F J BENJAMIN Q2 ’09 EARNINGS DOWN ON LOWER TURNOVER AND CURRENCY TRANSLATION LOSSES

- *Q2 09 turnover declines 10% to $85.1 amid recession in key markets*
- *Operating profit down 53% to $3.5 million*
- *Foreign exchange losses of $2.3 million drag earnings*

SINGAPORE, 12 February 2009 – F J Benjamin today reported lower earnings for the second quarter ended December 31, 2008 (Q2 09) on the back of lower sales and non-cash currency translation losses.

For the three months to December, Group turnover fell 10% to $85.1 million from $94.8 million in the previous corresponding quarter, while operating profit declined 53% to $3.5 million from $7.5 million.

Net profit after tax for the quarter decreased to $0.6 million from $8.4 million due in part to an unrealised non-cash foreign exchange loss of $2.3 million compared with a gain of $1.7 million in Q2 08. The losses arose from the conversion of foreign-denominated trade payables and related-companies balances to exchange rates prevailing at period end.

Gross margins for the quarter remained stable at 40% from 41% despite the higher promotional activities to drive sales amid a highly competitive environment.

As a result of cost cuts implemented in the last year, operating expenses dipped 9% to $31.1 million. Staff costs were reduced by 20% while advertising and promotion expenses were down by 34%. Cost to revenue ratio for the quarter remained the same at 36% despite falling revenue. Rentals and depreciation increased 10% due to new stores opened in FY 2008.

F J BENJAMIN HOLDINGS LTD
Co. Reg. No. 197301125N
10 Science Park Road, #04-01 The Alpha, Singapore Science Park II, Singapore 117684 Tel: (65) 6737 0155 Fax: (65) 6732 9616
www.fjbenjamin.com

Nash Benjamin, CEO of F J Benjamin Holdings, said: “Our sales took a hit in October and November when the effects of the recession hit Asia hard. Sales picked up again in December over the festive period.

“Given the severity of this economic downturn, we expect a challenging period ahead. Management will continue to focus our efforts on driving sales, keeping costs lean and working with our landlords to reduce rental and other overheads.”

Reviewing its Q2 09 performance, F J Benjamin said the fashion business fell 12% year-on-year while sales for timepieces dropped 8% on weaker consumer spending in Malaysia and Taiwan.

Geographically, sales in Southeast Asia declined 11% with fashion down 11% and timepieces 11%. North Asia held up better with revenue from Hong Kong up 15% but mainland China, down 35%.

Indonesia continued its growth, with domestic sales 24% higher over Q2 08. Despite the growth, operating margin eased as a result of promotional activities launched to drive sales. The depreciation of the rupiah by about 17% also impacted profitability.

In the quarter just passed, the Group entered into a five-year franchise agreement to expand its successful in-house fashion brand, RAOUL into the Philippines. The franchisee will open four RAOUL stores in Manila by 2011.

The Group’s balance sheet remains strong with net gearing at 0.27 times. Earnings per share decreased to 0.11 cents from 1.47 cents. Net asset value per share dropped from 24.44 cents in FY 2008 to 23.98 cents in 2Q 09.

- End -

About F J Benjamin Holdings Ltd (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 Banana Republic, Celine, Gap, Guess, La Senza, Raoul, Sheridan and timepiece brands such as Bell & Ross, Chronotech, Girard-Perregaux, JeanRichard, Marc Ecko, Nautica, Nike, Rado and Victorinox Swiss Army. It also has an interest in St James Holdings Ltd.

For media enquiries, please contact:

Catherine Ong Associates	**F J Benjamin Holdings Ltd**
Catherine Ong Tel: (65) 6327 6088 Email: cath@catherineong.com	Darrell Chan Tel: (65) 6508 7708 Email:darrell.chan@fjbenjamin.com