



PRESS RELEASE

CREMONINI S.p.A: the agreement for the purchase by JBS S.A. of Inalca S.p.A.'s share capital executed.

The transaction, which is structured in two phases, will prevalently take place by an increase in Inalca's share capital.

Cremonini S.p.A., (CRM.MI) one of the principal European operators in the sector of production and transformation of beef, and the Brazilian group JBS S.A., (Bovespa: JBSS3), the largest beef producer in the world, have executed the contract relating to the strategic alliance between the two companies.

The agreement, the preliminary of which was announced on 6 December last, provides for the 50% entry by JBS S.A. into the entire production sector (Inalca S.p.A. and Montana Alimentari S.p.A.) of the Cremonini Group.

The transaction, which has been approved by the European Commission, has a total final value of 218.9 million Euro and will prevalently take place by an increase in Inalca S.p.A.'s share capital, is structured in two phases.

The first phase, simultaneous with today's closing, includes the subscription and payment by JBS S.A. of the Inalca S.p.A.'s share capital increase for a total value of 150.0 million Euro. Furthermore, JBS S.A. will acquire shares in Inalca S.p.A. directly from Cremonini S.p.A. for a value of 10.0 million Euro, in addition to a final payment of 6.4 million Euro, subject to adjustment.

The second phase, which will be completed within 90 days from today's closing, provides for the subscription and payment for a further Inalca S.p.A.'s share capital increase for a counter value of 60.0 million Euro, of which 52.5 million Euro will be paid by JBS S.A. and 7.5 million Euro by Cremonini S.p.A.

On completion of the transactions described above, JBS S.A. and Cremonini S.p.A. will each hold 50% of Inalca S.p.A.'s share capital.

Simultaneously with the closing the company has been renamed INALCA JBS S.p.A. and Joesley Mendonça Batista was appointed as Chairman, while the current Chief Executive Officers, Paolo Boni and Luigi Scordamaglia, were re-confirmed.

Cremonini, with over 8,200 employees, is one of the largest food groups in Europe and operates in three business sectors: **production, distribution and catering**.

The Group, which had total revenues of 2,482.4 million Euro in 2007, is leader in Italy in the production of beef and meat-based transformed products (Montana) and the marketing and distribution of food products to the food service sector (MARR). It also has a significant presence in the catering sector and, in particular, the leadership in Europe in on-board train catering and in Italy in railway stations, airports and motorway service areas (Chef Express).

Inalca S.p.A. is the absolute leader in Italy and one of the main European operators in the transformation of beef. It produces and a complete range of fresh and frozen meat, vacuum-packed, portioned products in



a protective atmosphere, canned meat, ready-to-eat meals, fresh and frozen minced and precooked hamburgers. With a slaughtering capacity of 3,500 head/day and transformation of 260,000 tonnes of meat per annum (50,000 tonnes of which hamburgers), the company operates through a productive structure constituting 6 factories in Italy, specialised by processing lines, and 9 foreign branches in Europe, Russia and Africa.

Montana Alimentari S.p.A. *is amongst the leading Italian producers in the sector of production, marketing and distribution of cured meats, snacks and ready-to-eat dishes, with over 230 references. Owner of the historical "Montana" brand and the "IBIS" brand the company is equipped with a productive structure of 4 factories, specialised by product typology and located in the production areas distinguished by the P.D.O. and P.G.I. brands. It is also one of the main operators in the canned meat and pre-sliced cured meat markets in Italy.*

The production sector (Inalca S.p.A. and Montana Alimentari S.p.A.) with 2,069 employees achieved consolidated revenues of 1,041.2 million Euro in 2007, 35% of which abroad.

JBS S.A. *with 2007 consolidated revenues estimated at about US\$ 11.5 billion (pro-forma figure) and over 40,000 employees, is presently the world's largest producer and exporter of meat. The company's name is the acronym of the founder, José Batista Sobrinho, who founded it in 1953 in the Brazilian state of Goias. Currently, with a daily slaughtering capacity of 51,800 head it is the largest exporter of transformed meat at global level. The company's structure comprises: 23 factories in Brazil, 6 in Argentina, 8 in the USA and 4 in Australia. Furthermore, JBS S.A is the third American producer of pork with a daily slaughtering capacity of 47,900 head. Its "Friboi", "Swift", "Maturatta", "Cabaña las Lillas", "Friboi Organic Beef", "Anglo", "Mouran" and "Plata" brands are universally recognised as symbols of quality.*

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