



**UNIVERSAL ROBINA
CORPORATION**

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13 February 2008

Securities and Exchange Commission

Attention: Corporation and Finance Department
SEC Building, EDSA
Mandaluyong City

Philippine Stock Exchange

Attention: Atty. Pete M. Malabanan
Head, Disclosure Department
4F PSE Center, Exchange Road
Ortigas Center, Pasig City

Subject: **URC CORE EARNINGS BEFORE TAX INCREASED TO Php P886
MILLION**

Gentlemen:

Universal Robina Corporation's (URC's) unaudited consolidated net sales and services for the first quarter of 2008 fiscal year (October 2007 to December 2007) amounted to Php 10.86 billion, a hefty 18.1% growth from Php 9.20 billion last year.

Net sales and services in URC's BCFG domestic and international (excluding packaging) increased by ₱1.152 billion, or 16.9%, to ₱7.952 billion in the first quarter of fiscal 2008 from ₱6.800 billion recorded in the same quarter of fiscal 2007. This increase was primarily due to a 20.1% increase in net sales from BCFG's domestic operations which was largely driven by the strong performance of its snackfoods and beverage businesses which posted a 21.5% and 24.4% growth in sales value, respectively. The domestic business continued to benefit from the consumer spending recovery. Under snackfoods, all categories posted double digit growth with bakery and biscuits delivering the highest sales growth. Strong coffee sales underpinned the growth of beverage. BCFG International's sales increased by 8.5% to ₱2.020 billion buoyed by revenue growth particularly in Thailand and Vietnam. International sales registered a hefty increase of 25% in US dollar terms to US\$ 47 million.

Net sales in URC's packaging division went up to ₱364 million in the first quarter of fiscal 2008 or 18.4% from ₱308 million posted in the same period last year due to an increase in sales volume.

Net sales in URC's Agro-Industrial Group (AIG) amounted to ₱1.494 billion in the first quarter of fiscal 2008, an increase of ₱140 million or 10.4% from ₱1.354 billion recorded in

same period last year. This was due to the animal feeds business which grew 8% to Php 683 million while volume was flat, as we have been forced to increase prices to cover rising input costs such as feed wheat and corn. The farms business grew 12% on the back of the high prices of hogs, which are now at a historical high in the country due to lowered hogs supply (down almost 20% nationwide) caused by rising input costs.

Net sales in URC's Commodities Food Group (CFG) amounted to ₱1,049 million in the first quarter of fiscal 2008 or up 42.2% from ₱737 million reported in the same period last year. Gross flour sales volumes are up 5%, while gross sales value is up 36%, as Flour has been implementing numerous price increases to offset higher wheat costs worldwide. Sugar sales are also up as our PASSI acquisition has already begun milling sugar this quarter. This has tempered the lower production volume in our two Negros mills caused by rainy weather which has delayed the start of the milling season.

URC's operating profit improved to Php 917 million, a significant increase of 25.8% vs. the same period last year. This was due to resilient revenue growth and price increases for some key products, which offset the increase in the cost of certain raw and packaging materials, and higher freight expenses arising from the increase in the cost of fuel and increasing product volumes. Operating EBITDA likewise improved by 17% to P1.528 billion.


URC's unaudited core earnings, which is operating profit after equity earnings, net finance and other charges for the first quarter of 2008 fiscal year (October 2007 to December 2007) reached Php 886 million from Php 768 million reported in the same period last year. URC's unaudited net income for the period declined by 93.5% to Php 234 million because of the absence of the non-recurring gain, foreign exchange translation losses due to a stronger peso, mark to market losses in our bond holdings resulting from the general drop in bond prices worldwide, and higher taxes.

As of the period, we have a net cash of about P690 million and URC has bought back a total of 30.1 million shares for the buy back program.

Attached is the company's Form 17Q which contains the unaudited financial statements and management's discussion and analysis of the same.

The above disclosure is being submitted in compliance with the disclosure rules of the Securities and Exchange Commission and the Philippine Stock Exchange.

Very Truly Yours,


B.J. Sebastian
Senior Vice President
Corporate Information Officer