

Jollibee®

COVER SHEET

JOLLIBEE FOODS CORPORATION

(Company's Full Name)

10/F Jollibee Plaza Building
Emerald Avenue, Pasig City

(Company's Address)

(632) 634-1111

Telephone Number

December 31
(Fiscal Year Ending)

Any day in the month of June
(Annual Meeting)

SEC Form 17-Q

Quarterly Report and Press Release
1st Quarter Ended March 31, 2009

(Form Type)

Amendment Designation (If applicable)

(Secondary License Type and File Number)

Cashier

LCU

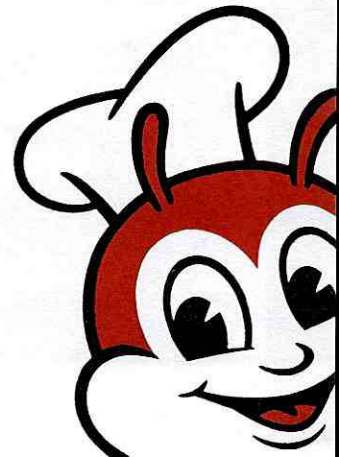
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77487
S.E.C REG. No.

Central Receiving Unit

File Number

Document I.D.



**SECURITIES AND EXCHANGE COMMISSION SEC FORM 17-Q
QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE
SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17 (2)(b) THEREUNDER**

1. Date of Report: **May 14, 2009**
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, EMERALD AVENUE, PASIG CITY**
Address of registrant's principal office

1600
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



<u>Type of Securities</u>	<u>No. Shares Outstanding</u>
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Title of Each Class	Number of shares of common stock outstanding
Common	1,031,848,851
Treasury	16,447,340

Note: Total outstanding common shares inclusive of 8,000,000 and 2,300,000 shares subject for listing. These represent additional shares intended for the Company's Executive Long-Term Incentive Plan and Management Stock Option Plan, respectively.

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes [X]
No []
12. Indicate by check mark whether the registrant:
 - (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period the registrant was required to file such report)

Yes [X]
No []
 - (b) has been subject to such filing requirements for the past 90 days

Yes []
No [X]

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

a.	Consolidated Balance Sheets as of March 31, 2009 (Unaudited) and December 31, 2008 (Audited)
b.	Consolidated Unaudited Statements of Income for Quarter 1 Ended March 31, 2009 and 2008
c.	Consolidated Unaudited Statements of Changes in Stockholders' Equity as of March 31, 2009 and 2008
d.	Consolidated Unaudited Statements of Cash Flows as of March 31, 2009 and 2008
e.	Schedule of Aging of Accounts Receivable as of March 31, 2009

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations for Quarter 1 Ended March 31, 2009 and 2008 (Jollibee Foods Corporation and Subsidiaries)

Results of Operations

The JFC Group generated consolidated total revenues of ₱11.3 billion for Quarter 1 2009, 13.5% higher than Quarter 1 2008. Total system wide sales, a measure of all sales to consumers from both company-owned and franchised stores grew by 13.8% to ₱15.1 billion in January to March 2009 compared to the same period last year. The growth in consolidated system wide sales resulted from the upward price adjustments implemented by the Company in 2008, acquisition of a new business and organic growth.

The Jollibee Group opened 37 stores in the first quarter of 2009. In the Philippines, Jollibee opened +11, Chowking +5, Greenwich +1, Red Ribbon +3, and Manong Pepe's +4; in the People's Republic of China, Yonghe King +3, Hongzhuangyuan +1 and in the US, Jollibee +3, Chowking +2, Red Ribbon +4.

Consolidated cost of sales increased by 11.0% to ₱5.4 billion during the quarter. As a percent of revenues, consolidated cost of sales for the first quarter of 2009 was lower by 110 basis points, from 48.6% in quarter 1 2008 to 47.5% in quarter 1 2009. The resulting gross margin was higher, from 51.4% in quarter 1 2008 to 52.5% in quarter 1 2009. The improvement was due to the slowing down of raw material price increases and inflation rate and the effect of price adjustments implemented by the Company last year.

Consolidated general and administrative expenses increased by 17.5% to ₱4.9 billion for the quarter primarily due to increase in employees' compensation and benefits, depreciation, rent and operating supplies resulting from new stores opened during the period. Advertising and promotion decreased by 13.8% to ₱225.1 million. The Company slowed down in advertising spending in the first quarter of 2009.

The resulting consolidated net operating income was ₱779.4 million, 17.1% higher than the same period last year. Operating income margin for quarter 1 2009 was higher by 20 basis points, from 6.7% in 2008 to 6.9% in 2009.

Interest income increased by 62.6% to ₱34.9 million in quarter 1 2009 compared to the same period last year. The increase was relative to the 47.4% increase in short term investments from ₱3.0 billion in yearend 2008 to ₱4.4 billion at the end of quarter 1 2009. Interest expense increased significantly by 952.1% to ₱50.9 million due to the interest expense on the CNY350-million loan obtained by the Parent company in September 2008.

Provision for tax was 0.7% lower, from ₱202.8 million in quarter 1 2008 to ₱ 201.4 million in quarter 1 2009. This was due to the decrease in corporate tax rate, from 35% in 2008 to 30% this year. The resulting effective tax rate for quarter 1 2009 was 26.4%, 3.3% lower compared to last year's effective tax rate of 29.7%.

Consolidated net income for quarter 1 2009 was ₱562.0 million, 17.2% higher than last year's consolidated net income. Net income margin (net income as a percent of revenues) was 20 basis points higher versus quarter 1 2008 --- 5.0% in quarter 1 2009 versus 4.8% last year. On a per share basis, after tax net earnings per share amounted to ₱0.549, 16.9% higher compared to the previous year's after tax net earnings per share.

Financial Condition

The Group's consolidated total assets as of March 31, 2009 amounted to ₱26.2 billion, ₱949.7 million lower than the December 31, 2008 balance of ₱27.1 billion. The decrease was primarily due to the following: (1) Decrease in JFC's total cash by ₱195.0 million or 2.8%; (2) Decrease in receivables by ₱380.6 million as the Company was able to collect its receivables from franchisees for royalty fees and commissary purchases, which were supposedly due in the last week of December 2008, only in January 2009 due to the long holidays in December 2008; (3) Decrease in inventories by ₱433.0 million on account of higher base as prices of raw materials were significantly high in 2008 and the Company normally maintains higher inventory levels at year end. The decrease was offset by the increase in property, plant and equipment by ₱659.2 million or 3.9% due to store additions. The Company opened 21 owned stores in the first quarter of 2009, 10 in the Philippines and 11 abroad.

Consolidated current liabilities amounted to ₱7.5 billion, ₱1.4 billion or 16.1% lower than the 2008 year-end balance of ₱9.0 billion. The decrease was primarily due to the ₱1.4 billion decline in trade payables, primarily due to settlement of 2008 obligations. Current portion of long-term debt also decreased by 22.2% or ₱8.4 million to ₱29.4 million due to payments made by Red Ribbon Bake Shop Inc. USA for its US dollar-denominated loan.

Consolidated noncurrent liabilities amounted to ₱4.1 billion, 1.8% higher than the December 31, 2008 balance of ₱4.0 billion.

Consolidated stockholders' equity increased by ₱417.4 million or 3.0% primarily due to the net income for the first quarter, which amounted to ₱562.0 million offset by the ₱144.6-million decrease in cumulative translation adjustments. The decrease in cumulative translation

adjustments was due to the impact of the depreciation of the Philippine Peso on the Parent Company's foreign subsidiaries with negative retained earnings.

The Group generated ₱607.5 million in cash from operations for the first quarter of 2009, 56.0% or ₱218.2 million higher than cash from operations for the same period last year due to decrease in receivables and inventories 2009 and increase in net income and other non-cash items.

Net cash used in investing activities totaled ₱750.0 million. Capital expenditures for the first quarter amounted to ₱718.6 million. The Group opened 21 company-owned stores, both in the Philippines and abroad. It also completed the acquisition of the *Lao Dong* restaurant business based in Taipei, Republic of China on January 1, 2009. Lao Dong had 9 restaurants at the end of March 31, 2009.

Overall, net cash decreased by ₱195.0 million to ₱6.9 billion at the end of March 31, 2009.

Discussion and Analysis of Material Events and Uncertainties

1. There were no events during the period that will trigger direct or contingent financial obligation that is material to the company.
2. There were no material off-balance sheet transactions, arrangements, obligations created during the reporting period.
3. The Company expects ₱4.0 billion capital expenditures in 2009 for store expansion and renovation, construction of new and upgrading of existing commissaries, improvements in head office and investments in information technology.
4. Food service operations have both peak and lean seasons. Historically, sales in the second and fourth quarters are strong due to the summer and the Christmas seasons, respectively. Demand during the first and third quarters usually slackens. The material financial impact of this seasonality has been considered in the Company's financial forecast.
5. All of the Company's income arose from its continuing operations.
6. Business Acquisition

On January 1, 2009, JFC completed the purchase of 70% of the Lao Dong restaurant business that is based in Taipei, Republic of China. The completion and closing of the transaction were effected following compliance by the owners of Lao Dong on the key conditions for the joint venture.

Consistent with the terms of the final agreement signed on November 24, 2008, JFC acquired 70% of the Lao Dong business for NT 42 million and an additional investment of NT 21 million generated from operations.

7. Events after Balance Sheet Date:

Dividend Declaration

The Board of Directors of the Parent Company approved on April 28, 2009 a cash dividend of ₱0.37 per share of common stock to all stockholders of record as of May 14, 2009. This will be distributed on June 5, 2009. This cash dividend is 2.8% higher than that declared in the same period last year.

8. The Company's financial risk management objectives and policies are discussed in **Note 31 of the December 31, 2008 Audited Consolidated Financial Statements.**
9. There are no other known trends, demands, commitments, events or uncertainties that might have a material impact on the Company's liquidity.
10. Causes for any material change: Increase or decrease of 5% or more in the financial statements.

Discussion of the Company's Top Five (5) Key Performance Indicators

System Wide Sales

System Wide Sales is a measure of all sales to consumers both from company-owned and franchised stores.

	As of March 31, 2009	As of March 31, 2008
System Wide Sales	P15,070 million	P13,243 million
% Growth vs LY	13.8%	13.2%

Revenues

Revenues is a measure of (1) all sales made by the Company's owned stores (both food and novelty sales); (2) Commissary sales to franchised stores; (3) rental revenues of the Company's property division; and, (4) revenues from services rendered by the in-house Construction and Service Groups.

	As of March 31, 2009	As of March 31, 2008
Revenues	P11,337 million	P9,991 million
% Growth vs LY	13.5%	14.8%

Net Income Margin

Net Income Margin is the ratio of the company's earnings after interest and tax. This is computed by dividing net income by total revenues. The quotient is expressed in percentage. This measures the Company's return for every peso of revenue earned, after deducting cost of sales, operating expenses, interests and taxes.

	As of March 31, 2009	As of March 31, 2008
Net income	P562.0 million	P479.6 million
% to Revenues	5.0%	4.8%

Basic Earnings Per Share (EPS)

EPS is the portion of the Company's profit allocated to each outstanding share of common stock. This is computed by dividing the net income for the quarter attributable to the equity holders of the Jollibee Group by the weighted average outstanding shares at the end of the quarter, after considering the retroactive effect of stock dividends declaration, if any. This serves as an indicator of the Company's profitability.

	As of March 31, 2009	As of March 31, 2008
EPS (Basic)	P0.549	P0.470
% Growth vs LY	16.9%	-11.1%

Return on Equity (ROE)

ROE is the ratio of the Company's net income to equity. It is computed by dividing annualized net income by average equity. Average equity for the first quarter is calculated by adding the equity at the end of the first quarter to the equity at year end and dividing the result by two. ROE is a measure of return for every peso of invested equity. The Company also uses ROE for comparing its profitability to that of other firms in the same industry.

	As of March 31, 2009	As of March 31, 2008
Return on Equity	15.7%	14.7%

Item 3. Additional Disclosures for the Period Ended March 31, 2009

To comply with the Securities and Exchange directive dated October 28, 2008 addressed to Mr. Tony Tan Caktiong, CEO of JFC in view of the current global financial condition, we would like to make the following disclosures for the period ended March 31, 2009.

- a. The company continues to be in a strong financial condition with no significant currency, interest, credit and liquidity risks. The financial investments and obligations of the company did not have a significant change compared to the audited balance sheet as of December 31, 2008.
- b. The company's cash both in Philippine and foreign currency is invested in fixed income investments with several reputable financial institutions. These are simple and straightforward investments. In addition, the JFC Group has no investments whatsoever in foreign securities. There are no indications that the value of our cash investments is adversely affected by fair value accounting including mark to market.

JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES
STORE NETWORK

	Dec-08 Stores	Opened YTD	Closed YTD	Ownership Change	Mar-09 Stores
LOCAL					
Jollibee					
▲ Co-owned	312	3	1	-	314
Franchised	339	8	5	-	342
Total	651	11	6	-	656
Chowking					
Co-owned	131	1	2	(2)	128
Franchised	256	4	4	2	258
Total	387	5	6	-	386
Greenwich					
Co-owned	123	-	1	-	122
Franchised	101	1	4	-	98
Multi-brand	7	-	-	-	7
Total	231	1	5	-	227
Red Ribbon					
Co-owned	123	1	3	(1)	120
Franchised	88	2	2	1	89
Total	211	3	5	-	209
Delifrance					
Co-owned	22	-	1	-	21
Franchised	4	-	1	-	3
Total	26	-	2	-	24
Manong Pepe's	9	4	-	-	13
Total Local Stores	1,515	24	24	-	1,515
INTERNATIONAL					
Jollibee					
Hongkong	1	-	-	-	1
US	23	3	-	-	26
Brunei	11	-	-	-	11
Guam	1	-	1	-	-
Vietnam	10	-	1	-	9
Jeddah	1	-	-	-	1
Saipan	1	-	1	-	-
China	1	-	-	-	1
Total	49	3	3	-	49
Chowking					
US	15	2	-	-	17
Dubai	11	-	-	-	11
Indonesia	5	-	1	-	4
Total	31	2	1	-	32
Red Ribbon					
Co-owned	25	4	-	2	31
Franchised	3	-	-	(2)	1
Total	28	4	-	-	32
Yonghe King					
Co-owned	137	3	1	-	139
Franchised	4	-	-	-	4
Total	141	3	1	-	143
CST	2		-	-	2
Hongzhuangyuan					
Co-owned	31	1	-	-	32
Franchised	7	-	-	-	7
Total	38	1	-	-	39
Total International Stores	289	13	5	-	297
Total (Before New Acquisition)	1,804	37	29	-	1,812
New Acquisition					
Lao Dong					9
Grand Total	1,804				1,821
NUMBER OF SHARES (in '000)					
Issued and Subscribed (Net of treasury shares)					1,023,558
Weighted Average - Basic (YTD)					1,023,558
Weighted Average - Diluted (YTD)					1,025,084
SYSTEM WIDE SALES (in '000 Pesos)					
	Mar-08		Mar-09		Growth
Quarter 1	13,243,450		15,069,927		13.8%

JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES
STORES BY GEOGRAPHICAL LOCATION
As of March 31, 2009 and December 31, 2008

Jollibee - Philippines	Mar-09	Dec-08	Changes
Metro North	137	138	-1
Metro South	142	144	-2
North Luzon	111	110	1
South Luzon	108	104	4
Visayas	83	83	0
Mindanao	75	72	3
Total	656	651	5
Greenwich Pizza (Including multibrand stores)			
Metro Manila	106	108	-2
Northern Luzon	16	16	0
Central Luzon	26	28	-2
Southern Luzon	35	35	0
Visayas	21	21	0
Mindanao	23	23	0
Total	227	231	-4
Chowking			
Metro Manila	186	187	-1
Central Luzon	51	48	3
Northern Luzon	27	35	-8
Southern Luzon	54	50	4
Visayas	40	36	4
Mindanao	28	31	-3
Total	386	387	-1

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No other material information.

SIGNATURE

JOLLIBEE FOODS CORPORATION
Registrant



YSMAEL V. BAYSA
Chief Finance Officer &
Corporate Information Officer



AGATHA OLGA S. DE JESUS
Corporate Legal Counsel &
Corporate Information Officer

JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets

As of March 31, 2009
Peso Amounts in Thousands

	Mar - 2009 (Unaudited)	Dec - 2008 (Audited)	Change
ASSETS			
Current Assets			
Cash and cash equivalents	6,683,814	6,878,851	(195,037)
Receivables - net	1,560,081	1,940,700	(380,619)
Inventories - net	2,294,446	2,727,464	(433,019)
Other current assets	1,409,960	1,497,721	(87,762)
Total Current Assets	11,948,300	13,044,737	(1,096,437)
Noncurrent Assets			
Property, plant and equipment	17,746,633	17,087,427	659,206
Accumulated Depreciation	(9,247,503)	(8,812,509)	(434,994)
Other Assets	5,728,597	5,806,045	(77,448)
Total Noncurrent Assets	14,227,728	14,080,963	146,765
Total Assets	26,176,028	27,125,701	(949,672)
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Trade payables	2,096,621	3,508,732	(1,412,111)
Accrued expenses	2,379,380	2,426,469	(47,089)
Other current liabilities	3,003,940	2,976,248	27,692
Current portion of:			
Provisions	17,040	17,040	-
Long-term debt	29,375	37,769	(8,395)
Total Current Liabilities	7,526,355	8,966,258	(1,439,903)
Noncurrent Liabilities			
Long-term debt - net of current portion	2,516,834	2,484,389	32,445
Provisions - net of current portion	29,269	29,269	-
Other noncurrent liabilities	1,546,328	1,505,953	40,375
Total Noncurrent Liabilities	4,092,431	4,019,611	72,820
Stockholders' Equity			
Capital stock	1,040,005	1,040,005	-
Additional paid-in capital	2,245,675	2,245,675	-
Subscriptions receivable	(17,178)	(17,178)	-
Cumulative translation adjustments of subsidiaries	(121,608)	22,952	(144,560)
Unrealized gain on available-for-sale financial assets	19,880	19,880	-
Excess on the acquisition cost over the carrying value of minority interests	(543,979)	(543,979)	-
Retained Earnings			
Appropriated for future expansion	1,200,000	1,200,000	-
Unappropriated	10,349,649	10,349,649	-
Net income for the period	561,971	-	561,971
Less: Treasury shares	(180,511)	(180,511)	-
Minority interests	3,337	3,337	-
Total Stockholders' Equity	14,557,242	14,139,831	417,410
Total Liabilities and Stockholders' Equity	26,176,028	27,125,701	(949,672)

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JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Income

For the Periods Ended March 31, 2009 and 2008

(Unaudited)

Peso Amounts in Thousands

	Mar 2009		Mar 2008		Change
	Pesos	Pct.	Pesos	Pct.	2008 to 2009
REVENUES					
Net Sales	10,678,589	94.2%	9,344,280	93.5%	14.3%
Royalty, franchise fees and others	658,684	5.8%	646,491	6.5%	1.9%
	11,337,273	100.0%	9,990,770	100.0%	13.5%
COST OF SALES	5,387,171	47.5%	4,854,741	48.6%	11.0%
GROSS PROFIT	5,950,101	52.5%	5,136,029	51.4%	15.9%
OPERATING EXPENSES					
General and administrative	4,945,621	43.6%	4,209,179	42.1%	17.5%
Advertising and promotion	225,127	2.0%	261,057	2.6%	(13.8%)
NET OPERATING INCOME	779,354	6.9%	665,792	6.7%	17.1%
FINANCE INCOME (CHARGES)					
Interest income	34,910	0.3%	21,473	0.2%	62.6%
Interest expense	(50,915)	(0.4%)	(4,839)	(0.0%)	952.1%
PROFIT BEFORE INCOME TAX	763,349	6.7%	682,426	6.8%	11.9%
PROVISION FOR INCOME TAX	201,379	1.8%	202,778	2.0%	(0.7%)
NET INCOME	561,971	5.0%	479,648	4.8%	17.2%
Attributable to:					
Equity holders of the parent	561,971	5.0%	479,648	4.8%	17.2%
Minority interests	-	-	-	-	-
	561,971	5.0%	479,648	4.8%	17.2%
Earnings Per Share for Net Income					
Attributable to the Equity Holders of the Parent					
Basic	0.549		0.470		16.9%
Diluted	0.548		0.469		16.8%
Average Number of Common Shares-Basic (000)	1,023,558		1,020,914		
Average Number of Common Shares-Diluted (000)	1,025,084		1,021,959		

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JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008

	Equity Attributable to Equity Holders of the Parent						Minority Stockholders' Interest	Total
	Capital Stock	Subscription Receivable	Additional Paid-in Capital	Cumulative Translation Adjustments of Subsidiaries	Unrealized Loss on Acquisition Cost Available-for-Sale Financial Assets	Excess in the Carrying Value of Minority Interest		
(Amounts in Php '000)						Retained Earnings		
						Unappropriated		
						Expansion		
						for Future		
						Stock Held		
						In Treasury		
						Total		
Balance at January 1, 2009	1,040,005	(17,178)	2,245,675	22,952	19,880	10,349,649	3,337	14,139,831
Net income for the year	-	-	-	-	-	561,971	-	561,971
Translation adjustments during the year	-	-	-	(144,560)	-	-	-	(144,560)
Unrealized gain on available-for-sale financial assets for the year	-	-	-	-	-	-	-	-
Total income and expenses for the year	-	-	-	(144,560)	-	561,971	-	417,410
Subscriptions and issuances of shares	-	-	-	-	-	-	-	-
Re-issuances for stock purchase exercised	-	-	-	-	-	-	-	-
Re-issuances for stock purchase by retirement	-	-	-	-	-	-	-	-
Cost of stock options granted	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-	-	-
Balance at March 31, 2009	1,040,005	(17,178)	2,245,675	(121,608)	19,880	10,911,619	3,337	14,557,242
Balance at January 1, 2008	1,034,139	(17,178)	2,088,941	151,040	30,895	8,884,409	5,408	12,648,337
Net income for the year	-	-	-	-	-	479,648	-	479,648
Translation adjustments during the year	-	-	-	-	-	-	-	-
Unrealized gain on available-for-sale financial assets for the year	-	-	-	-	(8,735)	-	-	-
Total income and expenses for the year	-	-	-	-	22,160	9,364,057	-	(8,735)
Subscriptions and issuances of shares	4,145	-	46,254	-	-	-	5,408	13,119,260
Re-issuances for stock purchase exercised	-	-	-	-	-	-	-	50,399
Re-issuances for stock purchase by retirement	-	-	-	-	-	-	-	23,478
Cost of stock options granted	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-	-	-
Balance at March 31, 2008	1,038,284	(17,178)	2,133,195	151,040	22,160	9,364,057	(5,408)	88,469
						(159,861)	(0)	13,187,719

JOLLIBEE FOODS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

As of March 31, 2009

(Unaudited)

Peso Amounts in Thousands

	Mar 2009 Unaudited	Mar 2008 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	763,349	682,426
Adjustments for:		
Depreciation and amortization	478,363	401,335
Loss on disposals and retirement of property and equipment	14,884	13,028
Interest income	(34,910)	(21,473)
Stock option expense	22,449	-
Interest expense	50,915	4,839
Net unrealized foreign exchange loss	32,445	-
Operating income before working capital changes	1,327,495	1,080,155
Changes in assets and liabilities:		
Decrease (increase) in:		
Receivables	380,619	(82,065)
Inventories	433,019	136,635
Other current assets	87,762	(136,700)
Increase (decrease) in:		
Trade payables	(1,412,111)	(420,399)
Accrued expenses	(65,196)	9,232
Other current liabilities	39,222	(113,786)
Cash generated from operations	790,810	473,072
Income taxes paid	(183,272)	(83,725)
Net cash provided by operating activities	607,538	389,347
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(718,647)	(365,232)
Increase in other noncurrent assets	(67,112)	(558,550)
Interest received	34,910	21,473
Proceeds from disposal of property and equipment	1,187	-
Net cash used in investing activities	(749,663)	(902,308)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Cash dividends	(33,978)	(324,450)
Long-term debt	(8,395)	(16,229)
Proceeds from:		
Re-issuance of Treasury Stocks	-	23,478
Issuance of and subscriptions to capital stock	-	41,664
Interest paid	(50,915)	(4,839)
Increase (Decrease) in other noncurrent liabilities	40,375	(192,775)
Decrease in minority interest	-	(5,408)
Net cash used in financing activities	(52,913)	(478,560)
 Net Decrease in Cash and Cash Equivalents	 (195,037)	 (991,521)
Cash and Cash Equivalents, Beginning	6,878,851	5,575,943
Cash and Cash Equivalents, End	6,683,814	4,584,423

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Notes and Other Disclosures

1. The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the Philippines as set forth in the Philippine Financial Reporting Standards (PFRS). PFRS includes statements titled PFRS and Philippine Accounting Standards (PAS), including Interpretations, issued by the Philippine Accounting Standards Council.

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments and available-for-sale financial investments which have been measured at fair value. The consolidated financial statements are presented in Philippine peso, the Jollibee Group's functional and presentation currency under PFRS. All values are rounded to the nearest thousand, except when otherwise indicated.

2. The consolidated financial statements comprise the financial statements of Jollibee Foods Corporation and its subsidiaries as of March 31, 2009.

All intra-group balances, income and expenses and unrealized profits and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control, and continue to be consolidated until the date that such control ceases.

3. The Group adopted the same accounting policies, standards and methods of computations applied in the 2008 audited consolidated financial statements.
4. Food service operations have both peak and lean seasons. The material financial impact of this seasonality has been considered in the financial forecast.

5. Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

- > The food service segment is involved in the operation of Quick Service Restaurants (QSR) and the manufacture of food products to be sold to the Jollibee Group owned and franchised QSR's.
- > The franchising segment is involved in the franchising of the Jollibee Group's QSR store concepts.
- > The leasing segment leases store sites mainly to the Jollibee Group's independent franchisees.

The Jollibee Group generally accounts for inter-segment sales and transfers at current market prices. Those transfers are eliminated at the consolidation as if the sales or transfers were to third parties.

The Jollibee Group's geographical segments are based on the location of the assets producing the revenues. Sales to external customers disclosed in the geographical segments are based on the geographical location of the customers.

> Business Segments

The following tables present revenues, expenses, assets and liabilities of the different business segments for the periods ended March 31, 2009 and 2008:

As of the Period Ended March 31, 2009

	Food Service	Franchising	Leasing	Eliminations	Total
	(In Thousands)				
Results of Operations					
Revenues from external customers	10,712,225	529,764	95,283		11,337,273
Inter-segment revenues	1,560,827	105,644	60,496	(1,726,967)	-
Segment revenues	12,273,052	635,408	155,779	(1,726,967)	11,337,273
Segment expenses	(10,537,435)		(20,484)		(10,557,919)
Other segment income			-		-
Segment result	1,735,617	635,408	135,295	(1,726,967)	779,354
Interest income					34,910
Interest expense					(50,915)
Excess of fair value of net assets					
Equity in net gain					
Income before income tax					763,349
Income tax expense					(201,379)
Net income					561,971
Assets and liabilities					-
Segment assets	25,144,688		336,803		25,481,490
Deferred tax assets	656,445		38,093		694,538
Total assets	25,801,132	-	374,896	-	26,176,028
Segment liabilities	8,269,392		212,984		8,482,376
Long-term debt - including current					2,952,828
Income tax payable					183,583
Total liabilities	8,269,392	-	212,984	-	11,618,786
Other segment information					
Capital expenditures	718,647				718,647
Depreciation and amortization	478,021		342		478,363

As of the Period Ended March 31, 2008

	Food Service	Franchising	Leasing	Eliminations	Total
	(In Thousands)				
Results of Operations					
Revenues from external customers	9,464,900	498,086	27,784		9,990,770
Inter-segment revenues	1,490,930	94,556	48,738	(1,634,225)	-
Segment revenue	10,955,830	592,642	76,523	(1,634,225)	9,990,770
Segment expense	(9,280,230)		(44,748)		(9,324,978)
Other segment income		-			-
Segment result	1,675,600	592,642	31,775	(1,634,225)	665,792
Interest expense					(4,839)
Interest income					21,473
Income before income tax and minority interest					682,426
Income tax expense					(202,778)
Net income					479,648
Assets and liabilities					
Segment assets	21,187,700		357,328		21,545,029
Total assets					21,545,029
Segment liabilities	8,041,777	-	212,675		8,254,452
Long-term debt					102,858
Total liabilities					8,357,310

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Other segment information

Capital expenditures	365,232	-	-	-	365,232
Depreciation and amortization	400,984	-	350	-	401,335
Capital expenditures	711,149	-	7,498	-	718,647
Depreciation and amortization	478,303	-	61	-	478,363

Geographical Segments

The following table presents revenues, segment assets and capital information regarding the Jollibee Group's geographical segments:

	Philippines	International	Eliminations	Total
March 2009				
Revenues	9,368,914	1,968,359	-	11,337,273
Segment assets	18,487,928	7,688,099	-	26,176,028
Capital expenditures	288,007	430,640	-	718,647
March 2008				
Revenues	8,917,831	1,072,939	-	9,990,770
Segment assets	17,952,702	3,592,327	-	21,545,029
Capital expenditures	292,576	72,656	-	365,232

6. On January 1, 2009, JFC completed the purchase of 70% of the Lao Dong restaurant business that is based in Taipei, Republic of China. The completion and closing of the transaction were effected following compliance by the owners of Lao Dong on the key conditions for the joint venture.

Consistent with the terms of the final agreement signed on November 24, 2008, JFC acquired 70% of the Lao Dong business for NT 42 million and an additional investment of NT 21 million generated from operations.

7. Dividend Declaration

The Board of Directors of the Parent Company approved on April 28, 2009 a cash dividend of P 0.37 per share of common stock to all stockholders of record as of May 14, 2009. This will be distributed on June 5, 2009. The cash dividend is 2.8% higher than that declared in the same period last year.

8. Events after Balance Sheet date

There are no significant events after balance sheet date.

9. There are no other material events subsequent to the end of the interim period that are reasonably expected to have a material impact on the Company's net income from continuing operations.

Jollibee Foods Corporation and Subsidiaries
Aging of Accounts Receivable - (In K)
As of March 31, 2009*

Types of Accounts Receivable	Total	Neither Past Due nor Impaired	Past Due but not Impaired (Age in Days)				Impaired
			1-30	31-60	61-120	Over 120	
a. Trade Receivables	1,638,103	1,202,320	122,284	37,857	56,090	199,211	20,341
Subtotal	1,638,103	1,202,320	122,284	37,857	56,090	199,211	20,341
Less: Allowance for D/A	78,022						78,022
Net Trade receivable	1,560,081	1,202,320	122,284	37,857	56,090	199,211	(57,681)
b. Non-Trade Receivables	-						
Subtotal	-						
Less: Allowance for D/A	-						
Net Non-trade receivable	-	-	-	-	-	-	-
Net Receivables (a + b)	1,560,081	73%	7%	2%	3%	12%	1%

Note: If the Company's collection period does not match with the above schedule and revision is necessary to make the schedule not misleading the proposed collection period in this schedule may be changed to appropriately reflect the Company's actual collection period.

Accounts Receivable Description

Type of Receivable	Nature Description	Collection Period
1. Trade Receivables	Commissary deliveries such as food, paper & packaging supplies, novelty & others; franchisees' royalty	7 to 14 days

Note: Indicate a brief description of the nature and collection period of each receivable accounts with major balances or separate receivable captions, both for trade and non-trade accounts.

Normal Operating Cycle 365 days

THE JFC GROUP OF COMPANIES
Jollibee Sales Up 14%, Profit Rises by 17%

Metro Manila, Philippines, May 14, 2009 – *Jollibee Foods Corporation* (PSE: JFC) – **Results for the quarter ended March 31, 2009**

Following are the financial highlights of JFC's results of operations for the quarter ended March 31, 2009:

Financial Summary	Quarter 1		
	2009	2008	% Change
System Wide Retail Sales	15,070	13,243	13.8%
Revenues	11,337	9,991	13.5%
Net Operating Income	779	666	17.1%
Net Income	562	480	17.2%
Net Income Attributable to Equity			
Holders of the Parent	562	480	17.2%
Earnings Per Common Share - Basic	0.549	0.470	16.9%
Earnings Per Common Share - Diluted	0.548	0.469	16.8%

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

Jollibee Foods Corporation, the country's largest food service company generated in the first three months of the year system-wide sales of Php 15.1 billion, 13.8% higher than in the same period last year. System-wide sales is a measure of sales to consumers both from company-owned and franchised stores. Total revenues grew by 13.5%, net operating income by 17.1% and net income by 17.2%.

JFC Chairman and Chief Executive Officer Mr. Tony Tan Caktiong stated that sales continued to be strong both in the domestic and foreign markets. "Our Philippine brands continued to achieve positive same store sales growth despite the slowing down of the economy, generating in total a 7.7% rise in system-wide sales versus last year. Sales from our businesses abroad grew by 62.4%. This growth rate included the effect of our acquisition of Hongzhuangyuan Congee Chain in Beijing. Excluding this acquisition, our sales abroad grew by 41.7% in the first quarter compared to the same period last year. Foreign operations already accounted for 16% of our business compared with 13% in 2008 and 3% five years ago", he stated.

Mr. Tan Caktiong added, however, that while sales continued to be strong, the slowing down of the economic growth in the Philippines and in foreign markets may dampen JFC's sales growth in the next quarters. "The worldwide economic downturn has not changed our long term goals and plans. In the short term, our operating plan calls for at least sustaining our most recent sales and profit growth rates. The economic situations

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in the markets, however, may continue to exert pressure on consumer demand and decrease our sales growth to below our target," Mr. Tan cautioned.

JFC Chief Finance Officer Mr. Ysmael V. Baysa disclosed that its net income margin improved slightly from 4.8% of revenues in the first quarter of 2008 to 5.0% in the first quarter of 2009 mainly due to improving prices of raw materials, more efficient marketing expenditures and lower corporate income taxes in the Philippines partly offset by higher financing charges for and higher operating costs from foreign operations. "We look forward to further improvement in our profit margins in the next two quarters made possible by the decreasing prices of raw materials. Sales trends in the different markets, however, have become difficult to predict under the fast changing economic conditions. We are watching consumer demand very closely," he commented.

JFC had budgeted for capital expenditures for 2009 amounting to Php 4.0 billion, 37% higher than in 2008 mainly for investments in new stores, renovation of existing stores, commissary facilities and a logistics center. It plans to open at least the same number of new stores in 2008 that totaled 186. It also plans to continue pursuing the acquisition of businesses as part of its long term growth strategy. Mr. Baysa stated, however, that under the fast changing economic conditions, the Jollibee Group is approaching its investments with a higher degree of diligence. "We have to ensure that our investments would generate healthy returns even if demand volume weakens. This means that if some planned investments do not pass this stress test, we would postpone or avoid them," he stated.

The JFC Group of Companies operates the Philippines' largest fast food network. As of March 31, 2009, it had a total of 1,515 stores in the country: Jollibee brand with 656, Chowking with 386, Greenwich with 227, Red Ribbon with 209, Delifrance with 24 and Manong Pepe's with 13. It was also operating 306 stores abroad: Yonghe King in the People's Republic of China with 143 stores, Jollibee 49, Red Ribbon 32, Chowking 32, CST 2, Hongzhuangyuan 39, and Lao Dong (Taiwan) 9 for a total of 1,821 stores worldwide.

