

THE JFC GROUP OF COMPANIES
Jollibee Net Income Up 7% in 3rd Quarter

Metro Manila, Philippines, November 16, 2004 – *Jollibee Foods Corporation* (PSE: JFC) – **Results for the quarter ended September 30, 2004**

The following are the highlights of JFC’s results of operations for the quarter ended September 30, 2004:

Financial Summary	Quarter 3 - 2004		Nine Months Ended September 30, 2004	
	Amount	Change	Amount	Change
System Wide Retail Sales	P 8.6 B	24.5%	P 25.6 B	23.4%
Revenues	P 6.6 B	28.6%	P 19.3 B	24.6%
Income from Operations	P 440.0 M	17.7%	P 1.6 B	31.6%
Net Income after Tax	P 319.3 M	7.3%	P 1.2 B	28.6%
Earnings per Common Share – Basic	P 0.3232	6.8%	P 1.1856	28.2%

(Note: All references versus same period last year.)

System Wide Sales of Jollibee Foods Corporation rose by 24.5% in the 3rd Quarter of 2004 against the same period last year, while Net Income grew by only 7.3% as rising costs driven by oil price increases trimmed down its profit margins. These results are in line with the initial disclosure made by JFC on October 18, 2004 on its 3rd Quarter results.

JFC President and Chief Executive Officer Mr. Tony Tan Caktiong, stated that sales to consumers continued to be strong across all business segments. “In the past 12 months, our four brands Jollibee, Chowking, Greenwich and Delifrance launched 68 new products and product improvement in the domestic market. Many of these innovations succeed while some don’t, but clearly our consumers like what we are trying to do for them”, Mr. Tan Caktiong stated. He added that all 4 brands grew sales by double digits in the 3rd quarter, ranging from 14% to 26%.

Mr. Tan Caktiong also disclosed that sales of JFC’s Yonghe King business in China grew by 36.4% in the 3rd quarter. “We are highly

encouraged by our experience in China. We devote our energies there on building our capability for sustained significant growth”. He added that Yonghe King contributed 7.4% of the 24.5% growth in System Wide Sales of the JFC Group in the 3rd Quarter of 2004.

The JFC President and CEO expressed optimism on the long term prospect of the JFC Group both in the domestic and foreign markets but cited major challenges in the short term particularly in the domestic market.

“We plan to continue opening more stores in the Philippines, in China and in other foreign markets in 2005 and to acquire new businesses when the opportunity arises. In the short term however, we see modest sales and profit growth in 2005. We expect that the rising cost of living will bring pressure on consumers’ food spending outside of home. Meanwhile, our cost of doing business driven by higher oil prices have been rising more rapidly than our revenues, eroding our net income margin from 5.8% in the 3rd Quarter of 2003 to 4.8% in 2004. We urgently need to reduce the impact of rising costs with our cost improvement program,” Mr. Tan Caktiong stated.

The Jollibee Group had opened a total of 91 stores worldwide during the first 9 months of 2004. In the Philippines, it had opened a total of 69 stores: 14 Jollibee, 31 Chowking, 23 Greenwich and 1 Delifrance. In foreign operations, it had opened 22 stores: 16 Yonghe King in China, 4 Jollibee and 2 Chowking.

Jollibee Foods Corporation operates the Philippines’ largest fast food chain. As of September 30, 2004, it had a total of 1,008 stores in the domestic market: 478 Jollibee, 276 Chowking, 226 Greenwich and 28 Delifrance. In foreign markets, it had 120 stores: 89 Yonghe King in China, 23 Jollibee mostly in the United States, and 8 Chowking, for a total of 1,128 stores worldwide.

JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the 3rd Quarter 2004

(Unaudited)

Peso Amounts in Thousands

	Qtr. 3 - 2004		Qtr. 3 - 2003		Change 2003 to 2004
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	6,040,781	91.5%	4,736,128	92.3%	27.5%
Royalties, franchise fees and others	559,735	8.5%	397,869	7.7%	40.7%
	6,600,516	100.0%	5,133,997	100.0%	28.6%
COST OF SALES	3,386,373	51.3%	2,630,656	51.2%	28.7%
GROSS PROFIT	3,214,142	48.7%	2,503,340	48.8%	28.4%
OPERATING EXPENSES	2,774,163	42.0%	2,129,631	41.5%	30.3%
Income from Operations	439,980	6.7%	373,709	7.3%	17.7%
FINANCE INCOME (CHARGES)					
Interest income	27,641	0.4%	23,075	0.4%	19.8%
Interest expense	(10,255)	(0.2%)	(12,282)	(0.2%)	16.5%
EQUITY IN NET LOSS OF A JOINT VENTURE	(3,889)	(0.1%)	(4,139)	(0.1%)	6.1%
PROFIT BEFORE INCOME TAX	453,477	6.9%	380,364	7.4%	19.2%
PROVISION FOR INCOME TAX	124,668	1.9%	81,307	1.6%	53.3%
PROFIT BEFORE MINORITY INTEREST	328,809	5.0%	299,057	5.8%	9.9%
MINORITY INTEREST	9,491	0.1%	1,394	0.0%	(580.8%)
NET INCOME	319,318	4.8%	297,663	5.8%	7.3%
Non-recurring Gain (Loss) after tax	-	-	-	-	-
Net Income after Non-recurring Items	319,318	4.8%	297,663	5.8%	7.3%
Earnings per Share					
Basic	0.3232		0.3025		6.8%
Diluted	0.3232		0.2983		8.3%
Average Number of Common Shares-Basic (000)	988,048		983,949		
Average Number of Common Shares-Diluted (000)	988,048		997,779		

JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the Period Ended September 2004

(Unaudited)

Peso Amounts in Thousands

	Sept 2004		Sept 2003		Change 2003 to 2004
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	17,741,125	91.9%	14,278,857	92.2%	24.2%
Royalties, franchise fees and others	1,556,768	8.1%	1,209,733	7.8%	28.7%
	19,297,892	100.0%	15,488,590	100.0%	24.6%
COST OF SALES	9,898,585	51.3%	7,965,796	51.4%	24.3%
GROSS PROFIT	9,399,307	48.7%	7,522,793	48.6%	24.9%
OPERATING EXPENSES	7,846,680	40.7%	6,342,878	41.0%	23.7%
Income from Operations	1,552,627	8.0%	1,179,915	7.6%	31.6%
FINANCE INCOME (CHARGES)					
Interest income	67,250	0.3%	73,398	0.5%	(8.4%)
Interest expense	(32,256)	(0.2%)	(44,165)	(0.3%)	27.0%
EQUITY IN NET LOSS OF A JOINT VENTURE	(12,257)	(0.1%)	(13,230)	(0.1%)	7.4%
PROFIT BEFORE INCOME TAX	1,575,364	8.2%	1,195,918	7.7%	31.7%
PROVISION FOR INCOME TAX	383,236	2.0%	286,188	1.8%	33.9%
PROFIT BEFORE MINORITY INTEREST	1,192,128	6.2%	909,730	5.9%	31.0%
MINORITY INTEREST	22,163	0.1%	(293)	(0.0%)	7,664.0%
NET INCOME	1,169,966	6.1%	910,023	5.9%	28.6%
Non-recurring Gain (Loss) after tax	-	-	-	-	-
Net Income after Non-recurring Items	1,169,966	6.1%	910,023	5.9%	28.6%
Earnings per Share					
Basic	1.1856		0.9247		28.2%
Diluted	1.1856		0.9126		29.9%
Average Number of Common Shares-Basic (000)	986,788		984,112		
Average Number of Common Shares-Diluted (000)	986,788		997,206		

JOLLIBEE FOODS CORPORATION

Consolidated Balance Sheet

As of September 30, 2004

Peso Amounts in Thousands

	Sept 2004 Unaudited	Dec 2003 Audited	Change
Cash and Cash Items	3,004,867	2,788,514	216,353
Accounts Receivables	932,310	879,547	52,763
Inventories	1,022,158	880,985	141,173
Prepaid Items & Other Current Assets	804,577	823,537	(18,960)
Total Current Assets	5,763,911	5,372,583	391,328
Property & Equipment	10,801,437	9,746,817	1,054,620
Accumulated Depreciation	(4,856,135)	(3,964,606)	(891,529)
Net Fixed Assets	5,945,302	5,782,211	163,091
Other Assets	1,963,933	1,496,464	467,469
Total Assets	13,673,146	12,651,258	1,021,888
Accounts Payable	1,503,554	1,701,210	(197,656)
Accrued Expenses	2,257,722	1,964,880	292,842
Other liabilities	492,205	433,437	58,768
Current portion of provisions	17,000	17,000	
Current portion of long-term debt	56,667	226,667	(170,000)
Total Current Liabilities	4,327,148	4,343,194	(16,047)
Long-term debt - net of current portion	283,333	283,333	-
Provisions - net of current portion	90,433	90,433	-
Other non-current liabilities	18,447	57,827	(39,380)
Total Non-current Liabilities	392,213	431,593	(39,380)
Minority Interest	206,877	187,487	19,390
Paid-up Capital	1,034,809	1,032,928	1,880
Excess on Par	1,855,771	1,833,142	22,630
Subscription Receivables	(36,451)	(72,351)	35,900
Translation Adjustments	209,290	207,737	1,553
Retained Earnings	-	-	
Appropriated for future expansion	1,200,000	1,200,000	-
Unappropriated	3,911,164	4,098,508	(187,344)
Pnl-to-Date	1,169,966	-	1,169,966
Less: Warrants and treasury shares	(597,640)	(610,980)	13,340
Total Equity	8,746,908	7,688,984	1,057,925
Total Liabilities & Equity	13,673,146	12,651,258	1,021,888

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Cash Flows
As of September 30, 2004
(Unaudited)
Peso Amounts in Thousands

	Sept 2004	Sept 2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	1,575,364	1,195,918
Adjustments for:		
Depreciation and amortization	840,607	565,260
Interest expense	32,256	44,165
Interest income	(67,250)	(73,398)
Loss on disposal and retirement of property and equipment	29,381	-
Gain on disposal and retirement of property and equipment	(19,289)	-
Equity in net losses (earnings of unconsolidated subsidiary)	12,257	13,230
Operating income before working capital changes	2,403,327	1,745,175
Changes in assets and liabilities:		
Decrease (increase) in:		
Trade receivables	(51,352)	72,514
Inventories	(127,570)	67,506
Prepaid items and other current assets	73,917	291,089
Increase (decrease) in:		
Accounts payable	(302,780)	(339,336)
Accrued expenses	257,290	226,390
Other liabilities	(66,259)	(170,605)
Cash generated from operations	2,186,573	1,892,734
Income taxes paid	(397,465)	(284,560)
Net cash provided by operating activities	1,789,108	1,608,173
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(1,025,706)	(1,401,212)
(Increase) Decrease in other noncurrent assets	(495,092)	(6,928)
Interest received	67,250	73,398
Increase (Decrease) in noncurrent liabilities	(21,350)	(20,604)
Net cash of newly-acquired subsidiary	210,479	-
Proceeds from disposal of property and equipment	259	-
Net cash provided by (used in) investing activities	(1,264,159)	(1,355,345)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Warrants and treasury shares	-	(133,982)
Cash dividends	(178,868)	(147,511)
Bank loans	(170,000)	(170,000)
Proceeds from:		
Issuance of Treasury Stocks	13,340	93,484
Issuance of and subscriptions to capital stock	60,410	53,602
Interest paid	(32,256)	(44,165)
Increase (decrease) in minority interest	(2,773)	(23,942)
Net cash provided by (used in) financing activities	(310,147)	(372,514)
Translation adjustments	1,553	0
Net Increase (Decrease) in Cash and Cash Equivalents	216,353	(119,686)
Cash and Cash Equivalents, Beginning	2,788,514	2,297,888
Cash and Cash Equivalents, End	3,004,867	2,178,202

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
As of September 30, 2004
(Unaudited)
Peso Amounts in Thousands

	Sep-04	Sep-03
Capital Stock - P1 par value		
Issued		
Balance, beginning	1,018,340	1,017,260
Issuances	1,735	630
Balance, end	1,020,076	1,017,890
Additional Paid-in Capital		
Balance, beginning	1,833,142	1,788,890
Issuances	18,253	11,324
Premium on new subscriptions & re-issuance of treasury shares	4,377	27,942
Balance, end	1,855,771	1,828,156
Subscribed Capital Stock		
Balance, beginning	14,588	12,822
New subscriptions	611	2,109
Issuances	(466)	(253)
Balance, end	14,734	14,679
Subscription Receivable		
Balance, beginning	(72,351)	(97,304)
Receivables on new subscriptions	(9,623)	(25,308)
Collections	45,523	37,158
Balance, end	(36,451)	(85,454)
Share in Translation Adjustments of Investees		
Balance, beginning of year	207,737	190,493
Share in translation adjustments during the year	1,553	0
Balance, end	209,290	190,493
Retained Earnings		
Appropriated for future expansion	1,200,000	1,200,000
Unappropriated		
Balance, beginning	4,098,508	3,186,731
Cash dividends	(187,344)	(147,511)
Net income	1,169,966	910,023
Balance, end	5,081,130	3,949,243
	6,281,130	5,149,243
Warrants and Treasury Shares		
Balance, beginning	(610,980)	(574,255)
Acquisitions of stocks and warrants		(133,982)
Issuances	13,340	93,484
	(597,640)	(614,753)
	8,746,908	7,500,254

Jollibee Foods Corporation
Notes and Other Disclosures

1. The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the Philippines under the historical cost basis.
2. The Company adopted the same accounting policies, standards and methods of computations applied in the 2003 audited consolidated financial statements.
3. Food service operations have both peak and lean seasons. The material financial impact of this seasonality has been considered in the financial forecast.
4. Results of operations of Belmont Enterprises Ventures, Ltd. (Belmont) for the period April to Sept 2004 have been incorporated in the consolidated financial statements of Jollibee Foods Corporation. The acquisition of 85% of the the issued share capital of Belmont Enterprises Ventures, Ltd. (Belmont), the holding company of the Yonghe Group of Companies was completed on March 25, 2004.

5. Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

- > The food service segment is involved in the operation of QSRs and the manufacture of food products to be sold to company-owned and franchised QSR outlets.
- > The franchising segment is involved in the franchising of the Group's QSR store concepts.
- > The real estate segment leases store sites mainly to the Group's independent franchisees.

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties in current market prices.

> Business Segments

The following tables present revenues and expense information and certain asset and liability information regarding the different business segments for the periods ended September 30, 2004 and 2003:

	For the Period Ended September 30, 2004				Total
	Food Service	Franchising	Real Estate (In Thousands)	Eliminations	
Results of Operations					
Revenues from external customers	18,660,592	470,157	167,143		19,297,892
Inter-segment revenues	2,735,765	119,546	12,390	(2,867,700)	-
Segment revenue	21,396,357	589,703	179,533	(2,867,700)	19,297,892
Segment expense	(17,577,461)	(12,324)	(155,480)		(17,745,265)
Other segment income	383				-
Segment result	3,818,896	577,379	24,053	(2,867,700)	1,552,627
Interest expense					(32,256)
Interest income					67,250
Equity in net loss of joint venture					(12,257)
Income before income tax and minority interest					1,575,364
Income tax expense					(383,236)
Minority interest					(22,163)
Net income					1,169,966
Assets and liabilities					
Segment assets	25,390,115	320,640	195,156	(12,294,082)	13,611,828
Deferred tax assets					-
Interest in and advances to a joint venture	61,318				61,318
Total assets					13,673,146
Segment liabilities	13,850,117	-	414,897	(9,828,986)	4,436,028
Long-term debt					283,333
Total liabilities					4,719,361
Other segment information					
Capital expenditures	1,002,079	-	23,626		1,025,706
Depreciation and amortization	826,462	-	14,145	-	840,607
Impairment losses	-	-	-	-	-
Other non-cash expenses	-	-	-	-	-

	For the Period Ended September 30, 2003				
	Food Service	Franchising	Real Estate (In Thousands)	Eliminations	Total
Results of Operations					
Revenues from external customers	15,003,716	364,278	120,595		15,488,590
Inter-segment revenues	874,829	105,314	11,529	(315,644)	-
Segment revenue	15,878,545	469,592	132,125	(315,644)	15,488,590
Segment expense	(14,177,121)	(4,284)	(127,269)		(14,308,675)
Impairment losses					-
Other segment income		-			-
Segment result	1,701,424	465,308	4,856	(315,644)	1,179,915
Interest expense					(44,165)
Interest income					73,398
Equity in net loss of joint venture					(13,230)
Income before income tax and minority interest					1,195,918
Income tax expense					(286,188)
Minority interest					293
Net income					910,023
Assets and liabilities					
Segment assets	22,427,198	230,762	149,731	(11,319,614)	11,488,077
Deferred tax assets					-
Interest in and advances to a joint venture	69,560				69,560
Total assets					11,557,636
Segment liabilities	12,803,770	-	400,254	(9,812,053)	3,391,971
Long-term debt					510,000
Total liabilities					3,901,971
Other segment information					
Capital expenditures	1,385,009	-	16,203	-	1,401,212
Depreciation and amortization	549,366	-	15,894	-	565,260
Impairment losses	-	-	-	-	-
Other non-cash expenses	-	-	-	-	-

The Company operates in the domestic and international markets. Revenues from operations outside the Philippines account for 8% and 4% of the Company's total revenues for the periods ended September 2004 and 2003, respectively.

JOLLIBEE FOODS CORPORATION

	Dec-03 Stores	Opened YTD	Closed YTD	Ownership Change	Sep-04 Stores
NUMBER OF STORES					
JFC-Philippines					
Co-owned	196	3	2	-7	190
Franchised	271	11	1	7	288
Total	467	14	3	0	478
Greenwich					
Co-owned	113	11	5	0	119
Franchised	100	12	5	0	107
Total	213	23	10	0	226
Delifrance					
Co-owned	25	0	2		23
Franchised	5	1	1	0	5
Total	30	1	3	0	28
Chowking-Phils					
Co-owned	73	8	0	1	82
Franchised	172	23	0	-1	194
Total	245	31	0	0	276
Total Local Stores	955	69	16	0	1008
International:					
Jollibee:					
Hongkong	3	0	1	0	2
US	10	0	1	0	9
Others	8	4	0	0	12
Total	21	4	2	0	23
Chowking:					
US	6	2	0	0	8
Dubai	3	0	3	0	0
Total	9	2	3	0	8
Yonghe King					
C Co-owned	73	14	4	1	84
F Franchised	4	2	0	-1	5
Total	77	16	4	0	89
Tomi's Teriyaki	3	0	3	0	0
Total International Stores	110	22	12	0	120
Grand Total	1065	91	28	0	1128
NUMBER OF SHARES (in '000)					
Issued and Subscribed (Net of treasury shares)					987,648
Weighted Average - Basic					986,788
SYSTEMWIDE SALES (in '000 Pesos)					
	2003	2004		Growth	
Year-to-date September	20,764,128	25,617,178		23.4%	
Quarter 3	6,903,905	8,597,916		24.5%	

STORES GEOGRAPHICAL LOCATION

As of Sept 30, 2004

Jollibee - Philippines	Sep-04	Dec-03	Changes
Metro Manila	214	213	1
Central Luzon	38	38	0
Northern Luzon	39	35	4
Southern Luzon	103	102	1
Visayas	49	47	2
Mindanao	35	32	3
Total	478	467	11
Greenwich Pizza			
Metro Manila	107	104	3
Central Luzon	13	12	1
Northern Luzon	27	23	4
Southern Luzon	39	37	2
Visayas	20	19	1
Mindanao	20	18	2
Total	226	213	13
Chowking			
Metro Manila	139	126	13
Central Luzon	39	32	7
Northern Luzon	16	16	0
Southern Luzon	40	36	4
Visayas	22	20	2
Mindanao	20	15	5
Total	276	245	31