

Jamaica Broilers Group Ltd

Commentary on un-audited 3rd quarter results

The Directors of Jamaica Broilers Group Ltd are pleased to release the un-audited financial results for the quarter ended January 05, 2008, which have been prepared in accordance with International Financial Reporting Standards.

The Group's turnover for this quarter of \$5.2 billion, when compared to the corresponding period last year, showed an increase of \$2.4 billion or 88%— due, primarily, to the \$1.8 billion revenues from the new ethanol plant operations which were commissioned in July 2007. The increases in poultry and feed revenues resulted mainly from price increases due to significant cost increases on imported grains and other raw materials.

For this quarter the operating profit, before financing costs and taxes, showed an increase of 36% to \$307 million when compared to last year due to cost containment efforts.

Financing costs amounting to \$77 million – compared to \$16 million in the corresponding quarter last year, were incurred due to higher levels of US\$ and J\$ borrowings to meet increased working capital needs.

Against this background, profits after tax attributable to stockholders for the quarter amounted to \$194 million, compared to \$161 million last year. This equates to approximately 16.14 cents, compared to 13.43 cents last year.

The year-to-date segment report reflects overall improvements in the Poultry, Feed & Farm Supplies and Other operations over the corresponding period last year. The Fish segment is facing some challenges related to increases in feed cost and the August 2007 impact of Hurricane Dean. The start up ethanol operations reflect the challenges experienced related to market prices, in quarter 3.

Anhydrous ethanol market prices have rebounded since December 2007 and this is expected to impact positively our fourth quarter consolidated results.

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



Hon. R. Danvers Williams
Chairman



Robert E. Levy
President & Chief Executive Officer

February 18, 2008

Interim Consolidated Profit and Loss account for quarter ended January 05,2008

	Quarter ended January 05,2008 \$000	Quarter ended January 06,2007 \$000	Nine periods to January 05,2008 \$000	Nine periods to January 06,2007 \$000
Turnover	5,184,955	2,762,498	12,317,528	7,488,093
Cost of Sales	(4,400,951)	(2,083,794)	(10,409,761)	(5,628,871)
Gross Profit	784,004	678,704	1,907,767	1,859,222
Other operating income	6,414	14,756	165,313	18,970
Interest Income	1,388	13,706	29,442	35,609
Distribution Costs	(109,204)	(89,909)	(304,529)	(263,301)
Administrative and other expenses	(375,754)	(392,542)	(1,127,915)	(1,154,147)
Operating Profit	306,848	224,715	670,078	496,353
Finance costs	(76,897)	(15,989)	(292,651)	(39,559)
Profit before taxation	229,951	208,726	377,427	456,794
Taxation	(36,408)	(47,662)	(99,998)	(111,252)
Net Profit attributable to stockholders	193,543	161,064	277,429	345,542
Earnings per Stock Unit-cents	16.14	13.43	23.13	28.81

Segment Reporting Information-Consolidated Nine periods ended January 05,2008

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Ethanol Operations \$000	Other \$000	Eliminations \$000	Group Total \$000
REVENUE							
External Sales	5,261,098	2,889,795	343,261	3,087,765	735,607	-	12,317,528
Inter-Segment Sales	32,880	232,714	-	-	384,302	-	-
Total revenue	5,293,978	3,122,509	343,261	3,087,765	1,119,909	(649,897)	12,317,528

RESULT

Segment Result	684,280	328,126	(19,827)	(7,160)	86,671		1,072,091
Unallocated corporate expenses							(402,014)
Finance costs							(292,651)
Profit Before Taxation							377,427
Taxation							(99,998)
Profit from ordinary activities After Taxation							277,429

Balance sheet	Poultry Operations	Feed & Farm Supplies	Fish Operations	Ethanol Operations	Other	Unallocated	Eliminations	Group Total
Segment Assets	4,429,628	1,076,807	703,955	3,198,177	753,809	2,994,418	(3,383,646)	9,773,148
Segment Liabilities	1,129,907	339,951	654,972	1,137,974	426,743	4,376,516	(2,785,080)	5,280,982

Segment Reporting Information-Consolidated Nine periods ended January 06,2007*

	Poultry Operations \$000	Feed & Farm Supplies \$000	Fish Operations \$000	Other \$000		Eliminations \$000	Group Total \$000
REVENUE							
External Sales	4,340,470	2,117,643	334,773	695,205		-	7,488,093
Inter-Segment Sales	28,350	168,078		302,886	-	(499,315)	-
Total revenue	4,368,820	2,285,721	334,773	998,091	-	(499,315)	7,488,093

RESULT

Segment Result	578,111	265,140	(1,785)	59,315		0	900,781
Unallocated corporate expenses							(404,428)
Finance costs							(39,559)
Profit Before Taxation							456,793
Taxation							(111,251)
Profit from ordinary activities After Taxation							345,542

	Poultry Operations	Feed & Farm Supplies	Fish Operations	Other	Unallocated	Eliminations	Group Total
Balance sheet							
Segment Assets	4,945,884	1,054,662	562,367	990,568	3,393,043	(4,496,524)	6,450,000
Segment Liabilities	1,584,066	455,246	501,713	379,913	3,057,190	(4,124,735)	1,853,393

* Restated

Consolidated Balance Sheet (condensed) as at January 05, 2008

	January 05 2008	April 28 2007	January 06 2007
	\$000	\$000	\$000
NET ASSETS EMPLOYED			
Fixed Assets	4,330,251	3,381,104	2,697,195
Intangible assets	90,889	101,781	88,608
Held to Maturity Investments	74,685	208,806	200,772
Available-for-sale investments	118,038	136,832	128,128
Deferred income tax	2,192	1,240	3,965
Pension plan asset	131,400	131,400	98,200
Current Assets	5,038,004	3,459,379	3,246,878
Current Liabilities	(3,996,611)	(2,618,595)	(1,794,453)
	<u>5,788,848</u>	<u>4,801,947</u>	<u>4,669,293</u>
FINANCED BY			
Share Capital	765,137	765,137	765,137
Capital Reserve	768,856	761,933	718,303
Retained Earnings	2,970,484	2,693,055	2,604,410
Shareholder's equity	<u>4,504,477</u>	<u>4,220,125</u>	<u>4,087,850</u>
Long Term Liabilities	933,275	231,845	155,057
Deferred Income taxes	343,496	342,277	418,886
Employee Benefit Obligations	7,600	7,700	7,500
	<u>5,788,848</u>	<u>4,801,947</u>	<u>4,669,293</u>

Consolidated Statement of Changes in Shareholders' Equity as at January 05, 2008

	Number of Shares 000's	Share Capital \$000	Capital Reserves * \$000	Retained Earnings * \$000	Total * \$000
Balance at April 30,2006	1,199,277	765,137	720,077	2,318,833	3,804,047
Unrealised losses on available for sale investments			(1,774)		(1,774)
Dividend				(59,965)	(59,965)
Net profit for period				345,542	345,542
Balance at January 06, 2007	<u>1,199,277</u>	<u>765,137</u>	<u>718,303</u>	<u>2,604,410</u>	<u>4,087,850</u>
Balance at April 29,2007	1,199,277	765,137	761,933	2,693,055	4,220,125
Translation gain			5,345		5,345
Unrealised losses on available for sale investments			1,578		1,578
Net profit for period				277,429	277,429
Balance at January 05, 2008	<u>1,199,277</u>	<u>765,137</u>	<u>768,856</u>	<u>2,970,484</u>	<u>4,504,477</u>

Consolidated Statement of Cash Flows (Condensed) for nine periods ended January 05, 2008

	January 05 2008 \$000	January 06 2007 \$000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net Profit	277,429	345,542
Items not affecting cash resources	<u>335,313</u>	<u>311,110</u>
	612,742	656,652
Changes in non-cash working capital components	<u>(1,831,200)</u>	<u>(494,920)</u>
Cash provided by/(used in) operations	(1,218,458)	161,732
Cash provided by/(used in) financing activities	610,100	(62,600)
Cash (used in) provided by investing activities	<u>(1,049,400)</u>	<u>(505,750)</u>
Increase /(decrease) in net cash and cash equivalents	(1,657,758)	(406,618)
Net cash and cash equivalents at beginning of year	<u>(231,473)</u>	<u>417,608</u>
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(1,889,231)</u>	<u>10,990</u>

Notes to the Interim Consolidated Financial Statements
Quarter ended January 05,2008

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 four 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 \$680.2million at January 05,2008 (\$ 563.3 million at April 29,2007)

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