

FJ BENJAMIN

F J BENJAMIN HOLDINGS LTD
(Co. Reg. No. 197301125N)

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

I(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors of F J Benjamin Holdings Ltd is pleased to announce the unaudited results of the Group for the second quarter ended 31 December 2007 (2Q08).

	-----GROUP-----		Change %
	2Q08 \$'000	2Q07 \$'000	
TURNOVER	94,838	69,460	37
Other income including interest income	4,769	4,023	19
	<u>99,607</u>	<u>73,483</u>	36
COSTS AND EXPENSES			
Cost of goods sold	55,710	39,437	41
Staff costs	11,187	10,173	10
Rental of premises	9,819	5,632	74
Advertising and promotion	4,651	2,716	71
Depreciation of property, furniture, fixtures and equipment	2,126	1,172	81
Other operating expenses	6,420	4,683	37
TOTAL COSTS AND EXPENSES	<u>89,913</u>	<u>63,813</u>	41
OPERATING PROFIT	9,694	9,670	-
Exceptional items - Note 1	-	3,649	
Interest on borrowings	(378)	(577)	(34)
Share of results of associates	719	354	103
PROFIT BEFORE TAXATION	<u>10,035</u>	<u>13,096</u>	(23)
Taxation	(1,684)	(2,356)	(29)
NET PROFIT FOR THE FINANCIAL PERIOD	<u>8,351</u>	<u>10,740</u>	(22)

OPERATING PROFIT IS STATED AFTER CHARGING/(CREDITING):-

Exchange translation gain	(1,709)	(1,572)
Investment income	(1)	-
Gain on disposal of furniture, fixtures and equipment	(39)	(127)
Allowance for bad and doubtful debts	4	-
Allowance for stocks obsolescence and stocks written off	447	501
Reversal of allowance for stocks obsolescence	(1,142)	-
Reversal of impairment loss on quoted investment	(156)	(39)
Over-provision of tax in respect of prior financial years	(145)	(300)

Note 1 - Exceptional items

Net gain on disposal of property	-	(5,804)
Provision for impairment of investment in associates	-	1,751
Provision for royalty due to early termination of agreement	-	404
	<u>-</u>	<u>(3,649)</u>

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	-----GROUP-----		-----COMPANY-----	
	31-Dec-07 \$'000	30-Jun-07 \$'000	31-Dec-07 \$'000	30-Jun-07 \$'000
NON-CURRENT ASSETS				
Property, furniture, fixtures and equipment	48,437	45,325	5,984	5,839
Subsidiaries	-	-	120,347	111,980
Investment in associates	5,181	4,059	-	-
Other investments	400	322	400	322
Other receivables	2,002	1,954	-	-
Deferred tax assets	968	1,011	-	-
	<u>56,988</u>	<u>52,671</u>	<u>126,731</u>	<u>118,141</u>
CURRENT ASSETS				
Inventories	88,368	74,984	-	-
External trade debtors	25,390	21,115	-	-
Trade debts due from related companies	33,511	31,602	-	-
Tax recoverable	1,132	1,314	-	-
Other debtors	26,467	25,905	29,314	21,817
Cash on hand and at banks	102,379	96,130	89,094	91,196
	<u>277,247</u>	<u>251,050</u>	<u>118,408</u>	<u>113,013</u>
CURRENT LIABILITIES				
Trade and other creditors	65,473	62,348	9,969	12,491
Finance lease creditors	85	89	68	36
Bank borrowings	41,119	34,714	-	-
Provision for taxation	5,105	4,852	82	25
	<u>111,782</u>	<u>102,003</u>	<u>10,119</u>	<u>12,552</u>
NET CURRENT ASSETS	165,465	149,047	108,289	100,461
NON-CURRENT LIABILITIES				
Finance lease creditors	645	481	437	366
Other liabilities	2,583	2,583	-	-
Deferred tax liabilities	40	40	-	-
	<u>3,268</u>	<u>3,104</u>	<u>437</u>	<u>366</u>
NET ASSETS	219,185	198,614	234,583	218,236
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	239,379	215,134	239,379	215,134
Warrant reserve	-	4,125	-	4,125
Exchange translation reserve	(13,139)	(10,548)	-	-
Accumulated losses	(7,179)	(10,221)	(4,796)	(1,023)
	<u>219,061</u>	<u>198,490</u>	<u>234,583</u>	<u>218,236</u>
Preference shares issued by a subsidiary	124	124	-	-
	<u>219,185</u>	<u>198,614</u>	<u>234,583</u>	<u>218,236</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	31-Dec-07 \$'000	30-Jun-07 \$'000
Amount repayable in one year or less, or on demand		
Unsecured	41,204	34,803
Amount repayable after one year		
Unsecured	645	481
Total borrowings	41,849	35,284
Cash on hand and at banks	(102,379)	(96,130)
Net cash	(60,530)	(60,846)

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	-----GROUP-----	
	2Q08 \$'000	2Q07 \$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	10,035	13,096
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	2,126	1,172
Share of results of associates	(719)	(354)
Currency realignment	(681)	(285)
Gain on disposal of property, furniture, fixtures and equipment	(39)	(5,931)
(Reversal of impairment loss) / impairment loss on other investment	(156)	1,712
Amortised interest on loan to an associate	-	(41)
Interest income	(460)	(222)
Interest expense	378	577
OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	10,484	9,724
Increase in debtors	(2,345)	(9,204)
Increase in inventories	(9,179)	(9,262)
(Decrease)/increase in creditors	(856)	17,212
CASH (USED IN) / FROM OPERATIONS	(1,896)	8,470
Income tax paid	(1,891)	(1,079)
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	(3,787)	7,391
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(4,414)	(4,314)
Proceeds from disposal of property, furniture, fixtures and equipment	91	37,043
(Repayment from) / loan to associates	(48)	107
Interest received	460	222
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	(3,911)	33,058
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of ordinary shares	-	14,369
Proceeds from / (repayment of) bank borrowings	11,755	(9,886)
(Decrease)/increase in finance lease	(44)	108
Interest paid	(378)	(577)
Dividend paid to shareholders	(9,327)	(6,587)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	2,006	(2,573)
Net (decrease)/increase in cash and cash equivalents	(5,692)	37,876
Cash and cash equivalents at beginning of the financial period	102,610	14,403
Net effect of exchange rate changes on opening cash and cash equivalents	53	48
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	96,971	52,327
Cash and cash equivalents comprise the following:		
Cash and bank balances	102,379	54,967
Bank overdrafts	(5,408)	(2,640)
	96,971	52,327

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital \$'000	Warrant Reserve \$'000	Exchange Translation Reserve \$'000	(Accumulated Losses) \$'000	Preference shares issued by a subsidiary \$'000	Total Equity \$'000
<u>GROUP</u>						
At 1 October 2007	239,379	-	(11,244)	(6,203)	124	222,056
Net profit for the financial period	-	-	-	8,351	-	8,351
Exchange differences arising from consolidation recognised in equity	-	-	(1,895)	-	-	(1,895)
Total recognised income and expenses for the period	-	-	(1,895)	8,351	-	6,456
Dividend paid	-	-	-	(9,327)	-	(9,327)
At 31 December 2007	239,379	-	(13,139)	(7,179)	124	219,185
At 1 October 2006	99,374	25,172	(9,223)	(16,696)	124	98,751
Net profit for the financial period	-	-	-	10,740	-	10,740
Exchange differences arising from consolidation recognised in equity	-	-	(1,099)	-	-	(1,099)
Total recognised income and expenses for the period	-	-	(1,099)	10,740	-	9,641
Dividend paid	-	-	-	(6,587)	-	(6,587)
Exercise of warrants	17,562	(3,193)	-	-	-	14,369
At 31 December 2006	116,936	21,979	(10,322)	(12,543)	124	116,174
<u>COMPANY</u>						
At 1 October 2007	239,379	-	-	(737)	-	238,642
Net profit for the financial period	-	-	-	5,268	-	5,268
Dividend paid	-	-	-	(9,327)	-	(9,327)
At 31 December 2007	239,379	-	-	(4,796)	-	234,583
At 1 October 2006	99,374	25,172	-	(5,949)	-	118,597
Net profit for the financial period	-	-	-	10,952	-	10,952
Dividend paid	-	-	-	(6,587)	-	(6,587)
Exercise of warrants	17,562	(3,193)	-	-	-	14,369
At 31 December 2006	116,936	21,979	-	(1,584)	-	137,331

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There has been no change in the Company's share capital during the period reported.

As at 31 December 2007, there was no outstanding warrant. The number of shares that may be issued on exercising of all the outstanding warrants were as follows:

As at 31 December 2007 : Nil

As at 31 December 2006 : 224,543,000

1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 December 2007: 568,709,857

As at 31 December 2006: 345,457,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There is no sale, transfer, disposal, cancellation and/or use of treasury share as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in item 5 below, the Company and the Group have applied the same accounting policies and methods of computation as in the most recent audited annual financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.

The Group and the Company have adopted the following FRS and INT FRS that have been issued and effective for its financial year beginning 1 July 2007:

FRS 1: Amendment to FRS 1 (revised), Presentation of Financial Statements (Capital Disclosures)

FRS 40: Investment Property

FRS 107: Financial Instruments: Disclosures

INT FRS 110: Interim Financial Reporting and Impairment

INT FRS 111: Group and Treasury Share Transactions

There is no material financial impact on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	2Q08	2Q07
(a) Basic (cents)	1.47	3.21
(b) Diluted (cents)	1.47	1.92

The basic and diluted earnings per share is computed based on the weighted average number of ordinary shares in issue during the financial period of 566,575,678 (2Q07: 334,737,217) and 566,575,678 (2Q07: 559,280,217) respectively.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP	COMPANY
Net asset value per ordinary share based on issued share capital as at:		
(a) current financial period reported on (cents)	38.52	41.25
(b) immediately preceding financial period (cents)	37.88	41.65

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Results for Second Quarter – 3 Months Ended 31 December 2007 (2Q08)

Group revenue grew by 37% to S\$94.8 million from S\$69.5 million. Net profit after tax (excluding exceptional gain of S\$3.6 million in 2Q07) increased by 18% to S\$8.4 million from S\$7.1 million.

Gross margin was reduced by 1.9 percentage points from 43.2% to 41.3%. This is mainly due to the drop in gross margin in the fashion retail business as a result of the earlier than usual launch of end-of-season sale which was apparent throughout the industry due to weakening consumer sentiment. In addition, measures were taken to reduce inventory at new stores in Malaysia which were opened during a period of low traffic prior to the malls being officially launched.

In Southeast Asia, revenue grew by 39% compared to 2Q07 with the fashion business growing by 56% and timepiece business by 14%. During this quarter, a new concept of GUESS footwear stores were opened which recorded encouraging sales. A total of 14 stores were opened with 11 stores in Kuala Lumpur in strategically located new malls, which places the Group in a strong position for further growth.

In North Asia, revenue grew by 22% compared to 2Q07 with China and Hong Kong growing by 39%, while Taiwan decreased by 26%. Hong Kong market saw substantial growth in sales of Girard-Perregaux, Bell & Ross and Guess Collection watches. In China, the number of distribution points of sale for Girard-Perregaux increased from 24 to 31.

Indonesia continued to be a growth market with domestic sales increasing by 43% over 2Q07. However the depreciation in the rupiah to the US dollars of approximately 6% has affected profitability resulting in a lower operating profit for 2Q08.

Group operating expenses were higher by 40% at S\$34.2 million mainly attributable to new stores that were opened since 2Q07 to support the expansion for future growth. There was also a substantial investment in advertising to launch the opening of the first Girard-Perregaux boutique in Beijing.

The Group's Balance Sheet remains strong with cash of S\$102 million against total borrowings of S\$42 million. At the Extraordinary General Meeting held on 29 October 2007, shareholders approved the proposed capital distribution of S\$0.13 in cash for each share by way of capital reduction. The amount of S\$74 million was paid on 4 January 2008.

An interim dividend of 0.90 cent per share (tax exempt) has been declared in respect of the financial year ending 30 June 2008.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's second quarter results is in line with the statement made on 12 November 2007 that "the Group is confident it will operate profitably in 2Q08".

10. A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As at December 31, the Group opened 40 out of the planned 50 stores for the full financial year. By 30 June 2008, the Group will have a total of 188 stores in the region.

Whilst the volatility in the global financial markets continues and is likely to result in lower consumer spending, the Group is confident that the underlying fundamentals in Asia remain strong and has taken a long term view to position for further growth. It will continue to be vigilant in controlling costs, managing its inventory efficiently and improving margins.

The Group is confident it will be profitable for the financial year ending 30 June 2008.

11. Dividend**(a) Current Financial Period Reported On**
Any dividend declared for the current financial period report on?

Name of Dividend	First interim
Dividend Type	Cash
Dividend Amount per Share	0.90 cent per ordinary share
Tax Rate	Tax exempt (one tier)

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediate preceding financial year?

Name of Dividend	First interim
Dividend Type	Cash
Dividend Amount per Share	1.50 cents per ordinary share (less) tax
Tax Rate	18%

(c) Date payable

To be advised.

(d) Books closure date

To be advised.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. Third quarter results for financial year ending 30 June 2008.

The Company expects to announce its results for the third quarter results ending 31 March 2008 in the week of 12th May 2008.

BY ORDER OF THE BOARD


Karen Chong Mee Keng
Dilhan Pillay Sandrasegara
Joint Company Secretaries
14 February 2008

FJ BENJAMIN

CONFIRMATION PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, Eli Manasseh Benjamin and Karen Chong Mee Keng, being two directors of F J Benjamin Holdings Ltd (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the financial period results ended 31 December 2007 to be false or misleading.

On behalf of the Board of Directors



Eli Manasseh Benjamin
Director



Karen Chong Mee Keng
Director

14 February 2008