

THE JOLLIBEE GROUP OF COMPANIES **ANNOUNCES 1ST QUARTER 2002 RESULTS**

Metro Manila, Philippines, 14 May 2002 - *Jollibee Foods Corporation* (PSE: JFC/JFCW) – **Results for the quarter ended March 31st, 2002** (all references vs. same period last year)

- Systemwide retail sales increased 11% to P 6.1 billion
- Consolidated total revenues grew 7% to P 4.7 billion
- Income from Operations was 4.2% higher at P 287 million
- Net income after tax for the quarter decreased 8.8% to P 198 million, due mainly to interest expenses
- Net Income per common share was 7.7% lower at P 0.206

Chairman and Chief Executive Officer Tony Tan Caktiong said, “We are pleased to report that, while the pace of general Philippine business was markedly slow at the start of the year due mainly to the bearishness carried-over from the 4th quarter of 2001, our business has been on an improvement trend from January through April. Overall System-wide Retail Sales has stayed above the P 6 billion mark for the 4th consecutive quarter and, together with our Consolidated Revenues, continued to grow amid the challenging economic environment in the interim. Cost containment initiatives implemented across our system have somewhat offset the significant increase in fuel, utility and labor costs, enabling a general maintenance of margin levels with that of last year and resulting in a modest and expected increase in operating profits. With the positive effects of a strengthening peso and the improvement of other factors like inflation and interest rates, this favorable trend should continue over the short term and our business is well-poised to capitalize on the expected opportunity in the balance of the year.”

“Jollibee-Philippines continued to drive our business, enhancing its strong leadership in the QSR industry with consistent profitability. However, because of poor business conditions, ***Jollibee***, with its unmatched network of outlets, experienced a 2% same-store sales decline during the quarter. We do believe that the interim low point of our business is behind us, as ***Jollibee*** is back in positive territory in April and May has started on a positive note.”

“I am also very pleased to note that our ***Chowking*** business has sustained its strong performance in 2001. Same store sales and profitability continued to grow in the 1st quarter, despite lapping a period of unprecedented growth last year. We are proud to proclaim that ***Chowking*** is now a significant and consistent contributor to ***JFC*** profitability.”

“The rapid recovery of our Greenwich Pizza subsidiary continued in the 1st quarter. With the combined effects of improved store operations and an expanded and improved product line-up, same store growth rates have been sustained in the mid-teens for the last four quarters and we expect that our on-going management initiatives will sustain this performance in 2001.”

The company operates the largest fast food chains in the country and continues to expand its network by the timely addition of appropriately sized stores in carefully selected locations. At the end of the 1st quarter, ***Jollibee Foods Corporation*** had a total of 826 restaurants operational in the Philippines [418 ***Jollibee***, 187 ***Greenwich***, 195 ***Chowking*** and 26 ***Delifrance***] and 28 restaurants overseas.

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JOLLIBEE FOODS CORPORATION

Consolidated Statement of Income

For the 1st Quarter 2002

(Unaudited)

Peso Amounts in Thousands

	Qtr. 1 - 2002		Qtr. 1 - 2001		Change 2000 to 2001
	Pesos	Pct.	Pesos	Pct.	
REVENUES					
Sales	4,311,813	92.7%	4,036,302	92.7%	6.8%
Royalties, franchise fees and others	338,325	7.3%	316,980	7.3%	6.7%
	4,650,137	100.0%	4,353,282	100.0%	6.8%
COST OF SALES	2,540,753	54.6%	2,457,289	56.4%	3.4%
GROSS PROFIT	2,109,384	45.4%	1,895,993	43.6%	11.3%
OPERATING EXPENSES	1,822,882	39.2%	1,621,124	37.2%	12.4%
Income from Operations	286,502	6.2%	274,869	6.3%	4.2%
OTHER INCOME (CHARGES)	(17,033)	(0.4%)	2,401	0.1%	(809.4%)
PROFIT BEFORE INCOME TAX	269,469	5.8%	277,270	6.4%	(2.8%)
PROVISION FOR INCOME TAX	74,127	1.6%	68,504	1.6%	8.2%
PROFIT BEFORE MINORITY INTEREST	195,342	4.2%	208,766	4.8%	(6.4%)
MINORITY INTEREST	(2,280)	(0.0%)	(7,840)	(0.2%)	(70.9%)
NET INCOME	197,621	4.2%	216,605	5.0%	(8.8%)
Earnings per Share					
Basic	0.2062		0.2233		(7.7%)
Diluted	0.2039		0.2231		(8.6%)
Average Number of Common Shares-Basic (000)	958,560		969,947		
Average Number of Common Shares-Diluted (000)	969,203		970,755		

JOLLIBEE FOODS CORPORATION

Consolidated Balance Sheet

As of March 31, 2002

(Unaudited)

Peso Amounts in Thousands

	March - 2002	Dec. - 2001	Changes
Cash and Cash Items	1,141,006	1,157,713	(16,707)
Accounts Receivables	793,542	804,992	(11,450)
Inventories	928,439	1,088,900	(160,461)
Prepaid Items & Other Current Assets	864,653	867,487	(2,834)
Property & Equipment	7,446,522	7,215,478	231,044
Accumulated Depreciation	(2,786,698)	(2,630,703)	(155,995)
Other Assets	1,498,321	1,584,558	(86,238)
Total Assets	9,885,785	10,088,425	(202,640)
Accounts Payable	977,562	1,189,784	(212,222)
Accrued Expenses	1,323,502	1,564,933	(241,432)
Other liabilities	413,540	420,172	(6,633)
Current portion of long-term debt	113,333	-	113,333
Total Liabilities	2,827,937	3,174,890	(346,953)
Noncurrent Liability			
Long-term debt - net of current portion	736,667	850,000	(113,333)
Minority Interest	154,265	109,927	44,338
Paid-up Capital	1,017,242	1,017,239	3
Excess on Par	1,658,969	1,656,968	2,001
Translation Adjustments	85,196	85,196	-
Retained Earnings			
Appropriated for future expansion	1,200,000	1,200,000	-
unappropriated	2,698,167	2,698,167	(0)
Pnl-to-Date	197,621	-	197,621
Less: Warrants and treasury shares	(690,278)	(703,963)	13,685
Total Equities	6,166,917	5,953,607	213,309
Total Liabilities & Equities	9,885,785	10,088,425	(202,639)

JOLLIBEE FOODS CORPORATION

Consolidated Statements of Cash Flows

As of March 31, 2002
(Unaudited)
Peso Amounts in Thousands

	Mar-02	Mar-01
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	269,469	277,270
Adjustments for:		
Depreciation and amortization	155,995	143,666
Provisions for Doubtful accounts	-	341
Interest expense	27,210	1
Interest income	(10,177)	(2,400)
Equity in net losses (earnings of unconsolidated subsidiary)	(1,808)	805
Loss on disposal of property and equipment	-	
Operating income before working capital changes	440,689	419,683
Changes in assets and liabilities:		
Decrease (increase) in:		
Trade receivables	11,450	50,280
Inventories	160,461	(47,913)
Prepaid items and other current assets	2,833	(382,013)
Increase (decrease) in:		
Accounts payable	(212,222)	(203,793)
Accrued expenses	(169,752)	122,559
Other current liabilities	(6,633)	(112,870)
Cash generated from operations	226,826	(154,066)
Income taxes paid during the quarter	(71,679)	(78,928)
Interest paid	(27,210)	(1)
Net cash provided by operating activities	127,937	(232,995)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(231,044)	(203,835)
Increase in other noncurrent assets	13,918	(98,493)
Interest received	10,177	2,400
Net cash of deconsolidated subsidiary		(6,993)
Proceeds from disposal of property and equipment		
Net cash provided by (used in) investing activities	(206,949)	(306,921)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Availment of bank loans		
Re-issuance of Treasury Stocks	13,684	
Issuance of and subscriptions to capital stock	2,004	8,995
Increase (decrease) in minority interest	46,618	0
Net cash provided by (used in) financing activities	62,306	8,995
Translation adjustments		
Net Increase (Decrease) in Cash and Cash Equivalents	(16,707)	(530,921)
Cash and Cash Equivalents, Beginning	1,157,713	1,217,517
Cash and Cash Equivalents, End	1,141,006	686,596

JOLLIBEE FOODS CORPORATION
Consolidated Statements of Changes in Stockholders' Equity

As of March 31, 2002

(Unaudited)

Peso Amounts in Thousands

	Mar-02	Mar-01
Capital Stock - P1 par value		
Issued:		
Balance, beginning	1,017,239	1,014,395
Issuances	3	779
Balance, end	1,017,242	1,015,174
Subscribed Capital Stock (Subscription receivable on which amounted to P103,304 as of March 2002)	1,970	-
	1,019,212	1,015,174
Additional Paid-in Capital		
Balance, beginning	1,656,968	1,640,025
Issuances	31	8,216
Balance, end	1,656,999	1,648,241
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	2,340,824
Cash dividends	-	-
Net income	197,621	216,605
Appropriation for future expansion	-	-
Balance, end	2,895,788	2,557,429
	4,095,788	3,757,429
Warrants and Treasury Shares		
Balance, beginning	(703,963)	(290,620)
Acquisitions	-	-
Issuances (Stock Option Exercise & Conversion of Warrants in 2001)	13,684	-
	(690,279)	(290,620)
	6,166,917	6,104,200

JOLLIBEE FOODS CORPORATION
Notes and Additional Disclosures

1. The same accounting policies and methods of computation stated in the December 31, 2001 and 2000 financial statements are applied in this report.
2. The financial statements for Quarter 1 2001 were restated to follow the format of the December 31, 2001 & 2000 financial statements as prescribed by SFAS No. 1 (revised 2000), Presentation of Financial Statements & 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 1 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.
3. 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). Quarter 1 2001 financial statements have been restated to effect this change and the treatment of BFFPI as an equity account.
4. 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 & Option Plan (Part II) as the number of shares that will be subscribed for these two tranches have not yet been established.
5. Segment Information

Business Segment Data For the Quarter ended March 31, 2002 ('000)						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	4,299,443	310,515	40,179			4,650,137
Inter-segment Sales		37,449	4,849		(42,298)	0
Segment Revenue	4,299,443	347,964	45,029		(42,298)	4,650,137
Segment Expense	3,816,520	30,616	43,915	514,881	(42,298)	4,363,635
Segment Result	482,922	317,348	1,113	(514,881)	0	286,502
Segment Assets	7,507,394	422,586	972,267		(789,123)	8,113,125
Segment Liabilities	2,122,795	230,797	1,211,012		(789,123)	2,775,481
Capital Expenditures	231,027	0	18			231,044
Non-cash expenses other than depreciation and amortization	(1,808)	0	0			(1,808)
Cash flows provided by (used in):						0
Operating activities	(53,056)	195,423	(14,431)			127,936
Investing activities	(228,263)		21,314			(206,949)
Financing activities	63,275		(968)			62,306
Business Segment Data For the Quarter Ended March 31, 2001						
	Food Service	Franchising	Real Estate	Others	Eliminations	Total
External Sales (Total Revenues)	4,039,203	281,835	32,244			4,353,282
Inter-segment Sales		30,574	6,196		(36,770)	0
Segment Revenue	4,039,203	312,409	38,440		(36,770)	4,353,282
Segment Expense	3,578,742	25,895	43,391	467,154	(36,770)	4,078,413
Segment Result	460,461	286,514	(4,951)	(467,154)	0	274,869
Segment Assets	5,734,834	352,356	1,335,092		(864,949)	6,557,333
Segment Liabilities	1,168,442	230,031	1,338,838		(864,949)	1,872,362
Capital Expenditures	203,835	0	0			203,835
Non-cash expenses other than depreciation and amortization	1,146					1,146
Cash flows provided by (used in):						0
Operating activities	(470,880)	229,952	7,932			(232,995)
Investing activities	(286,187)		(20,734)			(306,921)
Financing activities	(10,179)		19,174			8,995
Geographical Segments						
The Company operates both in the domestic and international markets. Revenues from operations within the Philippines account for 4% of the Company's total revenues.						

JOLLIBEE FOODS CORPORATION

	Dec-01	Opened	Closed	Mar-02
NUMBER OF STORES				
JFC-Philippines				
Co-owned	191	3	6	188
Franchised	229	3	2	230
Total	420	6	8	418
Greenwich				
Co-owned	114	3	9	108
Franchised	80	3	4	79
Total	194	6	13	187
Delifrance				
Co-owned	20	2		22
Franchised	4			4
Total	24	2	0	26
Chowking-Phils				
Co-owned	63	0	2	61
Franchised	131	4	1	134
Total	194	4	3	195
Total Local Stores	832	18	24	826
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	18	26	854
NUMBER OF SHARES (in '000)				
New Base	957,751			958,893
Weighted Average - Basic	969,947			958,560

SYSTEMWIDE SALES (in Million Pesos)	2001	2002	Growth
Quarter 1	5,546,025	6,137,590	10.7%

STORES GEOGRAPHICAL LOCATION

As of March 31, 2002

Jollibee - Philippines	Mar-02	Dec-01	Changes
Metro Manila	204	206	-2
Central Luzon	37	36	1
Northern Luzon	21	21	0
Southern Luzon	85	85	0
Visayas	42	42	0
Mindanao	29	30	-1
Total	418	420	-2
Greenwich Pizza			
Metro Manila	92	101	-9
Central Luzon	13	12	1
Northern Luzon	14	14	0
Southern Luzon	34	33	1
Visayas	20	21	-1
Mindanao	14	13	1
Total	187	194	-7
Chowking			
Metro Manila	110	110	0
Central Luzon	20	19	1
Northern Luzon	10	10	0
Southern Luzon	28	28	0
Visayas	15	15	0
Mindanao	12	12	0
Total	195	194	1

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