

Jamaica Broilers Group Limited

Report on Quarter ended July 24 2004

Commentary on unaudited 1st quarter results

The Directors, of Jamaica Broilers Group Ltd are pleased to release the unaudited financial results for the quarter ended July 24,2004.

These statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

The Groups turnover for this quarter, when compared to the corresponding period last year, showed an increased 20% to \$2.05 billion, while gross profits increased by 11% to \$459 million.

Further increases in the cost of grains imported from the United States, and the cost of cattle purchased from local farmers impacted our operations during this quarter. Market conditions constrained selling price adjustments.

Net profits attributable to stockholders increased from \$56.6 million to \$ 70.9 million, an increase of 25%. This equates to earnings per stock unit of 5.91 cents-compared to 4.72 cents in 2003.

New overseas markets have now been secured for the sale of fish. This augurs well for the future of the fish operations.

Completion on the sale of the investment property at Hope Road, Kngston at a price of US\$ 2.8 million is expected during second quarter.

The staff, management and Board look forward under Gods guidance, to further improvements in the results for the remainder of the year.

Malcolm McDonald
Director

Robert E Levy
President & Chief Executive Officer

September 09,2004

Interim Consolidated Profit and Loss account

as at July 24,2004

Unaudited	Quarter ended July 24,2004 \$'000	Quarter ended July 26,2003 \$'000
Turnover	2,051,295	1,701,353
Cost of Sales	(1,592,514)	(1,289,588)
Gross Profit	458,781	411,765
Other operating income	6,634	7,756
Distribution Costs	(58,751)	(50,654)
Administrative and other expenses	(316,738)	(268,854)
Operating Profit	89,926	100,013
Finance income / (costs)	2,303	(26,043)
Profit before taxation	92,229	73,970
Taxation	(21,313)	(17,371)
Net Profit after tax	70,916	56,599
Minority interest		
Net Profit attributable to stockholders of Holding Company	70,916 =====	56,599 =====
Earnings per Stock Unit	5.91 cents	4.72 cents

Consolidated Balance Sheet

(Condensed)

Unaudited

	July 24 2004 \$000's	May 01 2004 \$000's	July 26 2003 \$000's
NET ASSETS EMPLOYED			
Fixed Assets	1,744,162	1,725,011	1,648,493
Goodwill		-	10,144
Deferred Expenditure		-	16,750
Investment Property	35,534	46,087	42,016
Held to Maturity Investments	570,321	572,309	125,724
Available-for-sale investments	78,468	107,502	3,754
Deferred tax asset	25,799	25,799	
Pension Fund Surplus	153,300	153,300	148,400
Current Assets	2,508,549	2,396,961	2,455,205
Current Liabilities	(1,896,074)	(1,811,051)	(1,337,367)
	3,220,059	3,215,918	3,113,119
	=====	=====	=====
FINANCED BY			
Share Capital	599,638	599,638	599,639
Capital Reserve	858,631	858,631	851,161
Retained Earnings	1,260,848	1,189,932	879,602
Shareholder's equity	2,719,117	2,648,201	2,330,402
Minority Interest	5,145	5,145	5,145
Long Term Liabilities	146,059	212,834	487,818
Deferred Tax Liabilities	342,938	342,938	283,054
Employee Benefit Obligations	6,800	6,800	6,700
	3,220,059	3,215,918	3,113,119
	=====	=====	=====

Consolidated Statement of Changes in Shareholders Equity

Unaudited

	Number of Shares 000's	Share Capital \$000	Capital Reserves* \$000	Retained Earnings \$000	Total* \$000
Balance at May 03,2003-as previously reported	1,027,952	513,976	961,574	952,426	2,427,976
Effect of adopting IFRS					
IAS 12-Income Taxes			(125,469)	(158,620)	(284,089)
IAS 19-Employee Benefits					
Pension fund surplus				148,400	148,400
Post retirement benefits				(6,700)	(6,700)
Vacation leave payable				(13,682)	(13,682)
IAS 39 Financial instruments			3,810	(13,158)	(9,348)
Balance at May 03,2003 as restated	1,027,952	513,976	839,915	908,666	2,262,557
Bonus issue of shares	171,326	85,663		(85,663)	-
Translation Gain			11,857		11,857
Reserve on revaluation of available for sale investments			(611)		(611)
Net profit for period				56,599	56,599
Balance at July 26,2003	1,199,278	599,639	851,161	879,602	2,330,402
Balance at May 01,2004	1,199,277	599,638	858,631	1,189,932	2,648,201
Net Profit for period				70,916	70,916
Balance at July 24,2004	1,199,277	599,638	858,631	1,260,848	2,719,117

Consolidated Statement of Cash Flow
(Condensed)

Unaudited

	July 24 2004 \$'000	July 26 2003 \$'000
CASH RESOURCES WERE PROVIDED BY/ (USED IN) :		
Operating Activities		
Net Profit	70,916	56,599
Items not affecting cash resources	<u>39,292</u>	<u>39,920</u>
	110,208	96,519
Changes in non-cash working capital components	<u>221,567</u>	<u>563,003</u>
Cash provided by/(used in) operations	331,775	659,522
 Cash provided by/(used in) financing activities	 (265,140)	 (66,165)
Cash (used in) provided by investing activities	<u>(47,690)</u>	<u>(44,531)</u>
 Increase /(decrease) in net cash and cash equivalents	 18,945	 548,826
Net cash and cash equivalents at beginning of year	<u>170,159</u>	<u>(40,912)</u>
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>189,104</u>	<u>507,914</u>
	=====	=====

Segment Reporting Information

Consolidated

Quarter ended July 24, 2004

	Poultry Operations (\$000's)	Feed & Farm Supplies (\$000's)	Fish Operations (\$000's)	Other	Eliminations (\$000's)	Group Total (\$000's)
REVENUE						
External Sales	1,136,861	650,341	60,450	203,643		2,051,295
Inter-Segment Sales	6,338	39,369		182,319	(228,027)	-
Total revenue	1,143,199	689,711	60,450	385,962	(228,027)	2,051,295
	=====	=====	=====	=====	=====	=====
RESULT						
Segment Result	123,470	56,266	(16,892)	28,867		191,710
	=====	=====	=====	=====		
Unallocated corporate expenses						(101,784)
Finance income / (cost)						2,303
Exceptional items						-
Profit Before Taxation						92,229
Taxation						(21,313)
Profit from ordinary activities After Taxation						70,916
						=====

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment assets	1,830,973	790,488	313,467	1,391,671	3,814,726	(3,025,192)	5,116,133
Segment Liabilities	215,250	571,380	210,660	405,087	3,042,568	(2,397,666)	2,047,278

Segment Reporting Information

Consolidated

Quarter ended July 26, 2003

	Poultry Operations (\$000s)	Feed & Farm Supplies (\$000s)	Fish Operations (\$000s)	Other (\$000s)	Eliminations (\$000s)	Group Total (\$000s)	
REVENUE							
External Sales	942,121	501,115	93,610	164,508		1,701,353	
Inter-Segment Sales	1,381	36,119		145,766	(183,265)	-	
Total revenue	943,502	537,233	93,610	310,273	(183,265)	1,701,353	
	=====	=====	=====	=====	=====	=====	
RESULT							
Segment Result	138,996	48,172	(11,336)	13,004		188,835	
	=====	=====	=====	=====			
Unallocated corporate expenses						(88,822)	
Finance costs (net)						(26,043)	
Profit Before Taxation						73,970	
Taxation						(17,371)	
Profit from ordinary activities After Taxation						56,599	
						=====	
Balance Sheet	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Segment assets	1,688,138	591,936	316,753	1,070,516	3,220,502	(2,437,358)	4,450,486
Segment liabilities	393,257	478,242	281,904	297,429	2,591,933	(2,205,736)	1,837,030

Notes to the Interim Consolidated Financial Statements

Accounting Periods

The company's financial year consists of 13 four-week periods. The quarterly Profit & 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.

Basis of presentation

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention as modified by the revaluation of certain available-for-sale investments.

Segment reporting

The group is organised into three main business segments

Poultry Operations - Rearing of poultry for fertile egg production, broiler grow-out ; broiler processing and sales
Grow out and sale of started pullets

Feed and Farm Supplies - Manufacturing and sale of feeds and sale of farm supplies

Fish Operations - Grow out, processing and sale of fish

Agriculture

Current assets include biological assets With a carrying value of \$433.5 million at July 24,2004 (\$414.9 million at May 01,2004)

Biological assets include poultry breeder flocks, hatching eggs, baby chicks, chicken being grown out, grain fed cattle, fish and started pullets(layers)

These assets are carried at cost as no reliable measure for determining fair value has been identified
