

THE JFC GROUP OF COMPANIES
**New Stores, Red Ribbon Lift Jollibee Revenues
 by 13.6% in Quarter 2**

Metro Manila, Philippines, August 15, 2006 – Jollibee Foods Corporation (PSE: JFC) – Financial Results for the quarter ended June 30, 2006.

The following are the highlights of JFC's results of operations for the quarter ended June 30, 2006.

	Quarter 2			First Half		
	2006	2005	% Change	2006	2005	% Change
System Wide Retail Sales	11,493,900	10,253,749	12.1%	21,849,084	19,244,200	13.5%
Revenues	8,392,684	7,390,824	13.6%	15,875,542	13,928,486	14.7%
Gross Profit	4,511,667	3,770,833	19.6%	8,578,481	7,084,719	20.9%
Net Income after Tax before Minority Interests	601,676	547,349	9.9%	1,050,118	910,508	15.3%
Net Income after Tax Attributable to Equity Holders of the Parent	603,147	536,243	12.5%	1,051,862	894,576	17.6%
Earnings per Common Share - Basic	0.6048	0.5408	11.8%	1.0562	0.9034	16.9%
Earnings per Common Share - Diluted	0.6036	0.5406	11.7%	1.0531	0.9026	16.7%

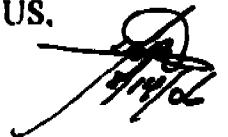
* Amounts in PHP '000, except % change and Per Share data

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

Revenues of Jollibee Foods Corporation grew by 13.6% in the second quarter of 2006 compared to the same period last year driven by the opening of new stores and the acquisition of Red Ribbon Bakeshop. In the first six months of 2006, the restaurant chains belonging to the Jollibee Group opened a total of 84 stores in local and foreign markets-compared to 37 new stores in the same period last year, while Red Ribbon Bakeshop which JFC acquired in October 2005 added almost Php 1.4 billion or 7.0% to its System Wide Sales, a measure of all sales both from company-owned and franchised stores.

“We accelerated the growth of our store network in 2006 despite the difficult business environment which is characterized by tightened consumer spending and rising costs, in order to continue to grow the market and to build stronger foundations for our future businesses”, Mr. Tony Tan Caktiong, JFC Chairman and Chief Executive Officer mentioned in a statement disclosed to the SEC and PSE and released to the press.

“We are also encouraged by the progress in our key projects across business units and corporate functions which are aimed at delivering significant long term impact on our growth and profitability. These included plans for the expansion of Red Ribbon both in the Philippines and in the US, the resurgence of growth of Jollibee brand in the US.



major product improvements in Yonghe King in China, continuous product improvements and new product introductions in our established businesses in the Philippines and the operation of our Shared Services in Manila”, Mr. Tan Caktiong added.

JFC Chief Finance Officer Mr. Ysmael V. Baysa disclosed that the company is in a position to generate a healthy profit growth in 2006 based on the first six months of actual financial results. “With the Php 1,050 million of net income generated in the first half of 2006, JFC may achieve a double digit profit growth rate over the Php 1,690 million net income it made in 2005”, Mr. Baysa stated. He cautioned, however, that the business environment remained very challenging. “Based on our research, consumers were eating out of home less often in the first and second quarters of 2006 compared to the same periods in 2005, even though in 2006- the economy grew slightly faster, the agriculture harvest was much higher, while inflation decelerated slightly”, Mr. Baysa added.

JFC’s net income in the second quarter of 2006 rose 10.0% compared to the same period last year while net income for the first six months grew by 15.3% over the first six months of 2005. The Operating Income margin, a very important measure in a time of rising costs were only slightly below 2005 level and already higher than the 2004 levels.

“Our Operating Income Margin of 9.0% of revenues in the second quarter of 2006 was just slightly below the level we achieved in the same period of 2005 with 9.2% of revenues but already above the 2004 level of 8.3% of revenues. These numbers indicated that our efforts to recover profit margins from rapidly rising costs were working. These efforts involved a combination of cost and efficiency improvement and a program of slight price adjustments”, Mr. Baysa stated.

JFC invested Php 876 million in capital expenditures mainly on new stores- in the first six months of 2006, 68% higher than the amount spent during the same period in 2005. It generated Php 1.7 billion of cash from operations, 27% higher than the amount made in the same period in 2005.

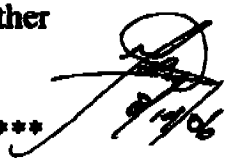
The Jollibee Group opened a total of 84 new stores in the first six months of 2006 broken down as follows: in the Philippines- Jollibee brand 28, Chowking 18, Greenwich 9, Red Ribbon 15, and Delifrance 3 for a total of 73 new stores; abroad- Yonghe King in the People’s Republic of China 7, Jollibee in Vietnam 1, Chowking in US 1,



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Chowking in Dubai 1, and Red Ribbon in the US 1 for a total of 11 new stores in foreign operations.

The JFC Group operates the Philippines' largest restaurant network. As of June 30, 2006 it was operating a total of 1,315 stores in the country: Jollibee brand 550, Chowking 341, Greenwich 241, Red Ribbon 144, and Delifrance 39. Abroad, it was operating 162 stores: in the People's Republic of China- Yonghe King 104, in the United States- Jollibee 10, Red Ribbon 18, and Chowking 10, in Dubai in the United Arab Emirates- Chowking 5, in Indonesia- Chowking 3, and in other parts of Asia 12, for a total of 1,477 stores worldwide.



JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the Period Ended June 2006

(Unaudited)

Peso Amounts in Thousands

	June 2006		June 2005		Change 2004 to 2005
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	14,886,740	93.2%	12,821,908	92.1%	16.1%
Royalties, franchise fees and others	1,088,802	6.8%	1,106,588	7.9%	(1.6%)
	15,975,542	100.0%	13,928,496	100.0%	14.7%
COST OF SALES	7,397,061	46.3%	6,833,778	49.1%	8.2%
GROSS PROFIT	8,578,481	53.7%	7,094,719	50.9%	20.9%
OPERATING EXPENSES					
General and administrative	6,874,084	43.0%	5,491,868	39.4%	25.2%
Advertising and promotion	384,947	2.4%	438,043	3.1%	(12.1%)
FINANCE INCOME (CHARGES)					
Interest income	22,794	0.1%	48,031	0.3%	(52.5%)
Interest expense	(12,216)	(0.1%)	(12,938)	(0.1%)	5.6%
EQUITY IN NET LOSS OF A JOINT VENTURE	(9,310)	(0.1%)	(8,039)	(0.1%)	(15.8%)
PROFIT BEFORE INCOME TAX	1,320,718	8.3%	1,191,861	8.6%	10.8%
PROVISION FOR INCOME TAX	270,600	1.7%	281,353	2.0%	(3.8%)
NET INCOME	1,050,118	6.6%	910,508	6.5%	15.3%
Attributable to:					
Equity holders of the parent	1,051,862	6.6%	894,576	6.4%	17.6%
Minority interests	(1,744)	(0.0%)	15,931	0.1%	(110.9%)
	1,050,118	6.6%	910,508	6.5%	15.3%
Earnings per Share					
Basic	1.0562		0.9034		16.9%
Diluted	1.0531		0.9025		16.7%
Average Number of Common Shares-Basic (000)	995,926		990,266		
Average Number of Common Shares-Diluted (000)	998,823		991,196		

JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the Quarter Ended June 2006

(Unaudited)

Peso Amounts in Thousands

	Quarter 2 2006		Quarter 2 2005		Change
	Pesos	Pct.	Pesos	Pct.	2004 to 2005
REVENUES					
Sales	7,831,865	93.3%	6,799,082	92.0%	15.2%
Royalties, franchise fees and others	560,829	6.7%	591,742	8.0%	(5.2%)
	8,392,694	100.0%	7,390,824	100.0%	13.6%
COST OF SALES					
	3,881,027	46.2%	3,619,991	49.0%	7.2%
GROSS PROFIT					
	4,511,667	53.8%	3,770,833	51.0%	19.6%
OPERATING EXPENSES					
General and administrative	3,558,322	42.4%	2,853,314	38.6%	24.7%
Advertising and promotion	200,630	2.4%	235,798	3.2%	(14.9%)
FINANCE INCOME (CHARGES)					
Interest income	15,791	0.2%	26,392	0.4%	(40.2%)
Interest expense	(7,112)	(0.1%)	(5,754)	(0.1%)	(23.6%)
EQUITY IN NET LOSS OF A JOINT VENTURE					
	(4,843)	(0.1%)	(3,525)	(0.0%)	(37.4%)
PROFIT BEFORE INCOME TAX					
	756,551	9.0%	698,835	9.5%	8.3%
PROVISION FOR INCOME TAX					
	154,876	1.8%	151,486	2.0%	2.2%
NET INCOME					
	601,676	7.2%	547,349	7.4%	9.9%
Attributable to:					
Equity holders of the parent	603,147	7.2%	536,243	7.3%	12.5%
Minority interests	(1,471)	(0.0%)	11,107	0.2%	(113.2%)
	601,676	7.2%	547,349	7.4%	9.9%
Earnings per Share					
Basic	0.6048		0.5408		11.8%
Diluted	0.6039		0.5406		11.7%
Average Number of Common Shares-Basic (000)					
	997,287		991,523		
Average Number of Common Shares-Diluted (000)					
	998,693		991,990		

JOLLIBEE FOODS CORPORATION

Consolidated Balance Sheet

As of June 30, 2006

Peso Amounts in Thousands

	June - 2006 (Unaudited)	Dec - 2005 (Audited)	Changes
Cash and Cash Items	3,006,286	2,889,538	116,748
Accounts Receivables	1,424,889	1,607,620	(182,731)
Inventories	1,411,178	1,380,060	31,117
Prepaid Items & Other Current Assets	1,067,119	907,637	159,482
Property & Equipment	13,845,211	13,095,849	749,362
Accumulated Depreciation	(6,686,000)	(6,083,007)	(602,993)
Other Assets	4,240,727	3,965,629	275,098
Total Assets	18,309,409	17,763,326	546,083
Accounts Payable	1,794,607	2,083,801	(289,194)
Accrued Expenses	2,982,430	2,647,321	335,109
Other liabilities	774,091	754,654	19,437
Current portion of provisions	618,345	618,345	-
Outstanding balance on acquisition of a business	155,514	155,514	-
Current portion of long-term debt	15,842	78,485	(62,642)
Total Current Liabilities	6,340,830	6,338,120	2,710
Noncurrent Liability			
Long-term debt - net of current portion	32,727	32,727	-
Provisions - net of current portion	32,493	32,493	-
Other non-current liabilities	1,432,921	1,462,005	(29,084)
Paid-up Capital	1,023,608	1,022,700	907
Excess on Par	1,779,877	1,771,347	8,529
Subscriptions receivable	(17,178)	(17,178)	-
Translation Adjustments	214,004	218,682	(4,678)
Unrealized gain or loss on fair value of assets	(317)	(317)	-
Retained Earnings			
Appropriated for future expansion	1,200,000	1,200,000	-
unappropriated	5,536,586	5,825,640	(289,054)
Prn-to-Date	1,050,117		1,050,117
Less: Warrants and treasury shares	(338,732)	(364,417)	25,685
Minority Interest	22,473	241,524	(219,051)
Total Equities	10,470,438	9,897,982	572,456
Total Liabilities & Equities	18,309,409	17,763,326	546,083

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
As of June 30, 2006
(Unaudited)
Peso Amounts In Thousands

	Jun-06	Jun-05
Capital Stock - P1 par value		
Issued and Subscribed		
Balance, beginning	1,022,700	1,022,158
Subscriptions and Issuances	907	199
Balance, end	1,023,608	1,022,357
Subscriptions Receivable		
Balance, beginning	(17,178)	(17,235)
Receivables on new subscriptions	-	-
Collections	-	57
Balance, end	(17,178)	(17,178)
Additional Paid-in Capital		
Balance, beginning	1,771,347	1,710,782
Premium on new issuances	1,492	1,916
Premium on re-issuances of treasury shares	7,037	(1,066)
Balance, end	1,779,877	1,711,631
Share in Translation Adjustments of Investees		
Balance, beginning of year	218,682	144,292
Share in translation adjustments during the year	(4,678)	2,475
Balance, end	214,004	146,767
Retained Earnings		
Appropriated for future expansion	1,200,000	1,200,000
Unappropriated		
Balance, beginning	5,825,640	4,748,307
Net income	1,050,117	894,576
Cash dividends	(289,054)	(268,221)
Prior years' adjustment	-	-
Balance, end	6,586,703	5,374,663
	7,786,703	6,574,663
Unrealized Loss on Available-For-Sale Financial Assets	(317)	(317)
Treasury Shares		
Balance, beginning	(364,417)	(440,653)
Reissuances	25,685	52,635
Balance, end	(338,732)	(388,018)
Minority Interest	22,473	218,103
	10,470,438	9,268,008

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Cash Flows
As of June 30, 2006
(Unaudited)
Peso Amounts In Thousands

	June 2006	June 2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	1,320,718	1,191,861
Adjustments for:		
Depreciation and amortization	602,993	494,567
Loss (Gain) on disposals and retirement of property and equipment	4,556	18,010
Interest income	(22,794)	(48,031)
Provisions for:		
Impairment in value of property, plant and equipment	-	2,687
Interest expense	12,216	12,938
Equity in net loss of a joint venture	9,310	8,039
Operating income before working capital changes	1,926,998	1,680,071
Changes in assets and liabilities:		
Decrease (increase) in:		
Trade receivables	182,731	289,068
Inventories	(31,117)	14,171
Prepaid items and other current assets	(159,482)	(181,953)
Increase (decrease) in:		
Accounts payable	(289,194)	(265,678)
Accrued expenses	295,644	(20,689)
Other liabilities	4,682	61,732
Cash generated from operations	1,930,263	1,576,722
Income taxes paid	(231,136)	(237,524)
Net cash provided by operating activities	1,699,128	1,339,199
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(875,879)	(522,440)
(Increase) Decrease in other noncurrent assets	(182,894)	(37,415)
Interest received	22,794	48,031
Proceeds from disposal of property and equipment	20,447	-
Net cash provided by (used in) investing activities	(1,015,532)	(511,824)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Cash dividends	(274,299)	(23,652)
Bank loans	(62,642)	(113,334)
Proceeds from:		
Issuance of Treasury Stocks	25,685	52,635
Issuance of and subscriptions to capital stock	9,437	2,025
Interest paid	(12,216)	(12,938)
Increase (Decrease) in noncurrent liabilities	(29,064)	21,317
Increase (decrease) in minority interest	(219,051)	(20,698)
Net cash provided by (used in) financing activities	(562,170)	(94,645)
Translation adjustments	(4,678)	2,475
Net Increase (Decrease) in Cash and Cash Equivalents	116,748	735,205
Cash and Cash Equivalents, Beginning	2,889,538	3,283,588
Cash and Cash Equivalents, End	3,006,286	4,018,794

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 as set forth in the Philippine Financial Reporting Standards (PFRS). PFRS includes statements titled PFRS and Philippine Accounting Standards (PAS), including Interpretations, issued by the Philippine Accounting Standards Council.

The consolidated financial statements have been prepared on the historical cost basis, except for derivative and available-for-sale financial assets in the 2005 balance sheet which are carried at fair value.. The consolidated financial statements are presented in Philippine peso, the Jollibee Group's functional and reporting currency, and all values are rounded to the nearest peso, except when otherwise indicated.

2. The consolidated financial statements comprise the financial statements of Jollibee Foods Corporation and its subsidiaries as at June 30, 2006.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized in assets and liabilities, are eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control, and continue to be consolidated until the date that such control ceases.

3. The Company adopted the same accounting policies, standards and methods of computations applied in the 2005 audited consolidated financial statements.
4. Food service operations have both peak and lean seasons. The material financial impact of this seasonality has been considered in the financial forecast.

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 June 30, 2006 and 2005:

JOLLIBEE FOODS CORPORATION

	Dec-05 Stores	Opened YTD	Closed YTD	Ownership Change	Jun-06 Stores
NUMBER OF STORES					
JFC-Philippines					
Co-owned	229	21	3	0	247
Franchised	300	7	4	0	303
Total	529	28	7	0	550
Chowking-Phils					
Co-owned	109	6	4	-1	110
Franchised	219	12	1	1	231
Total	328	18	5	0	341
Greenwich					
Co-owned	128	6	5	2	131
Franchised	111	3	2	-2	110
Total	239	9	7	0	241
Red Ribbon					
Co-owned	105	9	9	0	105
Franchised	34	6	1	0	39
Total	139	15	10	0	144
DeWfrance					
Co-owned	33	3	1	0	35
Franchised	4	0	0	0	4
Total	37	3	1	0	39
Total Local Stores	1272	73	30	0	1315
International:					
Jollibee:					
Hongkong	1	0	0	0	1
US	10	0	0	0	10
Vietnam	4	1	0	0	5
Others	8	0	2	0	6
Total	23	1	2	0	22
Chowking:					
US	9	1	0	0	10
Dubai	4	1	0	0	5
Indonesia	3	0	0	0	3
Total	16	2	0	0	18
Red Ribbon					
C Co-owned	17	1	0	0	18
F Franchised	0	0	0	0	0
Total	17	1	0	0	18
Yonghe King					
C Co-owned	95	7	4	0	98
F Franchised	6	0	0	0	6
Total	101	7	4	0	104
Total International Stores	157	11	6	0	162
Grand Total	1429	84	36	0	1477
NUMBER OF SHARES (in '000)					
Issued and Subscribed (Net of treasury shares)					997,634
Weighted Average - Basic					995,926
Weighted Average - Diluted					986,823
SYSTEMWIDE SALES (in '000 Pesos)					
	Jun-05	Jun-06		Growth	
Quarter 2	10,253,749	11,493,900		12.1%	
1st Half	19,244,200	21,849,094		13.5%	

STORES GEOGRAPHICAL LOCATION

As of June, 2006

Jollibee - Philippines	Jun-06	Dec-05	Changes
Metro Manila	226	222	4
Central Luzon	42	38	4
Northern Luzon	52	50	2
Southern Luzon	121	117	4
Visayas	61	57	4
Mindanao	48	45	3
Total	550	529	21
Greenwich Pizza			
Metro Manila	112	113	-1
Central Luzon	16	15	1
Northern Luzon	30	30	0
Southern Luzon	44	41	3
Visayas	20	20	0
Mindanao	19	20	-1
Total	241	239	2
Chowking			
Metro Manila	174	170	4
Central Luzon	42	42	0
Northern Luzon	21	19	2
Southern Luzon	53	49	4
Visayas	28	26	2
Mindanao	23	22	1
Total	341	328	13