



FJ BENJAMIN

F J BENJAMIN 2Q 2011 NET PROFIT MORE THAN DOUBLES TO \$4.0 MILLION

- *Turnover rises 18% to \$93.1 million on strong festive spending across key markets*
- *Gross margins edges up to 43%*
- *Cost-to-revenue ratio drops to 39% from 41%*

SINGAPORE, 9 February 2011 – F J Benjamin Holdings, Singapore's leading fashion and lifestyle group, today announced higher earnings for its second quarter ended 31 December 2010 (2Q 11) on the back of strong festive spending and record tourist arrivals across the region.

Net profit after tax more than doubled to \$4.0 million from \$1.7 million in 2Q 10, while operating profit surged to \$5.1 million from \$1.0 million in the previous corresponding quarter.

Group turnover rose 18 percent to \$93.1 million in 2Q 11 from \$79.0 million in 2Q 10, with improvements seen in major markets including Singapore, Malaysia, Indonesia, Hong Kong, China and Taiwan.

During the quarter under review, the Group's fashion business rose 12 percent to \$57.9 million while sales for timepieces surged 29 percent to \$35.1 million.

Geographically, sales in Southeast Asia grew 11 percent with the fashion business rising 14 percent on strong growth from Singapore and Malaysia, while the Group's timepiece wholesale distribution business rose by 2 percent from 2Q 10.

In North Asia, revenue from Hong Kong grew 59 percent, fuelled by strong consumer demand, while revenue in China rose by 229 percent despite the depreciation of the Hong Kong dollar of about 7.5 percent against the Singapore dollar.

F J BENJAMIN HOLDINGS LTD

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Sales in Indonesia were up eight percent from 2Q 10 on the back of strong domestic demand resulting in higher return on earnings.

Gross profit margins also improved to 43 percent from 41 percent a year ago, while cost-to-revenue ratio improved to 39 percent from 41 percent in 2Q 10 despite the 13 percent increase in operating expenses.

For the first half year ended 31 December 2010 (1H 11), the Group's turnover rose 20% to \$175.9 million from \$146.6 million in the previous corresponding period. Net profit before tax in 1H 11 jumped to \$9.5 million from \$3.3 million in 1H 10, resulting in net profit after tax in 1H 11 rising to \$7.2 million from \$2.2 million in the first half of FY 2010.

Nash Benjamin, CEO of F J Benjamin Holdings, said: "The efforts made in the last year to drive growth are clearly paying off. The significant increase in our earnings and the continued disciplined management of inventory and capital spending has improved the quality of our business.

"The outlook in the near term remains positive for our key markets in North and Southeast Asia. We intend to aggressively capitalise on the strong consumer sentiment to reinforce our brands' market-leading positions."

Mr Benjamin added that in the current third quarter, F J Benjamin will be launching luxury accessories brand Goyard in Hong Kong, with the opening of the territory's only boutique at the Peninsula Hotel.

"We are very excited with this opportunity to build the Goyard brand in this part of the world. Those who are familiar with the label in Europe know that it is renowned for its rich legacy, impeccable quality and enviable exclusivity."

The Group's balance sheet remains strong with a net gearing of 4 percent. Net cash generated from operating activities remained positive at \$5.1 million.

Earnings per share is 0.72 cent, up from 0.3 cent last year.

- 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, Celine, Gap, Givenchy, Goyard, Guess, La Senza, RAOUL, Sheridan, and timepiece brands such as Bell & Ross, Chronotech, DeWitt, Girard-Perregaux, Guess? Watches, Gc, Marc Ecko, Nautica, Rado and Victorinox Swiss Army. It also has an interest in St James Holdings Ltd.

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