

Press Release

**INALCA JBS: THE JBS APPEAL FOR THE APPOINTMENT
OF THE CFO IN MONTANA ALIMENTARI REJECTED.**

- **Cremonini has presented a claim against JBS for breach of the non-competition agreements to the Paris Arbitration Court**
- **The Arbitration Board has already been constituted in Paris**

The Modena Court today issued the order in the protection procedure pursuant to art. 700 of the Italian Civil Procedures Code promoted by JBS S.A. against Cremonini S.p.A. for the appointment of a financial director of Montana Alimentari S.p.A., a 100% subsidiary company of Inalca JBS S.p.A.

The Modena Court has rejected the appeal made by JBS S.A. on 30 June 2010, considering Cremonini S.p.A.'s conduct – and the Chief Executive Officers appointed in Inalca JBS - as fully legitimate, since it conforms to the shareholders' agreement signed in December 2007.

This is the first authoritative confirmation of the correctness of the interpretation that Cremonini has always applied to the shareholders' agreement, against the manoeuvring of JBS.

The International Arbitration Court constituted in accordance with the rules of the International Court of Arbitration (ICC) in Paris, to which JBS S.A. has appealed, complaining about Cremonini S.p.A.'s breach of some corporate governance rules by the Group company Inalca JBS that were contained in the contracts signed in December 2007, will decide on the merit of the matter.

After having presented its defence on the questions of corporate governance, Cremonini filed with the same Arbitration Court a new counter-claim on 12 October 2010, with the object of the investigation of repeated breaches by JBS of the non-competition obligations, which the latter accepted with the signature of the December 2007 contracts, and the consequent sentencing of JBS to compensation of the damages.

On 13 October the Parties mutually appointed the Geneva Advocate Francois Perret, an arbitrator designated by Cremonini S.p.A., as Chairman of the Arbitration Court, and the Italian Advocate Prof. Alberto Mazzoni, while JBS S.A. designated the French Advocate Alexis Mourre.

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The Press Office

Contacts:

Luca Macario – Communication and press manager
Tel.: +39 059 754605 - mobile +39 335 7478179
Email: luca.macario@cremonini.com