

**THE JOLLIBEE GROUP OF COMPANIES
ANNOUNCES SOLID 2002 4TH QUARTER
& FULL YEAR RESULTS**

Metro Manila, Philippines, 14 February 2003 - *Jollibee Foods Corporation* (PSE: JFC/JFCW) – **Results for the quarter and twelve months ended December 31, 2002** (all references vs. same period last year)

- Systemwide Sales increased 12.7% to P 7.4 billion for the quarter and 11.0% to P 26.8 billion for the year
- Consolidated Sales Revenues rose 8.7% to P 5.6 billion for the quarter and 8.3% to P 20.3 billion for the year
- Effective January 1, 2003, the company adopted SFAS / IAS 38, where pre-operating expenses of company-owned stores are expensed directly instead of being amortized over a number of years. As such, all 2002 statements and prior will be re-stated to align with this.
- Before the adjustment, Income from Operations was higher by 15.2% at P485.6 million for the quarter and by 26.8% at P 1.53 billion for the year. After the adjustment, Income from Operations was higher by 22.4% at P 450.3 million for the quarter and by 37.3% at P 1.52 billion for the year.
- 4th quarter 2001 non-recurring charges, which amount to P 372 million after tax, included provisions for asset writedowns related to real estate investments entered into in prior years and for the closure of a number of unproductive stores across the JFC network of restaurants in the Philippines.
- Net income, before non-recurring items last year, was up by 9.2% to P 272 million for the quarter and up by 21.2% at P 1.05 billion for the year. After non-recurring items, Net Income for the quarter represented a significant swing into positive territory and our full year profit is up by 112.7%. The resultant Earnings per Share (EPS) for the year items stood at P 1.076, up by 20.7% (after non-recurring charges last year, EPS is up by 111.8%).

“The JFC Group of Companies delivered another year of solid performance in 2002, “ said Tony Tan Caktiong, Chairman and Chief Executive Officer, “with superior earnings growth and a broad-based volume increase across all major business units. Our top line growth accelerated in the 4th quarter, driven by improved performance by our existing base of stores, new store additions and new products. On the cost management side, we have done well against our internal objectives on improved productivity at all levels, pruned portions of the business not anymore adding value, kept operating expense growth within manageable levels and lowered our interest expense. As such, our full year performance has met targets set at the beginning despite the difficult business environment.”

“Our performance was driven principally by the sustained dominance of our flagship business, **Jollibee-Philippines**. Given the expectedly keen competitive activity in the burger/chicken QSR segment, **Jollibee** reinforced its leadership position during this period by providing consumers with more reasons to visit our stores and enjoy our value-based offerings. We are also pleased to note that business initiatives implemented at **Greenwich** have resulted in seven consecutive double-digit growth quarters in same-store sales and a huge improvement in margins and profitability. Having driven a significant part of top line growth since we acquired the business in 2000, the growth level of our **Chowking** business unit has already normalized. However, because of the step-up in business scale that we have achieved in this business, Chowking now contributes significantly to the overall profitability of the group.”

The company continues to win awards for exemplary performance. For an unprecedented 5th straight year, the *Far Eastern Economic Review* named **JFC** as the Philippines’ leading company in its annual survey of Asia’s top corporations and was cited for its high quality products and services, innovativeness in responding to customer needs, long-term vision and for being the top company that others try to emulate. During the same period, the influential Management Association of the Philippines also named JFC Group Chairman Tony Tan Caktiong the Management Man of the Year. JFC was also named as the Best Small Company in the Philippines for 2002 by AsiaMoney magazine.

“As we enter 2003, our business momentum remains strong. This year marks our 25th year of success and let me take this opportunity to thank all of our loyal customers for their support. You can expect new and numerous value-adding initiatives from us as we celebrate this milestone. We also share in the increasingly optimistic view by the general business sector in the near term and will continue to invest for long-term. Because we have always focused on enhancing our value offerings to our consumers, our business is well positioned to capture the available growth opportunities that exist in the periods ahead”, added Mr. Tan Caktiong.

The company operates the largest fastfood chains in the country in their respective segments. In line with its long-term vision, **JFC** continued to expand its retail network nationwide. For the year, 30 new **Jollibee** stores, 31 new **Chowking** branches, 24 new **Greenwich** restaurants and 5 new **Delifrance** cafés were opened in the Philippines. As of the end of 4th quarter of 2002, **Jollibee Foods Corporation** had a total of 871 restaurants in the Philippines [436 **Jollibee**, 191 **Greenwich**, 216 **Chowking** and 28 **Delifrance**] and 31 restaurants overseas. With this, our worldwide network of stores now exceeds 900, another milestone in the brief but colorful history of the JFC Group of Companies.

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JOLLIBEE FOODS CORPORATION
Consolidated Statement of Income
For the 4th Quarter 2002
Peso Amounts in Thousands
(Unaudited)

	Quarter 4 - 2002		Quarter 4 - 2001		Change 2001 to 2002
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	5,144,890	92.2%	4,747,705	92.5%	8.4%
Royalties, franchise fees and others	435,183	7.8%	386,833	7.5%	12.5%
	5,580,073	100.0%	5,134,537	100.0%	8.7%
COST OF SALES					
	2,835,417	50.8%	2,752,933	53.6%	3.0%
GROSS PROFIT					
	2,744,655	49.2%	2,381,604	46.4%	15.2%
OPERATING EXPENSES					
Operating Expenses before adjustment	2,259,082	40.5%	1,960,249	38.2%	15.2%
Adjustments resulting from the adoption of SFAS 38/IAS 38					
Amortization - Current year	(16,788)	(0.3%)	(7,675)	(0.1%)	(118.7%)
Pre-operating Expenses - Current year	52,063	0.9%	61,146	1.2%	(14.9%)
	2,294,357	41.1%	2,013,721	39.2%	13.9%
INCOME FROM OPERATIONS					
Before adjustments	485,574	8.7%	421,355	8.2%	15.2%
After adjustments	450,298	8.1%	367,884	7.2%	22.4%
OTHER INCOME (CHARGES)					
Interest expense and other charges	141	0.0%	(16,269)	(0.3%)	100.9%
PROFIT BEFORE INCOME TAX					
Before adjustments	485,715	8.7%	405,086	7.9%	19.9%
After adjustments	450,439	8.1%	351,615	6.8%	28.1%
PROVISION FOR INCOME TAX					
	182,447	3.3%	105,557	2.1%	72.8%
PROFIT BEFORE MINORITY INTEREST					
Before adjustments	303,267	5.4%	299,529	5.8%	1.2%
After adjustments	267,992	4.8%	246,059	4.8%	8.9%
MINORITY INTEREST					
	(3,822)	(0.1%)	(2,779)	(0.1%)	(37.5%)
NET INCOME BEFORE PROVISION FOR IMPAIRMENT IN VALUE OF NON-OPERATING ASSETS					
Before adjustments	307,089	5.5%	302,308	5.9%	1.6%
After adjustments	271,814	4.9%	248,837	4.8%	9.2%
Provision for impairment in value of Non-operating assets		-	(377,859)	-	(100.0%)
NET INCOME BEFORE PROVISION FOR IMPAIRMENT IN VALUE OF NON-OPERATING ASSETS					
Before adjustments	307,089	5.5%	(75,551)	(1.5%)	506.5%
After adjustments	271,814	4.9%	(129,022)	(2.5%)	310.7%
Earnings per Share					
Basic	0.2776		(0.1347)		306.0%
Diluted	0.2726		(0.1348)		302.3%
Average Number of Common Shares-Basic (000)					
	979,197		957,552		
Average Number of Common Shares-Diluted (000)					
	996,972		957,486		

JOLLIBEE FOODS CORPORATION
Consolidated Statement of Income
For the Full Year 2002
Peso Amounts in Thousands
(Unaudited)

	December - 2002 (Unaudited)		December - 2001 (Audited)		Change 2001 to 2002
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	18,774,102	92.3%	17,446,127	92.8%	7.6%
Royalties, franchise fees and others	1,566,163	7.7%	1,343,856	7.2%	16.5%
	20,340,264	100.0%	18,789,983	100.0%	8.3%
COST OF SALES	10,669,918	52.5%	10,315,893	54.9%	3.4%
GROSS PROFIT	9,670,346	47.5%	8,474,091	45.1%	14.1%
OPERATING EXPENSES					
Operating Expenses before adjustment	8,144,678	40.0%	7,270,913	38.7%	12.0%
Adjustments resulting from the adoption of SFAS 38/IAS 38					
Amortization - Current year	(84,689)	(0.4%)	(65,001)	(0.3%)	(30.3%)
Pre-operating Expenses - Current year	87,406	0.4%	159,228	0.8%	(45.1%)
	8,147,395	40.1%	7,365,140	39.2%	10.6%
INCOME FROM OPERATIONS					
Before adjustments	1,525,668	7.5%	1,203,178	6.4%	26.8%
After adjustments	1,522,952	7.5%	1,108,951	5.9%	37.3%
OTHER INCOME (CHARGES)					
Interest expense and other charges	(44,466)	(0.2%)	(3,794)	(0.0%)	(1,071.9%)
PROFIT BEFORE INCOME TAX					
Before adjustments	1,481,202	7.3%	1,199,384	6.4%	23.5%
After adjustments	1,478,486	7.3%	1,105,156	5.9%	33.8%
PROVISION FOR INCOME TAX	432,349	2.1%	295,901	1.6%	46.1%
PROFIT BEFORE MINORITY INTEREST					
Before adjustments	1,048,854	5.2%	903,483	4.8%	16.1%
After adjustments	1,046,137	5.1%	809,256	4.3%	29.3%
MINORITY INTEREST	(2,342)	(0.0%)	(55,492)	(0.3%)	95.8%
NET INCOME BEFORE PROVISION FOR IMPAIRMENT IN VALUE OF NON-OPERATING ASSETS					
Before adjustments	1,051,196	5.2%	958,974	5.1%	9.6%
After adjustments	1,048,480	5.2%	864,747	4.6%	21.2%
Provision for impairment in value of Non-operating assets	-	-	(371,849)	-	(100.0%)
NET INCOME BEFORE PROVISION FOR IMPAIRMENT IN VALUE OF NON-OPERATING ASSETS					
Before adjustments	1,051,196	5.2%	587,125	3.1%	79.0%
After adjustments	1,048,480	5.2%	492,898	2.6%	112.7%
Earnings per Share (After Adjustments)					
Basic	1.0762		0.5082		111.8%
Diluted	1.0615		0.5077		109.1%
Average Number of Common Shares-Basic (000)	974,217		969,947		
Average Number of Common Shares-Diluted (000)	987,769		970,755		

JOLLIBEE FOODS CORPORATION

Consolidated Balance Sheet

As of December 31, 2002

(Unaudited)

Peso Amounts in Thousands

	December 2002	December 2001	Change
Cash and Cash Items	2,297,885	1,157,713	1,140,172
Accounts Receivables	900,834	804,992	95,841
Inventories	879,734	1,088,900	(209,166)
Prepaid Items & Other Current Assets	1,078,513	867,487	211,026
Total Current Assets	5,156,965	3,919,092	1,237,873
Property & Equipment	8,169,681	7,215,478	954,203
Accumulated Depreciation	(3,385,139)	(2,630,703)	(754,436)
Net Fixed Assets	4,784,542	4,584,775	199,767
Other Assets	1,081,676	1,322,804	(241,128)
Total Assets	11,023,183	9,826,671	1,196,512
Accounts Payable	1,447,949	1,189,784	258,164
Accrued Expenses	1,744,955	1,564,933	180,022
Other liabilities	336,198	420,172	(83,974)
Current portion of long-term debt	226,664	113,333	113,331
Total Current Liabilities	3,755,766	3,288,223	467,543
Noncurrent Liability			
Long-term debt - net of current portion	510,003	736,667	(226,664)
Minority Interest	152,010	109,927	42,083
Paid-up Capital	1,017,260	1,017,239	21
Excess on Par	1,691,189	1,656,968	34,221
Translation Adjustments	85,196	85,196	-
Retained Earnings			-
Appropriated for future expansion	1,200,000	1,200,000	-
Unappropriated	2,425,315	2,603,940	(178,625)
Prior year adjustment	(261,754)	(167,527)	(94,227)
Pnl-to-Date	1,048,480	-	1,048,480
Less: Warrants and treasury shares	(600,281)	(703,963)	103,682
Total Equity	6,605,404	5,691,853	913,550
Total Liabilities & Equity	11,023,183	9,826,671	1,196,512

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Cash Flows
As of December 31, 2002
(Unaudited)
Peso Amounts in Thousands

	Dec-02	Dec-01
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	1,478,486	733,308
Adjustments for:		
Depreciation and amortization	754,436	881,390
Impairment of non-operating assets		
Provisions for Doubtful accounts	-	6,186
Interest expense	87,650	78,309
Interest income	(132,116)	(45,677)
Loss on write off of deferred charges		5,200
Loss on write off of investments		4,875
Loss on write off of receivables		4,559
Equity in net losses (earnings of unconsolidated subsidiary)	11,592	(3,985)
Loss on disposal of property and equipment	-	132
Operating income before working capital changes	2,200,049	1,664,296
Changes in assets and liabilities:		
Decrease (increase) in:		
Trade receivables	(95,841)	66,310
Inventories	209,166	(197,235)
Prepaid items and other current assets	223,121	(91,053)
Increase (decrease) in:		
Accounts payable	258,164	(43,768)
Accrued expenses	516,495	276,958
Other current liabilities	(83,974)	(51,514)
Cash generated from operations	3,227,180	1,623,994
Income taxes paid	(336,473)	(362,020)
Interest paid	(87,650)	(78,309)
Net cash provided by operating activities	2,803,057	1,183,665
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(1,388,351)	(1,473,254)
Increase in other noncurrent assets	(202,813)	(310,473)
Interest received	132,116	45,677
Net cash of deconsolidated subsidiary		(10,427)
Proceeds from disposal of property and equipment		943
Net cash provided by (used in) investing activities	(1,459,048)	(1,747,533)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Warrants and treasury shares	-	(413,343)
Cash dividends	(272,852)	(220,196)
Bank loans	(113,333)	
Proceeds from:		
Availment of bank loans		850,000
Re-issuance of Treasury Stocks	103,682	
Issuance of and subscriptions to capital stock	34,242	19,786
Increase (decrease) in minority interest	44,425	156,596
Net cash provided by (used in) financing activities	(203,837)	392,844
Translation adjustments		111,219
Net Increase (Decrease) in Cash and Cash Equivalents	1,140,172	(59,806)
Cash and Cash Equivalents, Beginning	1,157,713	1,217,517
Cash and Cash Equivalents, End	2,297,885	1,157,713

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
As of December 31, 2002
(Unaudited)
Peso Amounts in Thousands

	Dec-02	Dec-01
Capital Stock - P1 par value		
Issued:		
Balance, beginning	1,017,239	1,014,395
Issuances	20	2,844
Balance, end	1,017,259	1,017,239
Subscribed Capital Stock (Subscription receivable on which amounted to P96.329 M as of December 2002)	3,127	-
	1,020,386	1,017,239
Additional Paid-in Capital		
Balance, beginning	1,656,968	1,640,025
Issuances	31,094	16,942
Balance, end	1,688,062	1,656,968
Share in Translation Adjustments of Investees		
Balance, beginning of year	85,196	85,196
Share in translation adjustments during the year	-	-
Balance, end	85,196	85,196
Retained Earnings		
Appropriated for future expansion	1,200,000	1,200,000
Unappropriated		
Balance, beginning	2,436,414	2,340,823
Cash dividends	(272,852)	(229,782)
Net income	1,048,480	492,900
Prior years' adjustment	(0)	(167,527)
Balance, end	3,212,041	2,436,414
	4,412,041	3,636,414
Warrants and Treasury Shares		
Balance, beginning	(703,963)	(290,620)
Acquisitions	-	(614,619)
Issuances (Stock Option Exercise & Conversion of Warrants in 2001)	103,682	201,277
	(600,281)	(703,962)
	6,605,404	5,691,853

JOLLIBEE FOODS CORPORATION
Notes and Additional Disclosures

1. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles.
2. The Company adopted SFAS 38/IAS 38 (Intangible Assets) which requires that pre-operating expenses be expensed as incurred. The adoption of the new standard resulted in a retroactive adjustment to beginning retained earnings of 2002 of about P262 million relating to the write-off of pre-operating expenses. Comparative prior period financial statements presented were restated accordingly.
3. 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 Tranche 3 of Tandem Stock Purchase and Option Plan (Part II) as the number of shares that will be subscribed for this tranche have not yet been established.
4. Segment Information

Business Segment Data						
For the Period ended December 31, 2002						
(Amounts in '000)						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	18,809,621	1,376,023	154,620			20,340,264
Inter-segment Sales		137,166	19,103		(156,270)	0
Segment Revenue	18,809,621	1,513,189	173,724		(156,270)	20,340,264
Segment Expense	16,368,643	101,045	180,658	2,323,236	(156,270)	18,817,313
Segment Result	2,440,978	1,412,144	(6,934)	(2,323,236)	0	1,522,951
Segment Assets	8,474,090	403,590	155,874		(753,229)	8,280,325
Segment Liabilities	2,812,112	224,544	1,206,072		(753,229)	3,489,498
Capital Expenditures	937,275	0	16,929			954,204
Non-cash expenses other than depreciation and amortization	(11,592)	0	0			0
Cash flows provided by (used in):						0
Operating activities	1,354,616	1,109,599	(17,891)			2,446,324
Investing activities	(1,086,423)		(15,892)			(1,102,315)
Financing activities	(149,674)		(54,163)			(203,838)
Business Segment Data						
For the Period Ended December 31, 2001						
(Amounts in '000)						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	17,823,414	868,362	98,207			18,789,983
Inter-segment Sales		125,331	18,558		(143,889)	0
Segment Revenue	17,823,414	993,693	116,765		(143,889)	18,789,983
Segment Expense	15,532,695	88,646	141,053	2,062,527	(143,889)	17,681,033
Segment Result	2,290,719	905,047	(24,289)	(2,062,527)	0	1,108,950
Segment Assets	5,962,547	327,890	1,264,712		(851,620)	6,703,529
Segment Liabilities	9,123,670	220,788	1,287,613		(851,620)	9,780,452
Capital Expenditures	1,473,254	0	0			1,473,254
Non-cash expenses other than depreciation and amortization	16,967					0
Cash flows provided by (used in):						0
Operating activities	611,033	665,804	(93,171)			1,183,665
Investing activities	(1,991,206)		243,673			(1,747,533)
Financing activities	455,623		(62,780)			392,844
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	Dec-02
NUMBER OF STORES				
JFC-Philippines				
Co-owned	191	13	10	194
Franchised	229	17	4	242
Total	420	30	14	436
Greenwich				
Co-owned	114	15	19	110
Franchised	80	9	8	81
Total	194	24	25	191
Delifrance				
Co-owned	20	4	1	23
Franchised	4	1		5
Total	24	5	1	28
Chowking-Phils				
Co-owned	63	8	2	69
Franchised	131	23	7	147
Total	194	31	9	216
Total Local Stores	832	90	49	871
International:				
Jollibee:				
Hongkong	4	0	0	4
US	8	0	0	8
Others	11	0	2	9
Total	23	0	2	21
Chowking:				
US	4	1	0	5
Dubai	3	0	0	3
Total	7	1	0	8
Tokyo Teriyaki	1	1	0	2
Total International Stores	31	2	2	31
Grand Total	863	92	51	902
<i>Note: Chowking USA's total stores in 2001 adjusted to include a store which was opened in Mira Mesa, California in March '01.</i>				
NUMBER OF SHARES (in '000)				
Ending balance	957,751			982,140
Weighted Average - Basic	969,947			974,217
SYSTEMWIDE SALES (in '000 Pesos)				
	2001	2002	Growth	
Quarter 4	6,541,004	7,369,604	12.7%	
December YTD	24,107,483	26,754,726	11.0%	

STORES GEOGRAPHICAL LOCATION

As of December 31, 2002

Jollibee - Philippines	Dec-02	Dec-01	Changes
Metro Manila	204	206	-2
Central Luzon	38	36	2
Northern Luzon	25	21	4
Southern Luzon	96	85	11
Visayas	44	42	2
Mindanao	29	30	-1
Total	436	420	16
Greenwich Pizza			
Metro Manila	93	101	-8
Central Luzon	14	12	2
Northern Luzon	17	14	3
Southern Luzon	32	33	-1
Visayas	22	21	1
Mindanao	13	13	0
Total	191	194	-3
Chowking			
Metro Manila	119	110	9
Central Luzon	26	19	7
Northern Luzon	12	10	2
Southern Luzon	30	28	2
Visayas	17	15	2
Mindanao	12	12	0
Total	216	194	22

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