</b>	<b>85.6%</b>	<b>783.4</b>	<b>127.8%</b>
<b>Volume (thousand tons)</b>					
Fresh and Chilled Product	241.3	149.9	61.0%	122.9	96.3%
Processed Items	38.4	33.4	14.9%	31.2	23.0%
Others	144.1	105.8	36.2%	97.5	47.8%
<b>TOTAL</b>	<b>423.7</b>	<b>289.1</b>	<b>46.6%</b>	<b>251.6</b>	<b>68.4%</b>
<b>Average Price (R\$/Kg)</b>					
Fresh and Chilled Product	6.31	5.19	21.7%	4.82	31.0%
Processed Items	3.70	2.32	59.2%	2.82	31.3%
Others	0.84	1.01	-17.2%	1.06	-21.2%





Exports	1Q10	4Q09	Δ%	1Q09	Δ%
<b>Net Revenue (million R\$)</b>					
Fresh and Chilled Beef	895.0	435.7	105.4%	370.1	141.8%
Processed Beef	252.7	124.7	102.8%	161.9	56.1%
Others	25.3	6.6	285.8%	14.3	77.1%
<b>TOTAL</b>	<b>1,173.0</b>	<b>566.9</b>	<b>106.9%</b>	<b>546.3</b>	<b>114.7%</b>
<b>Volume (thousand tons)</b>					
Fresh and Chilled Beef	106.8	69.4	53.9%	60.0	78.0%
Processed Beef	31.8	21.7	46.4%	20.9	52.0%
Others	5.7	1.3	338.9%	4.8	18.9%
<b>TOTAL</b>	<b>144.3</b>	<b>92.4</b>	<b>56.1%</b>	<b>85.7</b>	<b>68.3%</b>
<b>Average Price (R\$/Kg)</b>					
Fresh and Chilled Beef	8.38	6.28	33.5%	6.17	35.9%
Processed Beef	7.96	5.74	38.5%	7.74	2.7%
Others	4.44	5.05	-12.1%	2.98	49.0%



## CAPITAL EXPENDITURE

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The total amount of JBS capital expenditure for property, plant and equipment, excluding acquisitions, was R\$319.6 million in 1Q10.

Below are the relevant investments made by the Company in the period, among which are acquisitions of new equipment and maintenance of manufacturing facilities.

### JBS USA Beef

Investments were made in the Grand Island and Dumas plants to improve the processing of by-products and wastewater treatment. Further investments were made in renovating feedlots and in expanding the fleet and installations at JBS Carriers.

### JBS USA Pork

The Company made investments in the Marshalltown and Santa Fe Springs plants, including equipment for casing production as well as equipment to improve yield and packaging of customized products.

### Pilgrim's Pride

Investments were made in the Athens, Russellville, and Enterprise plants in order to improve processing and upgrade feed mills.

### JBS Australia

In Australia, investments were made in the Beef City plants' refrigeration systems and maintenance areas. The Company also finalized the construction of a processing facility for hides in Ipswich, Queensland.

### INALCA JBS

INALCA JBS made investments in Kinshasa (DR Congo) to expand the warehouse capacity, Luanda and Lobito (Angola) to increase cold storage capacity and finalized the construction of an anaerobic digester in the Ospedaletto plant. INALCA JBS also finalized the investments in Montana Alimentary subsidiary, mainly in the plant that produces cooked and sliced bacon for quick service restaurants in Italy and the rest of Europe.

### JBS Brazil

In Brazil, investments were made in the plants located in Andradina (SP) Campo Grande (MS), Barretos (SP), and Vilhena (RO), to increase slaughtering, carcass chilling, freezing, and storage capacity, as well as ongoing investments in transportation and installation to expand the company's distribution capabilities.

### JBS Argentina

Investments were made in Argentina to increase the freezing capacity of the distribution center of Pilar, to expand transportation capabilities, and to improve the hamburger production line of Pontevedra plant.



## RECENT EVENTS

### JBS informs an agreement to acquire Rockdale Beef in Australia

JBS S.A. informed its shareholders and the market in general that it celebrated through its wholly owned subsidiary, Swift Australia, an agreement with the shareholders of the Rockdale Beef Partnership with regard to a potential acquisition of the Rockdale Beef business. Rockdale Beef operates an integrated meatworks, feedlot, feed mill, and farming business, which is situated on approximately 2,000 hectares of farming land in the Riverina region of New South Wales, Australia. Rockdale Beef has a meatworks capacity of approximately 200,000 cattle per annum combined with a feedlot capacity of over 50,000 cattle. Any transaction would be subject to regulatory approvals, including by the Australian Competition and Consumer Commission, as well as the approval of the boards of directors of JBS and the selling shareholders. Rothschild is the Company's advisor in this transaction.

### JBS Contracts a Market Maker

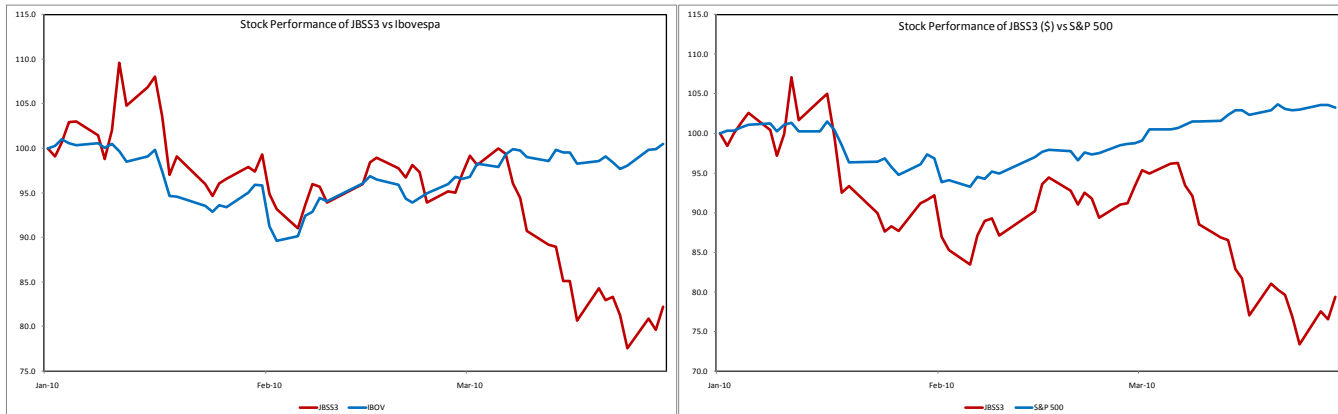
In march JBS S.A. entered into a Market Maker Service Agreement with a Brazilian brokerage company, BTG PACTUAL S.A., to serve as the market maker of the registered common shares issued by the Company, listed on the São Paulo Stock Exchange (BM&FBOVESPA S.A.), valid for the period of twelve months, with the objective to promote liquidity of the shares.

### JBS Inaugurated Hide Further Processing Facility

JBS S.A. announced that its wholly owned subsidiary Swift Australia inaugurated a hides further processing facility in Ipswich, Queensland, Australia. The plant initiated operations on March 29<sup>th</sup>, after investments of AUD 22 million (USD20 million approximately) and with capacity to process 6,000 hides per day.



## STOCK PERFORMANCE (JBSS3)

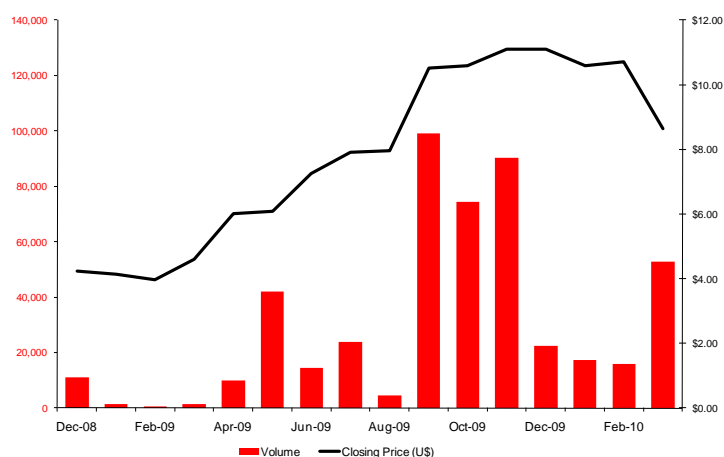


Source: Bloomberg (Base 100 = 04/01/2010)

In the graphs above we can see the stock performance of JBS S.A. in 1<sup>st</sup> Quarter 2010. JBS' shares went down 17.8%. As for the S&P 500, the index climbed 3.2% in 1<sup>st</sup> Quarter 2010. The average daily trading volume of JBS increased 35.3% from R\$29.1 million in 4Q09 to R\$39.4 million 1Q10.

JBS shares represented by the JBSS3 ticker make up part of a number of the indexes of the BM&F Bovespa, such as Ibovespa, IBrX-50, Corporate Governance Index (IGC) as well as The Consumer Index (ICON). Besides, the Company's stock is traded in the US through an OTC ADR (American Depositary Receipt) program under the JBSAY ticker.

## ADRs' traded volume (JBSAY)



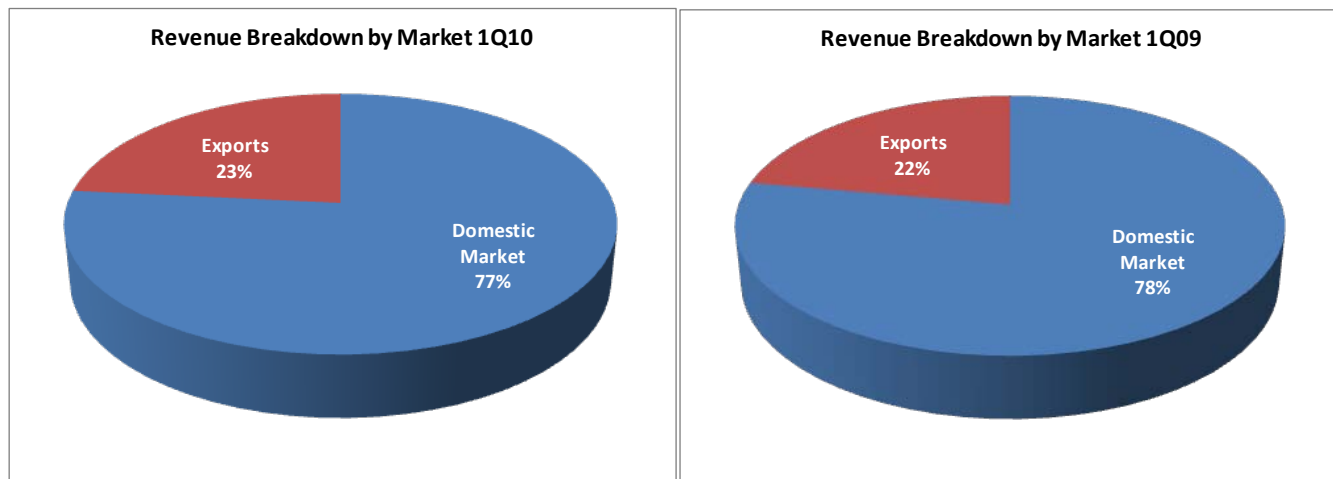
Source: JBS



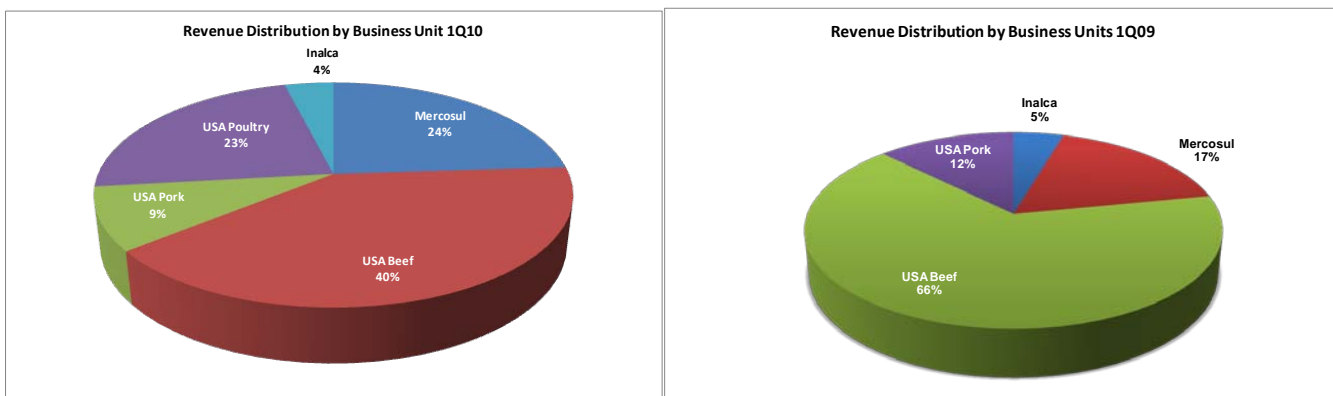


## Tables and Charts

Graph I – JBS Consolidated Net Revenue Distribution



Source: JBS



Source: JBS

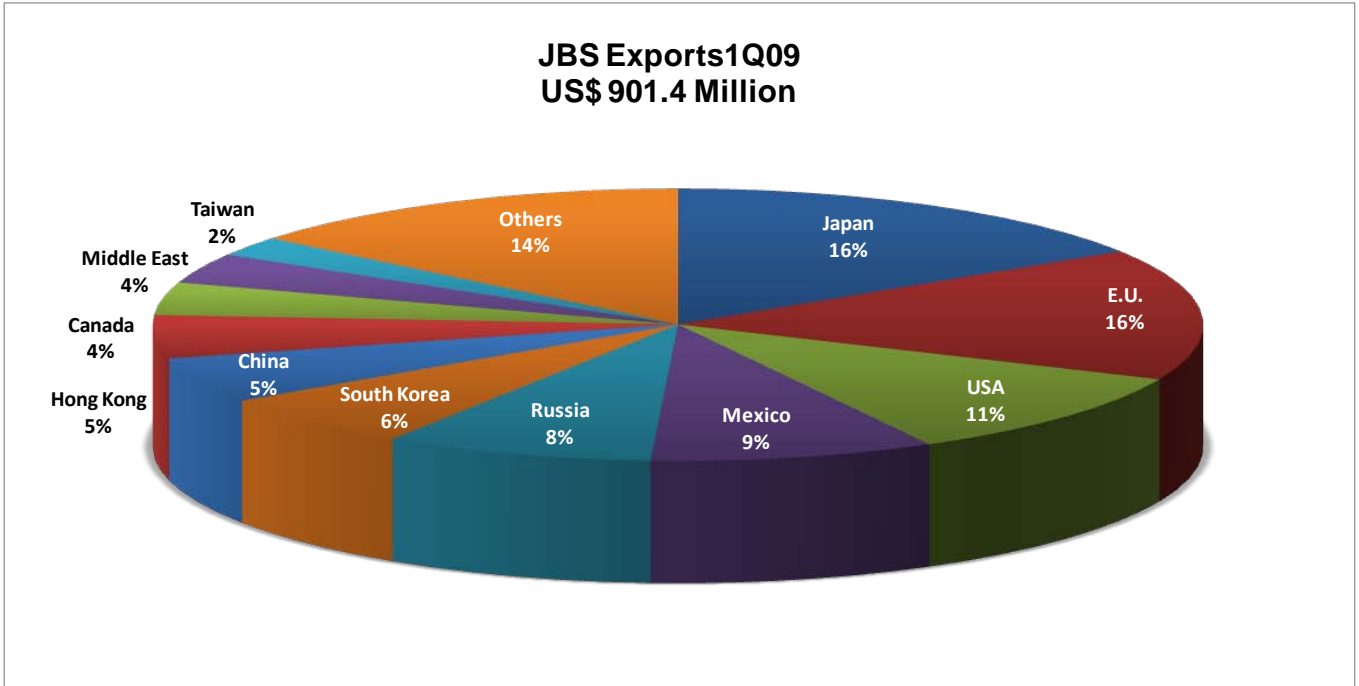
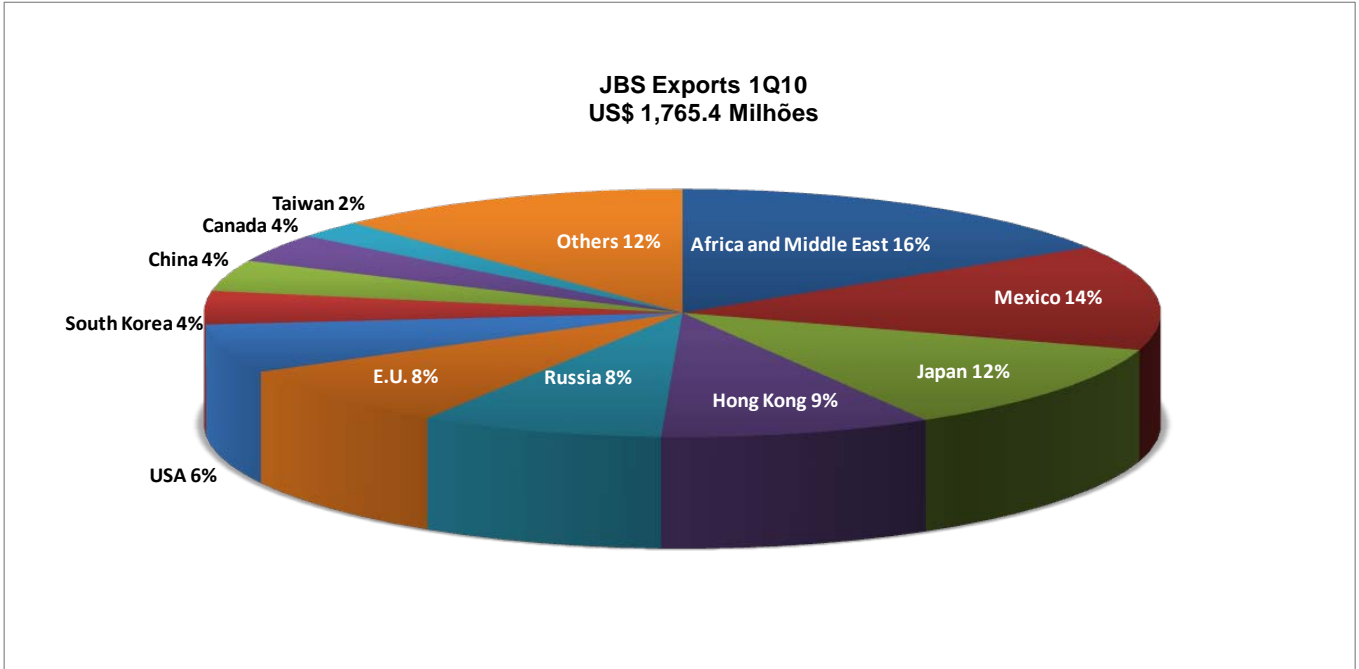
Table I – Breakdown of Production Cost by Business Unit (%)

1Q10 (%)	Consolidated	JBS Brasil	USA Beef	USA Pork	USA Poultry	Inalca	JBS
Raw material (livestock)	76.4%	86.2%	72.7%	80.6%	55.1%	-	91.6%
Processing (including ingredients and packaging)	11.2%	7.9%	13.1%	7.2%	23.6%	-	2.0%
Labor Cost	12.5%	5.9%	14.1%	12.2%	21.3%	-	6.3%

Source: JBS



Graph II – JBS Consolidated Exports Distribution



Source: JBS



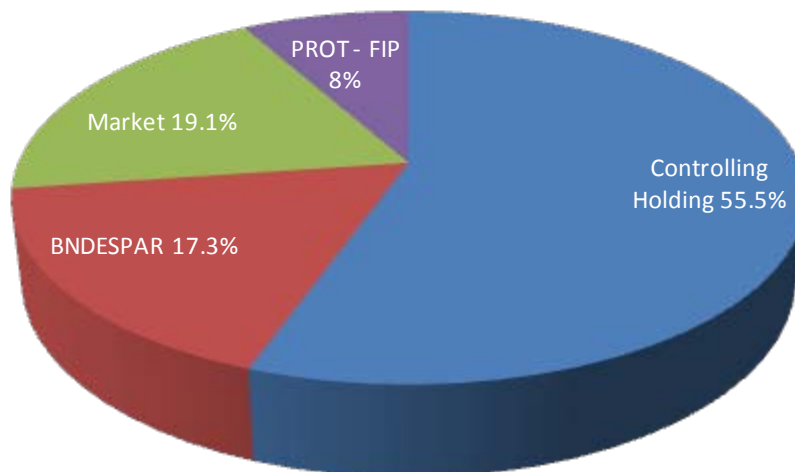
Table II – Exchange rates to Real (R\$)

Currencies	2006	2007	2008	2009	1Q09	1Q10
<b>Argentinean Peso - ARS</b>						
End of period	0.6998	0.5625	0.6774	0.4577	0.6240	0.4731
Average	0.7081	0.6257	0.5783	0.5385	0.6529	0.4699
<b>Euro - EUR</b>						
End of period	2.8202	2.6086	3.2382	2.5073	3.0783	2.4925
Average	2.7347	2.6647	2.6734	2.7699	3.0136	2.4948
<b>American Dollar - USD</b>						
End of period	2.1380	1.7713	2.3370	1.7412	2.3152	1.8223
Average	2.1761	1.9479	1.8346	1.9981	2.3113	1.8024

Source: The Central Bank of Brazil (Banco Central do Brasil)

To obtain the value in local currency, multiply the amount in the currency informed by the respective exchange rate.

Table III – Shareholder Base





# 1st Quarter 2010 Results

## INDEX



## CONTACTS



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# 1st Quarter 2010 Results

## CONSOLIDATED FINANCIAL STATEMENT – JBS S.A.

### JBS S.A.

#### Balance sheets

(In thousands of Reais)

	March 31, 2010	December 31, 2009	January 1, 2009
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2,992,007	5,067,530	2,291,619
Trade accounts receivable, net	3,292,693	3,201,437	2,256,721
Inventories	3,907,358	3,726,263	2,549,673
Recoverable taxes	1,142,805	1,066,033	623,022
Prepaid expenses	126,132	131,915	70,881
Other current assets	862,996	810,407	468,947
<b>TOTAL CURRENT ASSETS</b>	<b>12,323,991</b>	<b>14,003,585</b>	<b>8,260,863</b>
<b>NON-CURRENT ASSETS</b>			
<b>Long-term assets</b>			
Credits with related parties	352,436	326,972	54,777
Judicial deposits and others	603,781	558,615	102,571
Deferred income taxes	910,944	807,526	1,037,248
Recoverable taxes	614,748	615,748	65,307
<b>Total long-term assets</b>	<b>2,481,909</b>	<b>2,308,861</b>	<b>1,259,903</b>
Property, plant and equipment, net	15,268,374	15,017,688	5,825,225
Intangible assets, net	12,793,425	13,363,842	2,107,745
Other investments	3,148	3,984	5,722
	28,064,947	28,385,514	7,938,692
<b>TOTAL NON-CURRENT ASSETS</b>	<b>30,546,856</b>	<b>30,694,375</b>	<b>9,198,595</b>
<b>TOTAL ASSETS</b>	<b>42,870,847</b>	<b>44,697,960</b>	<b>17,459,458</b>



## JBS S.A.

### Balance sheets

(In thousands of Reais)

	March 31, 2010	December 31, 2009	January 1, 2009
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade accounts payable	2,454,003	2,546,036	1,930,998
Loans and financings	5,432,493	5,123,099	2,210,380
Payroll, social charges and tax obligation	714,943	721,854	470,908
Declared dividends	61,477	122,953	51,127
Debit with third parties for investment	304,378	427,523	-
Other current liabilities	349,882	363,797	342,072
<b>TOTAL CURRENT LIABILITIES</b>	<b>9,317,176</b>	<b>9,305,262</b>	<b>5,005,485</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Loans and financings</b>	<b>8,178,428</b>	9,304,014	3,401,708
Convertible debentures	3,462,212	3,462,212	-
Deferred income taxes	2,041,316	1,948,804	1,386,097
Provision for contingencies	317,749	431,249	69,343
Debit with third parties for investment	156,494	162,976	210,480
Other non-current liabilities	615,507	932,922	392,450
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>14,771,706</b>	<b>16,242,177</b>	<b>5,460,078</b>
<b>SHAREHOLDERS' EQUITY</b>			
Capital stock	16,483,544	16,483,544	4,495,581
Capital reserve	714,503	714,503	769,463
Revaluation reserve	110,922	112,352	118,178
Profit reserves	891,413	810,538	863,238
Valuation adjustments to shareholders' equity	1,038	(914)	(2,920)
Accumulated translation adjustments	(661,755)	(612,392)	752,812
Accumulated profit	100,789	-	-
	<b>17,640,454</b>	<b>17,507,631</b>	<b>6,996,352</b>
<b>MINORITY INTEREST</b>	<b>1,141,511</b>	<b>1,642,890</b>	<b>(2,457)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>18,781,965</b>	<b>19,150,521</b>	<b>6,993,895</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>42,870,847</b>	<b>44,697,960</b>	<b>17,459,458</b>





# 1st Quarter 2010 Results

JBS S.A.

**Statements of income for the three months period ended March 31, 2010 and 2009**

(In thousands of Reais)

	2010	2009
<b>NET SALE REVENUE</b>	<b>12,550,285</b>	<b>9,267,927</b>
Cost of goods sold	(11,110,741)	(8,509,805)
<b>GROSS INCOME</b>	<b>1,439,544</b>	<b>758,122</b>
<b>OPERATING INCOME (EXPENSE)</b>		
General and administrative expenses	(332,911)	(215,275)
Selling expenses	(573,218)	(414,463)
Financial income (expense), net	(367,005)	(446,582)
Non-recurring expenses	(77,134)	-
Other (expense) income, net	9,612	(618)
	<b>(1,340,656)</b>	<b>(1,076,938)</b>
<b>NET INCOME BEFORE TAXES</b>	<b>98,888</b>	<b>(318,816)</b>
<b>Current income taxes</b>	<b>(61,883)</b>	<b>(3,129)</b>
Deferred income taxes	27,593	(1,674)
	<b>(34,290)</b>	<b>(4,803)</b>
<b>RESULT BEFORE MINORITY INTEREST</b>	<b>64,598</b>	<b>(323,619)</b>
Minority interest (expense) income	34,761	935
<b>NET INCOME PER THOUSAND SHARES</b>	<b>99,359</b>	<b>(322,684)</b>
<b>Net Income (Basic) per thousand shares reais</b>	<b>43</b>	<b>(229.86)</b>
<b>Net Income (Diluted) per thousand shares reais</b>	<b>43</b>	<b>(230)</b>

Statement of EBITDA (Earnings before income taxes, interest, depreciation and amortization)

Net income before taxes	98,888	(318,816)
Financial income (expense), net	367,005	446,582
Depreciation and amortization	318,934	83,776
<b>Non-recurring expenses</b>	<b>77,134</b>	<b>-</b>
<b>AMOUNT OF EBITDA</b>	<b>861,961</b>	<b>211,542</b>





# 1st Quarter 2010 Results

*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.*

