

**JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES**  
**JFC Reports its Q3 2019 Financial Results**  
**Sales Up 7.7%, Profit Down 7.9%, Total Stores Nearing 6,000**

**Metro Manila, Philippines, November 14, 2019 – Jollibee Foods Corporation (PSE: JFC) – Financial Results for the Third Quarter and Nine Months ended September 30, 2019**

Following are the highlights of the financial results of operations of Jollibee Foods Corporation and Subsidiaries for the third quarter and nine months ended September 30, 2019 based on its Unaudited Consolidated Financial Statements:

Financial Summary	Quarter 3			YTD September		
	2019	2018	% Change	2019	2018	% Change
System Wide Retail Sales Revenues	<b>57,362</b>	53,270	7.7%	<b>171,068</b>	153,179	11.7%
Net Income Attributable to Equity	<b>43,179</b>	40,350	7.0%	<b>127,206</b>	116,635	9.1%
Holders of the Parent Company	<b>1,874</b>	2,035	-7.9%	<b>4,531</b>	6,086	-25.5%
Earnings Per Common Share - Basic	<b>1.714</b>	1.872	-8.4%	<b>4.148</b>	5.600	-25.9%
Earnings Per Common Share - Diluted	<b>1.694</b>	1.842	-8.0%	<b>4.097</b>	5.510	-25.6%

*\*Amounts in PhP Millions, except % change and Per Share data.*

Jollibee Foods Corporation (JFC), one of Asia's largest food service companies, disclosed today that its system wide sales, a measure of sales to consumers both from company-owned and franchised stores grew by 7.7% in the third quarter of 2019 compared to the same quarter last year. Global same store sales grew by 2.5% while restaurant expansion contributed 6.6%, partly offset by the negative impact of changes in currency exchanges rates.

Sales from the Philippine business grew by 10.8%, sustaining the growth in the second quarter of 2019. Same store sales grew by 3.3% (3.7% if excluding Red Ribbon) and new stores contributed 7.5%. Same store sales growth in the Philippines was driven largely by growth in volume of customer visits in the stores compared to a year ago.

Foreign business reported flat sales growth for the third quarter due to the negative impact of foreign exchange translation and Smashburger's sales. Excluding these factors, system wide sales of the foreign business grew by 10% in the third quarter of 2019 versus same quarter last year with EMEAA (Europe, Middle East and Asia) growing by 18.7% (14.2% in PhP); China by 1.4% (-4.9% in PhP terms); and, North America ex-Smashburger 12.7% (+8.9% in PhP and -3.3% in PhP with Smashburger). Growth in same store sales in foreign business was also largely driven by increase in customer visits in the stores and in delivery business in the case of China.

Net income attributable to equity holders of the Parent Company for the third quarter was Php1.87 billion, decreasing by 7.9% versus profit from the same period a year ago, due to losses from Smashburger in the United States and Red Ribbon in the Philippines. Production in the new Red Ribbon commissary had reached normal volume level in September, 2019 but productivity level has yet to reach the desired level, which is expected to be achieved by the first quarter of 2020.

JFC's profit for the third quarter included an extra-ordinary gain of Php1.3 billion arising from the purchase of The Coffee Bean and Tea Leaf® (CBTL) brand, which was completed on September 24, 2019. As part of long-term plan to maximize CBTL's profit, CBTL's trademarks were transferred to a new company based in the Republic of Ireland, immediately after JFC's acquisition of CBTL. This company is a wholly owned subsidiary of Super Magnificent Coffee Company, based in Singapore and owned 80% by JFC through its wholly owned subsidiary JWPL, also based in Singapore. As part of the ownership restructuring, the trademarks of CBTL are required by accounting rules and regulations to be valued by an independent third party. The valuation was performed independently by Isla Lipana & Co., a PwC member firm. The trademarks and related intellectual property were valued at USD354 million. This yet excludes other assets mainly fixed assets of the CBTL business.

JFC Chief Financial Officer, Mr. Ysmael V. Baysa gave the following statement: "The legal structure of The Coffee Bean & Tea Leaf® is being redesigned for fast growth both in the United States and in Asia, to be driven mainly by franchising. This is in line with JFC's plan to build a truly global business. We expect CBTL to be accretive to JFC's profit within a short period of time. The current profit challenges of JFC are short term. We look forward to profit resurgence in 2020 and in the years ahead, both in the Philippines and abroad."

The Jollibee Group opened a total of 290 stores in the nine months of the year, of which 175 are in the Philippines and 115 are in foreign operations. As of September 30, 2019, including The Coffee Bean & Tea Leaf® with 1,174 outlets, JFC's worldwide store network reached 5,863 stores, representing an increase of 34.7% versus year ago. With store opening plans for the balance of the year, JFC's total store count will most likely reach 6,000 by year end with presence in 35 countries. The split of global system wide sales between Philippines and international is now at 64%/36%. JFC's goal is 50%/50%.

On November 11, 2019, Jollibee Foods Corporation declared a cash dividend of Php1.35 per share. This brought the total cash dividend declared in 2019 to PhP2.58 per share, 4% higher than in 2018. JFC declares regular cash dividends that translate to 33.3% of its net income attributable to equity holders of the Parent, in line with its policy.

JFC operates the largest food service network in the Philippines. As of September 30, 2019, it was operating 3,238 restaurant outlets in the country: Jollibee brand 1,174, Chowking 602, Greenwich 282, Red Ribbon 489, Mang Inasal 586, Burger King 104 and PHO24 1. Abroad, it was operating 1,451 stores: Yonghe King (China) 330, Hong Zhuang Yuan (China) 44, Dunkin' Donuts (China) 7, Jollibee 248 (Vietnam 121, Brunei 18, Hong Kong 8, Singapore 8, Macau 1, Malaysia 1, United States 38, Canada 7, Saudi Arabia 13, UAE 14, Qatar 8, Kuwait 6, Bahrain 1, Oman 1, Italy 1, United Kingdom 1, and Guam 1), Red Ribbon in the US 31, Chowking 47 (US 15, UAE 21, Qatar 4, Oman 2, Kuwait 3, and Saudi Arabia 2), Highlands Coffee 363 (Vietnam 319, and Philippines 44), PHO24 34 (Vietnam 18, Indonesia 16), Hard Rock Cafe 6 (Vietnam 2, Hong Kong 3, and Macau 1), Smashburger 341 and CBTL 1,174. The JFC Group's worldwide store network reached 5,863 stores.



Ysmael V. Baysa  
11/11/2019