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**JBS ANNOUNCES THE ACQUISITION OF NATIONAL BEEF,
SMITHFIELD BEEF AND TASMAN**

March 5, 2008 – JBS announces the acquisition of National Beef Packing Company, LLC (“National Beef”), Smithfield Beef Group, Inc. (“Smithfield Beef”) and Tasman Group Ltd. (“Tasman”), as part of its strategy to increase its global presence in the beef industry.

Upon the closing of these acquisitions, JBS, which has over 55 years of tradition in the food sector, will have 63,000 employees worldwide, a cattle slaughter capacity of 79,200 head per day, 48,000 head of hogs per day and annual sales of approximately US\$ 21.5 billion.

On February 29, 2008, JBS signed an agreement to purchase National Beef. Also, on March 4, 2008, an agreement was signed to acquire Smithfield Beef, as well as Tasman, the first two companies are located in the United States and the third is located in Australia.

“As part of JBS’s globalization strategy, the acquisitions of National Beef, Smithfield and Tasman represent the conclusion of an investment plan to build a sustainable platform for the slaughter, production and commercialization of red meat in the United States and Australia. “This process began in July 2007 with the purchase of Swift & Company and culminates with these acquisitions.” said Joesley M. Batista, president and CEO of JBS S.A.

National Beef will be acquired for a total enterprise value of approximately US\$ 970 million. The value of the Smithfield Beef acquisition is US\$ 565 million, which includes 100 percent of the shares of its subsidiary Five Rivers, which has 10 cattle feedlots with one time capacity of 811,000 head. The feedlots are located across the United States in Colorado, Idaho, Kansas, Texas and Oklahoma. Upon closing of the transactions, JBS plans to increase the working capital in Five Rivers by approximately US\$ 200 million. Tasman will be acquired for approximately US\$ 150 million. The transactions are expected to close as soon as possible, subject to the customary regulatory review and closing conditions

The financial advisor for JBS for the acquisition of National Beef and Smithfield Beef was JP Morgan and Rothschild assisted with the Tasman transaction.

“In order to finalize the acquisitions, JBS will do a private placement of new shares for the approximate value of R\$ 2.6 billion (equivalent to US\$ 1.55 billion) at the price per share of R\$ 7,07 (US\$ 4.20)” said Batista.

JBS initiated its international presence in September of 2005 with the acquisition of Swift Armour S.A. Argentina. Last year JBS bought Swift & Company, expanding its presence into the United States beef and pork industries and the Australian beef business. Also, at the end of 2007,

JBS finalized the agreement to buy 50 percent of Inalca/Monatna, headquartered in Italy, which holds production and distribution units in Europe, Russia and four African countries.

“These acquisitions reinforce JBS’ strategy to strategically diversify its production and distribution units, reaffirming its global presence in the main meat producing countries. It also allows us to reach customers across the world,” according to Wesley M. Batista, president & CEO of JBS USA.

He also noted that “National Beef’s reputation for efficiently producing high quality beef and for serving its customers is recognized worldwide. We are looking forward to working with its management and employees to expand our business in the United States and internationally,” he said. “National Beef is an industry leader in value added fresh beef in the United States and is also a leading United States exporter of fresh chilled and frozen beef to Japan—both of which are strengths that will complement our business plan for growth in beef processing in the United States and especially the Pacific Rim.”

In respect to Smithfield Beef, Wesley Batista said “We see this acquisition as an opportunity to participate in a segment of the business and a region where we are not present today. The synergy created will help us cut costs and reduce overheads in a highly competitive industry.

“In short, these acquisitions will increase the ability of JBS to meet the specific demands of its clients as well as generate economies of scale and other operational efficiencies that will create value for its shareholders,” Wesley Batista added. “For the next several years, JBS will be focused on the improvement of its operational efficiency, maximizing synergies and organic growth with the objective of creating value to its shareholders, customers, suppliers and employees.”

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About National Beef

National Beef holds three beef processing plants, one located in Dodge City, Kansas, one in Liberal, Kansas and the other in Brawley, California; two case-ready beef processing plants, specializing in products for sale to retailers destined to the end consumer, located in Hummels Wharf, Pennsylvania, and Moultrie, Georgia; one plant located in Kansas City, Kansas specializing in portioned products for commercial establishments and end consumers; and one refrigerated transportation company, with approximately 1,200 vehicles including refrigerated transportation and transportation of live stock, headquartered in Liberal, Kansas. For the fiscal year of 2007, National Beef had gross revenue of US\$ 5.6 billion and processed 3.9 million cattle units.

About Smithfield Beef

Smithfield Beef holds four beef processing plants, located in Green Bay, Wisconsin, Plainwell, Michigan, Souderton, Pennsylvania and Tolleson, Arizona; one grease producing plant located in Elroy, Pennsylvania; one cattle feedlot unit in South Charleston, Ohio; and one transportation

division, with approximately 120 refrigerated transportation vehicles. Five Rivers owns ten cattle feedlot units with a one time feeding capacity of 811,000 cattle units, located in the States of Colorado, Idaho, Kansas, Oklahoma and Texas. Smithfield Beef Processing processes approximately 680 thousand tons of fresh beef annually and, in the fiscal year of 2007, had an earned gross revenue of approximately US\$ 2.7 billion and processed approximately 1.9 million head.

About Tasman Group

Tasman owns six processing plants, located in Brooklyn, Victoria (cattle and smalls), Cobram, Victoria (smalls), Devonport, Tasmania (cattle and smalls), Longford, Tasmania (cattle and smalls), Yarrawonga, Victoria (cattle) and King Island, Tasmania (cattle); and one cattle feedlot unit with a one time feeding capacity of 25,000 head of cattle and 45,000 head of sheep, located in Yambinya, New South Wales. In the fiscal year of 2007, Tasman earned gross revenue of AUS\$ 443 million (approximately US\$ 420 million), and processed 2.7 million cattle and smalls.

About JBS S.A.

JBS S.A. is a public company with its shares listed on BOVESPA's Novo Mercado under the symbol JBSS3. JBS operates 23 plants in Brazil and 6 in Argentina in addition to its operations in Australia and the United States resulting from the purchase of Swift and Company last year. In the year ending September 2007, JBS generated pro forma net revenue of US\$11.9 billion and processed 9.0 million head of cattle. More information about JBS S.A. is available at www.jbs.com.br/ir/.

Information Concerning Forward-Looking Statements

The forward-looking statements presented herein are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our management, and on information currently available to us.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur. Our future operating results, financial condition, strategies, market share and values may differ materially from those expressed in or suggested by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Forward-looking statements also include information concerning our possible or assumed future operating results, as well as statements preceded by, followed by, or including the words "believes," "may," "will," "continues," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.

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