



**F J BENJAMIN**

**F J BENJAMIN 3Q 2011 TURNOVER RISES 24% TO \$89.1 MILLION FROM \$71.8 MILLION**

- *Operating profit surges to \$5.4 million from \$0.4 million*
- *Net profit increases 7% to \$3.2 million from \$3.0 million*
- *Cost to revenue ratio improves to 39% from 45%*

**SINGAPORE, 9 May 2011** – F J Benjamin Holdings today announced higher earnings on record turnover for its third quarter ended 31 March 2011 (3Q 11), reflecting the combined effects of strong consumer demand, a market-relevant brand portfolio and better operational efficiencies.

Singapore's leading fashion and lifestyle group saw turnover jump 24 percent to \$89.1 million in 3Q 11 from \$71.8 million in 3Q 10, with improvements seen in the major markets of Singapore, Malaysia, Hong Kong, China and Taiwan. A combination of strong consumer sentiment, higher tourist arrivals and contributions from new brand Givenchy pushed turnover in 3Q 11 to its record high, surpassing its peak in 3Q 08.

The Group's operating profit rose to \$5.4 million from \$0.4 million in 3Q 10, demonstrating a higher quality of business. Net profit after tax rose seven percent to \$3.2 million in 3Q 11 from \$3.0 million last year. Excluding an exceptional item of \$0.6 million and foreign exchange loss of \$0.4 million, net profit was about 32 percent higher at \$4.2 million. The exceptional item relates to the closure and deregistration of two subsidiaries in Australia which the Group has a 51 percent shareholding.

Gross margins remained stable at 43 percent.

Cost to revenue ratio improved to 39 percent from 45 percent in 3Q 10, and total operating expenses rose only eight percent to \$34.7 million despite the 24 percent increase in turnover.

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For the first nine months ended 31 March 2011 (9M 11), the Group's turnover rose 21 percent to \$265.1 million from \$218.4 million in the previous corresponding period. Operating profit for 9M 11 jumped to \$12.8 million from \$1.8 million in the previous corresponding period, resulting in net profit after tax doubling to \$10.4 million from \$5.2 million in the nine months of FY 2010.

Nash Benjamin, CEO of F J Benjamin Holdings, said: "During the quarter, the Group achieved higher revenues and operating income across most brands as we tap into the strong consumer sentiment and spending across the region. The investments we made in our brands to drive organic growth last year have paid off in the form of continued top and bottom line growth momentum.

"Looking ahead, we will continue to grow our market share across the region by making the necessary investments. We will also continue to look at boosting innovation and productivity within the Group."

During the quarter under review, the Group's fashion business rose 21 percent to \$59.5 million from \$49.2 million while sales for timepieces increased 30 percent to \$29.3 million from \$22.5 million.

Geographically, sales in Southeast Asia were 21 percent higher as a result of a 28 percent increase in turnover in Singapore and a 13 percent increase in Malaysia. The fashion business in Southeast Asia jumped 19 percent with positive comparable store growth across brands while the timepiece business gained 28 percent.

In North Asia, revenue from China, fuelled by strong consumer demand, continued its strong growth, jumping 135 percent from 3Q 10. Revenue in Hong Kong increased marginally by three percent only as the increase was eroded as a result of the depreciation of the Hong Kong Dollar by an average rate of about nine percent against the Singapore dollar. In local currency terms, revenue in Hong Kong jumped 17 percent while revenue in China increased by 165 percent.

Sales in Indonesia were up four percent from 3Q 10 on the back of strong domestic demand resulting in higher return on earnings.

The Group's balance sheet remains strong with a net gearing at four percent. Net cash generated from operating activities remained positive at \$2.2 million. Earnings per share is 0.57 cent, up from 0.53 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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