F J BENJAMIN REPORTS LOWER FY 09 TURNOVER AND EARNINGS AMID RECESSION IN KEY MARKETS

- *Turnover declines 12% to just under $300 million*
- *Operating profit down 65% to $5.5 million*
- *Non-cash foreign exchange loss and exceptional charges result in net loss of $2.7 million*
- *Directors recommend dividend of 0.5 cent a share*

SINGAPORE, 24 August 2009 – F J Benjamin Holdings today announced lower turnover and earnings for its financial year ended 30 June 2009 (FY09) during a period of unprecedented economic downturn brought on by the global financial crisis.

Key markets including Singapore, Malaysia, Thailand and China suffered contractions in their economies, dampening consumer sentiment and spending.

Group turnover declined 12% to $299.9 million in FY09 from $342.4 million last year while operating profit declined 65% to $5.5 million from $15.7 million in FY08.

During the year under review, the Group registered an exceptional charge of $3.1 million and a non-cash foreign exchange loss of $3.7 million, both of which contributed to the net loss of $2.7 million.

The exceptional charge arose mainly from the provision for impairment of properties and for foreseeable losses on the Group's operations in Australia while the foreign exchange loss was partly due to the timing difference between the booking of inventories in foreign currencies and payment, and partly due to the revaluation of intercompanies' loans at year end.

Despite the poor consumer sentiment and the highly competitive retail environment where competitors were giving discounts of up to 80%, the Group managed to keep its gross margin for the year stable at 40%, posting a nominal decline of 1%. As a result of cost cuts implemented during the year, staff costs dipped 11% to $36.6 million, and other operating expenses fell 21% to $22.6 million. However, rental expenses increased 10% to $42.0 million, reflecting the full effect of new stores that were opened in the second half of FY08.

Nash Benjamin, CEO of F J Benjamin Holdings, said: "Business during the year was undeniably tough across most channels and geographies, where we operated in one of the harshest, most uncertain economic environments.

"Against this challenging business backdrop, we stepped up our cost discipline, reduced expenses, tightened our management of inventory and accounts receivables. These actions have resulted in improved cashflows and a stronger balance sheet.

"With signs of recovery in the global financial markets and in some economies in the region, we see improving consumer sentiment. We will continue to invest in our brands and grow our market share, while maintaining vigilance on cost and inventory control."

Segmentally, the Group's fashion business declined 10% to $203.4 million year-on-year while sales for timepieces eased 17% to $94.3 million on weaker consumer spending in Southeast Asia and Taiwan.

Geographically, sales in Southeast Asia declined 13% with fashion down 10% and timepieces 22% mainly due to the softening of the luxury timepiece business. Domestic sales in Indonesia continued to see growth with a 9% increase over FY08. However, the depreciation of the rupiah by about 9% also affected profitability.

Sales in North Asia held up better with revenue from Hong Kong up 8% although sales in mainland China declined 27%.

The Group is in the process of setting up a RAOUL showroom in New York, which is scheduled to open at the end of September. It will present the Spring / Summer 2010 collection to buyers from department and specialty stores, and will grow its distribution channel in the United States through this showroom.

In Singapore, the Group opened two retail stores in new shopping malls Orchard ION and Orchard Central, and has plans to develop new stores in the upcoming Marina Bay Sand Shoppes. The move is in line with its strategy to secure the best locations in Singapore's changing landscape.

Directors have recommended a first and final dividend payout of 0.5 cent per share (tax-exempt one-tier) for FY09 which will total $2.8 million.

The Group's balance sheet remains strong with net gearing at 0.15 times. Net cash generated from operating activities has improved significantly to $21.8 million from a negative $5.3 million previously. Net asset value per share dropped from 24.44 cents in FY 2008 to 23.18 cents this year.

- 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, 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