



**F J BENJAMIN**

**F J BENJAMIN 1Q 2011 NET PROFIT SURGES TO \$3.2 MILLION FROM \$0.5 MILLION**

- *Turnover rises 23% to \$82.9 million on buoyant consumer spending*
- *Gross margins strengthen to 44%*
- *Successful launch of new brands, Givenchy and DeWitt*

**SINGAPORE, 12 November 2010** – F J Benjamin Holdings, Singapore’s leading fashion and lifestyle group, today announced higher earnings for its first quarter ended 30 September 2010 (1Q 11) as sustained economic recovery and positive consumer sentiment boosted retail spending in key markets.

Net profit after tax surged to \$3.2 million, from \$459,000 in 1Q 10 while operating profit increased to \$2.4 million from \$350,000 in the previous corresponding quarter.

Group turnover jumped 23 percent to \$82.9 million in 1Q 11 from \$67.6 million last year, with improvements seen in its major markets including Singapore, Malaysia, Hong Kong, China and Taiwan. Gross profit margins strengthened to 44 percent from 40 percent a year ago.

Total operating expenses rose 23 percent in tandem with the higher turnover, the increase coming partly from higher staff costs after the reinstatement of salary cuts and commission payable on higher sales. The Group also spent more in marketing and advertising to launch new brands Givenchy and DeWitt, while increasing provision for stock obsolescence by \$1.5 million.

Nash Benjamin, CEO of F J Benjamin Holdings, said: “The business momentum from the second half of FY 2010 accelerated in the first quarter as Asian economies continued to hold their own. In particular, the record high tourist arrivals in Singapore, the buzz from the integrated resorts and the F1 event, have spurred spending and bolstered sales. Our timepiece distribution business also performed

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strongly in China, Hong Kong and Taiwan, boosted by record tourist arrivals in Hong Kong.

“The quarter’s strong organic growth is a testament to F J Benjamin’s business model and the strength of our brands. We will continue to improve the quality of our business with new, dynamic brands while exploring opportunities to broaden our earnings base.”

During the quarter under review, F J Benjamin successfully launched two new brands, the French luxury fashion label, Givenchy, and high-end complicated timepiece brand DeWitt. It also acquired an up-and-coming London fashion brand, Catherine Deane.

Overall, the Group’s fashion business rose 13 percent in 1Q to \$54.5 million while sales for timepieces jumped 48 percent to \$28.1 million.

Geographically, sales in Southeast Asia grew 14 percent with the fashion business rising 15 percent as most brands enjoyed positive comparable store sales, while the Group’s timepiece wholesale distribution business grew by 12 percent from 1Q 10.

In North Asia, revenue from Hong Kong soared 71 percent, fuelled by strong consumer demand, while revenue in China grew by 158 percent despite the depreciation of the Hong Kong dollar of about six percent against the Singapore dollar.

Sales in Indonesia dipped two percent resulting in a marginal decline in operating profit. However, the appreciation of the rupiah by five percent helped offset the decline.

The Group’s balance sheet remains strong with zero net gearing. Cash balance (net of debt) stood at \$2.5 million. Earnings per share is 0.56 cent, up from 0.08 cent last year.

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**About F J Benjamin Holdings Ltd** ([www.fjbenjamin.com](http://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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