



JBS – Revenue growth and profitability remain on target

JBS S.A.
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NIRE 35.300.330.587
Authorized Capital Publicly Held Company

NOTICE TO THE MARKET

JBS – Revenue growth and profitability remain on target

JBS S.A. (JBSS3 and JBSAY), in the light of the recent outbreak of Influenza, confirms that ongoing revenue growth and profitability remain on target.

The Company believes that there is no health hazard related to the consumption of pork products. Although the recent outbreak of influenza has been miss-titled as Swine Influenza instead of North American Influenza (as communicated by the World Health Organization – WHO), there is no evidence that this virus is related to swine production or that the consumption of pork meat represents a health risk.

JBS is primarily a beef Company with an extensive production platform in the major producing countries and has a pork operation which represents 14% of the Company's revenue of which less than 1/6 (one sixth) is exported, thus an export restriction would affect less than 2,5% of consolidated revenues. JBS does not raise hogs and is not vertically integrated. "Our pork business is a spread business", said Wesley Batista, the Company's US CEO. "We buy and process hogs so any eventual demand reduction would be immediately reflected in the hog prices. In this scenario, we believe we can maintain our margins in the pork business", he said.

Although the Company reiterates that there is no evidence to suggest that pork products represent a risk to consumers, any eventual reduction in pork demand would represent a corresponding increase in beef demand, a sector where the Company is a global leader.

São Paulo, April 27th, 2009.

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