

Jamaica Broilers Group Ltd

Commentary on unaudited 3rd quarter results

The Directors of Jamaica Broilers Group Ltd are pleased to release the unaudited financial statements for the quarter ended January 30, 2010, which have been prepared in accordance with International Financial Reporting Standards.

The year-to-date gross profits of \$3.7billion reflect a 23% increase over the \$3billion reported in the corresponding period last year. This was achieved despite a \$2.4billion or 12% decrease in sales revenues – down from \$19.7billion to \$17.3billion. The improved gross profit performance was due mainly to a strategic change, to contract processing, in the ethanol operations. This resulted in a \$360million or 90% increase in the Ethanol segment results, although gross revenues declined by \$4billion year over year. The Poultry and Feed / Farm segments also reflect improvements. As a result of cost containment measures, the Group saw margin increases in both segments, despite flat to moderate volume growth year over year.

The quarter over quarter comparison however, reflects a decrease in revenues and gross profits, due to a reduction in ethanol contract processing in this quarter. The Group's turnover for the quarter was \$6.0billion, compared to \$6.7billion last year – a 10% decrease; gross profits for the quarter amounted to \$1.2billion, as against \$1.4billion in the corresponding quarter last year – a 14% decrease.

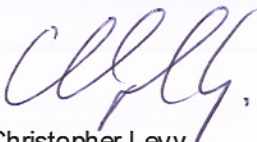
Administrative expenses, for the quarter and year to date, reflect ongoing cost containment.

Financing costs of \$110million for this quarter, compared to \$124million last year, show a decrease of \$14million-11%, due to debt restructuring and new financing arrangements.

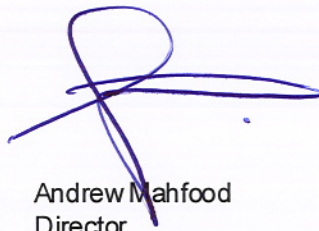
Against this background, profits after tax for the third quarter amounted to \$327million or 27.27cents per stock unit. This compares to \$461million or 38.44cents per stock unit last year.

The year-to-date after tax profit amounts to \$1.1billion or 89.14cents per stock unit, compared to \$521million or 43.44cents last year.

The staff, management and Board will continue to trust in God's guidance as we seek to further enhance shareholder value.



Christopher Levy
President & C.E.O



Andrew Mahfood
Director

March 12, 2010

Interim Group Income Statement for quarter ended January 30,2010

	Quarter ended January 30,2010 \$000	Quarter ended January 31,2009 \$000	Nine months ended January 30,2010 \$000	Nine months ended January 31,2009 \$000
Turnover	5,960,348	6,689,584	17,258,683	19,708,267
Cost of Sales	(4,792,532)	(5,279,817)	(13,607,613)	(16,757,259)
Gross Profit	1,167,816	1,409,767	3,651,070	2,951,008
Other operating income	3,795	4,132	19,388	19,985
Interest Income	15,693	13,082	34,096	32,071
Distribution Costs	(135,181)	(120,400)	(403,135)	(377,056)
Administrative and other expenses	(564,287)	(669,117)	(1,680,624)	(1,678,889)
Operating Profit	487,836	637,464	1,620,795	947,119
Finance costs	(109,521)	(123,745)	(398,945)	(361,972)
Profit before taxation	378,315	513,719	1,221,850	585,147
Taxation	(51,227)	(52,738)	(152,869)	(64,167)
Net Profit attributable to stockholders	327,088	460,981	1,068,981	520,980
Earnings per Stock Unit-cents	27.27	38.44	89.14	43.44

Consolidated Statement of Comprehensive Income

	Quarter ended January 30,2010 \$000	Quarter ended January 31,2009 \$000	Nine months ended January 30,2010 \$000	Nine months ended January 31,2009 \$000
Profit for period	327,088	460,981	1,068,981	520,980
Other comprehensive income / (loss)				
Currency translation differences on foreign subsidiaries	17,751	237,849	22,539	258,198
Fair value gains / (losses) on investments			(1,503)	
Income tax on other comprehensive income			496	
Total comprehensive income /(loss) for the period	344,839	698,830	1,090,513	779,178

Segment Reporting Information-Consolidated Nine months ended January 30, 2010

	Poultry Operations \$000	Feed & Farm Supplies \$000	Ethanol Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE						
External Sales	7,460,202	5,018,718	3,281,817	1,497,945	-	17,258,682
Inter-Segment Sales	119,302	392,392	-	405,721	(917,415)	-
Total revenue	7,579,503	5,411,109	3,281,817	1,903,666	(917,415)	17,258,682

RESULT

Segment Result	717,705	592,987	759,682	124,428		2,194,803
Corporate expenses						(574,009)
Finance costs						(398,945)
Profit Before Taxation						1,221,850
Taxation						(152,869)
Profit from ordinary activities After Taxation						1,068,981

	Poultry Operations	Feed & Farm Supplies	Ethanol Operations	Other	Unallocated	Elimination	Group Total
Balance sheet							
Segment Assets	5,313,448	1,544,308	4,135,027	3,564,094	6,344,269	(8,088,803)	12,812,344
Segment Liabilities	461,655	535,905	2,795,407	3,722,874	6,221,189	(7,716,967)	6,020,062

Segment Reporting Information-Consolidated Nine months ended January 31, 2009

	Poultry Operations \$000	Feed & Farm Supplies \$000	Ethanol Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE						
External Sales	6,996,592	4,017,823	7,276,717	1,417,135	-	19,708,267
Inter-Segment Sales	112,145	382,816	-	394,933	(889,895)	-
Total revenue	7,108,737	4,400,639	7,276,717	1,812,068	(889,895)	19,708,267

RESULT

Segment Result	479,425	409,857	399,254	96,331		1,384,866
Interest Income						32,071
Corporate expenses						(469,818)
Finance costs						(361,972)
Profit Before Taxation						585,147
Taxation						(64,167)
Profit from ordinary activities After Taxation						520,980

	Poultry Operations	Feed & Farm Supplies	Ethanol Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment Assets	4,482,989	1,429,898	5,578,681	3,639,049	5,942,816	(7,412,275)	13,661,157
Segment Liabilities	363,083	571,614	4,852,807	3,314,091	6,199,486	(7,160,431)	8,140,651

Group Statement of Financial Position (condensed) as at January 30, 2010

	January 30 2010 \$000	May 02 2009 \$000 (Audited)	January 31 2009 \$000
NET ASSETS EMPLOYED			
Fixed Assets	6,486,157	6,580,143	6,298,660
Intangible assets	71,586	77,843	78,071
Available-for-sale investments	104,098	193,481	189,889
Deferred income tax	12,983	12,983	1,492
Pension plan asset	157,400	157,400	119,000
Current Assets	5,980,120	6,389,816	6,974,041
Current Liabilities	(3,552,368)	(5,619,251)	(4,750,033)
	<u>9,259,976</u>	<u>7,792,415</u>	<u>8,911,120</u>
FINANCED BY			
Share Capital	765,137	765,137	765,137
Capital Reserve	1,080,499	1,058,967	956,891
Retained Earnings	4,946,646	3,973,607	3,798,445
Shareholder's equity	<u>6,792,282</u>	<u>5,797,711</u>	<u>5,520,473</u>
Long Term Liabilities	2,143,400	1,670,410	3,052,945
Deferred Income taxes	316,294	316,294	329,802
Employee Benefit Obligations	8,000	8,000	7,900
	<u>9,259,976</u>	<u>7,792,415</u>	<u>8,911,120</u>

Consolidated Statement of Changes in Shareholders' Equity as at January 30, 2010

	Number of Shares 000's	Share Capital \$000	Capital Reserves* \$000	Retained Earnings* \$000	Total* \$000
Balance at May 04, 2008	1,199,277	765,137	698,693	3,277,465	4,741,295
Total comprehensive income for period			258,198	520,980	779,178
Balance at January 31, 2009	1,199,277	765,137	956,891	3,798,445	5,520,473
Balance at May 03, 2009	1,199,277	765,137	1,058,967	3,973,607	5,797,711
Total comprehensive income for period			21,532	1,068,981	1,090,513
Dividend				(95,942)	(95,942)
Balance at January 30, 2010	1,199,277	765,137	1,080,499	4,946,646	6,792,282

Consolidated Statement of Cash Flows (Condensed) for nine months ended January 30, 2010

	January 30 2010 \$000	January 31 2009 \$000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net Profit	1,068,981	520,980
Items not affecting cash resources	396,400	493,000
	<u>1,465,381</u>	<u>1,013,980</u>
Changes in non-cash working capital components	1,167,200	(1,964,100)
Cash provided by/(used in) operations	<u>2,632,581</u>	<u>(950,120)</u>
Cash provided by/(used in) financing activities	(1,055,800)	1,935,600
Cash (used in) provided by investing activities	<u>(162,200)</u>	<u>(2,019,200)</u>
Increase /(decrease) in net cash and cash equivalents	1,414,581	(1,033,720)
Effects of changes in exchange rates	11,000	39,500
Net cash and cash equivalents at beginning of year	<u>(1,544,900)</u>	<u>(716,640)</u>
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(119,319)</u>	<u>(1,710,860)</u>

Notes to the Interim Consolidated Financial Statements

Quarter ended January 30,2010

Accounting Periods

The company's financial year consists of 12 accounting periods ending on the Saturday closest to the calendar month end .
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

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; grow out and sale of fish ; and co-generation energy supply.

Agriculture

Current assets include biological assets with a carrying value of \$885.3million at January 30,2010 (\$ 810.9million at May 02,2009)

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