



**UNIVERSAL ROBINA  
CORPORATION**

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16 May 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 ₱1.80 BILLION**

Gentlemen:

Universal Robina Corporation's (URC's) unaudited consolidated net sales and services for the first half of fiscal year 2008 (October 2007 to March 2008) amounted to ₱21.15 billion, a hefty 15.5% growth from ₱18.31 billion last year.

Net sales and services in URC's BCFG domestic and international (excluding packaging) increased by ₱2.20 billion, or 16.4%, to ₱15.66 billion in the first half of fiscal 2008. This increase was primarily due to a 18.9% 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 19.5% and 21.2% growth in sales value, respectively. The domestic business continued to benefit from the consumer spending recovery and price increases implemented in some categories. Under snackfoods, all categories posted double digit growth with bakery delivering the highest sales growth. Strong coffee sales underpinned the growth of beverage. URC implemented another round of price increases particularly in snacks, candies and beverage to temper the impact of higher raw material price, the benefit of which will be felt in the succeeding quarters. BCFG International's sales increased by 9.7%, to ₱4.14 billion, buoyed by revenue growth in all the countries except Indonesia. International sales registered a hefty increase of 28.5% in US dollar terms to US\$ 98.56 million.

Net sales in URC's packaging division went up to ₱719 million in the first half of fiscal 2008 or 33.3% from ₱540 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 ₱2.80 billion in the first half of fiscal 2008, an increase of 5.1% from ₱2.67 billion recorded in same period last year.

This was due to the farms business which grew 8.8% to ₱1.54 billion on the back of the high prices of hogs, compensating for lower volumes. The feeds business was flat at ₱1.26 billion as price increases, to cover rising input costs such as feed wheat and corn, just compensated for weaker volumes.

Net sales in URC's Commodities Food Group (CFG) amounted to ₱1.98 billion in the first half of fiscal 2008 or up 20.0% from ₱1.65 billion reported in the same period last year. Flour has been implementing numerous price increases to offset higher wheat costs worldwide. Sugar gross sales are also up by 13.8% in the period as our PASSI acquisition has already begun milling sugar in first half of this fiscal year. 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 ₱1.81 billion, a significant increase of 12.1% compared to 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, higher freight expenses arising from the increase in the cost of fuel and increasing product volumes and higher depreciation. Operating EBITDA likewise improved by 8.6% to ₱3.021 billion.

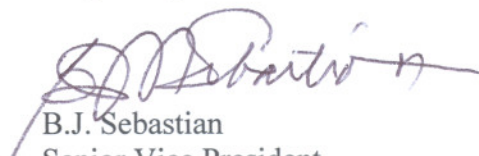
URC's unaudited core earnings, which is operating profit after equity earnings, net finance and other charges for the first half of fiscal year 2008 reached ₱1.80 billion from ₱1.61 billion reported in the same period last year. URC's unaudited net income for the period declined by 87.9% to ₱497 million because of the absence of non-recurring gain from sale of RLC shares, 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 debt of about ₱1.48 billion as we have already paid our matured US\$110 million URC 2008 Notes in February and URC has bought back a total of 40.55 million shares for the buy back program as of March.

Attached is the Company's Form 17-Q 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