

FJ BENJAMIN

ANNOUCEMENT

CLARIFICATION ON BUSINESS TIMES REPORT PUBLISHED ON 15 FEBRUARY 2008

18 February 2008

We refer to The Business Times report headlined "Volatile market may see FJB close 5 shops" published on February 15, 2008, and wish to clarify that it was misleading in several respects.

First, during his meeting with journalists and investment analysts, Mr. Nash Benjamin, Group CEO of F J Benjamin, did not link the closure of the shops to the volatile conditions currently experienced in the global financial markets. The closures mentioned are planned as part of the Group's constant review of its retail network, when leases come up for renewal at the end of a tenancy period, to ensure that its stores command prime locations, and are efficient and profitable. Such a review is carried out constantly irrespective of market conditions and is consistent with the modus operandi of retail organisations.

Second, the report omitted to mention that Mr. Benjamin has said that the Group is planning to open ten more stores in the second half of its financial year ending June 30, 2008. This omission, coupled with the emphasis on the closure, gives the misleading impression that the Group is shrinking rather than growing its retail footprint in the region.

Third, the report gave the impression that the closure of the 5 shops will take place in Singapore. Mr. Benjamin had, in fact, said this number was for 5 countries in the region and not just in Singapore.

F J Benjamin embarked on one of its fastest expansions last quarter, opening 22 stores in the region. While it expects consumer spending to be dampened by the US subprime loan crisis, it is nevertheless positioning itself for long-term growth as it is confident of the strong fundamentals of Asian economies.

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