



Notice to the Market - Inalca JBS

JBS S.A. (JBSS3) communicates to its shareholders and to the market in general that, in addition to the Material Fact published on July 7th and the Notice to the Market published on August 4th, 2010, the Company expects that the terms and conditions of the contract signed between JBS and the Cremonini Group are fulfilled.

However, in reference to the disputes and reports in the media about possible solutions, the Administrative body of the Company (the Board of Directors or the Assembly of Shareholders, whichever is applicable) shall decide at the opportune moment the best solution for this matter, among which are: a) division of assets between partners; b) repurchase of JBS' participation by the Cremonini Group; or c) JBS acquires the 50% held by the Italian Partners.

In accordance with good Corporate Governance practices, the Company will maintain the market informed of any decision taken.

São Paulo, August 23, 2010

Jeremiah O'Callaghan
Investors Relations Officer