This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of JBS. These are merely projections and, as such, are based exclusively on the expectations of JBS’ management concerning the future of the business and its continued access to capital to fund the Company’s business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in JBS’ filed disclosure documents and are, therefore, subject to change without prior notice.
<table>
<thead>
<tr>
<th>Name</th>
<th>Title and Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wesley Batista</td>
<td>CEO of JBS Global</td>
</tr>
<tr>
<td>André Nogueira</td>
<td>CEO of JBS USA</td>
</tr>
<tr>
<td>Denilson Molina</td>
<td>CFO of JBS USA</td>
</tr>
<tr>
<td>Bill Rupp</td>
<td>President and COO of Beef USA</td>
</tr>
<tr>
<td>Bill Lovette</td>
<td>CEO of Pilgrim’s Pride</td>
</tr>
<tr>
<td>Martin Dooley</td>
<td>President and COO of Pork USA</td>
</tr>
<tr>
<td>Miguel Gularte</td>
<td>CEO of JBS Mercosul</td>
</tr>
<tr>
<td>Gilberto Tomazoni</td>
<td>CEO of JBS Foods</td>
</tr>
<tr>
<td>Eliseo Fernandez</td>
<td>Chief Control Officer</td>
</tr>
<tr>
<td>Eduardo Maciel</td>
<td>Finance Director of JBS S.A.</td>
</tr>
<tr>
<td>Jerry O’Callaghan</td>
<td>Investor Relations Officer</td>
</tr>
</tbody>
</table>
JBS at a Glance

- Founded in the 1950’s in Midwest of Brazil
- IPO in 2007
- Leadership position in the global food industry
- Estimated revenues of around US$50 billion in 2014
- Presence in 5 continents and sales to more than 150 countries
- Production facilities in the low cost geographies
- More than 185,000 employees

Production capacity:
- Beef: 100 thousand heads/day
- Chicken: 12 million birds/day
- Pork: 70 thousand hogs/day
- Leather: 100 thousand hides/day
- Lamb: 25 thousand lambs/day

Source: Company
JBS 4Q13 Results Highlights

- Net revenue of R$27.2 billion, an increase of R$5.4 billion, or 24.6% higher than 4Q12, of which 54% came from organic growth.

- Consolidated EBITDA was R$1,873.5 million, an increase of 60.0% over the same period of last year. EBITDA margin for the quarter was 6.9%.

- Annualizing 4Q13 EBITDA leverage ended the period at 3.17x.

- JBS ended the year with leverage of 3.70x, considering all debt assumed with Seara acquisition and only one quarter of EBITDA.
• JBS net revenue increased 22.7% compared to prior year and reached R$92.9 billion.

• EBITDA totaled R$ 6.1 billion in 2013, 39.0% higher than 2012. EBITDA margin was 6.6%, an increase of 80b.p. over the previous year.

• JBS ended the year with Adjusted Net Income of R$1,194.0 and recorded R$926.9 million of net income, 28.9% higher than 2012 and equivalent to R$323.32 per thousand shares.

• JBS generated net cash from operating activities of R$2,541.0 million, with positive free cash flow of R$635.1 million in 2013.
Market Analysis
World’s Food* Surpluses and Deficits

Net intra-regional trade, million tonnes

* Cereals, rice, oilseeds, meals, oils and feed equivalent of meat.
Source: The Economist
Global Protein Trade – Largest Exporters

JBS is present in the main exporter markets

**Beef Exports**

- Brazil 19.2%
- USA 11.9%
- Mercosul** 9.2%
- New Zealand 5.8%
- Canada 3.4%
- Others 16.6%

**Chicken Exports**

- Brazil 34.5%
- USA 32.3%
- E.U. 10.5%
- Thailand 5.2%
- China 4.0%
- Turkey 3.5%
- Others 10.0%

**Pork Exports**

- USA 32.5%
- Brazil 8.5%
- Canada 17.6%
- E.U. 31.2%
- Others 4.1%

Source: USDA 2013

*Buffaloes / **Excluding Brazilian exports
Meat Consumption Growth Forecast 2011-2020

Meat Consumption Forecast (Million tons)

- 2001:
  - Poultry: 67.5
  - Pork: 58.6
  - Sheep: 90.8
  - Beef: 11.2

- Ave 2008-10:
  - Poultry: 95.2
  - Pork: 128.8
  - Sheep: 12.8
  - Beef: 64.6

- 2020:
  - Poultry: 122.5
  - Pork: 126.7
  - Sheep: 15.6
  - Beef: 73.6

22% increase from Ave 2008-10 to 2020

Source: FAO - OECD

Expected increase in meat demand by country groups between 2010 - 2020

- Developed:
  - 81%

- Emerging:
  - 19%

Ave 2008-10: 278.2
2001: 228.1
2020: 338.3

Global Protein Consumption Growth by Species

Strong Global Industry Fundamentals

1981 – 2021E: Growth +180.4%
Average global per capita meat consumption, from 1960-2030

Consumption (kg/person/year)

Source: FAO
Consolidated Results
Highlights

- Net revenue of R$27.2 billion, an increase of R$5.4 billion, or 24.6% higher than 4Q12, of which 54% came from organic growth.

- Consolidated EBITDA was R$1,873.5 million, an increase of 60.0% over the same period of last year.

- EBITDA margin for the quarter was 6.9%.

- Annualizing 4Q13 EBITDA leverage ended the period at 3.17x.

- JBS ended the year with leverage of 3.70x, considering all debt assumed with Seara acquisition and only one quarter of EBITDA.
2013 Consolidated Results

Highlights

- **JBS net revenue increased 22.7% compared to prior year and reached R$92.9 billion.**
  - In 2013, net revenue increased more than 10% in all quarters.

- **EBITDA totaled R$ 6.1 billion in 2013, 39.0% higher than 2012.**
  - **EBITDA margin was 6.6%, an increase of 80b.p. over the previous year.**

- **JBS ended the year with R$926.9 million of net income, 28.9% higher than 2012 and equivalent to R$323.32 per thousand shares.**

**JBS Mercosul** recorded net revenue of R$25,820.5 million, up 43.3% when compared to 2012.

The **chicken unit in the USA (PPC)** had the best year in its history in 2013 and posted a net revenue of US$8,411.1 million.

Acquisition of Seara and union with JBS Chicken Brazil forming **JBS Foods.**
### Adjusted Net Income

- Adjusted net income in 2013 was R$1,194.0 million, disregarding the portion of deferred income tax liabilities, which refers to the goodwill held by the Parent company. Net income for the year was R$926.9 million, R$323.32 per thousand shares.

### Operational Net Cash

- In 2013 the company generated net cash from operating activities of R$2,541.0. In 4Q13 net cash from operating activities was R$357.8 million.

### Free Cash Generation

- In 2013 company generated free cash flow of R$635.1 million. In 4Q13 negative free cash flow of R$230.4 million due to an expressive expansion of Mercosul exports in the period.

### Capital Expenditure

- In 2013 the total capital expenditure (CAPEX) was R$1,737.3 million, while in 4Q13 the expenditure was R$585.2 million. The main investments in 4Q13 in North America were destined to the units of Brooks in Alberta, in Canada, and in Mercosul the main investments were concentrated on improving productivity and expanding operations in the beef business in Brazil and JBS Foods.
Increase of 19.6% in 2013 exports compared to 2012

2012
US$9,830.2 million

2013
US$11,760.6 million

*Considers China and Hong Kong
Debt Profile
 ✓ Annualizing 4Q13 EBITDA, that includes Seara results, leverage ended the period at **3.17x**.

 ✓ **LTM, Net debt/EBITDA was 3.70x in 4Q13**, compared to 4.03x in 3Q13, even after the integration of a relevant acquisition and strong foreign exchange variation.

 ✓ The reduction of net debt/EBITDA reflects the management commitment in improving financial efficiencies, consequently, reducing its leverage.
JBS ended the year with R$9,013.1 million in cash, corresponding to 96% of short-term debt, approximately.

Considering credit lines of immediate liquidity of US$1.55 billion from JBS USA, availabilities of the Company represents more than 100% of short-term debt.

The percentage of short term debt (ST) in relation to total debt declined from 35% in 3Q13 to 29% in 4Q13.

Net Debt maturity (R$ million)

Source: JBS
Stock Performance
During 2013, JBSS3 substantially outperformed the Ibovespa Index, increasing 47%, while the index decreased 15%.

The Average Daily Traded Financial Volume in the year was R$34.3 million, an increase of 34.1% compared to 2012.

As of December 31, 2013 JBS’ market cap was R$25.8 billion.

During 2013, PPC stocks substantially outperformed the S&P 500 Index, increasing 129%, while the index increased 31%.

As of December 31, 2013 PPC’s market cap was US$4.7 billion.

Stock Performance

JBS Stock Performance

PPC Stock Performance (Controlled by JBS)

Source: Bloomberg, 100% = 12/31/2013
JBS Mercosul
Net revenue was R$9,203.7 million in the quarter, up 74.6% over 4Q12.

- Incorporation of JBS Foods results in 4Q13;
- Improvement in the performance of the beef business in Brazil;
- Increase in the number of processed cattle year over year;
- Exports 81.8% higher when compared to 4Q12.

EBITDA totaled R$ 919.7 with EBITDA margin of 10.0%

- Increase in direct distribution and customer base;
- Higher demand in the international market in the beef segment.
Geographic Footprint and Capacity

Operation platform¹

- ~55,000 head per day
- 90,000 hides per day
- 36 Distribution Centers
- 09 Related Businesses
More than 80% of the Uruguayan land dedicated to livestock

- **European Cattle Breed:** Major breeds - Hereford and Angus (British).
- **Focus On Niche Markets:** Quality rather than quantity.
- **Market Access:** Access to all major beef importing markets.
- Uruguay has about 15,000 m² (or 135,000 square feet) for each animal in the farm.
JBS Paraguay

Footprint

- JBS Beef Processing Facility
- 02 beef processing units
- 1,300 head per day

Paraguay Beef Exports

- Source: FAO and SENACSA

JBS has around 25% of market share in Paraguayan Exports

- Herd Growth of 8.0% in 2013, the highest in South America.

- Paraguay also registered the highest growth in beef exports, with revenue growing from US$67.7 million to US$904.3 million in the last decade, an increase of 1,237%.

- High capacity utilization of processing facilities.

- Production costs are very competitive.
• Argentina’s exports are restricted by the government due to the "Meat For All" program, created in 2011 by the present government.
• **Concentration of activities in one plant in order to have efficiency gains**, increasing productivity levels in order to reduce operation costs.
• Production focused on the domestic market due to tariffs on exports. Change in product mix and creation of customized and branded products such as beef nuggets to attend local demand.
• Argentina has one of the largest beef consumption.
Brazil has over 200 million head of cattle, the world’s largest commercial herd, with double the size of the second largest country.

JBS is present in 17 of 26 states in Brazil, through:

- 42 beef processing facilities with capacity to process 45,000 head of cattle per day
- 06 feedlots with capacity to feed 284,000 head of cattle per period
- 19 hide facilities with capacity to process 73,000 hides per day
- 35 Distribution Centers (12 large + 23 regional)

JBS increased the number of heads processed by about 20% from 2012 to 2013, while total Brazilian slaughter increased 4%.

JBS has 9 businesses related to its Beef Industry that add value to by-products in Brazil. Examples are: biodiesel, collagen, casings, etc.
### Domestic Market Highlights

- 35 Distribution Centers (12 large + 23 regional)
- Successful marketing and advertising campaign
- 10,000 new clients in 2013
- 2014: growth expectations due to important events in Brazil

### Export Market Highlights

- Exports and revenue exports growth of 25% in 2013
- A further 30% revenue growth in local currency
- Big demand from emerging markets; i.e. Greater China
- Fresh Brazilian Beef to the US
- JBS unique position due to its US and Brazilian footprint
Overview\(^1\)

- JBS is the world’s largest hides/leather processor with capacity to process more than 91,000 hides per day with 26 tanneries and finishing units in:
  - Brazil, Argentina, China, Germany, Italy, Mexico, South Africa, Vietnam and Uruguay

- JBS is the main leather supplier to the automotive industry, which shows excellent growth perspectives. More than 90% of our production is directed to the international market.

- JBS has been adding value internally, reducing the sale of wet blue (first stage of production) and boosting its sales of finished and semi-finished leather, which contributes to an increase of the profitability of this operation.

- JBS projects processing 15 million hides in 2014, generating revenues of more than US$1.5 billion.

Note 1. Not considering leather operations in the US and Australia
JBS Related Businesses in Brazil

**Biosiesel Cans Trading**
- Trading
- Capacity to produce 136,000 tons of biodiesel per year using beef tallow as principal raw material

**Collagen Cleaning & Hygiene Carriers Vehicle Sales Casings Environmental Recycler**
- Pioneer in beef based collagen production
- Adding value to beef tallow by producing personal hygiene and also cleaning products
- Complementary to JBS Carriers
- Largest producer of sausage casings in the world
- 71 MM cans manufactured per month, 100% recyclable
- 1,200 providing strategic logistics resulting in cheaper freight
- Opportunity to leverage new businesses

Recycling and reducing carbon footprint
WHERE WE ARE

- **JBS USA Beef** – Including Australia and Canada
- **JBS USA Pork**
- **JBS USA Chicken** (Pilgrim’s Pride Corporation – “PPC”)
Why North America / Australia?

- **NATURAL RESOURCES & CAPACITY TO PRODUCE GRAINS/OILSEEDS**
- **WORKFORCE: QUALITY & AVAILABILITY**
- **LOW-COST ENERGY**
- **INFRASTRUCTURE**
- **STRONG DOMESTIC MARKET**
- **BEST ANIMAL HUSBANDRY PRACTICES**
### Top Beef Exporters

- Brazil: 20%
- India: 19%
- United States: 13%
- Mercosul: 10%
- Canada: 4%
- Others: 18%

Source: USDA WASDE March 2014.

### Top Pork Exporters

- United States: 33%
- EU: 31%
- Canada: 18%
- Other: 9%

### Top Chicken Exporters

- United States: 32%
- Middle East: 3%
- Mercosul: 4%
- Asia: 10%
- EU: 11%
- Brazil: 35%
- Other: 4%

Source: USDA WASDE March 2014.
Why North America / Australia?

Exports account for 1 of every 5 pounds produced in the U.S.

U.S. Meat Exports as a % of Production
(Beef + Pork + Broiler)

Source: USDA
Why North America / Australia?

Examples Where Beef Exports Are Going

- Greater China (in million metric tonnes)
  - Growth Rate:
    - Australia: 228%
    - World: 102%

- Japan (US Beef exports do Japan in metric tonnes)
  - 49.3% Growth

- USA: +70.4%
- Australia: +259%

Source: USDA
2013

EXAMPLES WHERE PORK EXPORTS ARE GOING

- Colombia +85.4%
- Chile +41.8%
- Taiwan +24.7%

EXAMPLES WHERE CHICKEN EXPORTS ARE GOING

- Angola – 3rd largest importer in 2013, 456K metric tonnes
- Iraq + 45%
- China + 38.1%

Source: USDA
ANDRE NOGUEIRA
JBS USA

BILL LOVETTE
JBS USA CHICKEN
(PILGRIM’S PRIDE CORPORATION – PPC)

BILL RUPP
JBS USA BEEF
(CANADA & AUSTRALIA)

DENILSON MOLINA
JBS USA CFO

MARTY DOOLEY
JBS USA PORK

71,296
EMPLOYEES
IN 4 COUNTRIES
& PUERTO RICO

Headcount

United States: 55,610
Australia: 7,636
Mexico: 5,087
Canada: 2,539
Puerto Rico: 424
Turnover Results
Continuously improve employee engagement and drive-down turnover

MORE THAN A
50% REDUCTION
IN TURNOVER
OF HOURLY
PRODUCTION
EMPLOYEES
FROM 2007-2013
Safety Results

Meat & Poultry Combined Recordable Rate

Consistently outperform our competitors

Source: Company
Next generation of leaders

200 LEADERSHIP PROGRAM TRAINEES IN 2013
CAGR = 20.3%

Sales Growth – Historical Performance

JBS USA Holdings Net Sales (US$ Billion)

Acquisitions
Turn Around + Growth = Value Generation

JBS USA EBITDA
$ MILLION

- 2007: $63.5 million
- 2013: $1.415 billion

JBS USA Acquisitions

- Investments
- 2013 EBITDA

Investments
- 2013 EBITDA

= 3.44 x

= $4.87 BILLION

McElhaney Cattle Co.
JBS USA Pork – At a Glance

**MARKET SHARE**
12%

**FOOTPRINT**
- 3 Pork Plants
  - 51,300 Head per Day
- 1 Lamb Plant
  - 2,800 Head per Day
- 1 Case Ready Plant

**BRANDS**
JBS USA Pork – Where We Are

PORK

- 3 Processing Facilities; 1 Case Ready
  - Louisville, Kentucky
  - Marshalltown, Iowa
  - Worthington, Minnesota
  - Santa Fe Springs, California (case ready)
- Daily Processing Capacity: 51,300

LAMB

- 1 Processing Facility
  - Greeley, Colorado
- Daily Processing Capacity: 2,800
Net Revenue was US$3.5 billion, stable over 2012:
- Lower number of processed animals, which resulted in a decrease of sales volume that was offset by an increase in prices.

EBITDA was US$227.6 million, increase of 21% over 2012:
- Increase in selling prices both in the domestic and international markets.

EBITDA margin of 9.5% in the 4th quarter 2013.
BUY

- Maintain 70% contract supply
- Increase supply from medium/smaller producers
- Increase programs, such as paylean free, marbled, weight sorted

MAKE

- Continue to focus on:
  - Safety
  - Turnover
  - Labor efficiency
  - All expenses elements
  - Yields
  - Additional automation

SELL

- Increase Japan chilled
- Improve converted products volume and margin
- Expand case ready
- Expand value-added
US Pork - Added Value Products

- Swift Premium Dry Rubbed Ribs
- Swift Premium Dry Rubbed Boneless Backrib
- Swift Premium Dry Rubbed Loin Filet
- Swift Premium Saddle Pack Boneless Pork Chops
- Swift Premium Ground Pork
# JBS USA Beef – At a Glance

## Footprint

### U.S.
- 9 Beef Plants
- 27,000 Head per Day
- 11 Feedlots / 1M Head Capacity
- 1 Hide Plant / 5,000 Hides per Day

### Canada
- 1 Beef Plant
- 4,000 Head per Day
- 1 Feedlot / 70,000 Head Capacity

### Australia
- 8 Beef Plants
- 8,300 Head per Day
- 5 Feedlots / 152,000 Head Capacity
- 5 Lamb Plants / 22,000 Head per Day
- 1 Hide Plant / 6,000 Hides per Day

## Market Share
- **22%** U.S.
- **34%** CAN
- **27%** AUS

## Brands

- Aspen Ridge
- 1855
- La Herencia
- 5 Star
- Cedar River Farms
- Bold Premium
10 beef and small stock slaughtering plants located in Brooks, AB CA; Cactus, TX; Grand Island, NE; Greeley, CO; Green Bay, WI; Hyrum, UT; Omaha, NE; Plainwell, MI; Souderton, PA; and Tolleson, AZ.

11 cattle feedlots located in Brooks, AB, CA; Dalhart TX; Hartley, TX; Kersey, CO; Lamar, CO; LaSalle, CO; Malta, ID; Texhoma, OK; Ulysses, KS; Wellton, AZ; and Yuma, CO.
JBS USA Beef (including Australia and Canada)

Net revenue was US$18.6 billion, increase of 6.3% compared to 2012:

- Increase in domestic sales volume and in exports in Australia.

EBITDA was US$375.8 million, increase of 67.8% compared to 2012:

- Increase in domestic market beef prices during the 4th quarter, offsetting the increased costs of raw material.

JBS maintained the positive results registered during the year of 2013, a reflection of the focus on operational efficiency, costs reduction and expansion in deals with key customers.

The operation in Australia continues to deliver solid and consistent results, influenced by strong demand from Asian countries, especially China.
- Tight supplies forecast in North America as strong signs of heifer retention & rebuilding occur due to much improved moisture conditions.

- Global trade for North American and Australian Beef continues to be strong.

- Higher prices will impact demand for North American beef but a downturn in protein supplies should support.
Capital investments in multiple ground beef capabilities and value added production will improve top line revenue opportunities.

Continued alignment of cattle supplies with plants will lessen the impact of tight supplies.

Strong plant focus on yield improvement in plants.

Continued success in aligning with customers to jointly optimize value with the consumer.
FOOTPRINT

U.S. 31 Chicken Plants
6.5M Birds per Day

MEXICO 3 Chicken Plants
800,000 Birds per Day

PUERTO RICO 1 Chicken Plant

BRANDS

19% MARKET SHARE
PILGRIM’S

- 25 U.S. & Puerto Rican Processing Facilities
  - Aibonito, PR
  - Athens, GA
  - Broadway, VA
  - Canton, GA
  - Carrollton, GA
  - Chattanooga, TN
  - De Queen, AR
  - Douglas, GA
  - Elberton, GA
  - Ellijay, GA
  - Enterprise, AL
  - Gainesville, GA
  - Guntersville, AL
  - Live Oak, FL
  - Lufkin, TX
  - Marshallville, N.C.
  - Mayfield, KY
  - Moorefield, WV
  - Mt. Pleasant, TX
  - Nacogdoches, TX
  - Natchitoches, LA
  - Russellville, AL
  - Sanford, N.C.
  - Sumter, SC
  - Waco, TX

- 3 Mexican Processing Facilities
  - Queretaro
  - San Luis Potosi
  - Tepeji Del Rio

- Daily Processing Capacity: 7.5 Million birds
Net Revenue (US$ billion)

- Net Revenue was US$8.4 billion, increase of 3.6% compared to 2012.
  - Growth in sales resulting primarily from an increase in industry prices associated with good demand for poultry products combined with a tight supply.

EBITDA (US$ million)

- EBITDA of US$805.4 million, increase of 100% over 2012 and margin of 9.6%:
  - Improved pricing, improved sales mix, improved yields, reduction in processing cost and SG&A contributed to improve PPC results.

- Operating net cash flow was US$878.5 million for the full year, adding strength to the Company's balance sheet.
Strategy

- Results-oriented culture consistent with JBS values
- Delayering and downsizing management driving lower SG&A
- Growing talent internally and developing people

- Be a valued partner with our key customers
- Best of class quality management systems
- Employ greater use of category management
- Execute effective operator strategy

Accountability and ownership culture
- Export dedicated assets
- Export tailored products
- Development of new markets

Strategically grow valued added exports
- Best of class yields
- Best of class live cost and processing costs
- Optimal sales mix and price
- Quality, safety and turnover

Be the best managed & most respected company in our industry
- Relentless pursuit of operational excellence
- Be a valued partner with our key customers

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Be the best managed & most respected company in our industry
- Relentless pursuit of operational excellence
- Be a valued partner with our key customers
On a Path Toward Growth

- Operational Efficiency: Improved commitment to quality
- Mix and Rationalization: Customer Products Capacity
- We’re Ready: Renewed Sales & Brand Focus

2015
What’s Next

- Continue Pushing Operational Efficiencies
- Generate Superior Returns & Optimize Capital Structure
- Capture Growth Opportunities
- Higher, Less Volatile Earnings

SHAREHOLDER VALUE
## What’s Next

<table>
<thead>
<tr>
<th>Leverage Existing Assets</th>
<th>Accretive Acquisitions</th>
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<tbody>
<tr>
<td>- Expand actual plants and lines with high-ROIC investment opportunities</td>
<td>- Chicken: Complementary Geographies or Differentiated Branded chicken</td>
</tr>
<tr>
<td>- $150 million of CapEx expected</td>
<td>- Prepared/ Packaged Foods: Branded and differentiated products</td>
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<tr>
<td>- About half directed to growth / increase efficiency</td>
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<table>
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<tr>
<th>Increase Footprint in Attractive Mexico Chicken Industry</th>
<th>Fast Growing Value-Added Exports</th>
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<tbody>
<tr>
<td>- Current footprint only covers a portion of the country</td>
<td>- Leverage JBS capabilities to sell direct to customers in foreign markets</td>
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<tr>
<td>- Opportunity to expand geographically</td>
<td>- Develop brands / products designed for local preferences</td>
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<tr>
<td>- Evaluate bolt-on acquisitions or greenfield opportunities</td>
<td>- Focus on value-added products, not just commodity dark meat</td>
</tr>
<tr>
<td></td>
<td>- Capture significant expected growth in chicken demand in foreign markets</td>
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</table>
JBS Foods
JBS Foods at a Glance

JBS Foods is a leading platform with a strong brand portfolio across value added food products in Brazil

- JBS Foods is the branded convenience poultry and pork business of JBS in Brazil
- 2nd largest meat based packaged food Company in Latin America
- 2nd largest producer and exporter of poultry and pork in Brazil
- 53 productive units, 20 distribution centers and 45,000 employees
- Strong domestic and international presence with high growth potential
- Integrated platform with diversified product portfolio
- Fully integrated pork and poultry business

Source: Company
Nota
1. Pending regulatory approval
## JBS Foods: Footprint

National footprint with a production capacity of 4.4 mm bird / day and 85,000 tons of further processed products / month

### Industrial Capacity per Product Line

<table>
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<tr>
<th>Product Line</th>
<th>Capacity</th>
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<tbody>
<tr>
<td>4.4 mm birds / day</td>
<td></td>
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<tr>
<td>22,200 hogs / day</td>
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<tr>
<td>80,000 tons of value added further processed products / month</td>
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</table>

### Further Processed Products

- **Pizza**
- **Lasagna**
- **Hamburger**

### Industrial Footprint

Source: Company
JBS Foods focus on 5 pillars to make a strong and fast turnaround of Seara
Our Team and Our Culture Makes the Difference

JBS has built an exceptional team with deep knowledge in the industry

Our Team

- Gilberto Tomazoni – CEO (30 years)
- James Cleary – International Market (24 years)
- Sérgio Sampaio – Production (20 years)
- Ivo Dreher – Financial/Adm (17 years)
- Osório Dal Bello – Live Production (34 years)
- Joanita Karoleski – Supply Chain (10 years)
- Almir Peruk – Human Resources (25 years)
- Ronaldo Muller – Quality and R&D (27 years)
- Ivan Siqueira – Industrial (15 years)
- Eduardo Bernstein – Marketing (26 years)
- Nelson Teixeira – Domestic Sales (26 years)

Culture of Excellence

Our Values

- Determination
- Simplicity
- Discipline
- Sincerity
- Meritocracy

What We Believe

- Best people in the right place
- Ownership attitude
- Leadership by Example
- Team Work
- Focus on Details

(Year of experience, occupying leadership positions in the industry)
JBS Foods is currently rationalizing its brand portfolio and focusing on the quality of its products and services.

**JBS Foods Brands Pre-Acquisition**

- SEARA
- excelsior
- Rezende
- Wilson
- DaGranja
- Mabella
- Texas Burger
- Penasul
- Confiança
- Delicata
- Dortana
- Light
- PATITAS
- Bento
- Fiesta
- Freski

**JBS Foods Brands Repositioning**

- Premium
- Mainstream
- Access / Regional

Source: Company
Market Orientated: Improved Pricing Strategy

New pricing strategy, focused on results rather than volumes, with strict controls and defined responsibilities

<table>
<thead>
<tr>
<th>Structure</th>
<th>Previous Model</th>
<th>New Model</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Decentralized, with lack of standard pricing process and management</td>
<td>Centralized, with standard and structured process</td>
</tr>
</tbody>
</table>

| Responsible for Price Management | Fragmented, mostly commercial department | Dedicated pricing department |

| Focus | Volumes, with low commitment to pricing and consequently financial results | Financial results, based on mathematical modeling |

| Commercial Team Autonomy | High – commercial team concentrated pricing strategy | Medium – focus on policy execution |

Source: Company, Nielsen
JBS Foods: Global Positioning and International Growth Strategy

Comprehensive strategy to explore opportunities in further processed foods and international markets

Revenue Breakdown per Category – 4Q13 (%)

- Fresh Exports: 48%
- Domestic Market: 46%
- FPP Exports: 6%

Revenue Breakdown per Region – 4Q13 (%)

- Middle East: 31%
- Asia / Oceania: 14%
- Japan: 12%
- Africa: 11%
- North Africa: 10%
- Europe: 10%
- America: 8%
- CIS / Balkans: 4%
- Americas: 8%
- Europe: 10%
- North Africa: 10%
- Africa: 11%
- Japan: 12%
- Asia / Oceania: 14%
- Middle East: 31%

International Growth Strategy

- Strategic approach Instead of transactional approach
- Develop strategic partnerships with importers/distributors in our key markets
- Develop Seara into a recognized global brand for quality poultry, pork and further processed products
- Increase our presence in the supply of FPP to global QSR customers
- Improve our product mix by increasing sales of retail packs
- Specific strategies for new markets (eg. Pork for Japan)

Source: Company
### Improved Performance from Farm to Market

Efficiency gains in live costs, manufacturing and distribution

<table>
<thead>
<tr>
<th>Stage of Value Chain</th>
<th>Main Initiatives</th>
</tr>
</thead>
</table>
| **Live Costs and Efficient Feed Conversion** | ✓ Cycle optimization through revision of practices and improved feed conversion  
搬迁 best practices in feed nutrition and livestock handling |
| **Increase in Yields and Optimization of Product Mix** | ✓ Focus on operational excellence with new operational standards  
搬迁 Optimization of product mix per industrial unit  
搬迁 Product mix more aligned with availability and quality of raw materials, increasing revenue generation |
| **Improved Distribution Network** | ✓ Integrated demand planning  
搬迁 Renewed logistics network |
| **Renewed Go-To-Market Strategy** | ✓ Marketing strategy focused on profitability and portfolio simplification  
搬迁 Simplification of brand architecture  
搬迁 Category management |
JBS Foods has identified total potential gains of R$1.2 billion through internal management initiatives.

### Value of Opportunities Identified in JBS Foods (R$ mm)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value (R$ mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price and Sales Strategy</td>
<td>R$287 mm</td>
</tr>
<tr>
<td>Live Animal</td>
<td>R$207 mm</td>
</tr>
<tr>
<td>Industrial</td>
<td>R$472 mm</td>
</tr>
<tr>
<td>Domestic and International Logistics</td>
<td>R$118 mm</td>
</tr>
<tr>
<td>Finance and Administration</td>
<td>R$30 mm</td>
</tr>
<tr>
<td>Non Core Supplies</td>
<td>R$87 mm</td>
</tr>
</tbody>
</table>

**Total Value of Opportunities: R$1.2 billion**
Growth Opportunities Through Organic and Inorganic Growth

Additional growth opportunities through capacity expansion and product mix diversification

**Idle Capacity**
- We have around 40% in idle capacity of FPP

**Numerical Distribution**
- We are servicing direct 58,000 customers and have potential to increase to 140,000

Strategies for Inorganic Growth

**Capacity Expansion**
- Increase processing capacity and geographical diversification

**Product Mix Diversification**
- Increase category diversification

**Rationale**

**Recent Movements**
- Leasing of BR Frango’s production unit in North of Paraná
- Acquisition of Massa Leve in 2013
- Main products include pastas, ready-to-eat meals, pizzas and pastry based products

Share of Birds Slaughter in Brazil – LTM Until Sep’13 (%)
- Others: 51%
- Player A: 32%

Share of Pig Slaughter in Brazil – 2013 (%)
- Others: 57%
- Player A: 29%

Source: Company, SIF, SECEX, IBGE, JBS
Extensive experience in integrating and extracting synergies in acquisitions

Key Initiatives

- Cost reduction
- Margin improvement
- SG&A control
- Efficiency improvement
- Integration of processes
- Brand repositioning

Value Creation in the Acquisition of Pilgrim’s Pride (US$ mm)

<table>
<thead>
<tr>
<th>Value Creation</th>
<th>JBS stake in PPC</th>
<th>64.0%</th>
<th>67.3%</th>
<th>68.0%</th>
<th>75.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-09 JBS USA acquisition of 64% stake in PPC</td>
<td>800</td>
<td></td>
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<tr>
<td>Nov-10 Increase ownership to 67.3%</td>
<td>42</td>
<td></td>
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<tr>
<td>Jan-12 JBS USA oversubscription in PPC rights offering</td>
<td>144</td>
<td></td>
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<tr>
<td>Mar-12/Nov-12 Acquisition of additional shares from Lonnie “Bo” Pilgrim and Don Jackson</td>
<td>110</td>
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</tr>
<tr>
<td>Total JBS Investment</td>
<td>1,095</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value Creation</td>
<td>2,730</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Current Market Value of JBS Stake</td>
<td>3,825</td>
<td></td>
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</tr>
</tbody>
</table>

1 JBS USA acquired 18.7 mm shares from Lonnie “Bo” Pilgrim, the founder and former controlling shareholder of PPC (US$107.2 mm) and 455.3 thousand shares from Don Jackson, JBS USA’s former CEO (US$2.7 mm)
2 PPC market value of US$4,958 mm (as of March 14, 2014)

We Are Confident That We Will Continue to Deliver Value to Our Stakeholders as Our Track Record Shows
Mission

“To be the best in what we set out to do, totally focused on our business, ensuring the best products and services for our customers, solidity for our suppliers, satisfactory profitability for our shareholders and the certainty of a better future to all our employees.”