

# FJ BENJAMIN

## **F J BENJAMIN Q1 08 NET PROFIT UP 33% TO \$4 MILLION**

- Turnover rises 43% to \$82 million with strong growth in SE Asia
- Buoyant consumer spending and new stores boost fashion business

**SINGAPORE, 12 November 2007** – F J Benjamin, Singapore’s leading fashion and lifestyle group, today announced a 33% increase in its first quarter (Q1) 2008 net profit after tax to \$4 million from \$3 million in the same quarter last year.

Turnover for the same three months ended September 30 rose 43% to \$82 million as the key markets in Southeast Asia continued their growth momentum.

The Southeast Asian markets grew 49% in Q1 08 over the same quarter last year, helped by strong performance in Malaysia and contributions from new stores and new brands.

Overall, F J Benjamin’s fashion business grew 82% year-on-year, in line with the growth of its retail footprint. Excluding sales from new brands Gap, Banana Republic and Celine, retail sales of existing fashion brands increased 38% from Q1 07.

F J Benjamin’s associate company in Indonesia kept up its growth momentum with sales rising 47% over Q1 07.

The Group’s timepiece business grew almost 10% in the first quarter compared to Q1 07, with most of the growth from North Asia segment comprising Hong Kong, Taiwan and China. This region registered an 18% increase against 5% for Southeast Asia. The delays in delivery of inventory from its manufacturers did not allow the Group to fulfill open orders of timepieces to its retail customers.

Nash Benjamin, CEO of F J Benjamin Holdings Ltd, said: “We are pleased to report growth in our business despite an increase in Goods and Services Tax in July in Singapore and volatility in global financial markets.

“Our newly-launched Banana Republic stores in Singapore, Malaysia and Indonesia were well received, and the new-look Celine stores saw encouraging improvements in sales.

“In light of the volatility in the global markets, we will be vigilant in monitoring consumer sentiment and in exercising cost discipline.”

In the current financial year, the Group has planned additional retail space for both existing and new brands, including Gap, Banana Republic and Celine. This would expand its retail footprint (including Indonesia) by 47 stores and the total square footage by 56% from 246,000 sq ft at June 2007 to about 385,000 sq ft by June 2008. In the quarter just passed, the Group opened 25 stores.

In September 2007, St James Power Station, in which F J Benjamin has a one-third stake, will seek a listing on Singapore’s soon-to-be-launched new board through a \$108 million reverse takeover (RTO) of JK Technology Group Limited (JK Tech). Following the RTO, F J Benjamin’s 30.4% stake in St James will be lowered to 25.2% of the enlarged capital of the listed vehicle. This exercise, when completed, should substantially enhance the value of the Group’s investment in St James.

The Group’s balance sheet remains strong with cash of \$110 million against total borrowings of \$32 million.

At an Extraordinary General Meeting held on 29 October 2007, shareholders approved the proposed capital distribution of \$0.13 in cash for each share by way of capital reduction. The total amount of \$74 million is expected to be paid out in early January 2008.

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**About F J Benjamin Holdings Ltd** ([www.fjbenjamin.com](http://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, Valentino and timepiece brands such as Bell & Ross, Girard-Perregaux, JeanRichard, Marc Ecko, Nautica, Nike and Victorinox Swiss Army. It also has an interest in the award-winning St James Power Station.

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