



F J BENJAMIN Q3 08 NET PROFIT UP 31% TO \$4.4 MILLION

- *Turnover rises 32% to \$87 million on enlarged retail footprint*
- *Signs agreement with the Swatch Group to distribute Rado watches in Indonesia*

SINGAPORE, 14 May 2008 – F J Benjamin, Singapore-listed leading fashion and lifestyle group, today announced a 31% increase in its third quarter (Q3) net profit after tax to \$4.4 million from \$3.3 million in Q3 2007.

Turnover for the quarter ended March 31, 2008 rose 32% to \$87 million from \$66 million in Q3 2007 on the back of higher sales from the fashion and timepiece businesses, boosted by an enlarged retail network in the region in the current financial year.

During the quarter, the fashion business grew 40% year-on-year to \$61 million, increasing its contribution to total turnover from 66% in 3Q 2007 to nearly 70%. The timepiece business grew 32% to \$26 million.

Geographically, sales in Southeast Asia were up 34% from 3Q 2007. North Asia, where F J Benjamin has a timepiece distribution network in Hong Kong, China and Taiwan, continued to enjoy robust sales. It grew 22% overall, with Hong Kong / China up 25% and Taiwan increasing 15%.

In China, the timepiece business continued its impressive growth rising 65%, led by sales of Girard-Perregaux which grew 98%, contributed significantly from the opening of two Girard-Perregaux boutiques in Beijing and Shanghai.

Gross margins for 3Q 2008, dipped slightly to 40.2% from 41.4% in the previous corresponding quarter. The decline was due partially to lower margins registered on sale to a new distributor / retailer in China, and to the extension of the sale period beyond the Chinese New Year festive season, as the Group reduced inventory amid a soft retail environment in Southeast Asia.

During the quarter under review, F J Benjamin opened 9 stores in the region bringing the total number of new stores in the last nine months to 49, and expanding the Group retail network to 187 stores in the region, as at March 31, 2008. The opening of new stores since the last financial year was mainly responsible for the 28% increase in operating expenses to \$32.7 million in 3Q 2008. However, cost to revenue ratio has improved from 38.7% in the previous corresponding quarter to 37.6% this quarter.

Nash Benjamin, CEO of F J Benjamin Holdings, said: “Our third quarter results demonstrated the strength of our regional franchise and were satisfying when viewed against the backdrop of the challenging market conditions in Southeast Asia.

“Having reached our targeted expansion for the year, with 1 more store to be opened by June 30, 2008, we intend to leverage on our enlarged retail footprint in the region to reap further economies and to continue growing our market share.

“Having a strong balance sheet with low gearing and improving cash flow, we are well positioned to take advantage of investments / new business opportunities that may present itself, as international brands look to Asia for future growth.”

Recently, the Group announced that its exclusive agreements with GUESS? Inc. had been renewed for five years. The new agreements came into effect on 1 April 2008 and will extend the existing franchise and distribution relationship, which started 17 years ago, to 31 December 2014.

The agreements signed with subsidiary, F J Benjamin (Singapore) Pte Ltd, may be extended for another five years till 2019 on substantially similar terms, if it is in compliance with certain performance criteria during the renewed term. The renewal of the agreements gives F J Benjamin continuing, exclusive rights to retail and distribute the GUESS? brand apparel and accessories in Singapore, Malaysia, Indonesia and Brunei.

Today, the Group also announced start of a distribution relationship with the Swatch Group for RADO timepieces in Indonesia.

Basic earnings per share for Q3 2008 is 0.77 cent and net asset value per share is 24.98 cents.

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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, Paint 8, RAOUL, Sheridan, and timepiece brands such as Bell & Ross, Girard-Perregaux, JeanRichard, Rado, Marc Ecko, Nautica, Nike, Chronotech and Victorinox Swiss Army. It also has an interest in the award- winning St James Power Station.

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