

Jamaica Broilers Group Limited

UNAUDITED CONSOLIDATED RESULTS FOR THE

SECOND QUARTER ENDED OCTOBER 12, 2002

Commentary

The Directors of Jamaica Broilers Group are pleased to release the un-audited financial statements for the second quarter ended 12th October 2002. The Group's turnover increased by 10% to \$1.55 billion and gross profit increased by a similar 10%. Gross profit as a percentage of turnover has remained unchanged at 25.7%. The 5% price increase effected in September, combined with operational efficiencies have stabilized the gross margins. Excellent operational performances in our grow-out operations have offset some of the negative impact of increased grain prices. Distribution costs for the quarter are above last year due to the restructuring of our cold storage management, which is now the responsibility of our marketing division. Administrative expenses have increased by 12%, while other income has increased in excess of 65%. Taxation provision shows an increase of \$5.4M over last year, due mainly to carried forward losses available last year. As a result of the above, earning per stock unit has remained fairly flat at just over 10 cents per share.

The quarter under review was a challenging one due mainly to the impact of increased grain prices and market resistance to a price increase which only partially offset the grain price increases. The staff, management and Board continue to strive to achieve international competitiveness and increased shareholder value and look forward under God's guidance, to

improved results for the remainder of the coming year.

Hon. R. Danvers Williams
Chairman

Robert E. Levy
Director

GROUP PROFIT AND LOSS ACCOUNT

	Note	Quarter ended Six periods to		Quarter ended Six periods to	
		12.10. 02	12. 10. 01	13 .10. 02	13. 10. 01
		\$'000	\$'000	\$'000	\$'000
Turnover		2,957,886	1,548,485	2,772,664	1,408,257
Cost of Sales	1	(2,198,647)	(1,149,286)	(2,059,231)	(1,045,833)
Gross Profit	1	759,239	399,199	713,433	362,524
Distribution costs		(125,322)	(63,885)	(99,613)	(49,290)
Administrative expenses		(486,828)	(265,985)	(446,142)	(236,800)
Other expenses/income		17,127	36,593	13,866	22,029
Exceptional items	2	100,000	0	(950)	(950)
Profit before taxation		264,216	105,922	180,594	97,513
Taxation		(47,559)	(19,082)	(22,611)	(13,658)
Net Profit After Tax		216,657	86,840	157,983	83,855
Minority Interest		(279)	(604)	1,500	3,196
Net Profit Attributable to Stockholders of Holding Company		216,378	86,236	159,483	87,051
		=====	=====	=====	=====

Earnings Per Stock Unit	25.26	10.07	18.62	10.16
	cents	cents	cents	cents

Notes

- (1) Cost of Sales and Distribution costs for the quarter ended 21 July 2001 has been restated for comparative purposes. As a part of our restructuring exercise last financial year, our marketing division is responsible for cold room operation (reported in distribution costs), which was previously reported in cost of sales
- (2) Exceptional Item
The Exceptional item of \$100,000,000 represents a return of surplus from the company's Superannuation Scheme
- (3) Accounting Periods
The Company's financial year consists of 13 four-week Periods. The quarterly Profit and Loss Account for each of the first three quarters consists of 3 four-week periods, with the fourth quarter being 4 four-week Periods. The accounting year ends on the Saturday closest to April 30.

Group Balance Sheet

	Note	12 October 2002 \$'000	27 April 2002 \$'000
NET ASSETS EMPLOYED			
Fixed Assets		1,629,051	1,686,219
Investments		242,729	204,714
Deferred Expenditure		17,270	17,852

Current Assets	1,897,014	1,908,199
Current Liabilities	<u>921,557</u>	<u>1,152,221</u>
	<u>2,864,507</u>	<u>2,664,763</u>
	=====	=====
FINANCED BY		
Share Capital	428,313	428,313
Capital Reserve	910,166	910,166
Retained Earnings	<u>987,055</u>	<u>770,677</u>
	<u>2,325,534</u>	<u>2,109,156</u>
Long Term Liabilities	<u>538,973</u>	<u>555,607</u>
	<u>2,864,507</u>	<u>2,664,763</u>
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Group Statement of Cash Flows

	12 October Note 2002 \$'000	13 October 2001 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN) :		
Operating Activities		
Net Profit	216,657	157,983
Items not affecting cash resources	<u>90,615</u>	<u>85,200</u>
	307,272	243,183
Changes in non-cash working capital components	(382,670)	(204,956)
Cash provided by/(used in) operations	<u>(75,398)</u>	<u>38,227</u>
Cash provided by(used in) financing activities	2,080	70,832
Cash (used in)/provided by investing activities	<u>(95,595)</u>	<u>(161,324)</u>

Increase/(decrease) in net cash and cash equivalents	(168,913)	(52,265)
Net cash and cash equivalents at beginning of year	<u>184,740</u>	<u>24,170</u>
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>15,827</u>	<u>(28,095)</u>
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Group Statement of Changes in Equity

	<u>Note</u>	<u>Number of Shares</u> \$'000	<u>Share Capital</u> \$'000	<u>Capital Reserve</u> \$'000	<u>Retained Earnings</u> \$'000	<u>Total</u> \$'000
Balance at 28 april 2001		642,470	321,235	875,453	599,709	1,796,397
Net profit		-	-	-	159,483	159,483
Balance at 13 October 2001		<u>642,470</u>	<u>321,235</u>	<u>875,453</u>	<u>59,192</u>	<u>1,956,880</u>
		=====	=====	=====	=====	=====
Balance at 27 April 2002		856,626	428,313	910,166	770,677	2,109,156
Net profit		-	-	-	216,378	216,378
Balance at 12 October, 2002		<u>856,626</u>	<u>428,313</u>	<u>910,166</u>	<u>987,055</u>	<u>2,325,534</u>
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