



JBS Inaugurated Hide Further Processing Facility

NOTICE TO THE MARKET

JBS S.A. ("JBS" or "Company") informs its shareholders and the market in general that, in accordance with its budget and strategic planning, its wholly owned subsidiary Swift Australia inaugurated a hides further processing facility in Ipswich, Queensland, Australia.

The plant initiated operations this week after investments of AUD 22 million (USD20 million approximately) and has the capacity to process 6,000 hides per day.

São Paulo, March 29, 2010

**Jeremiah O'Callaghan
Investor Relations Officer**