

## **F J BENJAMIN REPORTS 2Q2016 RESULTS**

- *Revenue declined by S\$16.2 million to S\$70.9 million attributed to closure of non-performing stores, discontinued business and weakening Malaysian currency*
- *Group net loss after tax was S\$3.7 million compared to a net profit after tax of S\$1.2 million in 2Q2015*
- *Underlying loss was reduced by 67% from S\$4.9 million in 2Q2015 to S\$1.6 million in 2Q2016*
- *Operating expenses declined 23% to improve Group's cost-to-revenue ratio from 46% to 43% during the period*

**Singapore, 12 February 2016** – F J Benjamin Holdings (“F J Benjamin” or the “Group”), Singapore’s leading fashion and lifestyle group, today announced that Group turnover declined 19% or S\$16.2 million to S\$70.9 million for the three months ended 31 December 2015 (“2Q2016”) from S\$87.1 million in the previous corresponding period (“2Q2015”), due to a S\$17.2 million negative impact from revenue lost from closure of non-performing stores, discontinued business and the devaluation of the Malaysian Ringgit during the period.

“With the decline in tourist arrivals from Indonesia, Malaysia and China into Singapore, together with the slowing economies and currency volatility in the region, this further weakened consumer sentiment,” said Mr. Nash Benjamin, Chief Executive Officer of F J Benjamin. “Despite this backdrop, we remain encouraged that our recently concluded rationalisation programme continues to positively affect business productivity. Group operating expenses was lowered by more than 23%, improving our cost-to-revenue ratio from 46% to 43%.”

## Key Financial Highlights

S\$'000	2Q2016	2Q2015	Comparison
<b>Turnover</b>	70,894	87,087	19% lower
<b>Gross profit</b>	26,942	34,624	22% lower
<b>Gross profit margin</b>	38.0%	39.8%	1.8 ppt lower
<b>Operating (loss)/profit</b>	(3,082)	1,359	n.m.
<b>Underlying loss <sup>(a)</sup></b>	(1,647)	(4,935)	Improved 67%
<b>Net (loss)/profit after tax</b>	(3,699)	1,208	n.m.

Note:

(a) Excluding stores and businesses that were closed and non-recurring gain

The Group's gross profit margin declined 1.8 percentage points from 39.8% to 38.0% during the period due to increased promotional activities launched in Malaysia.

Group operating loss was S\$3.1 million compared to operating profit of S\$1.4 million in previous corresponding period which included a one-time gain from sale of mandatory convertible bonds of S\$6.1 million in 2Q2015. Of this operating loss, S\$2.1 million was attributable to the stores and businesses that were closed. Excluding the one-time gain in 2Q2015, the Group's underlying loss was reduced by 67% from S\$4.9 million in 2Q2015 to S\$1.6 million in this reported quarter.

## Outlook

Commenting on the Group's outlook, Mr Benjamin said, "Amidst an uncertain and volatile global economic backdrop, restrained consumer spending and intensifying competition, we expect the retail sector in Singapore, Malaysia and Indonesia, to remain challenging in the mid-term. However, having taken major steps over the past two years to rationalise our business, we are better

positioned to weather these difficult times. We remain steadfast in our commitment to the long-term potential of our core markets and will continue to prudently manage our business while sourcing for appropriate new opportunities to grow the Group.”

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**About F J Benjamin Holdings Ltd** ([www.fjbenjamin.com](http://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 in 1995 (Ticker: F10), F J Benjamin has a strong footprint in Southeast Asia, with offices in Singapore, Indonesia and Malaysia, which proactively manage over 20 iconic brands and operates 218 stores. The Group’s international brand portfolio includes fashion, lifestyle and timepiece brands.

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