

JAMAICA BROILERS GROUP LIMITED

**Unaudited Consolidated
Financial Statements For
Quarter Ended July 23,2005**

August 29,2005

Ja Broilers Group Ltd**Report on Quarter ended July 23,2005****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 23,2005.

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

The Group's turnover and gross profit for this quarter, when compared to the corresponding period last year, showed a flat performance, mainly due to the passage of hurricanes Dennis and Emily in July which resulted in a reduced turnover of approximately \$90 million-equivalent to 4.4% of revenues achieved for the quarter. During these hurricane periods the company could not sell into the market as customers were concerned that they would not have consistency in electricity supplies and refrigeration to protect the integrity of the products. Business interruption insurance claims could not be made as our properties were, in the main, not damaged by these hurricanes.

The company faced a further challenge from the continuing illegal importation of chicken leg quarters. We are in dialogue with the competent Authorities and have already noted some reduction in this regard.

Administrative expenses increased by \$37million - 12%, when compared to the corresponding period last year. Management is focusing attention on ways to reduce these costs.

Against this background, net profits attributable to stockholders amounted to \$45.6 million, down from \$70.9 million. This equates to earnings per stock unit of 3.8 cents-compared to 5.91 cents in 2004.

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

Malcolm McDonald
Director

Christopher Levy
Director

August 29,2005

Ja Broilers Group Ltd

**Interim Consolidated Profit and Loss account
Quarter Ended July 23,2005**

Unaudited	Quarter ended July 23,2005 \$000	Quarter ended July 24,2004 \$000
Turnover	2,023,852	2,051,295
Cost of Sales	<u>(1,558,228)</u>	<u>(1,592,514)</u>
Gross Profit	465,624	458,781
Other operating income	7,060	6,634
Distribution Costs	(66,034)	(58,751)
Administrative and other expenses	<u>(354,071)</u>	<u>(316,738)</u>
Operating Profit	52,579	89,926
Interest income	19,310	21,271
Financing costs	<u>(13,303)</u>	<u>(18,968)</u>
Profit before taxation	58,586	92,229
Taxation	<u>(12,961)</u>	<u>(21,313)</u>
Net Profit attributable to stockholders of Holding Company	<u><u>45,625</u></u>	<u><u>70,916</u></u>
Earnings per Stock Unit	3.80 cents	5.91 cents

**Consolidated Balance Sheet
(Condensed)
as at July 23,2005**

Unaudited

	July 23 2005 \$000's	April 30 2005 \$000's	July 24 2004 \$000's
NET ASSETS EMPLOYED			
Fixed Assets	1,833,573	1,837,752	1,744,162
Deferred Expenditure	3,338	-	
Investment Property	2,453	2,453	35,534
Held to Maturity Investments	185,045	412,960	570,321
Available-for-sale investments	538,823	340,746	78,468
Deferred tax asset	10,524	10,524	25,799
Pension Fund Surplus	218,900	218,900	153,300
Current Assets	2,873,115	3,015,796	2,508,549
Current Liabilities	<u>(1,750,190)</u>	<u>(1,963,076)</u>	<u>(1,896,074)</u>
	<u>3,915,581</u>	<u>3,876,055</u>	<u>3,220,059</u>
FINANCED BY			
Share Capital	599,638	599,638	599,638
Capital Reserve	838,172	839,221	858,631
Retained Earnings	<u>1,857,041</u>	<u>1,811,416</u>	<u>1,260,848</u>
Shareholder's equity	3,294,851	3,250,275	2,719,117
Minority Interest	5,145	5,145	5,145
Long Term Liabilities	223,727	230,476	146,059
Deferred Tax Liabilities	384,758	383,059	342,938
Employee Benefit Obligations	7,100	7,100	6,800
	<u>3,915,581</u>	<u>3,876,055</u>	<u>3,220,059</u>

**Consolidated Statement of Changes in Shareholders' Equity
as at July 23,2005**

Unaudited

	Number of Shares 000's	Share Capital \$000	Capital Reserves * \$000	Retained Earnings * \$000	Total * \$000
Balance at May 02,2004	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	<u>1,199,277</u>	<u>599,638</u>	<u>858,631</u>	<u>1,260,848</u>	<u>2,719,117</u>
Balance at April 30,2005	1,199,277	599,638	839,221	1,811,416	3,250,275
Unrealised losses on available-for-sale securities			(1,049)		(1,049)
Net profit for period				45,625	45,625
Balance at July 23,2005	<u>1,199,277</u>	<u>599,638</u>	<u>838,172</u>	<u>1,857,041</u>	<u>3,294,851</u>

**Consolidated Statement of Cash Flow
(Condensed)
Quarter ended July 23,2005
Unaudited**

	July 23 2005 \$000	July 24 2004 \$000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net Profit	45,625	70,916
Items not affecting cash resources	<u>49,480</u>	<u>39,292</u>
	95,105	110,208
Changes in non-cash working capital components	<u>128,680</u>	<u>221,567</u>
Cash provided by/(used in) operations	223,785	331,775
Cash provided by/(used in) financing activities	(116,600)	(265,140)
Cash (used in) provided by investing activities	<u>(28,410)</u>	<u>(47,690)</u>
Increase /(decrease in net cash and cash equivalents	78,775	18,945
Net cash and cash equivalents at beginning of year	<u>147,286</u>	<u>170,159</u>
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>226,061</u></u>	<u><u>189,104</u></u>

Segment Reporting Information Consolidated-Three periods ended July 23,2005

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE						
External Sales	1,109,162	589,264	96,509	228,918	-	2,023,852
Inter-Segment Sales	4,678	54,192		133,296	-	192,166
Total revenue	1,113,840	643,456	96,509	362,214	-	2,023,852

RESULT

Segment Result	86,250	81,843	(11,013)	6,161		163,241
Unallocated corporate expenses						(110,662)
Interest Income						19,310
Financing costs						(13,303)
Profit Before Taxation						58,586
Taxation						(12,961)
Profit from ordinary activities After Taxation						45,625

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment assets	2,019,194	789,599	488,709	3,050,625	1,969,033	(2,943,960)	5,373,200
Segment liabilities	1,059,262	387,965	437,387	494,946	2,125,715	(2,747,774)	1,757,500

Segment Reporting Information Consolidated - Three Periods ended July 24,2004

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Eliminations	Group Total
	\$000	\$000	\$000	\$000	\$000	\$000
REVENUE						
External Sales	1,136,861	650,341	60,450	203,643		2,051,295
Inter-Segment Sales	6,338	39,369	0	182,319	(228,027)	0
Total revenue	<u>1,143,199</u>	<u>689,711</u>	<u>60,450</u>	<u>385,962</u>	<u>(228,027)</u>	<u>2,051,295</u>

RESULT						
Segment Result	<u>123,470</u>	<u>56,266</u>	<u>(16,892)</u>	<u>28,867</u>		191,710
Unallocated corporate expenses						(101,784)
Interest Income						21,271
Finance income / (cost)						<u>(18,968)</u>
Profit Before Taxation						<u>92,229</u>
Taxation						<u>(21,313)</u>
Profit from ordinary activities After Taxation						<u>70,916</u>

Balance sheet	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
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

Notes to the Interim Consolidated Financial Statements

Accounting Periods

The company's financial year consists of 13 periods of 4 weeks each. The quarterly Profit & Loss account for each of the first three quarters consists of 12 weeks in each quarter. The fourth quarter consists of 16 weeks. 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 \$491.7 million at July 23,2005 (\$ 477.7 million at April 30,2005)
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