



JBS initiates debt rebalancing process

JBS S.A. (JBSS3) today disclosed that its Board of Directors has given approval for its management to raise funds through one or more debt arrangements at either of its indirect subsidiaries, JBS USA LLC or JBS Australia Pty. Ltd in an amount up to USD2.5 billion (two and a half billion dollars) subject to market conditions and overall management discretion.

JBS believes that raising this debt will help optimize its balance sheet and financial operations resulting in lower debt servicing cost and a more efficient capital structure. Any funds raised will be used to pay down shorter term, higher cost debt at the parent company level. The company does not expect an increase in its overall debt levels, in a Consolidated basis, as a result of any transaction. JBS will keep the market informed of any material developments and there is no assurance that they will undertake any fundraising.

São Paulo, May 12th, 2011

Jeremiah O'Callaghan
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