

THE JFC GROUP OF COMPANIES  
Jollibee 3<sup>rd</sup> Quarter Sales Up 12%, Profit Rises by 5%

Metro Manila, Philippines, November 12, 2008 – *Jollibee Foods Corporation (PSE: JFC)* – Results for the quarter ended September 30, 2008

The following are the highlights of JFC's results of operations for the quarter ended September 30, 2008:

| Financial Summary                   | Quarter 3 |        |          | YTD September 2008 |        |          |
|-------------------------------------|-----------|--------|----------|--------------------|--------|----------|
|                                     | 2008      | 2007   | % Change | 2008               | 2007   | % Change |
| System Wide Retail Sales            | 14,062    | 12,597 | 11.6%    | 41,608             | 37,535 | 10.9%    |
| Revenues                            | 10,828    | 9,470  | 14.3%    | 31,655             | 27,995 | 13.1%    |
| Net Income                          | 513       | 490    | 4.6%     | 1,638              | 1,813  | -9.7%    |
| Net Income Attributable to Equity   |           |        |          |                    |        |          |
| Holders of the Parent               | 513       | 490    | 4.6%     | 1,638              | 1,814  | -9.7%    |
| Earnings Per Common Share - Basic   | 0.501     | 0.486  | 3.2%     | 1.602              | 1.802  | -11.1%   |
| Earnings Per Common Share - Diluted | 0.501     | 0.485  | 3.2%     | 1.594              | 1.792  | -11.1%   |

\* Amounts in PhP Millions, except % change and Per Share data.

Sales of the Jollibee Group in its foreign businesses likewise continued to grow robustly according to Mr. Tan. "Our foreign businesses continued to perform strongly, growing by 18% in the third quarter compared to that of the same period last year. Of significance is that the new store opening in our foreign operations was approaching the number of new store opening in the Philippines. In the first nine months of 2008, we had opened 53 new stores abroad compared to 64 in the Philippines. These numbers still exclude Hongzhuangyuan Congee with 37 restaurants located mostly in Beijing that we acquired only in October 2008," he stated.

The Jollibee Group of Companies had opened a total of 117 stores in the first 9 months of the year as follows: in the Philippines, Jollibee +23, Chowking +12, Greenwich +2, Red Ribbon +19, Manong Pepe's +5, Delifrance +3; in the People's Republic of China, Yonghe King +30; in the United States, Jollibee +5, Chowking +2, Red Ribbon +7 and in other parts of the world +9.

On profit, JFC Chief Financial Officer Mr. Ysmael V. Baysa disclosed that the company's quarterly profit, compared to previous year rose for the first time after three quarters of negative growth that started in the fourth quarter of 2007, caused by the rapid increase in the cost of raw material and utilities. JFC's net income in the third quarter of 2008 grew by 4.6% compared to the same period in 2007. "We continued to make progress in our deliberate effort to recover profit margins through cost improvement and gradual price adjustments. We look forward to further margin improvement as the prices of raw materials and utilities stabilize," he stated.

For the first nine months of 2008, its net income was 9.7% lower than that of the same period in 2008, compared to 15.0% lower as of the first six months of the year.

The JFC Group of Companies operates the Philippines' largest fast food network. As of September 30, 2008, it had a total of 1,490 stores in the country: Jollibee brand with 641, Chowking with 379, Greenwich with 231, Red Ribbon with 205, Delifrance with 27 and Manong Pepe's with 7. It also operates 228 stores abroad mostly Yonghe King in the People's Republic of China with 127 stores for a total of 1,718 stores in 11 countries worldwide.

## 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 financial instruments and available-for-sale financial investments which have been measured at fair value. The consolidated financial statements are presented in Philippine peso, the Jollibee Group's functional and presentation currency under PFRS. All values are rounded to the nearest thousand, except when otherwise indicated.

2. The consolidated financial statements comprise the financial statements of Jollibee Foods Corporation and its subsidiaries as of September 30, 2008.

All intra-group balances, income and expenses and unrealized profits and losses resulting from intra-group transactions are eliminated in full.

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 Group adopted the same accounting policies, standards and methods of computations applied in the 2007 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 Quick Service Restaurants (QSR) and the manufacture of food products to be sold to the Jollibee Group owned and franchised QSR's.
- > The franchising segment is involved in the franchising of the Jollibee Group's QSR store concepts.
- > The leasing segment leases store sites mainly to the Jollibee Group's independent franchisees.

The Jollibee Group generally accounts for inter-segment sales and transfers at current market prices. Those transfers are eliminated at the consolidation as if the sales or transfers were to third parties.

The Jollibee Group's geographical segments are based on the location of the assets producing the revenues. Sales to external customers disclosed in the geographical segments are based on the geographical location of the customers.

#### > Business Segments

The following tables present revenues, expenses, assets and liabilities of the different business segments for the periods ended September 30, 2008 and 2007:

| As of the Period Ended September 30, 2008 |              |             |                      |             |              |
|---|--------------|-------------|----------------------|-------------|--------------|
|   | Food Service | Franchising | Leasing Eliminations | Total       |              |
| <i>(In Thousands)</i>                     |              |             |                      |             |              |
| <b>Results of Operations</b>              |              |             |                      |             |              |
| Revenues from external custom             | 30,008,084   | 1,556,887   | 89,550               | -           | 31,654,522   |
| Inter-segment revenues                    | 4,483,859    | 335,501     | 265,380              | (5,084,740) | -            |
| Segment revenues                          | 34,491,943   | 1,892,388   | 354,930              | (5,084,740) | 31,654,522   |
| Segment expenses                          | (29,318,081) | -           | (115,223)            | -           | (29,433,303) |
| Other segment income                      | -            | -           | -                    | -           | -            |
| Segment result                            | 5,173,863    | 1,892,388   | 239,707              | (5,084,740) | 2,221,218    |
| Interest expense                          | -            | -           | -                    | -           | (26,886)     |
| Interest income                           | -            | -           | -                    | -           | 86,705       |
| Income before income tax                  | -            | -           | -                    | -           | 2,281,037    |
| Income tax expense                        | -            | -           | -                    | -           | (643,408)    |
| Net income                                | -            | -           | -                    | -           | 1,637,629    |
| <b>Assets and liabilities</b>             |              |             |                      |             |              |
| Segment assets                            | 24,876,185   | -           | 397,841              | -           | 25,274,026   |
| Deferred tax assets                       | 822,687      | -           | 43,805               | -           | 866,491      |
| Total assets                              | 25,698,872   | -           | 441,645              | -           | 26,140,517   |
| Segment liabilities                       | 9,241,688    | -           | 230,697              | -           | 9,472,384    |
| Long-term debt                            | -            | -           | -                    | -           | 2,523,004    |
| Total liabilities                         | 9,241,688    | -           | 230,697              | -           | 11,995,389   |
| <b>Other segment information</b>          |              |             |                      |             |              |
| Capital expenditures                      | 1,651,544    | -           | -                    | -           | 1,651,544    |
| Depreciation and amortization             | 1,258,601    | -           | 1,043                | -           | 1,259,644    |

| As of the Period Ended September 30, 2007 |              |             |                      |             |              |
|---|--------------|-------------|----------------------|-------------|--------------|
|   | Food Service | Franchising | Leasing Eliminations | Total       |              |
| <i>(In Thousands)</i>                     |              |             |                      |             |              |
| <b>Results of Operations</b>              |              |             |                      |             |              |
| Revenues from external custom             | 26,393,285   | 1,427,570   | 174,178              | -           | 27,995,034   |
| Inter-segment revenues                    | 3,306,545    | 193,457     | 5,640                | (3,505,642) | -            |
| Segment revenues                          | 29,699,830   | 1,621,027   | 179,819              | (3,505,642) | 27,995,034   |
| Segment expenses                          | (25,513,232) | 9,365       | (143,420)            | -           | (25,647,287) |
| Segment result                            | 4,186,598    | 1,630,392   | 36,399               | (3,505,642) | 2,347,747    |
| Interest expense                          | -            | -           | -                    | -           | (12,106)     |
| Interest income                           | -            | -           | -                    | -           | 84,680       |
| Income before income tax                  | -            | -           | -                    | -           | 2,420,321    |
| Income tax expense                        | -            | -           | -                    | -           | (606,837)    |
| Net income                                | -            | -           | -                    | -           | 1,813,485    |
| <b>Assets and liabilities</b>             |              |             |                      |             |              |
| Segment assets                            | 22,168,983   | -           | 421,677              | (1,625,085) | 20,965,575   |
| Segment liabilities                       | 10,084,616   | -           | 351,533              | (2,216,550) | 8,219,599    |
| Long-term debt                            | -            | -           | -                    | -           | 47,159       |
| Total liabilities                         | 10,084,616   | -           | 351,533              | (2,216,550) | 8,266,758    |
| <b>Other segment information</b>          |              |             |                      |             |              |
| Capital expenditures                      | 1,656,665    | -           | -                    | -           | 1,656,665    |
| Depreciation and amortization             | 1,543,436    | -           | 2,718                | -           | 1,546,154    |

#### Geographical Segments

The following table presents revenues, segment assets and capital information regarding the Jollibee Group's geographical segments:

|                      | Philippines | International | Eliminations | Total      |
|----------------------|-------------|---------------|--------------|------------|
| September 2008       |             |               |              |            |
| Revenues             | 27,783,271  | 3,871,251     | -            | 31,654,522 |
| Segment assets       | 21,835,362  | 4,305,155     | -            | 26,140,517 |
| Capital expenditures | 1,049,287   | 602,257       | -            | 1,651,544  |
| September 2007       |             |               |              |            |
| Revenues             | 24,792,450  | 3,244,188     | (41,604)     | 27,995,034 |
| Segment assets       | 19,426,094  | 5,266,730     | (3,727,249)  | 20,965,575 |
| Capital expenditures | 1,455,384   | 201,281       | -            | 1,656,665  |

6. On September 8, 2008, JFC entered into an agreement to borrow money from several financial institutions to fund its investments in the People's Republic of China (PRC). The agreement covers a loan denominated in Renminbi amounting to China Yuan seven hundred million (CNY 700 million, equivalent to about USD 100 million) to be paid in three years at a fixed interest rate for Jollibee Foods Corporation and at a floating rate for the lenders at Libor plus 2.25%.

The financial institutions include the Metropolitan Bank and Trust Company, Banco De Oro Unibank, Inc., Rizal Commercial Banking Corporation and the Bank of Tokyo-Mitsubishi UFJ, Ltd. Manila Branch as lenders; Metropolitan Bank and Trust Company as facility agent; and UBS AG, Singapore Branch as the swap bank. The facility has been arranged by UBS AG, Hong Kong Branch.

The loan consists of Tranches A and B for CNY 350 million each. On September 26, 2008, JFC drew the full amount of Tranche A at 6.85% fixed rate using CNY 6.82: US\$ 1.00. The Tranche B loan is available for three months from signing date of the Agreement at rates that will be determined by JFC and the swap bank before December 8, 2008. Interests of Tranche A and B loans are payable semi-annually in arrears. Both loans are repayable in full in US dollar using the spot rate five business days before September 8, 2011.

This amount was raised in anticipation of our acquisition of Hongzhuangyuan restaurant in Beijing in October 2008 and the capital injection into our businesses in the PRC mainly in Yonghe King. The proceeds of this loan will all be invested in the PRC and therefore, the assets will likewise be denominated in RMB thereby eliminating foreign exchange exposure.

7. Events after Balance Sheet date

**Dividend Declaration**

The Board of Directors of the Parent Company approved on November 11, 2008 a cash dividend of P 0.48 per share of common stock to all stockholders of record as of November 28, 2008. This will be distributed on December 18, 2008. The cash dividend is 4.3% higher than that declared in the same period last year.

**New Business Ventures**

On October 1, 2008, JFC completed the purchase of 100% of Hongzhuangyuan, a chain of restaurants located mostly in Beijing, People's Republic of China. Consistent with the terms of the final agreement signed on August 23, 2008, JFC acquired Hongzhuangyuan for RMB 379 million (US\$55.5 million; P2.5 billion) through its wholly-owned subsidiary, Jollibee Worldwide, PTE Ltd. Of this amount, RMB 246.4 million was paid to the sellers as the initial payment, and the remaining RMB 132.6 million will be paid within the next 12 months.

The payment for the acquisition of Hongzhuangyuan is being funded by the proceeds from the Loan Facility Agreement entered into by JFC with several financial institutions on September 8, 2008.

The Beijing restaurant chain has an estimated 2008 annual sales of RMB 197 million (US\$28.9 million; P1.3 billion). Hongzhuangyuan operates a total of 37 restaurants of which 31 are company-owned, all located in Beijing and 6 are franchised stores situated in other cities in China. The Hongzhuangyuan business is quite profitable.

8. There are no other material events subsequent to the end of the interim period that are reasonably expected to have a material impact on the Company's net income from continuing operations.

JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES  
STORE NETWORK

|  | Dec-07<br>Stores | Opened<br>YTD | Closed<br>YTD | Ownership<br>Change | Sep-08<br>Stores |
|--|------------------|---------------|---------------|---------------------|------------------|
| <b>LOCAL</b>                                   |                  |               |               |                     |                  |
| <b>Jollibee</b>                                |                  |               |               |                     |                  |
| Co-owned                                       | 298              | 10            | 1             |                     | 307              |
| Franchised                                     | 321              | 13            | -             |                     | 334              |
| <b>Total</b>                                   | <b>619</b>       | <b>23</b>     | <b>1</b>      | <b>-</b>            | <b>641</b>       |
| <b>Chowking</b>                                |                  |               |               |                     |                  |
|  | 132              | 3             | 3             |                     | 132              |
| Franchised                                     | 244              | 9             | 6             |                     | 247              |
| <b>Total</b>                                   | <b>376</b>       | <b>12</b>     | <b>9</b>      | <b>-</b>            | <b>379</b>       |
| <b>Greenwich</b>                               |                  |               |               |                     |                  |
| Co-owned                                       | 132              | 1             | 9             |                     | 124              |
| Franchised                                     | 106              | 1             | 7             |                     | 100              |
| Multi-brand                                    | 7                | -             | -             |                     | 7                |
| <b>Total</b>                                   | <b>245</b>       | <b>2</b>      | <b>16</b>     | <b>-</b>            | <b>231</b>       |
| <b>Red Ribbon</b>                              |                  |               |               |                     |                  |
| Co-owned                                       | 118              | 6             | 6             |                     | 118              |
| Franchised                                     | 74               | 13            | -             |                     | 87               |
| <b>Total</b>                                   | <b>192</b>       | <b>19</b>     | <b>6</b>      | <b>-</b>            | <b>205</b>       |
| <b>Delifrance</b>                              |                  |               |               |                     |                  |
| Co-owned                                       | 22               | 2             | 2             |                     | 22               |
| Franchised                                     | 4                | 1             | -             |                     | 5                |
| <b>Total</b>                                   | <b>26</b>        | <b>3</b>      | <b>2</b>      | <b>-</b>            | <b>27</b>        |
| <b>Manong Pepe's</b>                           |                  |               |               |                     |                  |
|  | 2                | 5             | -             |                     | 7                |
| <b>Total Local Stores</b>                      | <b>1,460</b>     | <b>64</b>     | <b>34</b>     | <b>-</b>            | <b>1,490</b>     |
| <b>INTERNATIONAL</b>                           |                  |               |               |                     |                  |
| <b>Jollibee</b>                                |                  |               |               |                     |                  |
| Hongkong                                       | 1                | -             | -             |                     | 1                |
| US   | 14               | 5             | -             |                     | 19               |
| Brunei   | 9                | 2             | -             |                     | 11               |
| Guam   | 1                | -             | -             |                     | 1                |
| Vietnam  | 7                | 4             | 1             |                     | 10               |
| Jeddah   | -                | 1             | -             |                     | 1                |
| Saipan   | 1                | -             | -             |                     | 1                |
| China  | -                | 1             | -             |                     | 1                |
| <b>Total</b>                                   | <b>33</b>        | <b>13</b>     | <b>1</b>      | <b>-</b>            | <b>45</b>        |
| <b>Chowking</b>                                |                  |               |               |                     |                  |
| US   | 12               | 2             | -             |                     | 14               |
| Dubai  | 9                | 1             | -             |                     | 10               |
| Indonesia                                      | 5                | -             | -             |                     | 5                |
| <b>Total</b>                                   | <b>26</b>        | <b>3</b>      | <b>-</b>      | <b>-</b>            | <b>29</b>        |
| <b>Red Ribbon</b>                              |                  |               |               |                     |                  |
| Co-owned                                       | 20               | 5             | 1             |                     | 24               |
| Franchised                                     | -                | 2             | -             |                     | 2                |
| <b>Total</b>                                   | <b>20</b>        | <b>7</b>      | <b>1</b>      | <b>-</b>            | <b>26</b>        |
| <b>Yonghe King</b>                             |                  |               |               |                     |                  |
| Co-owned                                       | 95               | 30            | 2             |                     | 123              |
| Franchised                                     | 4                | -             | -             |                     | 4                |
| <b>Total</b>                                   | <b>99</b>        | <b>30</b>     | <b>2</b>      | <b>-</b>            | <b>127</b>       |
| <b>CST</b>                                     |                  |               |               |                     |                  |
|  | 1                | -             | -             |                     | 1                |
| <b>Total International Stores</b>              | <b>179</b>       | <b>53</b>     | <b>4</b>      | <b>-</b>            | <b>228</b>       |
| <b>Grand Total</b>                             | <b>1,639</b>     | <b>117</b>    | <b>38</b>     | <b>-</b>            | <b>1,718</b>     |
| <b>NUMBER OF SHARES (in '000)</b>              |                  |               |               |                     |                  |
| Issued and Subscribed (Net of treasury shares) |                  |               |               |                     | 1,023,480        |
| Weighted Average - Basic (YTD)                 |                  |               |               |                     | 1,021,986        |
| Weighted Average - Diluted (YTD)               |                  |               |               |                     | 1,027,512        |
| <b>SYSTEM WIDE SALES (in '000 Pesos)</b>       |                  |               |               |                     |                  |
|  | <b>Sep-08</b>    | <b>Sep-07</b> |               | <b>Growth</b>       |                  |
| 9 Months                                       | #####            | #####         |               | 10.9%               |                  |
| Quarter 3                                      | #####            | #####         |               | 11.6%               |                  |

**JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES**  
**STORES BY GEOGRAPHICAL LOCATION**  
**As of September 30, 2008 and December 31, 2007**

| <b>Jollibee - Philippines</b>                        | <b>Sep-08</b> | <b>Dec-07</b> | <b>Changes</b> |
|--|---------------|---------------|----------------|
| Metro North  | #REF!         | 133           | #REF!          |
| Metro South  | #REF!         | 138           | #REF!          |
| North Luzon  | #REF!         | 101           | #REF!          |
| South Luzon  | #REF!         | 101           | #REF!          |
| Visayas  | #REF!         | 81            | #REF!          |
| Mindanao   | #REF!         | 65            | #REF!          |
| <b>Total</b>   | <b>#REF!</b>  | <b>619</b>    | <b>#REF!</b>   |
| <b>Greenwich Pizza (Including multibrand stores)</b> |               |               |                |
| Metro Manila   | 111           | 118           | -7             |
| Central Luzon  | 15            | 15            | 0              |
| Northern Luzon                                       | 27            | 30            | -3             |
| Southern Luzon                                       | 35            | 39            | -4             |
| Visayas  | 21            | 21            | 0              |
| Mindanao   | 22            | 22            | 0              |
| <b>Total</b>   | <b>231</b>    | <b>245</b>    | <b>-14</b>     |
| <b>Chowking</b>                                      |               |               |                |
| Metro Manila   | #REF!         | 189           | #REF!          |
| Central Luzon  | #REF!         | 44            | #REF!          |
| Northern Luzon                                       | #REF!         | 30            | #REF!          |
| Southern Luzon                                       | #REF!         | 53            | #REF!          |
| Visayas  | #REF!         | 35            | #REF!          |
| Mindanao   | #REF!         | 25            | #REF!          |
| <b>Total</b>   | <b>#REF!</b>  | <b>376</b>    | <b>#REF!</b>   |