



## **Notice to the Market**

JBS S.A. ("Company") informs its shareholders and the market in general that the fund PROT – Fundo de Investimentos em Participações ("PROT-FIP") entered liquidation phase during this month of July, 2012, as its validity period matured.

As a consequence of this, the administrator of the PROT-FIP sent a document to the Company on Friday July 20 communicating that 2 of the 5 participants – holders of 24.98% each – opted to withdraw their participation in the fund, thus receiving assets proportionate to their participation including JBS shares. As a result, these ex-participants will now become direct shareholders in JBS. The remaining participants have 180 days from July 13, 2012 to terminate their participation in PROT FIP.

The liquidation of PROT-FIP happens as a result of the maturity of its tenure which was established at the time it was founded and does not at all imply the sale of JBS shares to the market.

With these modifications, PROT-FIP which had a 6.93% stake in JBS is now reduced to 3.47%.

**São Paulo, July 23rd, 2012**

**Jeremiah O'Callaghan  
Investor Relations Director**