



FJ BENJAMIN



NASH BENJAMIN
Chief Executive Officer

F J Benjamin Holdings Ltd
3Q FY 2014 FINANCIAL RESULTS
9 May 2014

Financial Highlights

<i>S\$'000</i>	<i>3Q 14</i>	<i>3Q 13</i>	<i>Variance</i>	<i>%</i>
Turnover	90,326	92,550	(2,224)	-2
Gross margin	39%	44%	(5)	-
Operating expenses	43,550	41,593	1,957	5
Operating profit	(4,720)	1,060	(5,780)	nm
Foreign exchange gain	326	985	(659)	-67
Net (Loss) / Profit After Tax	(4,971)	332	(5,303)	nm

Highlights

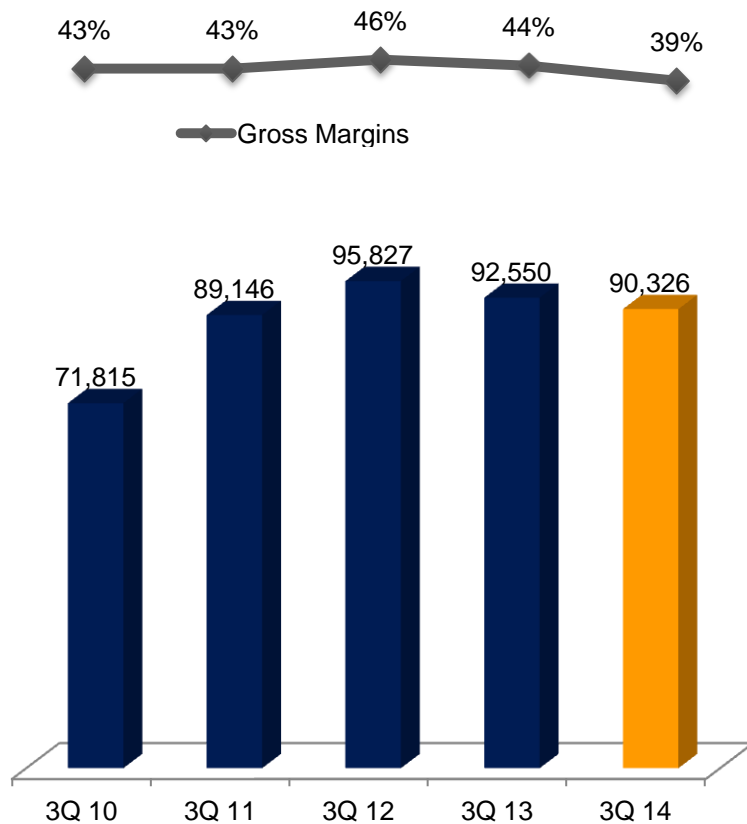


1. *Turnover down 2% to \$90.3 million*
2. *Net Loss of \$5.0 million*
3. *Gross Margin declines to 39% from 44%*

3Q Turnover

Turnover & Gross Margin

S\$ '000



1. Group turnover down 2% to \$90.3 million from \$92.6 million in 3Q 2013

- Sales hurt by aggressive industry-wide discounting, escalating rentals and manpower shortages in Singapore, curbs on luxury spending in North Asia
- Turnover for Fashion rises 1% to \$67.0m
- Turnover for Timepiece down 11% to \$23.2m
- Turnover for South East Asia up 2% to \$77.3m from \$76.1m. Fashion gains 5% while Timepiece falls 10%
- Revenue from North Asia declines 23% to \$10.4m. Timepiece business in Hong Kong and China remains flat

2. Gross Margin

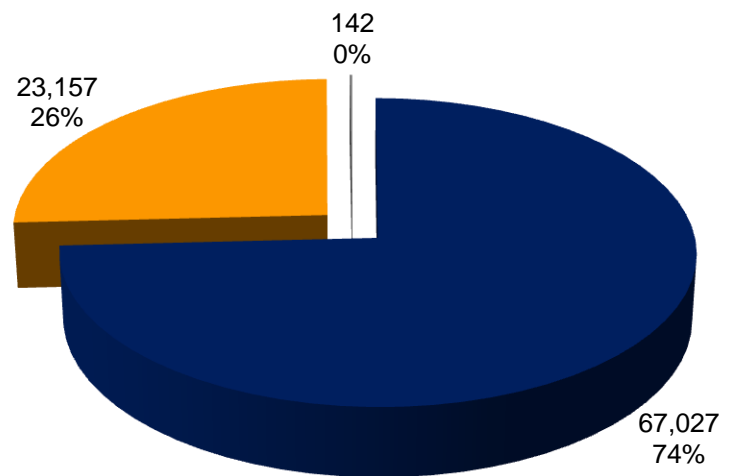
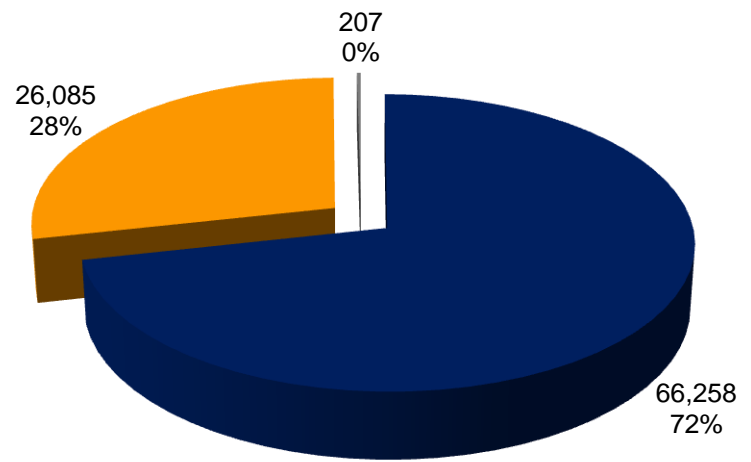
- Gross Margin declines five percentage points to 39%

Turnover

(\$'000)

3Q 2013

3Q 2014

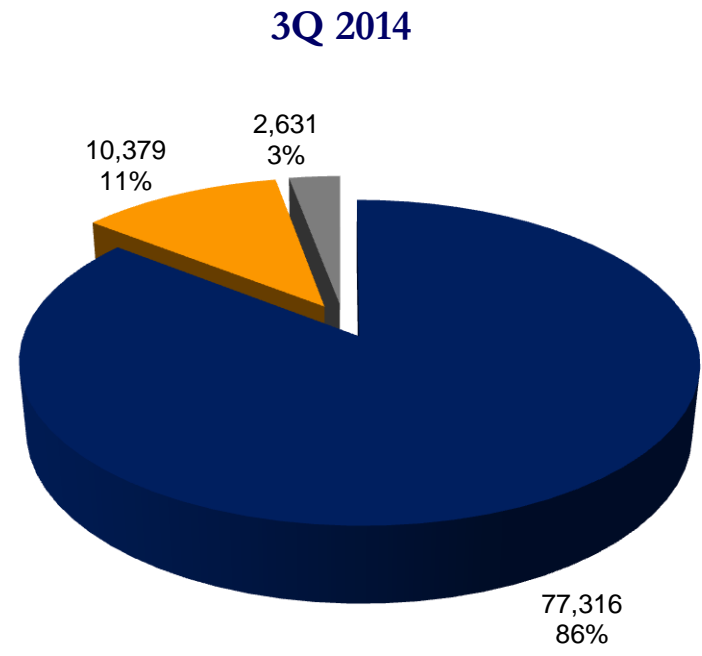
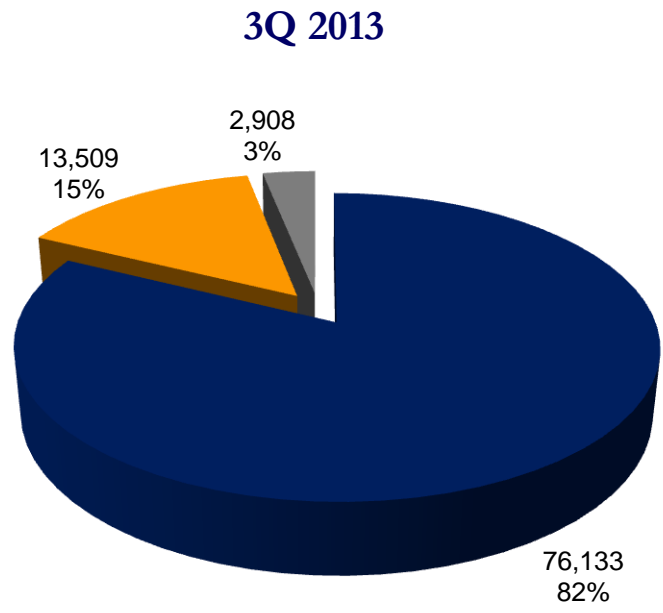


■ Fashion ■ Timepiece ■ Others

By Business Segment

Turnover

(\$'000)



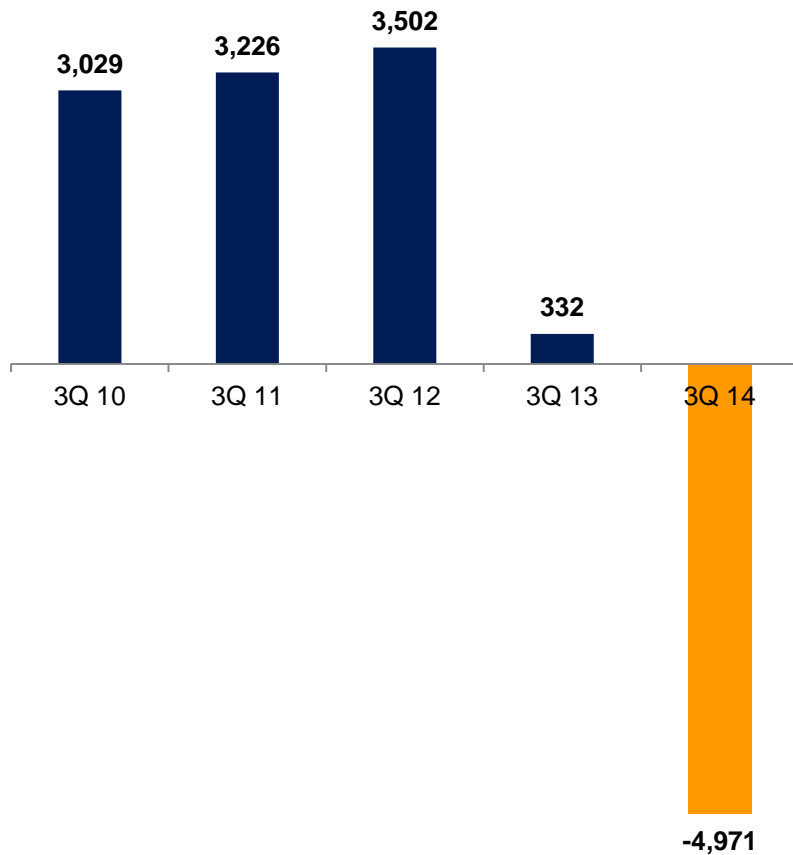
■ Southeast Asia ■ North Asia ■ Italy/UK/USA

By Geography

3Q Net Loss

Net Profit / (Loss) After Tax

S\$ '000



3. Net Loss of \$5.0 million

- Operating loss of \$4.7m
- Foreign exchange gain 67% lower to \$326,000
- Operating expenses up \$2m to \$43.6m:
 - Higher staff costs
 - Higher rental costs for premises
 - Cost-to-Revenue ratio rises to 48% from 45% in 3Q 13



Fashion

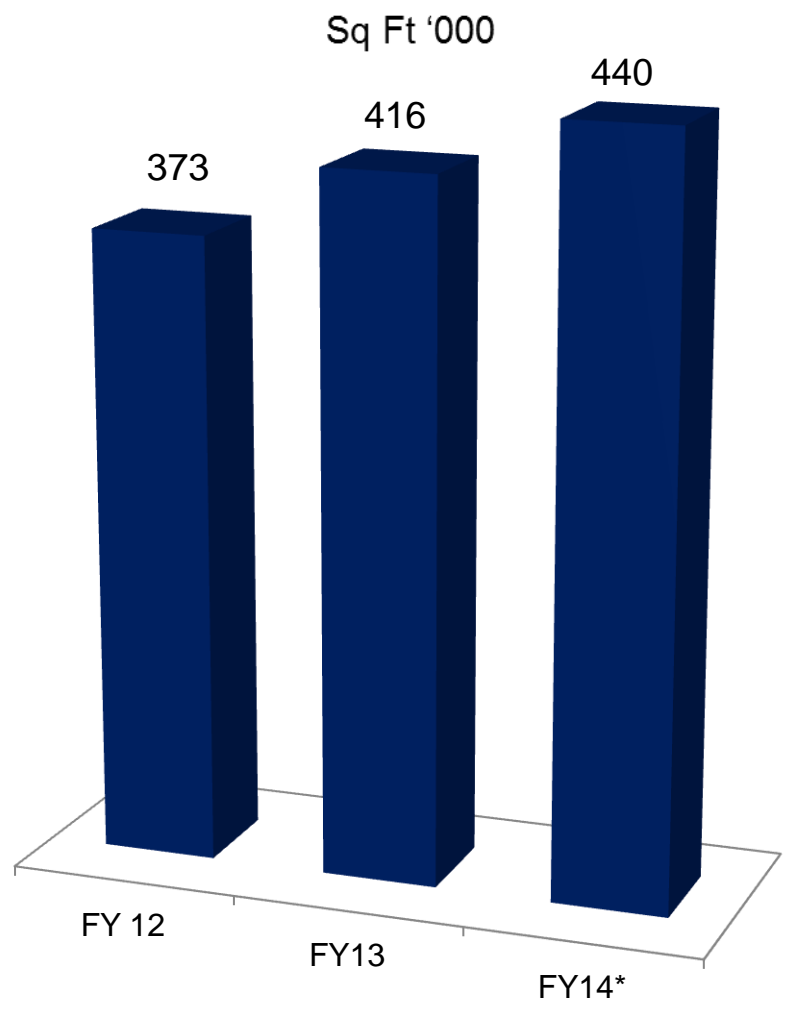
- The first freestanding TOM FORD store in Singapore opens in The Shoppes at Marina Bay Sands on 29 April 2014
- Second Celine and Givenchy boutiques in Singapore open at The Shoppes at Marina Bay Sands
- First Loewe store to open in KL by the end of June
- Third Superdry store will open at the Sunway Pyramid mall in KL at the end of May

Timepiece

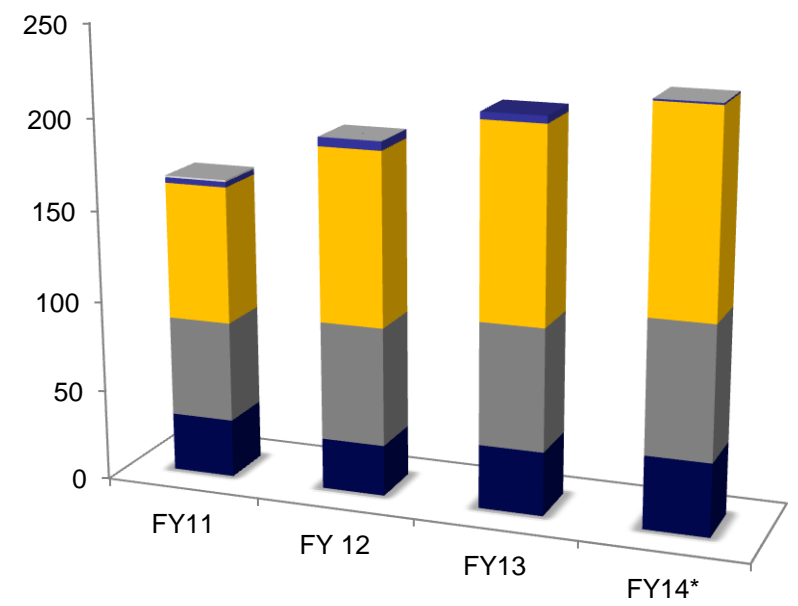
- Two new Swiss brands - Alpina and Frederique Constant- to be distributed from July.

Retail Footprint

TOTAL SQUARE FOOTAGE



NUMBER OF STORES



	FY11	FY12	FY13	FY14*
Australia	1	0	0	0
Hong Kong	3	5	4	1
Indonesia	75	95	106	110
Malaysia	55	65	67	73
Singapore	32	28	35	40
Total	166	193	212	224

* Projected figures



Outlook



Outlook

- Singapore retail outlook to remain challenging amid falling sales and rising costs
- China's slower economic growth and policy curbs on luxury spending to continue to hurt timepiece business in North Asia

Brands

- New brands including Tom Ford, Goyard, Valextra and Superdry, to help drive topline growth
- Increasing exposure to luxury business with 9 stores opened and/or renovated within 12 months

Operations

- Management to focus efforts on strengthening the Group's balance sheet by improving cash flows, reducing bank borrowings and managing inventory
- Underperforming stores in Singapore will be closed



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