

Ja Broilers Group Ltd
Report on Quarter ended October 15, 2005

Commentary on un-audited 2nd quarter results

The Directors of Jamaica Broilers Group Ltd are pleased to release the un-audited financial results for the quarter ended October 15, 2005, which have been prepared in accordance with, and comply with, International Financial Reporting Standards.

The Group's turnover for this quarter, when compared to the corresponding period last year, showed an increase of 16.2 % to \$2.23 billion. This performance was mainly a result of a 16% overall increase in sales volumes of chicken, beef and fish and, to a lesser extent, selling price increases effected in September 2005.

Gross profits reflect an increase of 45% in nominal terms, primarily due to the negative effects of Hurricane Ivan in September 2004 which depressed the sales revenue and gross profit performance for the second quarter of last year. The Business Interruption Insurance Claim served to offset last year's depressed gross profits.

Due to an expansion in our sales channels, inflation and the use of external storage facilities during times of high inventory levels, caused by the illicit importation of leg quarters, significantly higher distribution costs were incurred in this quarter when compared to the corresponding period last year. Last year's distribution costs were also less than normal due to lower levels of sales caused by Hurricane Ivan. Inflation related increases were also seen in administrative costs.

Against this background, the operating profit for the quarter amounted to \$152million compared to \$132million last year and due to our financial strength we are now at a point where our interest income equates to or surpasses financing costs.

Profits after tax attributable to stockholders for the quarter amounted to \$119million compared to \$216million (including \$115million re sale of investment property) in 2004. This equates to earnings per stock unit of 9.93 cents compared to 18.01 cents (including 9.6 cents re sale of investment property) in 2004.

The staff, management and Board remain committed, under God's guidance, to further improving shareholder value in the remaining quarters of this financial year.

R. Danvers Williams
Chairman

Christopher Levy
Director

November 29,2005

Ja Broilers Group Ltd

Interim Consolidated Profit and Loss account
for quarter ended October 15, 2005

	Quarter ended October 15,2005 \$000	Quarter ended October 16,2004 \$000	Six periods ended October 15,2005 \$000	Six periods ended October 16,2004 \$000
Turnover	2,231,106	1,921,347	4,254,958	3,972,642
Cost of Sales	(1,640,337)	(1,515,811)	(3,198,565)	(3,108,325)
Gross Profit	590,769	405,536	1,056,393	864,317
Business Interruption Insurance Claim	-	92,104		92,104
Other operating income	11,990	11,410	19,050	18,044
Distribution Costs	(78,464)	(49,934)	(144,498)	(108,685)
Administrative and other expenses	(372,570)	(326,616)	(726,641)	(643,354)
Operating Profit	151,725	132,500	204,304	222,426
Interest Income	19,398	11,503	38,708	32,774
Finance costs	(18,376)	(22,259)	(31,679)	(41,227)
Profit on sale of investment property	-	114,744	-	114,744
Profit before taxation	152,747	236,488	211,333	328,717
Taxation	(33,614)	(20,497)	(46,575)	(41,810)
Net Profit after tax attributable to stockholders	119,133	215,991	164,758	286,907
Earnings per Stock Unit-cents	9.93	18.01	13.74	23.92

Segment Reporting Information
Consolidated
Six Periods ended October 15,2005

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Other \$000		Eliminations \$000	Group Total \$000
REVENUE							
External Sales	2,462,257	1,170,654	194,456	427,590		-	4,254,958
Inter-Segment Sales	11,319	109,615		162,138	-	283,072	-
Total revenue	2,473,576	1,280,269	194,456	589,728	-	283,072	4,254,958

RESULT							
Segment Result	295,368	158,823	(30,427)	19,391		-	443,155
Unallocated corporate expenses							(238,851)
Interest Income							38,708
Finance costs							(31,679)
Profit Before Taxation							211,333
Taxation							(46,575)
Profit from ordinary activities After Taxation							164,758

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment assets	1,988,396	800,618	543,638	1,580,863	2,237,741	(1,650,749)	5,500,507
Segment Liabilities	388,969	340,293	458,002	448,512	2,795,413	(2,918,440)	1,512,749

Segment Reporting Information
Consolidated
Six Periods ended October 16,2004

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other		Eliminations	Group Total
	\$000	\$000	\$000	\$000		\$000	\$000
REVENUE							
External Sales	2,208,323	1,245,232	127,955	391,131		-	3,972,642
Inter-Segment Sales	9,371	66,417	-	334,713	-	(410,501)	-
Total revenue	2,217,694	1,311,649	127,955	725,845	-	(410,501)	3,972,642

RESULT							
Segment Result	242,014	102,684	(23,684)	35,471			356,485
Business interruption insurance claim							92,104
Unallocated corporate expenses							(226,163)
Income interest							32,774
Finance costs							(41,227)
Profit on sale of investment property							114,744
Profit Before Taxation							328,717
Taxation							(41,810)
Profit from ordinary activities After Taxation							286,907

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment assets	1,496,020	677,761	349,680	1,356,491	3,319,761	(2,067,219)	5,132,495
Segment Liabilities	371,841	571,380	283,630	451,096	2,849,673	(2,805,451)	1,722,167

**Consolidated Balance Sheet
(Condensed)
as at October 15, 2005**

	October 15 2005 \$000	April 30 2005 \$000	October 16 2004 \$000
NET ASSETS EMPLOYED			
Fixed Assets	1,839,804	1,837,752	1,776,835
Deferred Expenditure	2,644	-	-
Investment Property	2,453	2,453	2,485
Held to Maturity Investments	191,305	412,960	404,774
Available-for-sale investments	500,370	340,746	76,786
Held for trading Investments	15,896		
Deferred tax asset	10,525	10,524	25,799
Pension Fund Surplus	217,725	218,900	153,259
Current Assets	2,707,484	3,015,796	2,696,522
Current Liabilities	(1,464,093)	(1,963,076)	(1,590,256)
	<u>4,024,113</u>	<u>3,876,055</u>	<u>3,546,204</u>
FINANCED BY			
Share Capital	599,638	599,638	599,638
Capital Reserve	838,172	839,221	840,293
Retained Earnings	1,976,174	1,811,416	1,476,840
Shareholder's equity	<u>3,413,984</u>	<u>3,250,275</u>	<u>2,916,771</u>
Minority Interest	5,145	5,145	5,145
Long Term Liabilities	213,108	230,476	282,699
Deferred Tax Liabilities	384,776	383,059	334,789
Employee Benefit Obligations	7,100	7,100	6,800
	<u>4,024,113</u>	<u>3,876,055</u>	<u>3,546,204</u>

**Consolidated Statement of Changes in Shareholders' Equity
as at October 15,2005**

	Number of Shares 000's	Share Capital \$000	Capital Reserves \$000	Retained Earnings \$000	Total \$000
Balance at May 01,2004	1,199,277	599,638	858,631	1,189,932	2,648,201
Translation adjustment			(18,338)		(18,338)
Net profit for period				286,907	286,907
Balance at October 16, 2004	<u>1,199,277</u>	<u>599,638</u>	<u>840,293</u>	<u>1,476,839</u>	<u>2,916,770</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				164,758	164,758
Balance at October 15, 2005	<u>1,199,277</u>	<u>599,638</u>	<u>838,172</u>	<u>1,976,174</u>	<u>3,413,984</u>

**Consolidated Statement of Cash Flow
(Condensed)
Six periods ended October 15, 2005**

	October 15 2005 \$000	October 16 2004 \$000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net Profit	164,758	286,907
Items not affecting cash resources	<u>95,185</u>	<u>(47,794)</u>
	259,943	239,113
Changes in non-cash working capital components	<u>(57,339)</u>	<u>(102,938)</u>
Cash provided by/(used in) operations	202,604	136,175
Cash provided by/(Used in) financing activities	(4,220)	(214,650)
Cash (used in) provided by investing activities	<u>(154,363)</u>	<u>146,895</u>
Increase /(decrease) in net cash and cash equivalents	44,021	68,420
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>191,307</u>	<u>238,579</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
- 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 \$546.7 million at October 15, 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