



JBS Signs a Term Sheet to Acquire Agroveneto

JBS S.A. (JBSS3) ("Company") communicates to its shareholders and to the market in general that the Company signed a term sheet on November 03, 2012 to acquire 100% of the shares of Agroveneto S.A.. The total value of the transaction is approximately R\$128 million of which R\$10 million payable in Company shares, the balance being debt assumption, the exact amount to be determined by a due diligence process initiated today. The deal is subject to approval by the competent authorities and by the Company's board of directors as well as to the conclusion of the due diligence.

Agroveneto is specialized in the production of chicken products and operates out of Nova Veneza in the southern Brazilian state of Santa Catarina. The plant has capacity to process 140,000 birds per day and sells a range of more than 30 different products both domestically and in the export market ranging from chilled and frozen cuts, spiced and breaded products as well as a line of Individually Quick Frozen (IQF) products, exporting mainly to Asia, Europe and the Middle East.

The acquisition of Agroveneto complements JBS operations in this segment in Brazil. This new production unit will be incorporated into JBS Aves which now encompasses four production facilities in this sector in Brazil with a daily capacity to process 1,34 million birds.

São Paulo, November 05th, 2012.

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