

F J BENJAMIN CUTS NET LOSS TO \$3.6 MILLION FOR 1QFY17

- *Turnover slips 19% to \$51.3 million*
- *Gross margins up from 39% to 41%*
- *Group restructuring substantially completed*

SINGAPORE, 10 November 2016 – F J Benjamin Holdings today announced net loss attributable to shareholders of \$3.6 million for its first quarter ended 30 September 2016 (1QFY17), down from a loss of \$5.5 million previously.

The reduction in turnover of \$12.4 million was mainly due to the closure of non-performing stores and businesses which follows our restructuring plans. These non-performing stores and businesses contributed \$6.4 million in sales in the previous comparative quarter. Sales to our Indonesian associate also dropped \$4.8 million in this quarter as it was rebalancing its inventory level. Contributions to turnover from our Malaysian operations also fell by \$1.0 million due to the conversion of Malaysian Ringgit to Singapore Dollar upon consolidating into the Group accounts. Gross profit margin improved to 41% from 39% in the previous corresponding quarter.

Group operating loss was reduced by 17% from \$3.1 million to \$2.6 million in 1Q17. The cost-cutting efforts helped to narrow losses in the first quarter of the current financial year. Group net loss attributable to shareholders was brought down by 35% from \$5.5 million in 1Q16 to \$3.6 million in 1Q17.

Group CEO Nash Benjamin said: “We expect the operating environment to continue to remain challenging given the economic slowdown in our key markets. Whilst we have substantially completed our restructuring exercise, management is still looking at ways to integrate certain operational functions to achieve better efficiencies to restore the business back to profitability.”

By business segment, Group turnover from fashion business was 14% lower to \$42.9 million while timepieces fell 31% to \$9.4 million, excluding currency translation losses.

Geographically, revenue contribution from the fashion business in Southeast Asia remained unchanged after adjusting for purchases by the Indonesian associate, discontinued brands and the weakening of the Malaysian ringgit of \$1.0 million. Revenue from the timepiece business declined two percent.

As at 30 September 2016, inventory eased one percent to \$54.1 million.

Net borrowings totalled \$35.6 million compared to \$31.7 million as at 30 June 2016. Net gearing stood at 62% against 52% as at 30 June 2016.

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About F J Benjamin Holdings Ltd (www.fjbenjamin.com) – With a rich heritage dating back to 1959, F J Benjamin Holdings Ltd is a consumer driven leader in brand building and management through distribution and retail. Listed on the Singapore Exchange since 1995 (Ticker: F10), F J Benjamin has a strong footprint in Southeast Asia, with offices in Singapore, Indonesia and Malaysia, and manages over 20 iconic brands and operates 226 stores. The Group's international brand portfolio includes fashion, lifestyle and timepiece brands.

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