

THE JFC GROUP OF COMPANIES
JFC Accelerates Store Expansion, Opens 465 Stores in 2017
Sales and Profit Up 15%

Metro Manila, Philippines, February 13, 2018 – *Jollibee Foods Corporation* (PSE: JFC) – **Financial Results for the Quarter and Year ended December 31, 2017**

Following are the highlights of the financial results of operations of Jollibee Foods Corporation and Subsidiaries for the quarter and year ended December 31, 2017, based on its Unaudited Consolidated Financial Statements:

Financial Summary	Quarter 4			YTD December		
	2017	2016	% Change	2017	2016	% Change
System Wide Retail Sales	48,382	41,377	16.9%	171,770	149,142	15.2%
Revenues	37,060	31,620	17.2%	131,573	113,811	15.6%
Operating Income	1,477	1,549	-4.6%	7,075	6,465	9.4%
Net Income	1,821	1,681	8.3%	6,714	6,054	10.9%
Net Income Attributable to Equity						
Holders of the Parent Company	1,984	1,776	11.7%	7,089	6,165	15.0%
Earnings Per Common Share - Basic	1.830	1.652	10.8%	6.561	5.747	14.2%
Earnings Per Common Share - Diluted	1.809	1.633	10.8%	6.476	5.643	14.8%

In Php millions except Earnings Per Share data

Jollibee Foods Corporation (JFC), the largest Asian food service company opened a total of 465 new stores in 2017, the highest number of new stores opened in a year in JFC's 39-year history. JFC's system wide sales, a measure of all sales to consumers both from company-owned and franchised stores grew by 16.9% in the fourth quarter compared to sales in the same period of 2016 and by 15.2% for the entire year of 2017 driven by the expansion of store network and strong same store sales. For the entire year, sales of its restaurant chains in the Philippines grew by 13.2% while those abroad rose by 23.4%.

Sales of the Philippine business in the fourth quarter grew by 14.8% driven by the acceleration of store network expansion and continued strong same store sales growth. Sales of the foreign business grew by 21.3% (excluding divestments and acquisition) with Southeast Asia (ex-Philippines) growing by 41.0%, China 18.4%, North America 20.6% and the Middle East 17.7%. Including divestments and acquisition, sales of the foreign business grew by 26.3%. The strong worldwide sales growth of 16.9% for the quarter was driven by same store sales increase of 7.0%, store expansion of 9.0% and 1.0% impact of currency exchange rate changes.

JFC's net income attributable to equity holders of the Parent reached Php7.1 billion in 2017, 15.0% higher than the amount generated in 2016. For the quarter, JFC's net income attributable to equity holders of the Parent increased by 11.7% versus the same quarter last year. Basic earnings per share for 2017 amounted to Php6.561, 14.2% higher than the basic earnings per share for 2016. For the fourth quarter, basic earnings per share increased by 10.8% to Php1.830.

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Operating income for the year grew by 9.4% while operating income for the fourth quarter declined by 4.6%. Operating income margins for the quarter and the entire year decreased by 0.9% and 0.3% points, respectively despite the strong growth in revenues (+17% in the fourth quarter and +15.6% in 2017) as the rapid increase in cost of raw materials and freight as well as store and manufacturing expenses reduced JFC's gross profit margins.

General and administrative expenses increased at a slower rate compared to revenues – by 14.0% for the year and by 13.3% for the quarter. Expenses for advertising and promotions which increased to 3.2% of revenues in the fourth quarter and to 2.5% in 2017 driven by higher advertising spending of the China business.

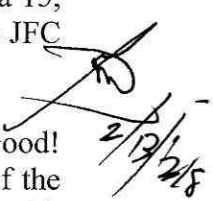
JFC Chief Financial Officer, Mr. Ysmael V. Baysa gave the following statement: “Gross profit margins in the Philippines were below year ago level as our rate of price adjustments was behind cost increases, following JFC's practice of implementing gradual price adjustments in order to help consumers adapt to rising inflation. The gradual price adjustments help to continuously drive volume growth of consumer visits per store despite rising inflation rate in the country. We expect to eventually recover our profit margins in 2018. Meanwhile, all regions in JFC's foreign markets: China, the United States, Southeast Asia, and the Middle East were profitable in 2017, with profit of total foreign business rising by 2.4 times compared to 2016.”

During the year, JFC made Php8.8 billion in capital investments mostly in new stores and supply chain facilities. The JFC Group opened 328 new stores in and Philippines and 137 new stores abroad. It ended 2017 with 3,797 stores, higher by 16.7% compared with 2016's 3,253 stores. JFC's Return on Equity for 2017 is 19.3%, compared with 19.2% for 2016.

For 2018, JFC has allotted Php12 billion in capital expenditures for new stores and renovation of existing stores both in the Philippines and abroad. This amount is higher by 36.5% compared with the actual capital expenditure spending in 2017.

JFC operates the largest food service network in the Philippines. As at December 31, 2017, it was operating 2,875 restaurant outlets in the country: Jollibee brand 1,062, Chowking 526, Greenwich 272, Red Ribbon 427, Mang Inasal 495 and Burger King 93. Abroad, it was operating 922 stores: Yonghe King (China) 309, Hong Zhuang Yuan (China) 43, Dunkin' Donuts (China) 15, Jollibee 198 (US 37, Vietnam 98, Brunei 15, Saudi Arabia 12, UAE 9, Qatar 6, Singapore 5, Kuwait 4, Hong Kong 8, Bahrain 1, Canada 2 and Oman 1), Red Ribbon in the US 31, Chowking 45 (US 15, UAE 20, Qatar 3, Oman 3, Kuwait 3, and Saudi Arabia 1), Highlands Coffee 244 (Vietnam 212, Philippines 32), Pho 24 29 (Vietnam 12, Indonesia 15, Korea 1, and Australia 1), Hard Rock Cafe 8 (Vietnam 2, Hong Kong 3, Macau 3). The JFC Group's worldwide store network reached 3,797 stores.

On February 13, 2018, JFC disclosed, through its wholly-owned subsidiary Bee Good! Inc. (BGI) that it will purchase an additional 45% of SJBF LLC (the parent company of the entities comprising Smashburger® business) pursuant to the mechanism in the agreement with Smashburger Master LLC as previously disclosed. This will increase BGI's ownership in SJBF LLC to a total of 85%.

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Smashburger, with headquarters in Denver, Colorado, has 365 restaurants (186 owned and 179 franchised) worldwide in 38 states in the US and in 10 foreign markets. Upon completion of the acquisition of the additional 45% of Smashburger, the JFC Group will have presence in 5 additional foreign countries: Costa Rica, Egypt, El Salvador, Panama and the United Kingdom (England and Scotland). The JFC Group will have presence in 21 countries outside the Philippines.

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