

THE JFC GROUP OF COMPANIES
REPORTS STRONG 2002 2nd QUARTER & 1st
SEMESTER BUSINESS RESULTS

Metro Manila, Philippines, 13 August 2002 - *Jollibee Foods Corporation* (PSE: JFC/JFCW) – Results for the quarter and six months ended June 30th (all references vs. same period last year)

Financial Summary	Quarter 2 - 2002		First Half - 2002	
	Amount	Change	Amount	Change
Systemwide Retail Sales	P 6.8 B	14.0%	P 13.0 B	12.4%
Consolidated Total Revenues	P 5.3 B	12.0%	P 9.9 B	9.0%
Income from operations	P 422 M	36.5%	P 708 M	21.3%
Net Income after Tax	P 296 M	26.6%	P 494 M	9.6%
Earnings per Common Share - Basic	P 0.309	26.3%	P 0.515	12.2%

Chairman and Chief Executive Officer Tony Tan Caktiong commented, “We are pleased to report that, as we had expected, our business growth accelerated to 14% during the important 2nd quarter of 2002, building on our performance in the prior quarter. With our major business segments registering impressive gains, Total System-wide Retail Sales and Consolidated Total Revenues have reached unprecedented levels during the quarter.”

“Our performance continues to be driven principally by the sustained growth of our flagship brand, *Jollibee-Philippines*. As it continues to command leadership in the ever-competitive burger-chicken segment, *Jollibee* gave consumers more reasons to enjoy food products with winning taste profiles delivered at tremendous value levels. Complementing this was the significant contribution of our *Chowking* business unit, which has grown rapidly in terms of both volume and profits since it joined the group in 2000. Numerous business improvement initiatives implemented at *Greenwich* have sustained its resurgence. Our *Delifrance* joint venture has also continued to build consumer patronage in the rapidly growing bakery-café business segment. What is impressive is that these results have been delivered during these most challenging times.”

“Cost containment initiatives implemented across our system have been able to offset increases in fuel, utility and labor costs. With the healthy business growth during the quarter, an improvement in margin levels compared with that of last year has been delivered and this has resulted in the significant increase in operating profits, bringing our business back on track to achieving our profit objectives for 2002. With the positive effects of a stable peso and the improvement of other factors like inflation and interest rates, this favorable trend should continue over the medium term and our business is well-poised to capitalize on the expected opportunity in the balance of the year”, added Tan Caktiong.

The company operates the largest fast food chains in the country and continues to expand its network. At the end of the 2nd quarter, **Jollibee Foods Corporation** had a total of 828 restaurants in the Philippines [422 **Jollibee**, 196 **Chowking**, 184 **Greenwich** and 26 **Delifrance**] and 28 restaurants overseas.

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JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the 2nd Quarter 2002

(Unaudited)

Peso Amounts in Thousands

	Qtr. 2 - 2002		Qtr. 2 - 2001		Change 2000 to 2001
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	4,862,728	92.4%	4,353,979	92.7%	11.7%
Royalties, franchise fees and others	398,112	7.6%	341,371	7.3%	16.6%
	5,260,840	100.0%	4,695,350	100.0%	12.0%
COST OF SALES	2,737,338	52.0%	2,578,329	54.9%	6.2%
GROSS PROFIT	2,523,502	48.0%	2,117,021	45.1%	19.2%
OPERATING EXPENSES	2,101,792	40.0%	1,808,072	38.5%	16.2%
Income from Operations	421,710	8.0%	308,949	6.6%	36.5%
OTHER INCOME (CHARGES)	(22,633)	(0.4%)	(10,533)	(0.2%)	114.9%
PROFIT BEFORE INCOME TAX	399,077	7.6%	298,416	6.4%	33.7%
PROVISION FOR INCOME TAX	98,487	1.9%	69,880	1.5%	40.9%
PROFIT BEFORE MINORITY INTEREST	300,590	5.7%	228,536	4.9%	31.5%
MINORITY INTEREST	4,141	0.1%	(5,602)	(0.1%)	(173.9%)
NET INCOME	296,450	5.6%	234,138	5.0%	26.6%
Earnings per Share					
Basic	0.3090		0.2446		26.3%
Diluted	0.3053		0.2441		25.1%
Average Number of Common Shares-Basic (000)	959,492		957,141		
Average Number of Common Shares-Diluted (000)	971,055		959,300		

JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the 1st Semester of 2002

(Unaudited)

Peso Amounts in Thousands

	Sem. 1 - 2002		Sem. 1 - 2001		Change 2000 to 2001
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	9,174,541	92.6%	8,424,520	92.7%	8.9%
Royalties, franchise fees and others	736,436	7.4%	665,425	7.3%	10.7%
	9,910,977	100.0%	9,089,945	100.0%	9.0%
COST OF SALES	5,278,091	53.3%	5,050,980	55.6%	4.5%
GROSS PROFIT	4,632,886	46.7%	4,038,965	44.4%	14.7%
OPERATING EXPENSES	3,924,674	39.6%	3,455,148	38.0%	13.6%
Income from Operations	708,212	7.1%	583,817	6.4%	21.3%
OTHER INCOME (CHARGES)	(39,667)	(0.4%)	(8,133)	(0.1%)	387.7%
PROFIT BEFORE INCOME TAX	668,545	6.7%	575,684	6.3%	16.1%
PROVISION FOR INCOME TAX	172,614	1.7%	138,383	1.5%	24.7%
PROFIT BEFORE MINORITY INTEREST	495,932	5.0%	437,301	4.8%	13.4%
MINORITY INTEREST	1,861	0.0%	(13,442)	(0.1%)	(113.8%)
NET INCOME	494,071	5.0%	450,743	5.0%	9.6%
Earnings per Share					
Basic	0.5152		0.4593		12.2%
Diluted	0.5093		0.4588		11.0%
Average Number of Common Shares-Basic (000)	959,026		981,472		
Average Number of Common Shares-Diluted (000)	970,071		982,365		

JOLLIBEE FOODS CORPORATION

Consolidated Balance Sheet

As of June 30, 2002

(Unaudited)

Peso Amounts in Thousands

	June - 2002	Dec. - 2001	Changes
Cash and Cash Items	1,759,389	1,157,713	601,676
Accounts Receivables	675,794	804,992	(129,198)
Inventories	979,341	1,088,900	(109,559)
Prepaid Items & Other Current Assets	744,182	867,487	(123,305)
Property & Equipment	7,847,740	7,215,478	632,263
Accumulated Depreciation	(2,999,040)	(2,630,703)	(368,337)
Other Assets	1,564,201	1,584,558	(20,357)
Total Assets	10,571,608	10,088,425	483,183
Accounts Payable	1,077,041	1,189,784	(112,743)
Accrued Expenses	1,647,911	1,564,933	82,977
Other liabilities	476,140	420,172	55,968
Current portion of long-term debt	113,333	-	113,333
Total Liabilities	3,314,425	3,174,890	139,535
Noncurrent Liability			
Long-term debt - net of current portion	736,667	850,000	(113,333)
Minority Interest	159,665	109,927	49,737
Paid-up Capital	1,017,242	1,017,239	3
Excess on Par	1,668,018	1,656,968	11,050
Translation Adjustments	85,196	85,196	-
Retained Earnings			
Appropriated for future expansion	1,200,000	1,200,000	-
unappropriated	2,571,923	2,698,167	(126,244)
Pnl-to-Date	494,071	-	494,071
Less: Warrants and treasury shares	(675,599)	(703,963)	28,364
Total Equities	6,360,851	5,953,607	407,243
Total Liabilities & Equities	10,571,608	10,088,425	483,183

JOLLIBEE FOODS CORPORATION

Consolidated Statements of Cash Flows

As of June 30, 2002

(Unaudited)

Peso Amounts in Thousands

	Jun-02	Jun-01
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	668,545	575,684
Adjustments for:		
Depreciation and amortization	368,337	285,821
Provisions for Doubtful accounts	-	
Interest expense	53,552	27,604
Interest income	(13,885)	(19,471)
Equity in net losses (earnings of unconsolidated subsidiary)	(4,413)	1,119
Loss on disposal of property and equipment	-	
Operating income before working capital changes	1,072,136	870,757
Changes in assets and liabilities:		
Decrease (increase) in:		
Trade receivables	129,198	203,134
Inventories	109,559	(145,255)
Prepaid items and other current assets	123,305	(174,024)
Increase (decrease) in:		
Accounts payable	(112,743)	(136,297)
Accrued expenses	243,896	198,934
Other current liabilities	55,968	(55,452)
Cash generated from operations	1,621,319	761,798
Income taxes paid during the quarter	(160,919)	(135,329)
Interest paid	(53,552)	(27,604)
Net cash provided by operating activities	1,406,848	598,865
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(632,263)	(591,633)
Increase in other noncurrent assets	(147,843)	(226,045)
Interest received	13,885	19,471
Net cash of deconsolidated subsidiary		(9,551)
Proceeds from disposal of property and equipment		
Net cash provided by (used in) investing activities	(766,221)	(807,758)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Warrants and treasury shares	-	(419,173)
Cash dividends	(126,244)	(114,855)
Bank loans	-	
Proceeds from:		
Availment of bank loans		850,000
Re-issuance of Treasury Stocks	28,364	
Issuance of and subscriptions to capital stock	11,053	9,425
Increase (decrease) in minority interest	47,877	0
Net cash provided by (used in) financing activities	(38,951)	325,397
Translation adjustments		
Net Increase (Decrease) in Cash and Cash Equivalents	601,676	116,503
Cash and Cash Equivalents, Beginning	1,157,713	1,217,517
Cash and Cash Equivalents, End	1,759,389	1,334,021

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Changes in Stockholders' Equity

As of June 30, 2002

(Unaudited)

Peso Amounts in Thousands

	Jun-02	Jun-01
Capital Stock - P1 par value		
Issued:		
Balance, beginning	1,017,239	1,014,395
Issuances	3	2,823
Balance, end	1,017,242	1,017,218
Subscribed Capital Stock (Subscription receivable on which amounted to P95,601.18 as of June 2002)	2,580	-
	1,019,822	1,017,218
Additional Paid-in Capital		
Balance, beginning	1,656,968	1,640,025
Issuances	8,470	6,602
Balance, end	1,665,438	1,646,627
Share in Translation Adjustments of Investees		
Balance, beginning of year	85,196	(26,023)
Share in translation adjustments during the year	-	-
Balance, end	85,196	(26,023)
Retained Earnings		
Appropriated for future expansion	1,200,000	1,200,000
Unappropriated		
Balance, beginning	2,698,167	2,340,823
Cash dividends	(126,244)	(114,855)
Net income	494,071	450,743
Appropriation for future expansion	-	-
Balance, end	3,065,994	2,676,711
	4,265,994	3,876,711
Warrants and Treasury Shares		
Balance, beginning	(703,964)	(290,620)
Acquisitions	-	(614,119)
Issuances (Stock Option Exercise & Conversion of Warrants in 2001)	28,365	194,946
	(675,599)	(709,793)
	6,360,851	5,804,740

JOLLIBEE FOODS CORPORATION
Notes and Additional Disclosures

- The foregoing financial statements have been prepared in conformity with generally accepted accounting principles.
- The same accounting policies and methods of computation stated in the December 31, 2001 and 2000 financial statements are applied in this report.
- The financial statements for Quarter 2 2001 were restated to follow the format of the December 31, 2001 and 2000 financial statements as prescribed by SFAS No. 1 (revised 2000), Presentation of Financial Statements and SFAS No. 22 (revised 2000), Cash Flow Statements. Changes made pertain to the presentation of the consolidated statements of income and cash flows, inclusion of consolidated statements of changes in stockholders' equity. In addition, segment information for Quarter 2 2001 and 2000 are presented to conform to the new disclosure requirements of SFAS No. 31 (revised 2000). The effect of adopting the other new standards on the financial statements is not material.
- Percentage of ownership of Baker Fresh Foods Philippines, Inc. (BFFPI) was reduced to 50% in 2001 on account of the merger of BFFPI and Delifrance Philippine, Inc. (DPI). First Half and Quarter 2 2001 financial statements have been restated to effect this change and the treatment of BFFPI as an equity account.
- Diluted earnings per share is computed as if the stock options were exercised as of the beginning of the quarter and as if the funds obtained from the exercise were used to purchase common shares at the average market price during the quarter. This however, excludes the effects of Tranches 2 and 3 of Tandem Stock Purchase and Option Plan (Part II) as the number of shares that will be subscribed for these two tranches have not yet been established.
- Segment Information

Business Segment Data						
For the Semester ended June 30, 2002						
(Amounts in '000)						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	9,180,044	653,324	77,609			9,910,977
Inter-segment Sales		76,858	9,746		(86,604)	0
Segment Revenue	9,180,044	730,182	87,355		(86,604)	9,910,977
Segment Expense	7,934,624	62,825	91,088	1,200,834	(86,604)	9,202,766
Segment Result	1,245,420	667,358	(3,733)	(1,200,834)	0	708,211
Segment Assets	7,929,333	405,690	954,987		(776,997)	8,513,013
Segment Liabilities	2,605,827	230,964	1,214,301		(776,997)	3,274,095
Capital Expenditures	632,118	0	145			632,263
Non-cash expenses other than depreciation and amortization	(4,413)	0	0			(4,413)
Cash flows provided by (used in):						0
Operating activities	815,752	594,538	(3,441)			1,406,848
Investing activities	(786,679)		20,458			(766,221)
Financing activities	(37,232)		(1,719)			(38,951)
Business Segment Data						
For the Semester Ended June 30, 2001						
(Amounts in '000)						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	8,451,669	572,933	65,343			9,089,945
Inter-segment Sales		64,865	12,354		(77,219)	0
Segment Revenue	8,451,669	637,798	77,697		(77,219)	9,089,945
Segment Expense	7,402,909	54,329	91,101	1,035,008	(77,219)	8,506,128
Segment Result	1,048,760	583,469	(13,404)	(1,035,008)	0	583,817
Segment Assets	6,651,930	394,105	1,059,135		(851,620)	7,253,551
Segment Liabilities	2,182,489	206,367	1,343,342		(851,620)	2,880,578
Capital Expenditures	591,633	0	0			591,633
Non-cash expenses other than depreciation and amortization	1,119					1,119
Cash flows provided by (used in):						0
Operating activities	337,412	229,952	31,501			598,865
Investing activities	(843,853)		36,095			(807,758)
Financing activities	319,427		5,970			325,397
Geographical Segments						
The Company operates both in the domestic and international markets. Revenues from operations outside the Philippines account for 4% of the Company's total revenues.						

JOLLIBEE FOODS CORPORATION

	Dec-01	Opened	Closed	Jun-02
NUMBER OF STORES				
JFC-Philippines				
Co-owned	191	4	8	187
Franchised	229	9	3	235
Total	420	13	11	422
Greenwich				
Co-owned	114	4	13	105
Franchised	80	3	4	79
Total	194	7	17	184
Delifrance				
Co-owned	20	2		22
Franchised	4			4
Total	24	2	0	26
Chowking-Phils				
Co-owned	63	2	2	63
Franchised	131	7	5	133
Total	194	9	7	196
Total Local Stores	832	31	35	828
International:				
Jollibee:				
Hongkong	4	0	0	4
US	8	0	0	8
Others	11	0	2	9
Total	23	0	2	21
Chowking:				
US	3	0	0	3
Dubai	3	0	0	3
Total	6	0	0	6
Tokyo Teriyaki	1	0	0	1
Total International Stores	30	0	2	28
Grand Total	862	31	37	856
NUMBER OF SHARES (in '000)				
New Base	957,751			960,183
Weighted Average - Basic	969,947			959,026

SYSTEMWIDE SALES (in Million Pesos)	2001	2002	Growth
Quarter 2	6,005,575	6,845,449	14.0%
Semester 1	11,551,602	12,983,045	12.4%

STORES GEOGRAPHICAL LOCATION
As of June 30, 2002

Jollibee - Philippines	Jun-02	Dec-01	Changes
Metro Manila	203	206	-3
Central Luzon	37	36	1
Northern Luzon	22	21	1
Southern Luzon	86	85	1
Visayas	44	42	2
Mindanao	30	30	0
Total	422	420	2
Greenwich Pizza			
Metro Manila	90	101	-11
Central Luzon	14	12	2
Northern Luzon	14	14	0
Southern Luzon	33	33	0
Visayas	20	21	-1
Mindanao	13	13	0
Total	184	194	-10
Chowking			
Metro Manila	109	110	-1
Central Luzon	20	19	1
Northern Luzon	11	10	1
Southern Luzon	29	28	1
Visayas	16	15	1
Mindanao	11	12	-1
Total	196	194	2

Note: Adjusted Jollibee and Chowking's store count per region for December 2001.