

Conference Call Results 3Q07

November 8, 2007



Presenters



Joesley Mendonça Batista

CEO

José Paulo Macedo

Investor Relations Director

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Investor Relations Manager

Period Overview

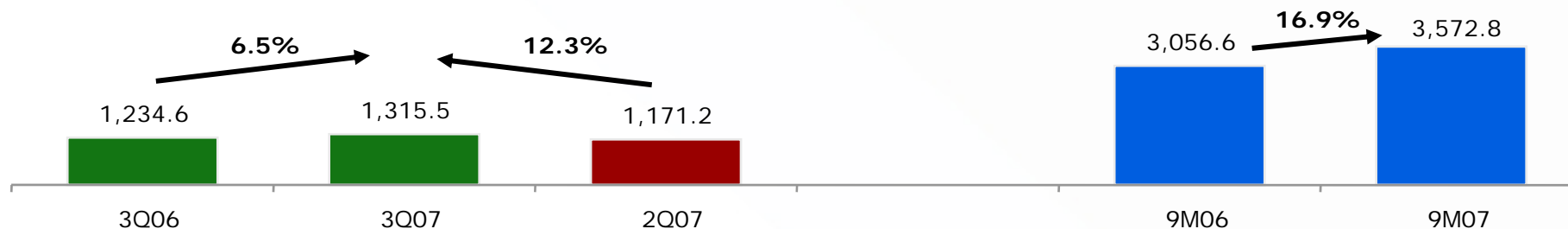


- We concluded the acquisition of Swift Foods Company, now JBS USA, making JBS the world's largest beef producer ;
- During these first 120 days of management, we continued to implement our strategy, centered on recovering of the operating and financial performance of JBS USA beef division: implementation of a second shift at the Greeley plant, increasing the volume of cattle slaughtered; intense focus on costs reductions and improvement of the operating efficiency on yields/processes;
- Pork division and Australia continue to operate according to our estimates;
- In the US beef division, we remain confident with the results generated from the initiatives implemented thus far, despite the industry's current scenario and pressure on margins in the US;
- We continue to focus on growth and consolidation of our position in the Mercosur region: continued investments in the expansion of the slaughtering capacity of our plants in Brazil and the acquisition of meatpacker Col Car in the province of Cordoba, Argentina;
- We started operations of the expanded frozen and cooked beef unit in Andradina and of a new container terminal for exports in Cubatão, both in the state of São Paulo, Brazil;
- In Brazil, we focused on the maintenance of profitability levels rather than expansion on sales volume, given the pressure on raw materials costs during the quarter.

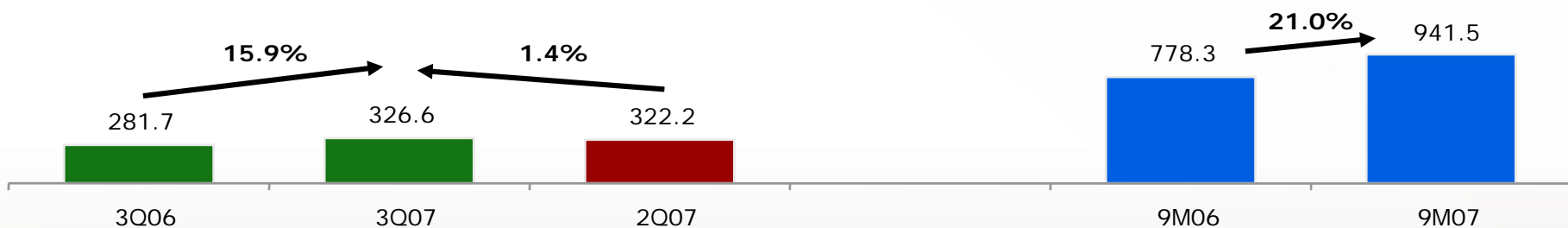
3Q07 Results – JBS S.A. (excluding JBS USA)



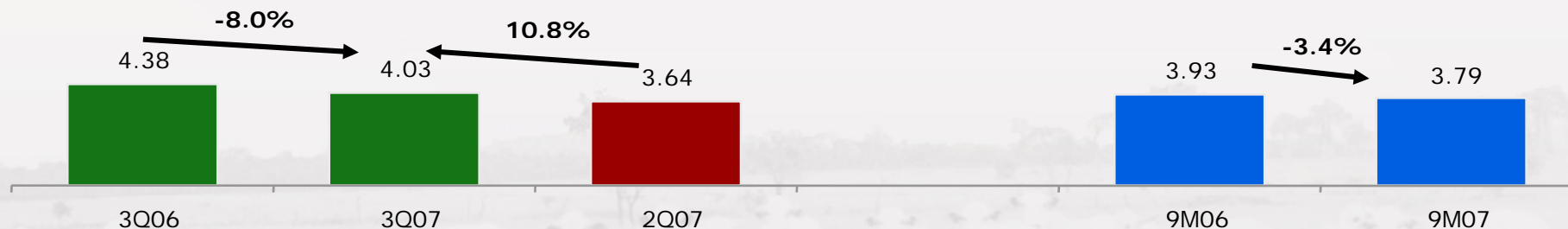
Total Net Revenue (R\$ million)



Total Volume ('000 tons)



Average Sales Price (R\$/Kg)

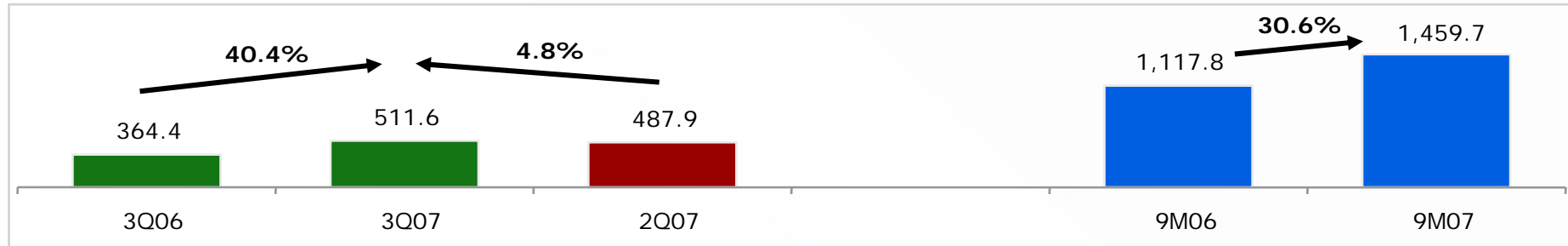


3Q07 Results – JBS S.A. (excluding JBS USA)

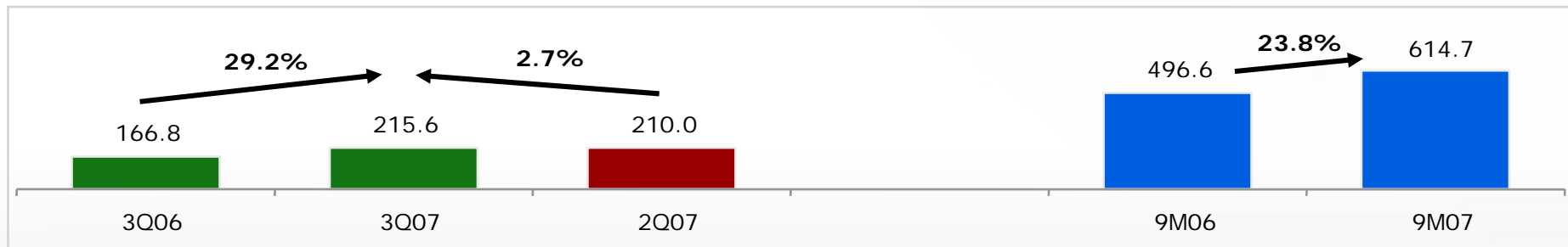
Domestic Market



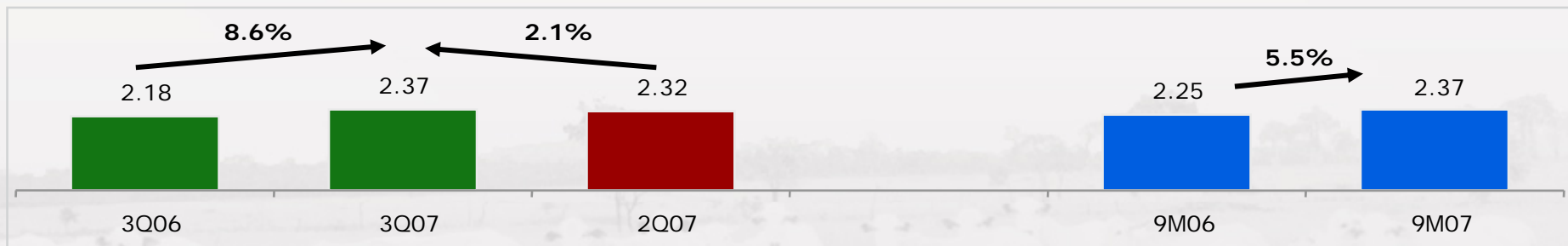
Net Revenue – Domestic Market (R\$ million)



Volume – Domestic Market ('000 tons)



Average Sales Price – Domestic Market (R\$/Kg)

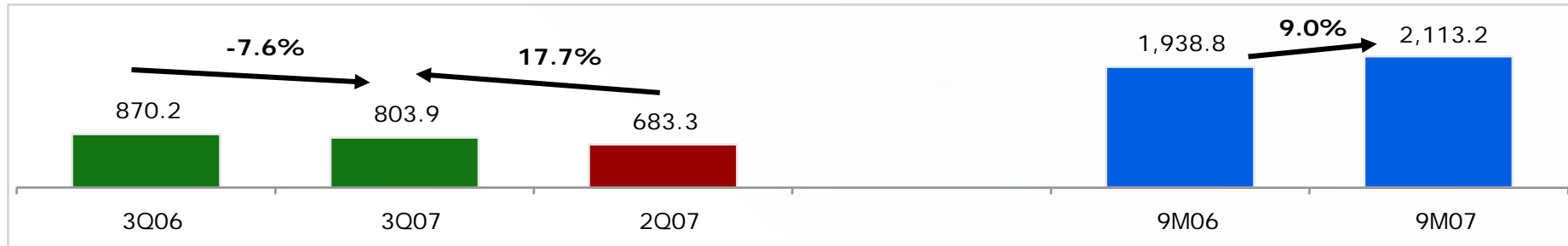


3Q07 Results – JBS S.A. (excluding JBS USA)

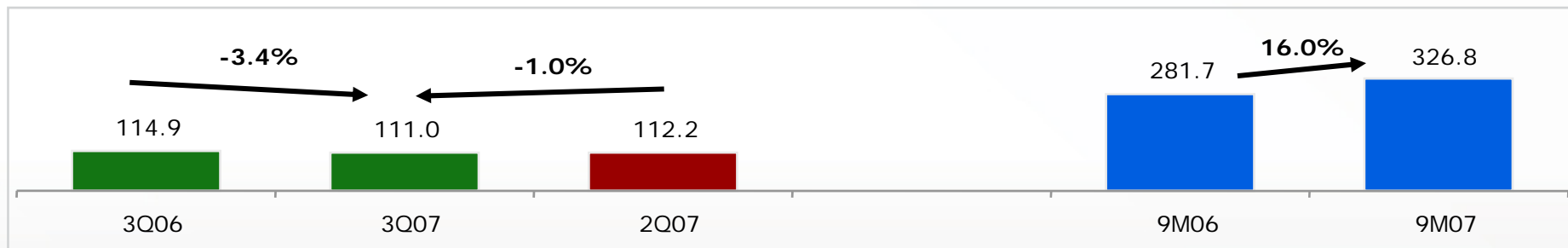
Exports



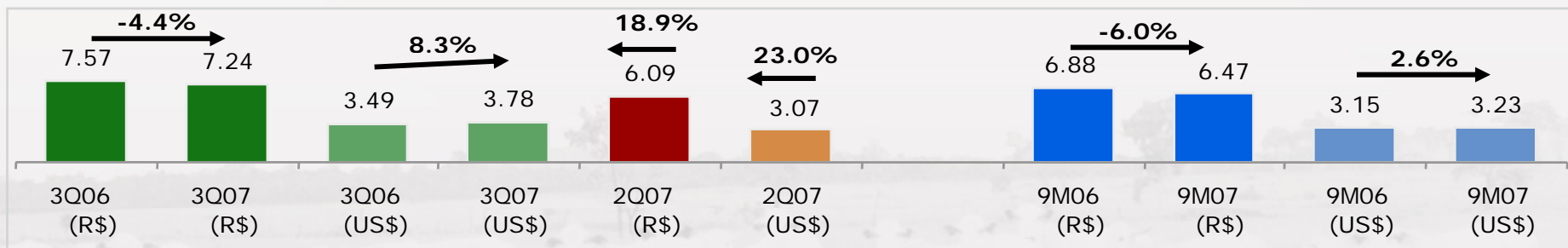
Net Revenue – Exports (R\$ million)



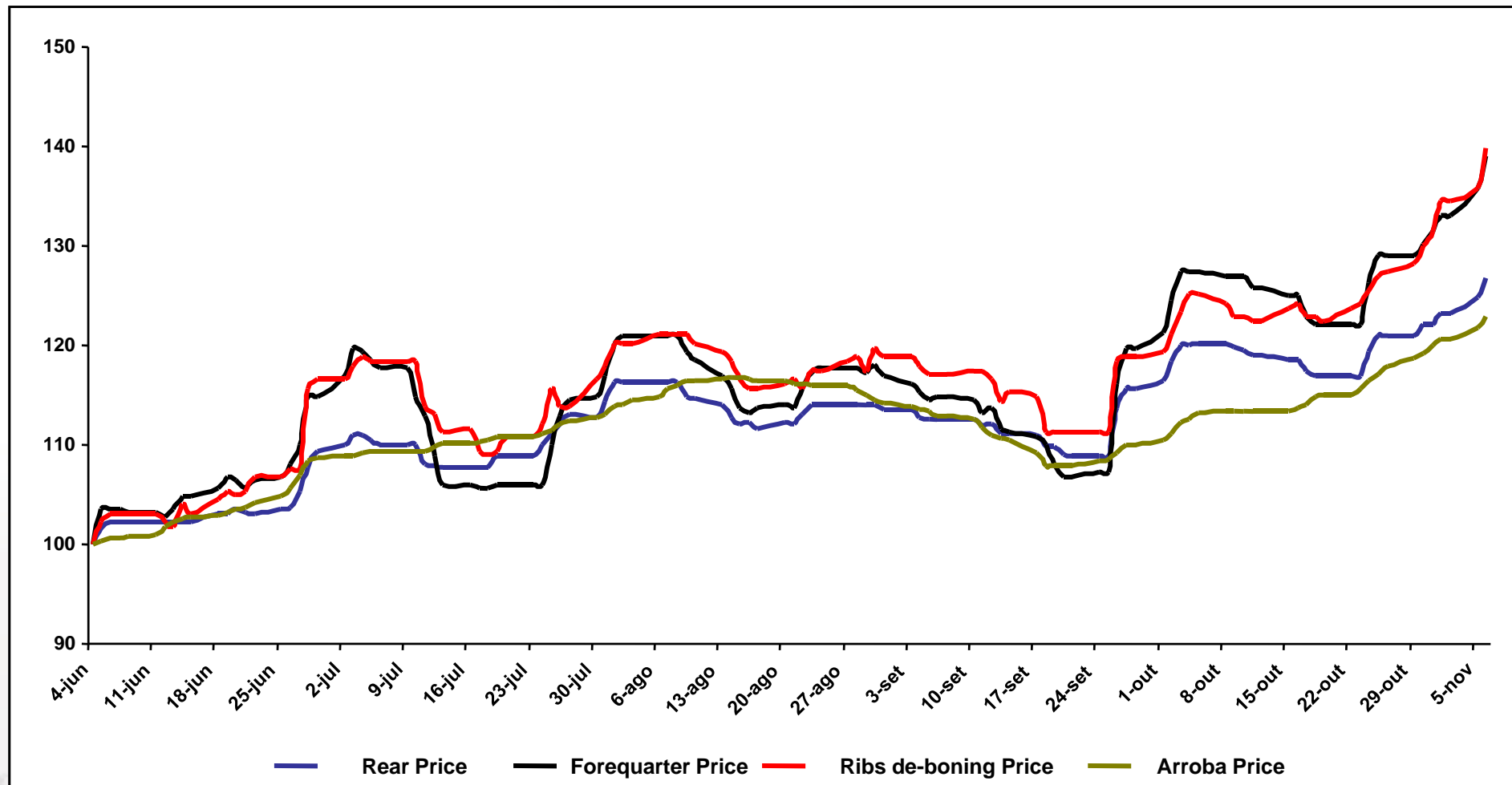
Volume – Exports ('000 tons)



Average Sales Price – Exports (per kilogram)



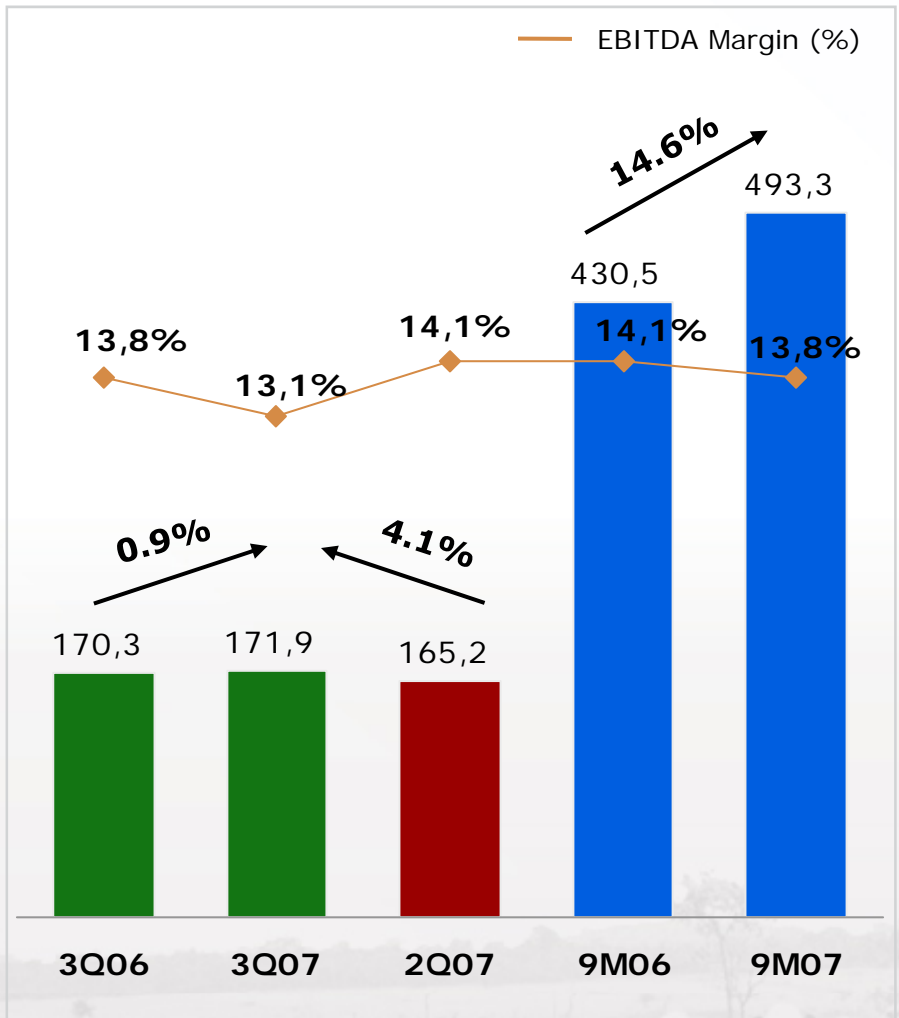
During the quarter, price increases reflected pressure on raw material costs...



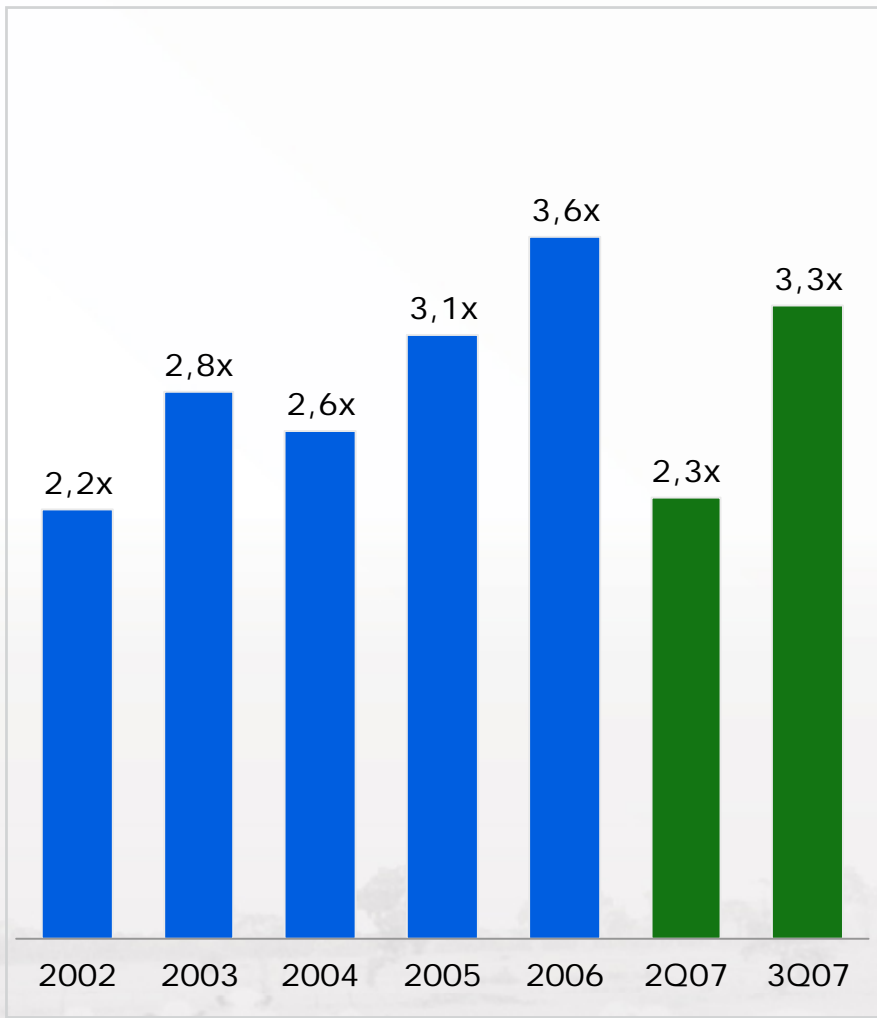
We focused on the maintenance of profitability levels rather than on the expansion on sales volume...



EBITDA and EBITDA Margin



Net Debt/EBITDA*



* Consolidated

Swift – EBITDA by Division



EBITDA by Division

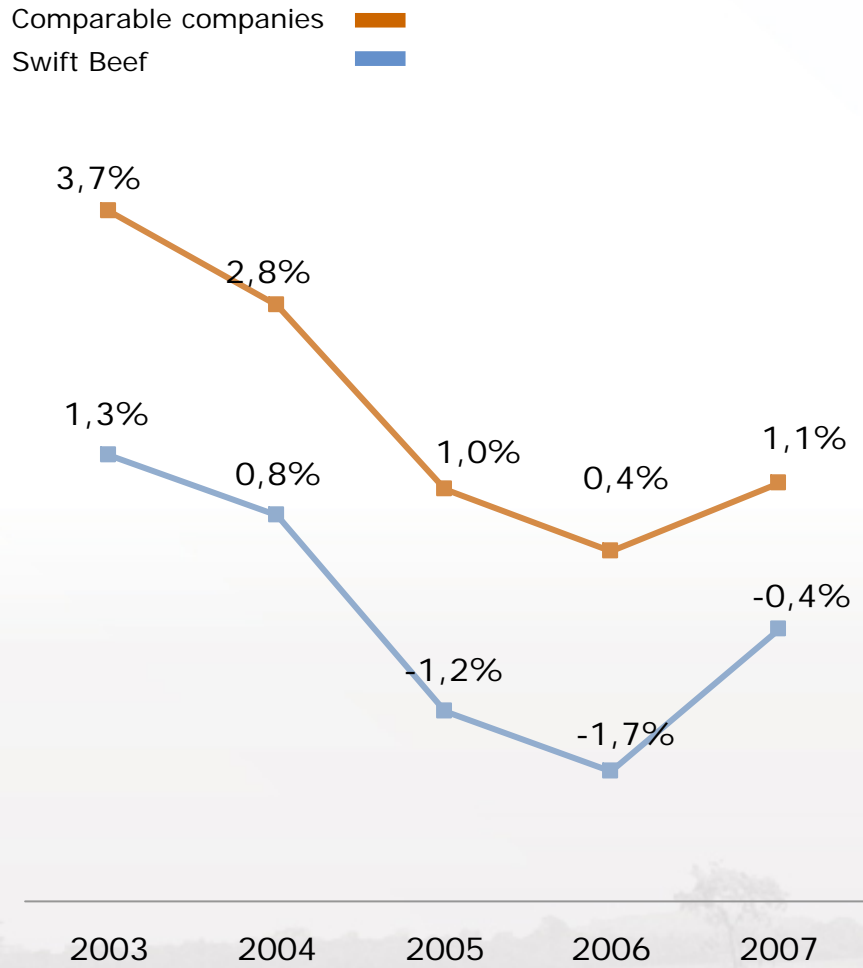
(In thousands of US\$)	2003	2004	2005	2006	2007
SWIFT Beef	71,201	44,656	(65,132)	(97,082)	(19,592)
SWIFT Pork	75,532	132,619	122,091	73,336	70,309
AUSTRALIA	60,324	42,891	106,044	29,465	45,553
OTHERS	(2,733)	(45)	(18)	-	-
TOTAL	204,324	220,121	162,985	5,719	96,270
<i>EBITDA Margin</i>	<i>2.52%</i>	<i>2.33%</i>	<i>1.69%</i>	<i>0.06%</i>	<i>1.01%</i>

Source: S&C Holdco 3, Inc. – SEC Filings

Swift – Pre-Acquisition Status



EBITDA Margin (%)

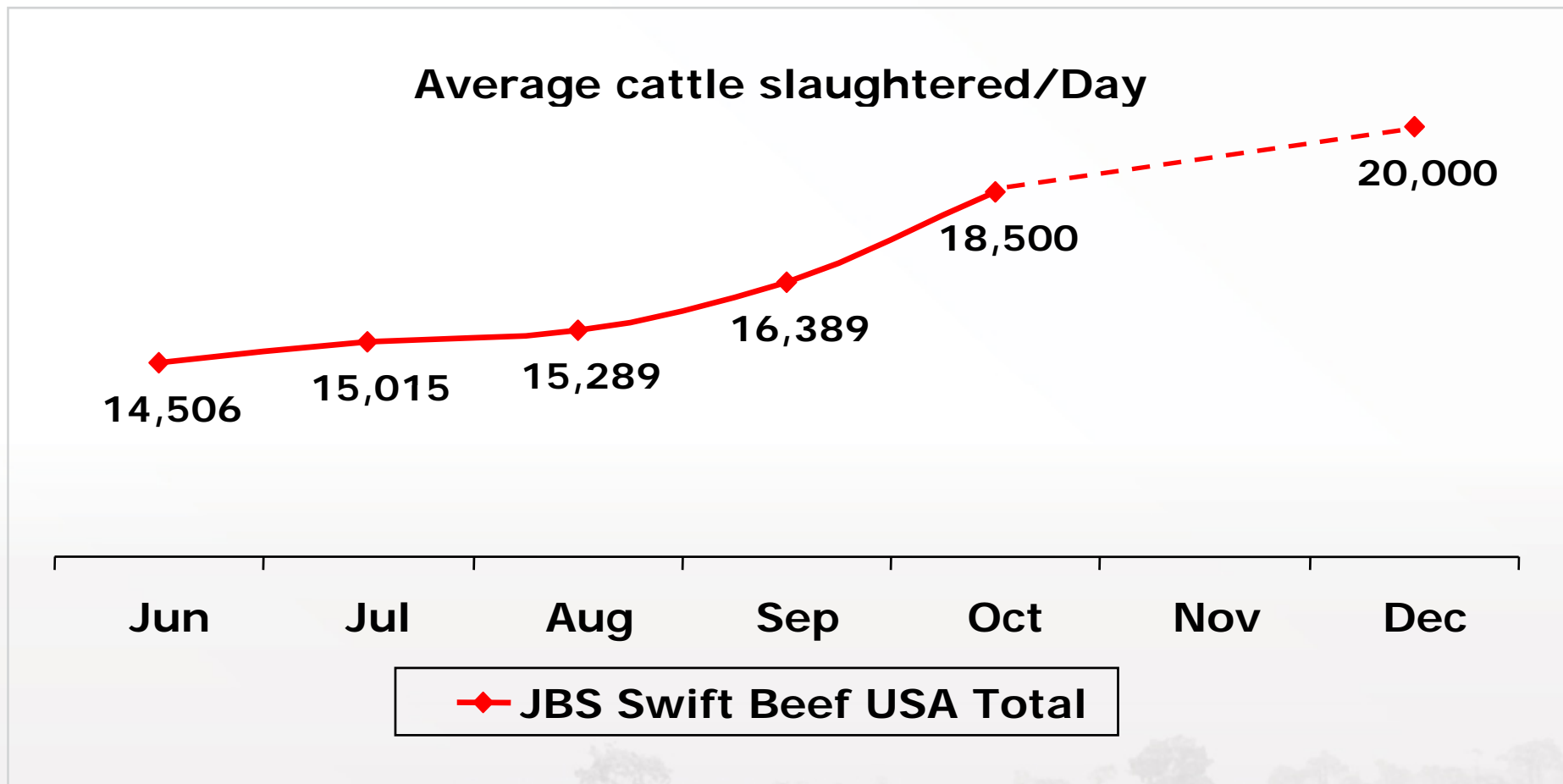


Source: SEC Filings

Pre-Acquisition Status

- The US beef division had been operating with margins 2% lower than the industry;
- Stated cattle slaughtering capacity in the US was 17,200 head/day;
- Greeley plant with a slaughtering capacity for 6,000 head/day in 2 shifts was only operating 1 shift, slaughtering 3,400 head/day;
- Considering 2 shifts and the optimization of 3 other plants, effective total slaughtering capacity is 20,500 head/day;
- On the acquisition date, the division was slaughtering 14,500 head/day;
- Therefore, it was operating at 70% capacity;
- With a low focus on cost reductions and efficiencies in the production process.

We began a second shift at the Greeley plant, where 1,100 new employees have been hired, increasing the volume of cattle slaughtered...



We have redefined the company's organizational structure, eliminating overlapping positions and reducing management levels...



	<u>Eliminated positions</u>	<u>Savings US\$</u>
Beef Division	87	4,500,000
Pork Division	8	400,000
Corporate	<u>93</u>	<u>8,400,000</u>
Total:	188	13,300,000

...resulting in an annual savings of approximately US\$ 13 million in operating and administrative expenses

Great part of the planned initiatives have already been implemented...



IMPLEMENTED ACTIONS

- Elimination of 188 positions – US\$13.3 million/year
- Reduction in annual insurance costs through renegotiation of existing premiums and deductibles, maintaining all insurance policies required for the adequate continuity of the business – US\$ 8.0 million;
- Elimination of annual costs with outsourced services from professionals and consultants – US\$12.1 million/year;
- Reduction costs with materials, traveling and administrative expenses – US\$1.5 million/year;
- Increase in volume and greater dilution of fixed costs at the plants - additional revenue of US\$1.3 billion/year;

...which already generate a reduction of the normalized cost per head of approximately US\$40 against the quarter ended in May and US\$28, compared to the FY2007, reducing the “gap” with the US beef industry

Disclaimer



The forward-looking statements presented herein are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our management, and on information currently available to us.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur. Our future operating results, financial condition, strategies, market share and values may differ materially from those expressed in or suggested by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Forward-looking statements also include information concerning our possible or assumed future operating results, as well as statements preceded by, followed by, or including the words "believes," "may," "will," "continues," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.



Thank you

