



## **JBS will not suffer due BSE case in California**

JBS S.A.

### NOTICE TO THE MARKET

#### JBS will not suffer due BSE case in California

JBS S.A. (JBSS3) informs its shareholders and the market in general that a case of BSE (Bovine Spongiform Encephalopathy) confirmed by the USDA (United States Department of Agriculture) in the US state of California yesterday will not jeopardize the Company's business. The USDA considered the case atypical and isolated and confirmed that the animal in question had no risk of entering the food chain. As a result US authorities confirmed that beef entering the food chain continues to be as safe as ever.

The general consensus is that international trade should not suffer any material disruption as a result of this incident bearing in mind that the sanitary status of the United States at the World Animal Health Organization (OIE) remains unchanged and that international sanitary agreements contemplate isolated incidents such as the one in question insufficient to cause any trade disruption.

In the hypothesis that the market reaction in the beef market is greater than expected, JBS believes that the Company is the best positioned and carries a natural hedge due to its global presence and the diversity of proteins. JBS is a leading beef producer in Australia and in the Mercosul, both of which potentially sources to serve international customers. Besides, JBS is the second largest chicken producer globally and has relevant pork production in the US, businesses which would benefit from any spillover.

The controls that have been implemented through OIE regulation as well as within each countries inspection service since the BSE outbreaks of more than a decade ago are such that the risks of the past do not exist anymore. The separation of SRM (Specified Risk Materials) protects product entering the food chain, guaranteeing nutritious and healthy beef to consumers. More information about these controls and about yesterdays incident can be found on the USDA webpage at: [www.usda.gov/bse](http://www.usda.gov/bse).

São Paulo, April 25th, 2012.

Jeremiah O'Callaghan  
Investor Relations Officer