



FJ BENJAMIN



2Q 11 Results

NASH BENJAMIN
Chief Executive Officer

F J Benjamin Holdings Ltd
INVESTOR PRESENTATION – 2Q 2011
9 February 2011



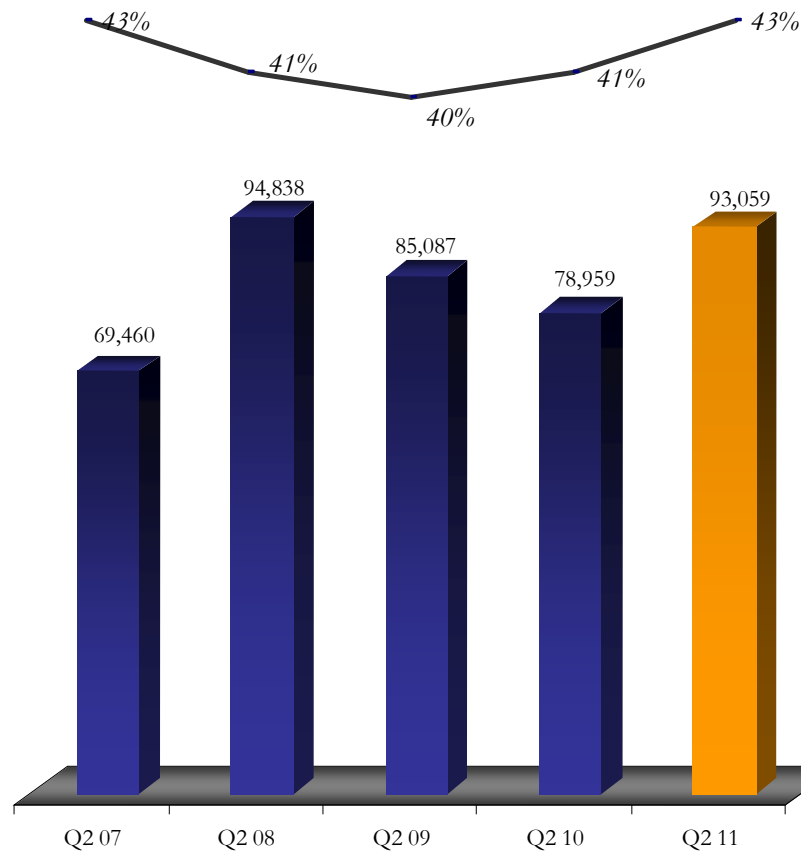
Highlights

1. *Turnover up 18% to \$93.1 million.*
2. *Net Profit jumps 2.3 times to \$4.0 million*
3. *Gross Margins strengthen to 43% from 41%*
4. *Cost-to-revenue ratio drops to 39% from 41%*
5. *Signing of new luxury watch business for North Asia*

Turnover

Turnover & Gross Margins

S\$ '000



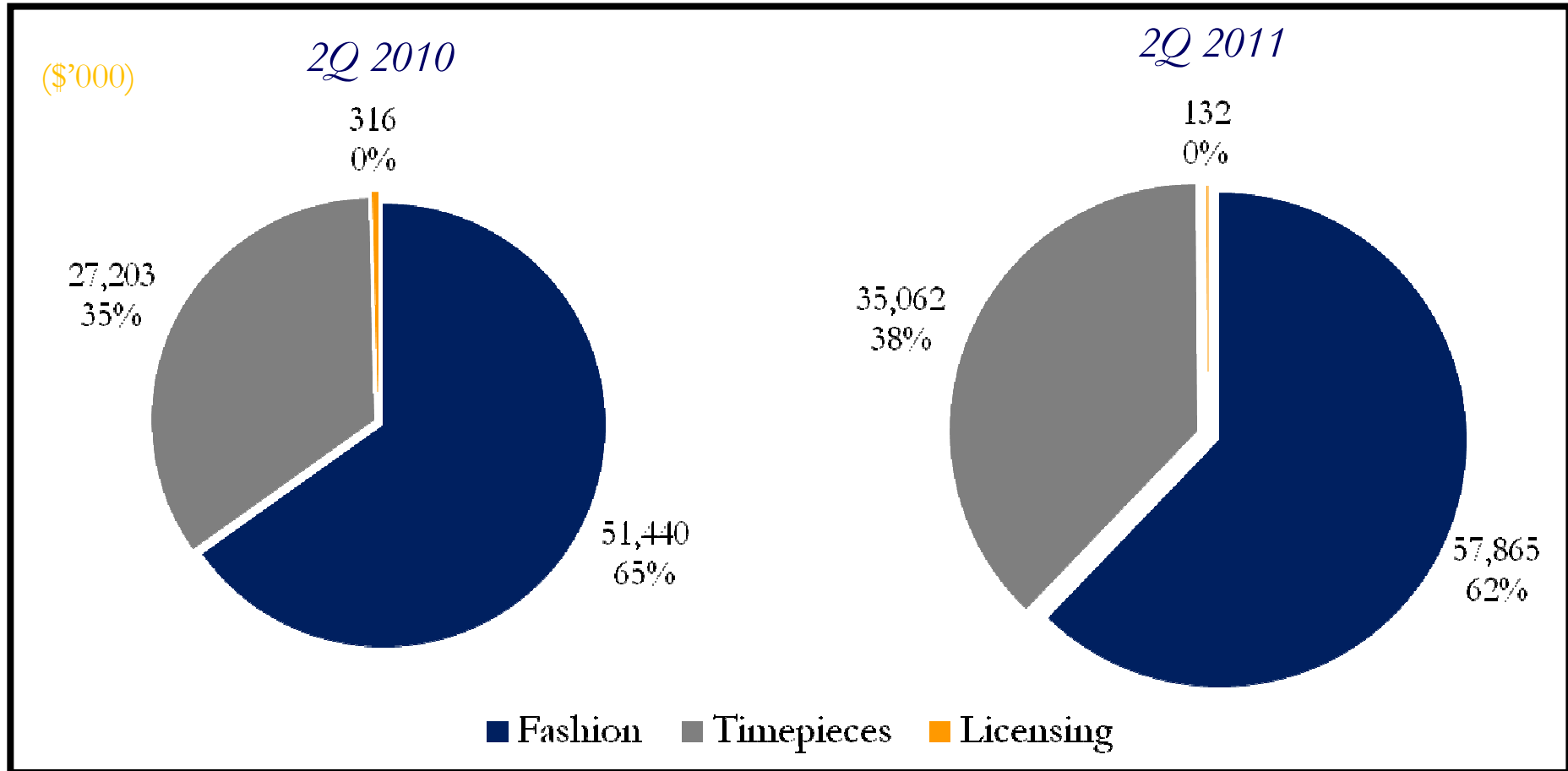
1. Turnover up 18% to \$93.1 million

- **\$93.1 m** vs \$79.0 m in 2Q 10.
- Brisk festive sales, less mark-down sees improvement in turnover and margins.
- Turnover of Fashion up 12% to **\$57.9 m** from \$51.4 m. Strongest growth from Singapore up 18%.
- Timepiece up 29% to **\$35.1 m** from \$27.2m. Strongest growth from Hong Kong up 81%
- Revenue from Southeast Asia up 11% to **\$73.9m**. Timepiece up 2%, Fashion up 14%.
- Revenue from North Asia up 68% to **\$19.0m** despite 7.5% depreciation of HKD to SGD. Revenue from Hong Kong jumped 59% while sales from China soared 229%.
- Sales in Indonesia up 8%.

2. Increase in Gross Margins

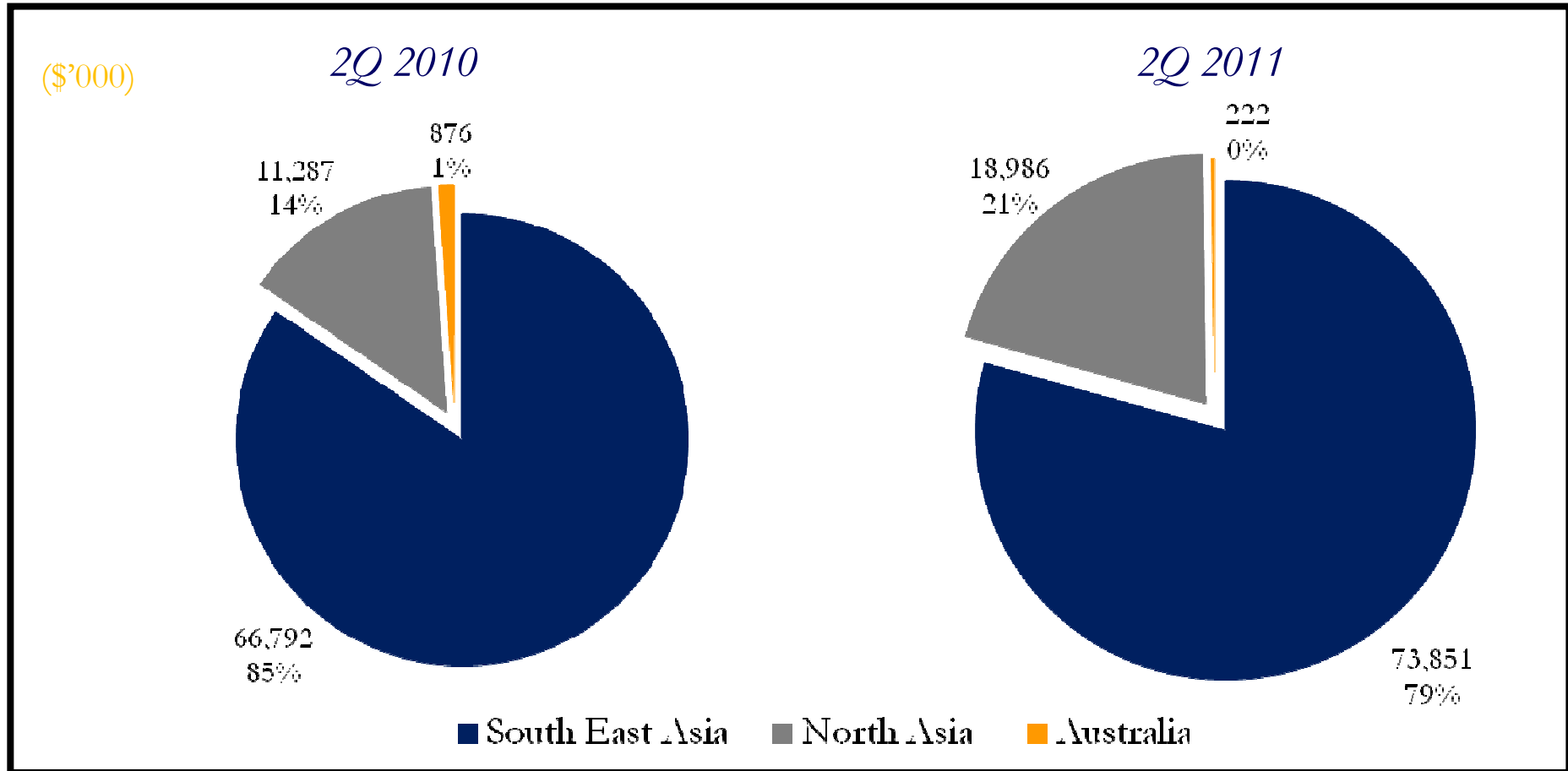
- Gross Margin strengthens to 43.1%, up from 40.3% in 2Q 10 with shorter sale period & fewer clearance.

Turnover



By Business Segment

Turnover

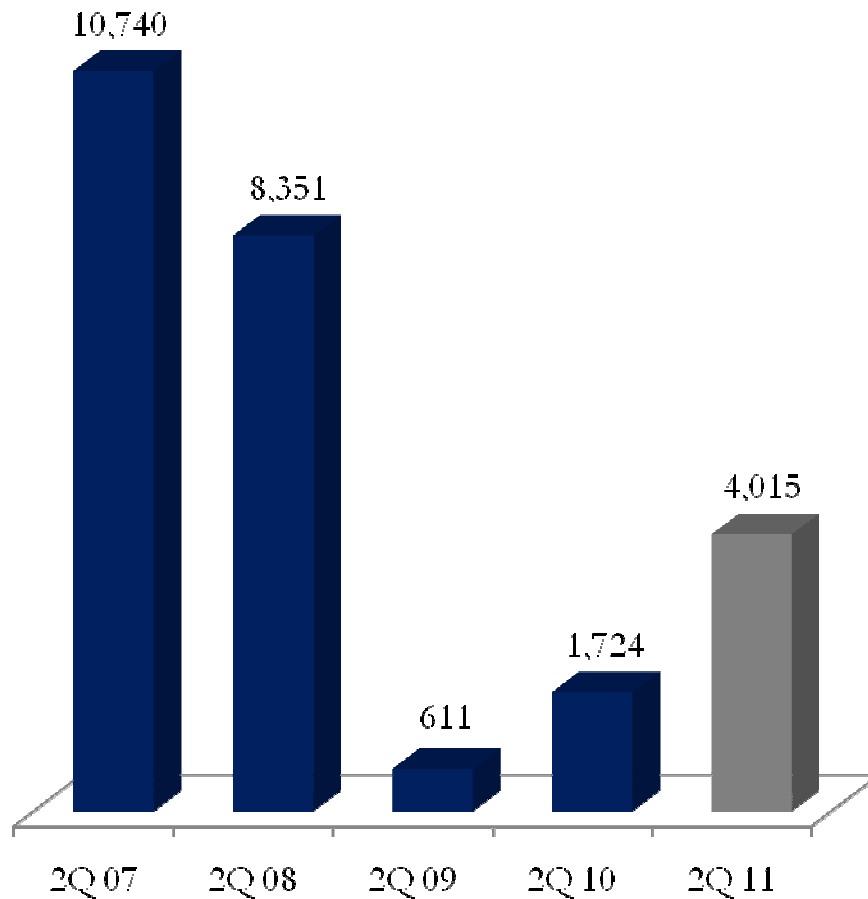


By Geography

Net Profit

Net Profit After Tax

S\$ '000



3. Net Profit jumps 2.3 times to \$4.0 million

- Net Profit After Tax up **\$4.0m** vs \$1.7m in 2Q 10
- Operating profit up to **\$5.1m** from \$1.0m in 2Q 10
- Forex exchange gain of **\$0.3m** vs \$1.3m in 2Q 10
- Profit after tax excluding forex up **\$3.7m** vs \$0.4m in 2Q 10
- Operating expenses rise 13% to \$36.7m due to
 - staff costs increase of \$3.5m from higher commission payable and larger variable bonus paid, and reinstatement of salary cuts; and
 - Increased advertising / promotion spend to drive sales during the key festive period

4. Cost-to-Revenue ratio improved to 39% from 41% in 2Q 10

Financial Highlights 2Q11

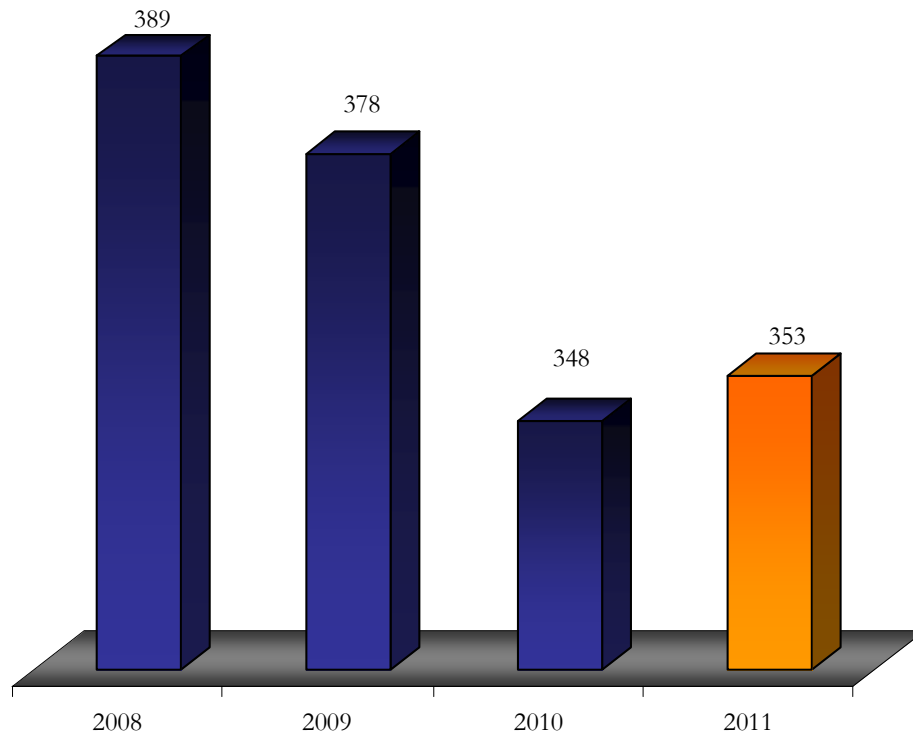
| <i>S\$'000</i> | <i>2Q 11</i> | <i>2Q 10</i> | <i>Variance</i> | <i>%</i> |
|------------------------------------|--------------|--------------|-----------------|----------|
| Turnover | 93,059 | 78,959 | 14,100 | 18 |
| Gross margin | 43% | 41% | 2% | |
| Operating expenses | 36,739 | 32,636 | 4,103 | 13 |
| Operating profit | 5,083 | 1,043 | 4,040 | nm |
| Profit After Tax (excluding forex) | 3,740 | 447 | 3,293 | nm |
| Foreign exchange (loss) / gain | 275 | 1,277 | (1,002) | nm |
| Net Profit After Tax | 4,015 | 1,724 | 2,291 | 133 |

Financial Highlights 1H11

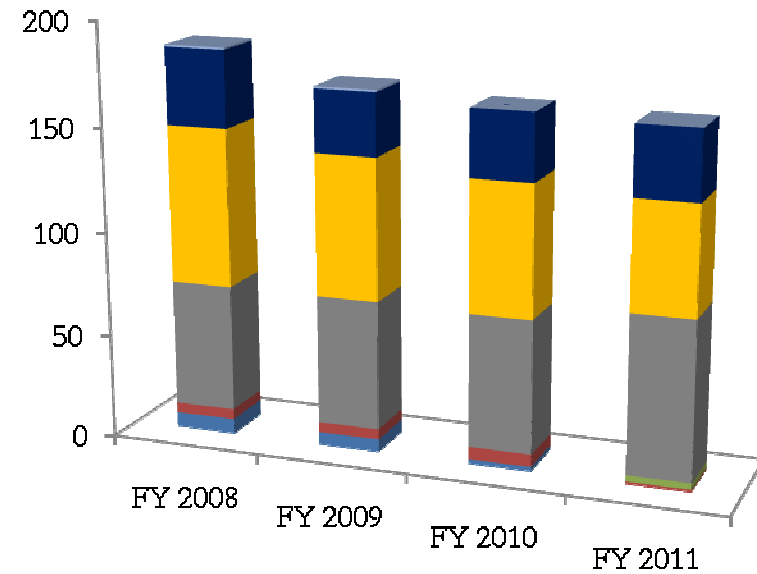
| <i>S\$'000</i> | <i>1H 11</i> | <i>1H 10</i> | <i>Variance</i> | <i>%</i> |
|------------------------------------|--------------|--------------|-----------------|----------|
| Turnover | 175,920 | 146,551 | 29,369 | 20 |
| Gross margin | 43% | 40% | 3% | - |
| Operating expenses | 70,954 | 60,439 | 10,515 | 17 |
| Operating profit | 7,422 | 1,393 | 6,029 | 433 |
| Profit After Tax (excluding forex) | 5,166 | 370 | 4,796 | nm |
| Foreign exchange (loss) / gain | 2,052 | 1,813 | 239 | 13 |
| Net Profit After Tax | 7,218 | 2,183 | 5,035 | 231 |

Business Highlights

Total Square Footage ¹
(‘000)



Number of Stores ¹



| | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
|-----------|---------|---------|---------|---------|
| Taiwan | 1 | 1 | 0 | 0 |
| Singapore | 37 | 30 | 32 | 33 |
| Malaysia | 76 | 68 | 63 | 52* |
| Indonesia | 61 | 62 | 64 | 76 |
| Hong Kong | 0 | 0 | 0 | 3 |
| Australia | 5 | 5 | 6 | 1 |
| Thailand | 7 | 6 | 2 | 0 |

Total 187 172 167 165

* conversion of 6 Watchzone corners to retailers' corners

¹ Estimates as at Dec 2010 and are subject to change



Business Highlights

New Luxury Timepiece - ChronoSwiss

- New luxury timepiece brand added to the portfolio for North Asia in December
- Territories include Hong Kong, Macau, China, the Philippines and Taiwan
- To ride on rapid growth of the luxury timepiece business in Hong Kong, fuelled by high tourist arrivals
- Price range of Euros 2,500 - 40,000

Positive Comparative Store Growth

- Continue to focus on growing expanded brand portfolio
- Goyard to open in Feb 2011

Strong Balance Sheet

- Net gearing of 0.04 times
- Net cash generated from operating activities remained positive at \$5.1m



Outlook

Outlook



Continued Growth in Tourism

- Singapore - tourist arrivals continue to climb and rose 16.1% year on year in November 2010 to hit 963,000 - highest number of arrivals in November
- Visitor days has grown 17.5%
- Hong Kong tourist arrivals jumped 15.7% year-on-year to hit 3.54m in December 2010, pushing total year arrivals to record high of 36.0m.

Launch of Goyard in Hong Kong

- Store at the Peninsula Hotel to open in February 2011
- Comprehensive product offering
- Luggage customisation services

Expansion of Givenchy in Indonesia

- Expansion into Indonesia after successful launch of the Paragon store in Singapore
- Second store by 2014

Expansion of RAOUL

- Encouraging orders from Paris Fashion Week at Hotel Vendome in October 2010 and Coterie Show in New York City in September 2010
- New key accounts opened
- Launching in Henri Bendel, NYC in February 2011
- Showing in NYC Fashion Coterie Show in February 2011 and inaugural Men's Fashion Week in March 2011



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