

THE JFC GROUP OF COMPANIES
**Jollibee Sales Up 25% in Quarter 3,
Inflation Cuts Profit Growth**

Metro Manila, Philippines, October 18, 2004 – *Jollibee Foods Corporation (PSE: JFC/JFCW)* – **Sales and Profit update for the quarter ended September 30, 2004**

Sales of Jollibee Foods Corporation (JFC) to consumers rose by 24.5% in the third quarter of 2004 against the same period last year to 8.6 billion pesos, maintaining its strong growth in the first two quarters of 2004. Net income for the same period, however, grew by only 6.0% to an estimated 317 million pesos, as costs rose rapidly in August and September.

In a disclosure to the Securities and Exchange Commission, JFC Chief Finance Officer Ysmael V. Baysa reported that sales of all business units in the Philippines increased by double digits while its Yonghe King business in China grew by 35.9%. Profit margins in the domestic business, however, contracted as the rise in the cost of raw materials and utilities outpaced selling price adjustments on its products.

“The cost of packaging materials, utilities and certain raw materials rose rapidly in August and September driven mainly by the increase in the price of petroleum. We made slight price adjustments on our products and continued pursuing cost improvement on our operations, but they were not sufficient to immediately offset the impact of cost increases”, Mr. Baysa stated in its disclosure to the SEC.

He added that the final net income numbers for the third quarter will be reported in a few weeks together with the complete financial report package in line with the SEC information requirements. The key financial results are being disclosed in advance, however, for the benefit of the investing public particularly in view of the significant impact of inflation on its corporate earnings.

In the third quarter of 2004, the System Wide Sales of Jollibee, Chowking, Greenwich and Delifrance in the Philippines all grew by double digits ranging from 14% to 26% across regions but sales generally grew faster in the Visayas and Mindanao most likely on account of strong output and prices of farm produce. System Wide Sales measure all sales to consumers by both company owned and franchised stores.

The Yonghe King business in China grew by 35.9% in the third quarter versus the same period in 2003 and accounted for 6.0% of the total System Wide Sales of the JFC Group. Excluding the effect of the Yonghe King business which was acquired in March of 2004, JFC sales grew by 17.1% in the third quarter versus the same period of last year.

For the nine months ending on September 30, 2004, the System Wide Sales of Jollibee Foods Corporation grew by 23.4% against the same period in 2003 to 25.6 billion pesos. Excluding Yonghe King, System Wide Sales grew by 18.8%. Net income for the first nine months of the year rose by 28.0% to an estimated 1,167 million pesos.

JFC had opened a total of 91 stores in the first nine months of the year. Its total stores in the Philippines reached the 1,000 mark during the month of September. As of end of September, JFC had a total of 1,008 stores in the Philippines and 120 stores outside of the country for a total of 1,128 stores worldwide.

Jollibee Foods Corporation operates the country's largest food service chain. As of September 30, 2004, it had a total of 1,008 stores: Jollibee 478, Chowking 276, Greenwich 226, and Delifrance 28. Outside of the Philippines, JFC operates a total of 120 stores: Yonghe King 89, Jollibee 23, and Chowking 8, for a total of 1,128 stores worldwide.
