

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
1(ai) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors of F J Benjamin Holdings Ltd wishes to announce the unaudited results of the Group for the second quarter ended 31 December 2014 (2Q15)

	-----GROUP-----		Change %
	2Q15 \$'000	2Q14 \$'000	
Turnover	87,087	104,606	(17)
Cost of goods sold	(52,463)	(65,076)	(19)
Gross Profit	<u>34,624</u>	<u>39,530</u>	(12)
Other income	6,005	3,002	100
Staff costs	(12,182)	(13,900)	(12)
Rental of premises	(14,509)	(15,132)	(4)
Advertising and promotion	(2,861)	(3,071)	(7)
Depreciation of property, furniture, fixtures and equipment	(2,207)	(2,360)	(6)
Other operating expenses	<u>(7,994)</u>	<u>(5,514)</u>	45
OPERATING PROFIT	876	2,555	(66)
Interest income	483	169	nm
Interest expenses	<u>(772)</u>	<u>(909)</u>	(15)
	587	1,815	(68)
Foreign exchange loss	(185)	(1,024)	(82)
Share of results of associates/ joint venture, net of tax	853	151	nm
PROFIT BEFORE TAXATION	<u>1,255</u>	<u>942</u>	33
Taxation	<u>(47)</u>	<u>(411)</u>	(89)
NET PROFIT FOR THE FINANCIAL PERIOD	<u><u>1,208</u></u>	<u><u>531</u></u>	nm
Profit attributable to:			
Owners of the parent	1,244	586	nm
Non-controlling interests	<u>(36)</u>	<u>(55)</u>	(35)
	<u><u>1,208</u></u>	<u><u>531</u></u>	nm
OPERATING PROFIT IS STATED AFTER CHARGING/(CREDITING):-			
Loss on disposal of furniture, fixtures and equipment	185	166	
Allowance for doubtful debts and bad debts written off	15	43	
Allowance/(writeback) for inventory obsolescence and inventories written off	1,440	(2,033)	
Reversal of allowance for inventory obsolescence	(691)	(638)	
Gain on partial sale of mandatory convertible bonds	(6,143)	-	
Provision for impairment loss on investment securities	<u>311</u>	<u>-</u>	

nm - not meaningful

1(aii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**Profit for the financial period****Other comprehensive loss**

Item that may be reclassified subsequently to profit or loss:

Foreign currency translation

Total comprehensive income for the financial period**Total comprehensive income attributable to:**

Owners of the parent

Non-controlling interests

GROUP		
2Q15	2Q14	Change
\$'000	\$'000	%
1,208	531	nm
(1,104)	(418)	nm
104	113	-8%
176	185	-5%
(72)	(72)	0%
104	113	-8%

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	-----GROUP-----		-----COMPANY-----	
	31-Dec-14 \$'000	30-Jun-14 \$'000	31-Dec-14 \$'000	30-Jun-14 \$'000
NON-CURRENT ASSETS				
Property, furniture, fixtures and equipment	27,405	30,597	357	475
Goodwill	559	559	-	-
Subsidiaries	-	-	92,335	92,410
Investment in associates/ joint venture	7,711	17,488	-	-
Mandatory convertible bonds	29,862	-	-	-
Other receivables	260	260	-	-
Deferred tax assets	1,106	1,154	-	-
	<u>66,903</u>	<u>50,058</u>	<u>92,692</u>	<u>92,885</u>
CURRENT ASSETS				
Non-current assets held for sale	1,933	1,847	-	-
Inventories	85,440	90,451	-	-
Investment securities	2,729	2,724	-	-
External trade debtors	9,668	8,458	-	-
Trade debts due from related companies	29,321	61,329	-	-
Tax recoverable	3,634	2,295	-	-
Other debtors	19,078	26,706	78,922	78,868
Cash on hand and at banks	5,788	5,176	1,277	175
	<u>157,591</u>	<u>198,986</u>	<u>80,199</u>	<u>79,043</u>
CURRENT LIABILITIES				
Trade and other creditors	51,638	58,579	2,010	2,234
Finance lease creditors	155	168	134	133
Bank borrowings	63,919	77,103	-	-
Provision for taxation	10	514	-	-
	<u>115,722</u>	<u>136,364</u>	<u>2,144</u>	<u>2,367</u>
NET CURRENT ASSETS	41,869	62,622	78,055	76,676
NON-CURRENT LIABILITIES				
Finance lease creditors	364	434	323	389
Bank borrowings	3,504	7,500	-	-
Other liabilities	2,636	2,626	-	-
Deferred tax liabilities	279	266	-	-
	<u>6,783</u>	<u>10,826</u>	<u>323</u>	<u>389</u>
NET ASSETS	101,989	101,854	170,424	169,172
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(27,530)	(27,013)	-	-
Accumulated (losses) / profit	(34,885)	(35,814)	4,977	3,725
	<u>103,032</u>	<u>102,620</u>	<u>170,424</u>	<u>169,172</u>
Non-controlling interests	(1,043)	(766)	-	-
	<u>101,989</u>	<u>101,854</u>	<u>170,424</u>	<u>169,172</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	-----GROUP-----	
	31-Dec-14	30-Jun-14
	\$'000	\$'000
Amount repayable in one year or less, or on demand - unsecured	64,074	77,271
Amount repayable after one year - unsecured	3,868	7,934
Total borrowings	67,942	85,205
Cash on hand and at banks	(5,788)	(5,176)
Net borrowings	62,154	80,029

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	-----GROUP-----	
	2Q15	2Q14
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	1,255	942
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	2,207	2,360
Share of results of associates/ joint venture, net of tax	(853)	(151)
Currency realignment	(1,086)	(551)
Loss on disposal of furniture, fixtures and equipment	185	166
Gain on partial sale of mandatory convertible bonds	(6,143)	-
Fair value loss on investment securities	311	-
Allowance/(writeback) for inventory obsolescence and inventories written off	749	(2,671)
Allowance for doubtful debts and bad debts written off	15	43
Interest income	(483)	(169)
Interest expense	772	909
OPERATING (LOSS)/PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	(3,071)	878
Decrease/(Increase) in debtors	927	(2,872)
Decrease/(Increase) in stocks	6,003	(1,162)
Increase/(Decrease) in creditors	4,207	(180)
CASH FROM/(USED IN) OPERATIONS	8,066	(3,336)
Income tax paid	(1,200)	(3,206)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	6,866	(6,542)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(1,964)	(4,522)
Proceeds from disposal of property, furniture, fixtures and equipment	135	283
Investment in unquoted securities	(316)	-
Interest received	1	1
NET CASH USED IN INVESTING ACTIVITIES	(2,144)	(4,238)
CASH FLOW FROM FINANCING ACTIVITIES:		
Net (repayment)/proceeds from bank borrowings	(1,771)	10,546
Repayment of obligations under finance lease	(41)	(42)
Interest paid	(770)	(893)
Dividends paid to shareholders	(1,422)	(2,844)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(4,004)	6,767
Net increase/(decrease) in cash and cash equivalents	718	(4,013)
Cash and cash equivalents at beginning of the financial period	(7,725)	(310)
Net effect of exchange rate changes on opening cash and cash equivalents	1	13
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(7,006)	(4,310)
Cash and cash equivalents comprise the following:		
Cash and bank balances	5,788	6,568
Bank overdrafts	(12,794)	(10,878)
	(7,006)	(4,310)

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital \$'000	Exchange Translation Reserve \$'000	(Accumulated Losses) / Retained Earnings \$'000	Non-controlling interests \$'000	Total Equity \$'000
GROUP					
At 1 October 2014	165,447	(26,462)	(34,707)	(971)	103,307
Profit for the financial period	-	-	1,244	(36)	1,208
<u>Other comprehensive loss</u>					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	(1,068)	-	(36)	(1,104)
Total comprehensive income for the financial period	-	(1,068)	1,244	(72)	104
Dividends paid	-	-	(1,422)	-	(1,422)
At 31 December 2014	165,447	(27,530)	(34,885)	(1,043)	101,989
At 1 October 2013	165,447	(25,877)	(10,472)	(831)	128,267
Profit for the financial period	-	-	586	(55)	531
<u>Other comprehensive loss</u>					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	(401)	-	(17)	(418)
Total comprehensive income for the financial period	-	(401)	586	(72)	113
Dividends paid	-	-	(2,844)	-	(2,844)
At 31 December 2013	165,447	(26,278)	(12,730)	(903)	125,536
COMPANY					
At 1 October 2014	165,447	-	5,394	-	170,841
Total comprehensive income for the financial period	-	-	1,005	-	1,005
Dividends paid	-	-	(1,422)	-	(1,422)
At 31 December 2014	165,447	-	4,977	-	170,424
At 1 October 2013	165,447	-	455	-	165,902
Total comprehensive loss for the financial period	-	-	(646)	-	(646)
Dividends paid	-	-	(2,844)	-	(2,844)
At 31 December 2013	165,447	-	(3,035)	-	162,412

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There has been no change in the Company's share capital during the period reported.

As at 31 December 2014 and 31 December 2013, there was no outstanding warrants.

1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 December 2014: 568,709,857

As at 30 June 2014: 568,709,857

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There is no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in item 5 below, the Company and the Group have applied the same accounting policies and methods of computation as in the most recent audited annual financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.

In the current financial period, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") and interpretation of FRSs ("INT FRSs") that are relevant to its operations and effective for the financial period beginning on or after 1 Jan 2014.

The adoption of these new / revised FRSs and INT FRSs does not result in changes in Group's accounting policies and has no material effect on the amounts reported for the current period or prior periods.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	2Q15	2Q14
(a) Basic (cents)	0.22	0.10
(b) Diluted (cents)	0.22	0.10

The basic and diluted earnings per share is computed based on the weighted average number of ordinary shares in issue during the financial period of 568,709,857 (2Q14: 568,709,857).

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP	COMPANY
Net asset value per ordinary share based on issued share capital as at:		
(a) current financial period reported on (cents)	18.12	29.97
(b) immediately preceding financial year (cents)	18.04	29.75

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Results for Second Quarter Ended 31 December 2014 (2Q15)

(i) Income statement

The challenging market conditions continued to impact the retail industry which is primarily driven by consumer sentiment and overall health of the economy. Retail sales in October and November were especially hard hit due to a significant decline in local and tourist footfall into the stores.

Group revenue in the reported quarter decreased by 17% to \$87.1 million from \$104.6 million in previous corresponding period. Gross profit fell by \$4.9 million or 12% to \$34.6 million. Gross margins, however, improved from 38% to 40% for this quarter with better inventory management and strategic tactical promotions to drive sales.

Other income comprised mainly the gain on the partial sale of mandatory convertible bonds issued by our Indonesian associated company.

Net profit after tax was \$1.2 million compared to \$531,000 in 2Q14.

Group operating expenses totalled \$39.8 million compared to \$40.0 million in 2Q14, with reduction in costs in all major categories except other costs which reflected a higher provision for stock obsolescence. Cost-to-revenue ratio rose to 45.6% against 38.2% in same period last year, reflecting the lower sales and the fixed nature of overheads such as staff cost and rental.

Group turnover from the fashion business decreased by 10% to \$69.2 million and the timepiece business declined by 36% to \$17.6 million.

In Southeast Asia, the fashion business fell 9% and the timepiece business decreased by 16%. The retail industry in Singapore and Malaysia continued to see falling sales as tourist arrivals declined for another quarter and spending particularly by shoppers from mainland China and Indonesia remained soft. The severe flooding in Malaysia in the month of December further dampened consumer spending.

The business in Indonesia continued to do well and registered increased sales of 5% despite the challenging trading conditions.

With the continued decline of business in North Asia, the Group is in the process of downsizing its operations in both Hongkong and Taiwan, which will be completed by 3Q15.

The Group opened its first Superdry store in Singapore in December, registering positive results.

(ii) Balance Sheet

Inventories decreased by 6% to \$85.4 million with reduction in purchases coupled with a higher provisioning set aside for stock obsolescence.

Mandatory convertible bonds - \$29.9 million – On 24 July 2014, the Group entered into an agreement with its associated company in Indonesia to subscribe for \$39.9 million of Mandatory convertible bonds issued by the associated company. Consideration is satisfied by the offsetting of account receivables due. As disclosed in SGX announcement on 11 August 2014, \$10 million of these bonds

were sold to Indonesian investors, PT Saratoga Investama Sedaya Tbk and its co-investors for an aggregate consideration of US\$18 million. The Group now holds \$29.9 million of the Mandatory convertible bonds.

Net borrowings have declined by 22% to \$62.2 million mainly due to repayment of term loans.

Group net gearing stood at 60% as at 31 December 2014 compared to 78% as at 30 June 2014.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The increased volatility in the global economy, in particular softer growth in China, will continue to weigh down on Asia's economic outlook and affect consumer sentiment. In view of this, the Group continues to focus on improving productivity through store rationalisation, managing inventory levels and capitalising on cost efficiencies.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period report on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediate preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

Not applicable.

13. If the Company has obtained a general mandate from shareholders for interested party transactions ("IPT mandate"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have an IPT mandate.

14. Confirmation pursuant to Rule 705(5) of the Listing Manual.

To the best of our knowledge, nothing material has come to the attention of the Directors which may render the financial period results ended 31 December 2014 to be false or misleading.

15. Third quarter results for financial year ending 31 March 2014

The Company expects to announce its third quarter results ending 31 March 2015 in the week of 4th May 2015.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
5 February 2015