

FJ BENJAMIN

NEGOTIATIONS IN RELATION TO PROPOSED DIVESTMENT OF SINGAPORE PROPERTY

The Board of Directors of F J Benjamin Holdings Ltd (the "**Company**") wishes to announce that the Company is currently in negotiations with a prospective buyer for the sale of its property at 6B Orange Grove Road, Singapore 258332 (the "**Property**"). The estimated consideration amount is S\$37,000,000.

The proposed disposal of the Property is in line with the Company's stated intention to divest the Property and use the proceeds to reduce bank borrowings and as working capital for expansion of its businesses.

As the transaction is subject to negotiations with the buyer and definitive documentation, there is no certainty that the sale will proceed.

As at the date hereof, none of the Directors or substantial shareholders of the Company has any direct or indirect interest in the transaction. If consummated, based on F J Benjamin Group's audited financial results for the year ended 30 June 2006 ("**FY 2006**"), the transaction would result in an increase in net tangible assets per share from 30.53 cents to 32.32 cents (assuming that the transaction had been effected at the end of FY 2006) while the earnings per share for the same period would increase from 3.53 cents to 3.55 cents (assuming that the transaction had been effected at the beginning of FY 2006).

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Dilhan Pillay Sandrasegara
Joint Company Secretaries on 29 September 2006 to the SGX