

SADIA S.A.
Form 6-K
March 17, 2006

FORM 6-K
U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2006

Commission File Number 1-15184

SADIA S.A.

(Exact Name as Specified in its Charter)

N/A

(Translation of Registrant's Name)

Rua Fortunato Ferraz, 365
Vila Anastacio, Sao Paulo, SP
05093-901 Brazil
(Address of principal executive offices) (Zip code)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: Mar 17, 2006

SADIA S.A.

By:/s/ Luiz Gonzaga Murat Junior

Name: Luiz Gonzaga Murat Junior

Title: Chief Financial Officer

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SADIA S.A.
CNPJ/MF nº 20.730.099/0001-94

A Publicly-Held Company

MATERIAL FACT

In compliance with the Brazilian Securities Exchange Commission (CVM) Instruction No. 358/02, Sadia informs the market that today it entered into an agreement with its traditional Russian client, from the Miratorg group of companies, which sets forth the conditions precedent for the establishment of a partnership, with the purpose of distributing and processing food products for such market.

The business will be implemented in the Russian territory, in location to be informed in the future. The total investment will be approximately US\$ 70 million.

São Paulo – SP. March 17, 2006

Luiz Gonzaga Murat Júnior
Investor Relations Director