

SEC Number 9170
File Number

**UNIVERSAL ROBINA CORPORATION
AND SUBSIDIARIES**

(Company's Full Name)

110 E. Rodriguez Avenue, Bagumbayan, Quezon City

(Company's Address)

671-2935; 635-0751; 671-3954

(Telephone Number)

September 30

(Fiscal Year Ending)
(month & day)

FORM 17-Q

(Form Type)

(Amendment Designation if applicable)

For the Nine Months Ended June 30, 2004

(Period Ended Date)

(Secondary License Type and File Number)

TABLE OF CONTENTS

	<u>Page No.</u>
FORM 17-Q	1
PART I – FINANCIAL INFORMATION	
Management’s Discussion and Analysis of Financial Condition and Results of Operations	2
PART II – OTHER INFORMATION	
Signatures	5
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Balance Sheets	6
Unaudited Consolidated Statements of Income	7
Unaudited Consolidated Statements of Changes in Stockholders’ Equity	8
Unaudited Consolidated Statements of Cash Flows	9
Notes to Unaudited Consolidated Financial Statements	11

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended June 30, 2004
2. Commission identification number 9170
3. BIR Tax Identification No. 000-400-016-000
4. Universal Robina Corporation
Exact name of issuer as specified in its charter
5. Quezon City, Philippines
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: _____ (SEC Use Only)
7. 110 E. Rodriguez Ave., Bagumbayan, Quezon City 1110
Address of issuer's principal office Postal Code
8. 671-2935; 635-0751; 671-3954
Issuer's telephone number, including area code
9. Not applicable
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common stock, P1.00 Par value	1,686,479,549 shares

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

Yes [/] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein

Philippine Stock Exchange

Common stock

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 or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No []

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes [/] No []

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The unaudited consolidated financial statements are filed as part of this Form 17-Q (pages 6 to 15).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Nine Months Ended June 30, 2004 versus same period in 2003

Universal Robina Corporation (URC) registered a consolidated net sales and services of ₱19.9 billion for the nine months ended June 30, 2004, an increase of 16.2% over the same period of last year despite highly competitive environment and depressed economic condition marked by political and security concerns. Revenue growth was lead again by the strong performance of its core business, Branded Consumer Foods (BCF) business, particularly its expanding international operations in Southeast Asia, and improved revenues of its Agro-industrial and commodity foods businesses. URC's gross margin improved by 12.2% compared to the same period of last year to ₱5.2 billion. Moreover, income from operations climbed to ₱1.9 billion, a remarkable 20% increase over ₱1.6 billion recorded last year. Operating expenses, on the other hand, also increased by 8.1% compared to the same period of last year to ₱3.3 billion as a result of expanding regional operations and sustained marketing activities. Net income for the three quarters of fiscal year 2004 was up by ₱316.0 million, 28.8% better compared to the same period of last year.

URC generated EBITDA (earnings before interest, taxes, depreciation and amortization and other non-cash items) of ₱ 3.9 billion for the nine months ended June 30, 2004, 21.1% more than ₱3.3 billion realized in the same period in 2003.

The Company's revenues and operating income are expected to improve further in the last quarter of the fiscal year as it continues to expand its regional operations and domestically firm up its leadership in its core categories, consistently build strong brands, continuously improve product quality and better its cost competitiveness by streamlining plant operations and increasing efficiencies.

Financial Position

June 30, 2004 vs. September 30, 2003

The Company's financial position remained strong. URC is highly liquid having a current ratio of 2.86:1 as of June 30, 2004. Debt to equity ratio of 0.99:1 for the period is within comfortable level. Book value per share improved to ₱12.87 from ₱12.30 as at September 30, 2003.

The Company's cash requirements generally have been funded through cash flow from operations and financing activities. The net cash provided by operating activities for the nine months ended June 30, 2004 was ₱1.7 billion. On the other hand, net cash used in investing activities for the period amounted to ₱239.2 million which was substantially for additions to property, plant and equipment while net cash used in financing activities was ₱410.0 million, mainly payment of cash dividends.

The Company does not anticipate any liquidity problems that may arise in the near future as it enjoys a healthy financial position. As of June 30, 2004, the Company is not aware of any events and uncertainties that would have a material impact on the Company's net sales and services, income from operations and future operations.

Material Changes in the 2004 Financial Statements (Increase/Decrease of 10% or more versus 2003)

Income Statements – Nine months ended June 30, 2004 versus same period in 2003.

16% increase in sales and services was principally due to the following:

The Branded Consumer Foods (BCF) business unit, including the packaging division, posted sales and services value growth of 11.1% to ₱14.8 billion compared to the same period of last year. This was attributed to URC International revenue growth of 29.0% and the continued strength of the Company's products in core categories such as snacks, candy, chocolate, noodle and biscuit segments complemented by strong exports. URC International revenue accounts for 21.2% of the total revenues of URC, up from 19.1% in 2003 fiscal year.

The Company's Agro-industrial business unit recorded net sales of ₱2.8 billion, up by 30.8% from the same period of last year. The increase in net sales resulted from

improvement in prices of feeds and farm products, and higher volume sold by the farm business.

URC's Commodity Foods business unit registered net sales and services of ₱2.3 billion, higher by 38.6% compared to the same period of previous year of ₱1.7 billion. Flour business registered 29.3% sales growth which was driven by higher selling prices. Despite depressed selling prices, sugar business posted a whopping 65.9% sales increase due to significantly higher volume sold.

17.7% increase in cost of sales and services

Primarily due to higher sales volume and costs of major raw materials particularly for flour and feed products, and of BOPP films by the packaging division.

103.5% increase in provision for income tax

Due to higher taxable income.

671.3% increase in minority interest in net loss of subsidiaries

Due to higher net loss incurred by subsidiaries.

Balance Sheets - June 30, 2004 versus June 30, 2003

105.6% increase in cash and cash equivalents

Due to higher money market placements.

18.6% increase in receivables-net

Due to higher trade receivables as a result of increase in sales and accrued interest receivables on temporary investments.

29.5% increase in inventories-net

Primarily due to increase in finished good and raw material inventories relative to higher production capacity and higher cost of imported raw materials due to increase in prices compounded by Philippine peso depreciation vis-à-vis US dollar, and increase in production of sugar business.

22.2% decrease in other current assets

Mainly due to amortization of deferred off-milling cost of the sugar business.

10.5% decrease in other assets - net

Due to amortization of goodwill and deferred expenses.

13.3% decrease in loans payable

Due to repayment of short term loans.

27.4% increase in accounts payable and accrued expenses

Due to higher trade payables for purchases of materials and services, higher amount of accrued interest payable on loans, accrual of expenses and advances from stockholders.

222.1% increase in trust receipts and acceptances payable

Due to availment of additional trust receipt facility with the local banks to finance importations.

19.2% decrease in due to affiliated companies
Due to payment of advances from parent company.

21% decrease in deferred income tax-net (non-current)
Due to deferred income tax on unrealized foreign exchange losses.

PART II - OTHER INFORMATION

All current disclosures were already reported under SEC Form 17-C.

SIGNATURES

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

UNIVERSAL ROBINA CORPORATION

JAMES L. GO
Chairman and Chief Executive Officer
Date _____

LANCE Y. GOKONGWEI
President and Chief Operating Officer
Date _____

CONSTANTE T. SANTOS
Sr. Vice President – Corporate Controller
Date _____

GERALDO N. FLORENCIO
Vice President – Controller
Date _____

UNIVERSAL ROBINA CORPORATION AND SUBSIDIARIES**Consolidated Balance Sheets****(In Thousand Pesos)**

	Unaudited June 30 2004	Audited September 30 2003
A S S E T S		
Current Assets		
Cash and cash equivalents	P 1,955,824	P 951,097
Temporary investments-net	13,800,271	15,062,272
Marketable equity securities - net	738,138	730,112
Receivables - net (Note 3)	3,402,209	2,868,386
Due from affiliated companies (Note 4)	208,107	218,431
Inventories - net (Note 5)	5,953,112	4,597,374
Other current assets	172,055	221,065
Total Current Assets	26,229,716	24,648,737
Non-Current Assets		
Investments and Advances	1,253,861	1,260,371
Property, Plant and Equipment - net	15,625,159	15,225,691
Other Assets - net	1,271,961	1,421,718
	P 44,380,697	P 42,556,517
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Loans payable	P 3,563,902	P 4,110,432
Accounts payable and accrued expenses (Note 6)	3,925,909	3,082,002
Trust receipts and acceptances payable	931,539	289,074
Due to affiliated companies (Note 7)	392,227	485,221
Deferred income tax - net	1,258	1,258
Current portion of long-term debt (Note 8)	359,503	344,612
Total Current Liabilities	9,174,338	8,312,599
Non-Current Liabilities		
Deferred income tax - net	61,700	78,247
Long-term Debt - net of current portion (Note 8)	12,252,630	12,182,440
	21,488,668	20,573,286
Minority Interest in Consolidated Subsidiaries	1,105,549	1,160,455
Stockholders' Equity		
Capital stock (Note 9)	1,686,480	1,686,480
Additional paid-in capital	6,843,501	6,843,501
Deposits for future stock subscriptions	26,044	26,044
Accumulated translation adjustment	1,084,475	1,028,044
Retained earnings (Note 10)	12,145,980	11,238,707
	21,786,480	20,822,776
	44,380,697	42,556,517

See accompanying Notes to Unaudited Consolidated Financial Statements.

UNIVERSAL ROBINA CORPORATION AND SUBSIDIARIES**Unaudited Consolidated Statements of Income**
(In Thousand Pesos, Except Per Share Amounts)

	Quarters Ended June 30		Nine Months Ended June 30	
	2004	2003	2004	2003
NET SALES AND SERVICES (Note 12)	P 6,477,762	P 5,515,113	P 19,891,796	P 17,118,447
COST OF SALES AND SERVICES	4,884,321	4,268,073	14,719,551	12,506,441
GROSS PROFIT	1,593,441	1,247,040	5,172,245	4,612,006
OPERATING EXPENSES	1,053,228	1,089,128	3,273,033	3,029,222
INCOME FROM OPERATIONS	540,213	157,912	1,899,212	1,582,784
OTHER CHARGES - NET	(221,970)	(79,033)	(402,714)	(422,546)
INCOME BEFORE INCOME TAX AND MINORITY INTEREST	318,243	78,879	1,496,498	1,160,238
PROVISION FOR INCOME TAX				
CURRENT	(36,243)	9,166	160,803	110,699
DEFERRED	2,145	(39,808)	(16,547)	(39,808)
	(34,098)	(30,642)	144,256	70,891
INCOME BEFORE MINORITY INTERESTS				
IN NET INCOME (LOSS) OF SUBSIDIARIES	352,341	109,521	1,352,242	1,089,347
MINORITY INTEREST IN NET LOSS OF SUBSIDIARIES	(19,655)	(13,575)	(60,975)	(7,905)
NET INCOME	P 371,996	P 123,096	P 1,413,217	P 1,097,252
Earnings Per Share (Note 11)	P 0.22	P 0.07	P 0.84	P 0.65

See accompanying Notes to Unaudited Consolidated Financial Statements.

UNIVERSAL ROBINA CORPORATION AND SUBSIDIARIES

Unaudited Consolidated Statements of Changes in Stockholders' Equity

(In Thousand Pesos, except Number of Shares)

	Nine Months Ended June 30			
	2004		2003	
	In Shares	Amounts	In Shares	Amounts
CAPITAL STOCK - P1 par value (Note 9)				
Preferred stock				
Authorized - 2,000,000 shares				
Issued - none				
Common stock				
Authorized - 1,998,000,000 shares				
Balance at beginning of year	1,686,479,549	P1,686,480	1,636,607,993	P1,636,608
Additional issuance	-	-	49,871,556	49,872
Balance at end of period	1,686,479,549	1,686,480	1,686,479,549	1,686,480
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning of year		6,843,501		6,668,951
Additional issuance		-		174,550
Balance at end of period		6,843,501		6,843,501
PAID-UP CAPITAL				
		8,529,981		8,529,981
DEPOSITS FOR FUTURE STOCK SUBSCRIPTIONS				
Balance at beginning of year		26,044		250,466
Application of deposit		-		(224,422)
Balance at end of period		26,044		26,044
ACCUMULATED TRANSLATION ADJUSTMENTS				
Balance at beginning of year		1,028,044		784,271
Adjustments		56,431		113,186
Balance at end of period		1,084,475		897,457
RETAINED EARNINGS (Note 10)				
Appropriated				
Balance at beginning of year		3,000,000		-
Balance at end of period		3,000,000		-
Unappropriated				
Balance at beginning of year		8,238,707		10,330,513
Net income		1,413,217		1,097,252
Cash dividends - P0.30 per share in 2003		(505,944)		(505,944)
Balance at end of period		9,145,980		10,921,821
		P21,786,480		P20,375,303

See accompanying Notes to Unaudited Consolidated Financial Statements.

UNIVERSAL ROBINA CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousand Pesos)

	Nine Months Ended June 30	
	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax and minority interest	P1,496,498	P1,160,238
Adjustments for:		
Depreciation	1,292,171	1,176,802
Net unrealized foreign exchange loss (gain)	(28,135)	84,761
Investment income	(1,056,276)	(657,520)
Interest expense	1,071,983	756,244
Amortization of goodwill and deferred credit	126,366	121,050
Equity in net earnings of associates - net of goodwill amortization	(50,939)	(36,990)
Loss (gain) on sale of fixed assets	(3,853)	1,596
Minority interest in net loss of subsidiaries	60,975	7,905
Operating income before changes in working capital	2,908,790	2,614,086
Decrease (increase) in:		
Receivables	(385,412)	(45,299)
Due from affiliated companies	10,324	(20,768)
Inventories	(1,355,738)	(1,024,854)
Other current assets	49,010	57,385
Increase (decrease) in:		
Accounts payable and accrued expenses	696,707	(155,354)
Due to affiliated companies	(92,994)	(5,502)
Cash generated from operations	1,830,687	1,419,694
Interest received	907,864	438,688
Income taxes paid	(93,616)	(264,704)
Interest paid	(991,968)	(578,771)
Net cash provided by operating activities	1,652,967	1,014,907
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,674,905)	(1,653,960)
Proceeds from sale of property, plant and equipment	42,618	61,722
Acquisition of temporary investments	(1,408,375)	(9,174,180)
Proceeds from sale and maturity of temporary investments	2,775,566	-
Decrease (increase) in:		
Marketable equity securities	-	(272,201)
Investments in associates	37,449	144,433
Other assets	23,391	(50,960)
Dividends received	20,000	60,000
Increase (decrease) in minority interest in consolidated subsidiaries	(54,906)	(509)
Net cash used in investing activities	(239,162)	(10,885,655)

(Forward)

	Nine Months Ended June 30	
	2004	2003
CASH FLOWS FROM FINANCING ACTIVITIES		
Net availments (payments) of:		
Short-term borrowings	(546,530)	2,733,016
Trust receipts and acceptances payable	642,465	412,985
Long - term debt	-	7,019,645
Payments of cash dividends	(505,944)	-
Net cash provided by (used in) financing activities	(410,009)	10,165,646
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,003,795	294,898
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	932	4,599
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	951,097	2,006,850
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P1,955,824	P2,306,347

See accompanying Notes to Unaudited Consolidated Financial Statements.

UNIVERSAL ROBINA CORPORATION AND SUBSIDIARIES

Notes to Unaudited Consolidated Financial Statements

(In Thousand Pesos, Except Per Share Amounts)

1. Basis of Preparation

The unaudited consolidated financial statements of Universal Robina Corporation and Subsidiaries (the Group) have been prepared in accordance with accounting principles generally accepted in the Philippines (Philippine GAAP). These interim financial statements followed the same accounting policies and methods of computation by which the most recent annual audited financial statements have been prepared. The preparation of financial statements in accordance with Philippine GAAP requires the Group to make estimates and assumptions that affect the reported amounts on income, expenses, assets and liabilities and disclosures of contingent assets and liabilities. There were no changes in estimates of amounts reported in prior interim periods of the current fiscal year or changes in estimates of amounts reported in prior financial years that would have a material effect in the current interim period. Actual results could differ from those estimates. Management believes that actual results will not be materially different from those estimates.

2. Principles of Consolidation

The unaudited consolidated financial statements for the nine (9) months ended June 30, 2004 and 2003 represent the consolidation of the financial statements of Universal Robina Corporation (the Parent Company) and the following subsidiaries directly and indirectly owned by the Parent Company.

Companies	Percentage of Ownership			
	2004		2003	
	Direct	Indirect	Direct	Indirect
CFC Corporation	100.0	-	100.0	-
Universal Robina (Cayman), Ltd.	100.0	-	100.0	-
Universal Robina Sugar Milling Corporation	100.0	-	100.0	-
URC Philippines, Limited	100.0	-	100.0	-
CFC Clubhouse, Inc. (formerly CFC Keebler, Inc.)	100.0	-	100.0	-
CFC Clubhouse Property, Inc. (formerly CFC Keebler Property, Inc.)	100.0	-	100.0	-
URC Confectionery Corp.	100.0	-	-	-
URC International Company Limited	77.0	-	77.0	-
Hongkong China Foods Co. Ltd.	-	77.0	-	77.0
URC Asean Brands Co. Ltd.	-	77.0	-	77.0
Nissin-Universal Robina Corporation	65.0	-	65.0	-
Southern Negros Development Corporation	-	94.0	-	94.0

The investments in associates include the 50%, 50% and 5% equity in Hunt-Universal Robina Corporation (HUR), Joyco-Universal Robina Corporation (JOYCO), and Robinsons Land Corporation (RLC), respectively. In December 2003, the Parent Company acquired the shares of stock owned by Joyco Espana, S.A. Sociedad Unipersonal in JOYCO. Consequently, JOYCO became a wholly-owned subsidiary of the Parent Company. Also, in February 23, 2004, the Securities and Exchange Commission approved the change of corporate name of JOYCO to URC Confectionery Corp.

The financial information of these associates is summarized as follows:

	HUR		RLC		JOYCO	
	Unaudited June 30					
	2004	2003	2004	2003	2004	2003
Revenue	P 336,977	P 350,131	P 3,231,707	P 3,057,266		P 37,863
Cost and Expenses	295,110	304,558	2,079,486	2,069,684	-	61,912
Income (Loss) from Operations	41,867	45,573	1,152,221	987,582	-	(24,049)
Net Income (Loss)	P31,343	P35,125	P815,446	P 682,384		P (23,414)

3. Receivables

This account consists of:

	Unaudited June 30, 2004				Audited September 30 2003
	Up to Six Months	Over		Total	
		Six Months to One Year			
Trade receivables - net	P 1,825,397	P 343,610	P 2,169,007	P 1,958,738	
Other receivables	1,047,598	185,604	1,233,202	909,648	
	P 2,872,995	P 529,214	P 3,402,209	P 2,868,386	

4. Due from Affiliated Companies

This account consists of:

	Unaudited June 30 2004	Audited September 30 2003
Digital Telecommunications Philippines, Inc.	P96,952	P88,543
Cebu Air, Inc.	30,712	26,043
Hunt - Universal Robina Corporation	27,469	25,939
Others	52,974	77,906
	P208,107	P218,431

5. Inventories

This account consists of:

	Unaudited June 30 2004	Audited September 30 2003
Finished goods - net	P1,192,953	P894,347
Goods in process	95,366	62,641
Poultry and hog market stock and by-products	370,240	348,227
Poultry and hog breeder stock	152,097	174,333
Raw materials	1,714,012	1,121,458
Containers and packaging materials	560,939	462,772
Spare parts and supplies	680,240	560,024
Materials in transit	1,187,265	973,572
	P5,953,112	P4,597,374

6. Accounts Payable and Accrued Expenses

This account consists of:

	Unaudited June 30 2004	Audited September 30 2003
Accounts payable -trade	P1,821,806	P1,501,296
Accrued advertising and promotion	916,050	566,807
Accrued interest expense	331,188	251,173
Advances from stockholders and officers	201,015	155,043
Income tax payable	123,513	56,326
Customers' deposits	114,845	104,542
Accrued payroll	74,784	61,253
Utility, contract services, SSS and other accrued expenses	342,708	385,562
	P3,925,909	P3,082,002

7. Due to Affiliated Companies

This account consists of:

	Unaudited June 30 2004	Audited September 30 2003
Hongkong Peggy Foods Co. Ltd.	P 188,691	P 90,526
Litton Mills, Inc.	137,176	59,391
JG Summit Petrochemical Corp.	44,595	33,767
JG Summit Holdings, Inc.	-	187,285
Others	21,765	114,252
	P 392,227	P 485,221

8. Long-term Debt

This account consists of:

	Unaudited June 30 2004	Audited September 30 2003
Foreign Currencies:		
Balance of US\$125 million, 9% Guaranteed Notes Due 2008, interest payable on February 6 and August 6 of each year	P 7,022,000	P 6,859,625
Balance of US\$100 million, 8 3/8% Guaranteed Notes Due 2006, interest payable on June 19 and December 19 of each year	3,636,104	3,552,023
Balance of loans from a foreign bank, payable in 10 to 16 equal semi-annual amortization	612,659	727,508
Balance of loans from a foreign bank, payable in 14 equal semi-annual amortization	273,523	315,588
Philippine Pesos:		
Balance of restructured loans from Philippine Sugar Corporation payable in 25 equal annual amortizations	67,847	72,308
Five-year promissory note payable in 6 semi-annual amortization with remaining balance at maturity	1,000,000	1,000,000
	12,612,133	12,527,052
Less current portion	359,503	344,612
	P 12,252,630	P 12,182,440

The increase in the outstanding balances of the guaranteed notes due 2008 and 2006 was due to effect of conversion of US dollar amounts into Philippine peso at the exchange rates of US \$1: P56.1760 and US \$1: P54.8770 at June 30, 2004 and September 30, 2003, respectively.

9. Capital Stock

	Unaudited June 30 2004	Audited September 30 2003
Preferred stock - P1 par value		
Authorized - 2,000,000 shares		
Issued - none		
Common stock - P1 par value		
Authorized - 1,998,000,000 shares		
Issued - 1,686,479,549 shares	P 1,686,480	P 1,686,480

The preferred stock is 12% cumulative, nonparticipating, nonvoting, and redeemable at par upon dissolution and liquidation of the Company.

10. Retained Earnings

A portion of the unappropriated retained earnings representing the undistributed earnings of the investee company is not available for dividend declaration until received in the form of dividends.

11. Earnings Per Share

Earnings per share amounts were computed as follows:

	Quarters Ended		Nine Month
	June 30		June 30
	2004	2003	2004
Net income	P 371,996	P 123,096	P 1,413,217
Divide by the number of shares issued and equivalent number of shares of the deposits for future stock subscriptions	1,692,267,001	1,692,267,001	1,692,267,001
	P 0.22	P 0.07	P 0.84

12. Business Segment Information

The industry segments where the Group operates are as follows:

- Branded consumer food products - manufactures and distributes a diverse mix of snack foods, instant coffee products, instant noodles, chocolates, soft and hard candies, biscuits, pasta, tomato-based products and ready-to-drink beverage. It also engages in manufacture of polypropylene films for packaging companies. Its revenues are in their peak during the opening of classes in June and christmas season.
- Agro-industrial products - engages in hog and poultry farming, manufactures and distributes animal feeds, corn products and vegetable oils, and produces and distributes animal health products. Its peak season is during summer.
- Commodity food products - engages in sugar milling and refining, and flour milling. The peak season for sugar is during its crop season, which normally starts in September and ends in May of the following year.
- Corporate businesses - engages in bonds and securities investment and fund sourcing activities.

Financial information about the operations of these business segments is summarized as follows:

	Revenue		Total Assets		Total Liab
	2004	2003	Unaudited June 30		2004
			2004	2003	
Branded Consumer Food Products	P14,789,273	P13,315,142	P18,901,412	P18,192,751	P5,542,125
Agro-Industrial Products	2,802,946	2,143,593	2,725,881	2,398,467	636,301
Commodity Food Products	2,299,577	1,659,712	4,544,881	4,317,811	1,532,858
Corporate Businesses	-	-	18,208,523	20,233,414	13,777,384
	P19,891,796	P17,118,447	P44,380,697	P45,142,443	P21,488,668

panies

**s Ended
30**

2003

P 1,097,252

1,692,267,001

P 0.65

ee

ugar is

ilities

2003

P5,195,251

438,129

1,216,220

16,722,690

P23,572,290

13. Contingencies

The Group has various contingent liabilities arising in the ordinary conduct of business which are either pending decision by the courts or are being contested, the outcome of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. There were no significant changes in the contingent liabilities as of to date.

14. Subsequent Events

There were no material events that occurred subsequent to June 30, 2004 that were not reflected in the financial statements for the period.
