

Jamaica Broilers Group Ltd
Report on 4th Quarter and Year ended May 03, 2008

Commentary on un-audited results

The Directors of Jamaica Broilers Group Ltd are pleased to release the un-audited financial results for the quarter and year ended May 03, 2008 which have been prepared in accordance with International Financial Reporting Standards.

This 50th year of operation was an important one for the Group in which we withstood many challenges presented to us subsequent to our entry into ethanol processing and exporting. Having overcome these challenges we are happy to report one of the best results, in recent times, for the Group.

The turnover for this quarter, when compared to the corresponding period last year, reflect an increase from \$4.0billion to \$8.1billion. This represents a 100% increase due primarily to the \$3billion of revenues from the new ethanol operation which commenced production in July 2007. Increases in the revenues of our poultry and feed business units were driven mainly by the significant increases in grain prices on the international market. The turnover for the year increased from \$11.5billion to \$20.5billion- a \$9billion or 78% increase.

Gross profits for the quarter increased from \$795million to \$1.433billion-a \$638million or 80% increase. For the year, gross profits increased from \$2.65billion to \$3.34billion-a \$690million or 26% increase.

Administrative costs, for this quarter, include one off expenditure in respect of the very successful Best Dressed 50 Fest and 50th Anniversary functions. Also included are expenses directly linked to the significant increase in revenue. The year over year increase in administrative costs amounted to 14%.


Operating profits for the quarter increased from \$288million to \$554million- a \$266million or 92% increase. The operating profits for the year increased from \$785million to \$1.224billion – a \$439million or 56% increase.

After tax profits attributable to stockholders for the quarter increased from \$167million to \$372million- a \$205million or 123% increase. This equates to an increase in earnings per stock unit from 13.89cents to 31.05cents.

After tax profits attributable to the stockholders for the year increased from \$512million to \$696million- a \$184million or 36% increase. This equates to an increase in earnings per stock unit from 42.70cents to 58.04cents.

The segment reporting information for the year reflects improvements in the Poultry and Feed & Farm Supplies segments. Ethanol Operations recorded a segment result of \$321million in 10 months of operations, all of which was made in the fourth quarter. The Fish Operations faced a number of challenges this year, particularly in the fourth quarter when the full effects were felt in respect of Hurricane Dean, cost increases on feed and resistance to price increases from our customers overseas.

The staff, management and Board will continue to seek God's guidance in managing the affairs of the Group, as we move forward into the future with confidence.



R Danny Williams
Chairman



Robert E. Levy
President & Chief Executive Officer

June 12, 2008

Interim Consolidated Profit and Loss account for quarter ended May 03,2008

	Quarter ended May 03,2008	Quarter ended April 28, 2007	Thirteen periods to May 03,2008	Thirteen periods to April 28, 2007* (audited)
	\$000	\$000	\$000	\$000
Turnover	8,139,437	4,002,207	20,456,965	11,490,300
Cost of Sales	(6,705,533)	(3,206,970)	(17,115,294)	(8,835,842)
Gross Profit	1,433,904	795,237	3,341,671	2,654,458
Other operating income	(32,203)	59,868	133,110	78,838
Interest Income	17,693	24,886	47,135	60,495
Distribution Costs	(126,385)	(100,780)	(430,914)	(364,081)
Administrative and other expenses	(738,768)	(490,839)	(1,866,683)	(1,644,986)
Operating Profit	554,241	288,372	1,224,319	784,724
Finance costs	(45,322)	(36,157)	(337,973)	(75,716)
Profit before taxation	508,919	252,215	886,346	709,008
Taxation	(136,506)	(85,617)	(190,334)	(196,869)
Net Profit attributable to stockholders of Holding Company	372,413	166,598	696,012	512,139
Earnings per Stock Unit-cents	31.05	13.89	58.04	42.70

* Restated to conform to audited statements

Segment Reporting Information-Consolidated thirteen periods ended May 03,2008

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Ethanol Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE							
External Sales	8,079,732	4,648,076	502,602	6,032,899	1,193,654	-	20,456,965
Inter-Segment Sales	51,968	319,519		-	558,615	(930,093)	-
Total revenue	8,131,691	4,967,595	502,602	6,032,899	1,752,269	(930,093)	20,456,965

RESULT							
Segment Result	1,148,721	445,532	(79,255)	321,104	142,387		1,978,489
Unallocated corporate expenses							(754,170)
Finance costs							(337,973)
Profit Before Taxation							886,346
Taxation							(190,334)
Profit from ordinary activities After Taxation							696,012

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Ethanol Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet								
Segment Assets	5,720,989	1,245,653	736,808	2,892,656	817,489	5,435,135	(6,623,251)	10,225,479
Segment Liabilities	2,378,583	598,547	744,055	2,578,061	460,969	4,915,559	(6,167,484)	5,508,290

Segment Reporting Information
 Consolidated
 Thirteen Periods ended April 28, 2007*

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE						
External Sales	6,510,721	3,478,510	514,853	986,215		11,490,300
Inter-Segment Sales	39,027	278,466		430,584	(748,078)	-
Total revenue	6,549,748	3,756,976	514,853	1,416,799	(748,078)	11,490,300

RESULT						
Segment Result	834,931	462,802	(23,412)	103,547		1,377,868
Unallocated corporate expenses						(593,144)
Finance costs						(75,716)
Profit Before Taxation						709,008
Taxation						(196,869)
Profit from ordinary activities After Taxation						512,139

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment Assets	4,078,020	1,054,018	587,558	2,311,313	1,296,570	(2,054,046)	7,273,433
Segment Liabilities	972,013	585,461	503,316	380,146	1,791,812	(1,677,002)	2,555,745

*Restated

Consolidated Balance Sheet (condensed) as at May 03, 2008

	May 03 2008	April 28 2007* (audited)
NET ASSETS EMPLOYED		
Fixed Assets	4,674,802	3,381,104
Intangible assets-Computer Software	87,227	101,781
Held to Maturity Investments	75,516	198,706
Available-for-sale investments	128,529	146,932
Deferred tax asset	1,195	1,240
Pension Fund Surplus	131,400	131,400
Current Assets	5,126,810	3,459,379
Current Liabilities	<u>(4,336,256)</u>	<u>(2,618,595)</u>
	<u>5,889,223</u>	<u>4,801,947</u>
FINANCED BY		
Share Capital	765,137	765,137
Capital Reserve	718,891	761,933
Retained Earnings	<u>3,233,161</u>	<u>2,693,055</u>
Shareholders' equity	4,717,189	4,220,125
Long Term Liabilities	820,606	231,845
Deferred Tax Liabilities	343,728	342,277
Employee Benefit Obligations	<u>7,700</u>	<u>7,700</u>
	<u>5,889,223</u>	<u>4,801,947</u>

* Restated to conform to audited statements

Consolidated Statement of Changes in Shareholders' Equity as at May 03, 2008

	Number of Shares 000's	Share Capital \$000	Capital Reserves \$000	Retained Earnings \$000	Total \$000
Balance at April 29,2006	1,199,277	765,137	720,077	2,318,833	3,804,047
Unrealised gain/(loss) on available -for-sale securities			(2,814)		(2,814)
Translation gain			44,670		44,670
Net profit for period				512,139	512,139
Dividends				(137,917)	(137,917)
Balance at April 28, 2007	1,199,278	765,137	761,933	2,693,055	4,220,125
Unrealised gain/(loss) on available -for-sale securities			(3,000)		(3,000)
Translation gain / (loss)			(40,042)		(40,042)
Net profit for period				696,012	696,012
Dividends				(155,906)	(155,906)
Balance at May 03,2008	1,199,278	765,137	718,891	3,233,161	4,717,189

Consolidated Statement of Cash Flows (Condensed) for thirteen periods ended May 03, 2008

	May 03 2008 \$000	April 28 2007 \$000 (Audited)
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net Profit	696,012	512,139
Items not affecting cash resources	491,000	210,188
	<u>1,187,012</u>	<u>722,327</u>
Changes in non-cash working capital components	(745,100)	8,734
Cash provided by/(used in) operations	<u>441,912</u>	<u>731,061</u>
Cash provided by/(used in) financing activities	571,200	(113,969)
Cash (used in) provided by investing activities	<u>(1,517,900)</u>	<u>(1,266,173)</u>
Increase /(decrease) in net cash and cash equivalents	(504,788)	(649,081)
Net cash and cash equivalents at beginning of year	(231,473)	417,608
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>(736,261)</u></u>	<u><u>(231,473)</u></u>

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; and energy supply to poultry processing operations

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

Fish Operations - Grow out , processing and sale of fish

Ethanol Operations- The processing and export sale of fuel grade ethanol

Other operations of the Group include the sale of feed ingredients, cattle rearing, processing and sale of beef products .

Agriculture

Current assets include biological assets with a carrying value of \$664 million at May 03, 2008 (\$ 569.5 million at April 28,2007)

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