



F J BENJAMIN

F J BENJAMIN 1QFY15 NET PROFIT RISES TO \$1.0 MILLION

- *Turnover down 22% to \$75.4 million*
- *Gross margins improve to 44%*

Singapore, 6 November 2014 – F J Benjamin Holdings, Singapore’s leading fashion and lifestyle group, today announced higher net profit for its first quarter ended 30 September 2014 (1QFY15) amid lower sales in a sluggish retail environment.

Net profit after tax rose to \$1.0 million from \$336,000 in the first quarter of the last financial year.

Group turnover in 1QFY15 fell 22% to \$75.4 million from \$96.0 million last year as the retail industry in the Group’s key markets remained challenging amid tourist arrivals and economic lacklustre consumption. Group turnover from the fashion business dropped 13% to \$59.7 million while the timepiece business declined 44% to \$15.3 million.

Gross profit margins improved two percentage points to 44% from 42%.

Other income comprised mainly the gain on the partial sale of mandatory convertible bonds from the Indonesian joint venture.

Group operating expenses during the quarter under review rose five percent to \$41.4 million. The increase came mainly from additional provision for stock obsolescence. Cost-to-revenue ratio rose to 55% against 41% in

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same period last year, reflecting lower sales and the fixed nature of overheads such as staff cost and rental.

Geographically, sales in Southeast Asia fell 12% to \$69.7 million as the retail industry in Singapore and Malaysia continued to suffer falling sales as tourist arrivals declined, and spending particularly by shoppers from mainland China and Indonesia, remaining soft. The fashion business fell 10% mainly from lower exports to Indonesia while the timepiece business decreased 20%.

In North Asia, the luxury timepiece business in Hong Kong and China dipped 82% and 98% respectively. The weak performance in the region was mainly due to the continued economic slowdown in China which dampened mainland Chinese spending in Hong Kong, and the loss of sales from Girard Perregaux timepiece following the expiry of the distribution agreement in end February 2014.

Sales in Indonesia continued to do well and registered increased sales of 13%.

The Group's net gearing stood at 62% as at 30 September 2014 against 78% at 30 June 2014. Earnings per share stood at 0.19 cents against 0.07 cents in 1QFY14.

- End -

About F J Benjamin Holdings Ltd (www.fjbenjamin.com) – F J Benjamin Holdings Ltd is a leader in building brands and in developing retail and distribution networks for international luxury and lifestyle labels across Asia. Its portfolio includes fashion and lifestyle brands like Banana Republic, Catherine Deane, Celine, Gap, Givenchy, Goyard, Guess, La Senza, RAOUL,

Sheridan, Superdry, TOM FORD, Valextra, VNC and timepiece brands such as Alpina, Bell & Ross, Converse, Chronoswiss, Frederique Constant, Guess? Watches, Gc, Nautica, Victorinox Swiss Army and Vulcain.

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