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Company Information
SEC Registration No.: 0000077487
Company Name: Jollibee Foods Corp.
Industry Classification: Miscellaneous Business Activities
Company Type: Stock Corporation

Document Information
Document ID: 1021420180001431
Document Type: 17-C (FORM 11-C: CURRENT DISCL/RPT)
Document Code: 17-C
Period Covered: February 13, 2018
No. of Days Late: 0
Department: CFD
Remarks
COVER SHEET

77487
S.E.C. Registration Number

JOLLIBEE FOODS CORPORATION

(Company's Full Name)

10/F JOLLIBEE PLAZA BUILDING
10 F. ORTIGAS JR. AVENUE
ORTIGAS CENTER, PASIG CITY

(Business Address: No. Street City / Town / Province)

Atty. Angeline L. Chong
Contact Person

(632) 634-1111 loc. 7817
Company Telephone Number

31-Dec
Month Day Year
Fiscal Year

Any Day in June
Month Day Year
Annual Meeting

Press Release: 2017 4th Quarter Financial Results

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total no. of Stockholders

Domestic
Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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COVER SHEET

JOLLIBEE FOODS CORPORATION
(Company's Full Name)

10/F Jollibee Plaza Building
10 F. Ortigas Jr. Avenue,
Ortigas Center, Pasig City
(Company's Address)

(632) 634-1111
Telephone Number

December 31
(Fiscal Year Ending)

Any day in the month of June
(Annual Meeting)

17C Press Release
2017 4th Quarter Financial Results
(Form Type)

Amendment Designation (If applicable)

(Secondary License Type and File Number)

Cashier

LCU

DTU

77487
S.E.C REG. No.

File Number

Document I.D.

Central Receiving Unit
SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT PURSUANT TO SECTION 17 OF THE
SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17 THEREUNDER

1. Date of Report                                  February 13, 2018

2. Commission identification number            77487

3. BIR Tax Identification No.                  000-388-771

4. JOLLIBEE FOODS CORPORATION
   Exact name of registrant as specified in its charter

5. PHILIPPINES
   Province, country or other jurisdiction of incorporation or organization

6. Industry classification code                (SEC Use Only)

7. 10/F JOLLIBEE PLAZA BUILDING, 10 F. ORTIGAS JR. AVENUE, ORTIGAS CENTER,
   PASIG CITY
   Address of registrant’s principal office
   1605
   Postal Code

8. (632) 634-1111
   Registrant’s telephone number, including area code

9. N/A
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 4 and 8 of the RSA

    Title of each Class                  Number of shares of
    Common                          Common stock outstanding
                                          1,085,534,067
    Treasury Shares:
    Common                          16,447,340

Note: Total common outstanding shares of 1,085,534,067 is inclusive of 1,255,999 shares entrusted with Deutsche
      Regis Partners, Inc. with the following details:

      MSOP Shares:
      Beginning balance (per SEC Form 17-C dated February 9, 2018)    853,333
      Shares applied for listing                                       (54,089)
      Ending balance, as of February 13, 2018                          809,244

      LLTP Shares:
      Beginning Balance (per SEC Form 17-C dated February 9, 2018)     456,710
      Shares applied for listing                                       -
      Ending balance, as of February 13, 2018                          456,710
      TOTAL                                                             1,265,959

11. Other Events
    Please see attached Press release re: 2017 4th Quarter Financial Results
THE JFC GROUP OF COMPANIES
JFC Accelerates Store Expansion, Opens 465 Stores in 2017
Sales and Profit Up 15%

Metro Manila, Philippines, February 13, 2018 – Jollibee Foods Corporation (PSE: JFC) – Financial Results for the Quarter and Year ended December 31, 2017

Following are the highlights of the financial results of operations of Jollibee Foods Corporation and Subsidiaries for the quarter and year ended December 31, 2017, based on its Unaudited Consolidated Financial Statements:

<table>
<thead>
<tr>
<th>Financial Summary</th>
<th>Quarter 4</th>
<th>2017</th>
<th>2016</th>
<th>% Change</th>
<th>YTD December</th>
<th>2017</th>
<th>2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Wide Retail Sales</td>
<td>48,382</td>
<td>41,377</td>
<td>16.9%</td>
<td></td>
<td>171,770</td>
<td>149,142</td>
<td>15.2%</td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>37,060</td>
<td>31,620</td>
<td>17.2%</td>
<td></td>
<td>131,573</td>
<td>113,811</td>
<td>15.6%</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>1,477</td>
<td>1,549</td>
<td>-4.6%</td>
<td></td>
<td>7,075</td>
<td>6,465</td>
<td>9.4%</td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>1,821</td>
<td>1,681</td>
<td>8.3%</td>
<td></td>
<td>6,714</td>
<td>6,054</td>
<td>10.9%</td>
<td></td>
</tr>
<tr>
<td>Net Income Attributable to Equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holders of the Parent Company</td>
<td>1,984</td>
<td>1,776</td>
<td>11.7%</td>
<td></td>
<td>7,089</td>
<td>6,165</td>
<td>15.0%</td>
<td></td>
</tr>
<tr>
<td>Earnings Per Common Share - Basic</td>
<td>1,830</td>
<td>1,652</td>
<td>10.8%</td>
<td></td>
<td>6,561</td>
<td>5,747</td>
<td>14.2%</td>
<td></td>
</tr>
<tr>
<td>Earnings Per Common Share - Diluted</td>
<td>1,809</td>
<td>1,633</td>
<td>10.8%</td>
<td></td>
<td>6,476</td>
<td>5,643</td>
<td>14.8%</td>
<td></td>
</tr>
</tbody>
</table>

In Php millions except Earnings Per Share data

Jollibee Foods Corporation (JFC), the largest Asian food service company opened a total of 465 new stores in 2017, the highest number of new stores opened in a year in JFC’s 39-year history. JFC’s system wide sales, a measure of all sales to consumers both from company-owned and franchised stores grew by 16.9% in the fourth quarter compared to sales in the same period of 2016 and by 15.2% for the entire year of 2017 driven by the expansion of store network and strong same store sales. For the entire year, sales of its restaurant chains in the Philippines grew by 13.2% while those abroad rose by 23.4%.

Sales of the Philippine business in the fourth quarter grew by 14.8% driven by the acceleration of store network expansion and continued strong same store sales growth. Sales of the foreign business grew by 21.3% (excluding divestments and acquisition) with Southeast Asia (ex-Philippines) growing by 41.0%, China 18.4%, North America 20.6% and the Middle East 17.7%. Including divestments and acquisition, sales of the foreign business grew by 26.3%. The strong worldwide sales growth of 16.9% for the quarter was driven by same store sales increase of 7.0%, store expansion of 9.0% and 1.0% impact of currency exchange rate changes.

JFC’s net income attributable to equity holders of the Parent reached Php7.1 billion in 2017, 15.0% higher than the amount generated in 2016. For the quarter, JFC’s net income attributable to equity holders of the Parent increased by 11.7% versus the same quarter last year. Basic earnings per share for 2017 amounted to Php6.561, 14.2% higher than the basic earnings per share for 2016. For the fourth quarter, basic earnings per share increased by 10.8% to Php1.830.
Operating income for the year grew by 9.4% while operating income for the fourth quarter declined by 4.6%. Operating income margins for the quarter and the entire year decreased by 0.9% and 0.3% points, respectively despite the strong growth in revenues (+17% in the fourth quarter and +15.6% in 2017) as the rapid increase in cost of raw materials and freight as well as store and manufacturing expenses reduced JFC’s gross profit margins.

General and administrative expenses increased at a slower rate compared to revenues – by 14.0% for the year and by 13.3% for the quarter. Expenses for advertising and promotions which increased to 3.2% of revenues in the fourth quarter and to 2.5% in 2017 driven by higher advertising spending of the China business.

JFC Chief Financial Officer, Mr. Ysmael V. Baysa gave the following statement: “Gross profit margins in the Philippines were below year ago level as our rate of price adjustments was behind cost increases, following JFC’s practice of implementing gradual price adjustments in order to help consumers adapt to rising inflation. The gradual price adjustments help to continuously drive volume growth of consumer visits per store despite rising inflation rate in the country. We expect to eventually recover our profit margins in 2018. Meanwhile, all regions in JFC’s foreign markets: China, the United States, Southeast Asia, and the Middle East were profitable in 2017, with profit of total foreign business rising by 2.4 times compared to 2016.”

During the year, JFC made Php8.8 billion in capital investments mostly in new stores and supply chain facilities. The JFC Group opened 328 new stores in and Philippines and 137 new stores abroad. It ended 2017 with 3,797 stores, higher by 16.7% compared with 2016’s 3,253 stores. JFC’s Return on Equity for 2017 is 19.3%, compared with 19.2% for 2016.

For 2018, JFC has allotted Php12 billion in capital expenditures for new stores and renovation of existing stores both in the Philippines and abroad. This amount is higher by 36.5% compared with the actual capital expenditure spending in 2017.

JFC operates the largest food service network in the Philippines. As at December 31, 2017, it was operating 2,875 restaurant outlets in the country: Jollibee brand 1,062, Chowking 526, Greenwich 272, Red Ribbon 427, Mang Inasal 495 and Burger King 93. Abroad, it was operating 922 stores: Yonghe King (China) 309, Hong Zhuang Yuan (China) 43, Dunkin’ Donuts (China) 15, Jollibee 198 (US 37, Vietnam 98, Brunei 15, Saudi Arabia 12, UAE 9, Qatar 6, Singapore 5, Kuwait 4, Hong Kong 8, Bahrain 1, Canada 2 and Oman 1), Red Ribbon in the US 31, Chowking 45 (US 15, UAE 20, Qatar 3, Oman 3, Kuwait 3, and Saudi Arabia 1), Highlands Coffee 244 (Vietnam 212, Philippines 32), Pho 24 29 (Vietnam 12, Indonesia 15, Korea 1, and Australia 1), Hard Rock Cafe 8 (Vietnam 2, Hong Kong 3, Macau 3). The JFC Group’s worldwide store network reached 3,797 stores.

On February 13, 2018, JFC disclosed, through its wholly-owned subsidiary Bee Good! Inc. (BGI) that it will purchase an additional 45% of SJBF LLC (the parent company of the entities comprising Smashburger® business) pursuant to the mechanism in the agreement with Smashburger Master LLC as previously disclosed. This will increase BGI’s ownership in SJBF LLC to a total of 85%.
Smashburger, with headquarters in Denver, Colorado, has 365 restaurants (186 owned and 179 franchised) worldwide in 38 states in the US and in 10 foreign markets. Upon completion of the acquisition of the additional 45% of Smashburger, the JFC Group will have presence in 5 additional foreign countries: Costa Rica, Egypt, El Salvador, Panama and the United Kingdom (England and Scotland). The JFC Group will have presence in 21 countries outside the Philippines.
SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JOLLIBEE FOODS CORPORATION
Registrant

YSMAEL V. BAYSIA
Chief Financial Officer &
Corporate Information Officer