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Third Quarter * Financial Statement And Dividend Announcement

* Asterisks denote mandatory information

Name of Announcer *	F J BENJAMIN HOLDINGS LTD
Company Registration No.	197301125N
Announcement submitted on behalf of	F J BENJAMIN HOLDINGS LTD
Announcement is submitted with respect to *	F J BENJAMIN HOLDINGS LTD
Announcement is submitted by *	Karen Chong Mee Keng
Designation *	Joint Company Secretary
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2007
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FJ BENJAMIN

F J BENJAMIN HOLDINGS LTD
(Co. Reg. No. 197301125N)

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors of F J Benjamin Holdings Ltd is pleased to announce the unaudited results of the Group for the third quarter ended 31 March 2007 (3Q 07).

	-----GROUP-----		Change %
	3Q 07 \$'000	3Q 06 \$'000	
TURNOVER	65,744	46,049	43
Other income including interest income, net	2,826	1,134	n/m
	<u>68,570</u>	<u>47,183</u>	45
COSTS AND EXPENSES			
Cost of goods sold	38,503	27,023	42
Staff costs	8,895	6,990	27
Rental of premises	6,590	3,936	67
Advertising and promotion	2,644	896	n/m
Depreciation of property, furniture, fixtures and equipment	1,296	1,010	28
Other operating expenses, net	6,008	4,431	36
TOTAL COSTS AND EXPENSES	<u>63,936</u>	<u>44,286</u>	44
OPERATING PROFIT	4,634	2,897	60
Interest expense	(411)	(465)	(12)
Share of results of associates	755	271	n/m
PROFIT BEFORE TAXATION	4,978	2,703	84
Taxation	(1,654)	(1,152)	44
NET PROFIT FOR THE FINANCIAL PERIOD	<u>3,324</u>	<u>1,551</u>	n/m

n/m: denotes percentage more than 100%

NET PROFIT IS STATED AFTER CHARGING/(CREDITING):-

Exchange translation gain	(1,140)	(315)
Net gain on disposal of property, furniture, fixtures and equipment	(3)	-
Allowance for bad and doubtful debts	1	3
Allowance for inventories obsolescence and inventories written off	792	826
Allowance for / (write back of) impairment in value of quoted investment	29	(19)
	<u>29</u>	<u>(19)</u>

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	-----GROUP-----		-----COMPANY-----	
		31-Mar-07 \$'000	30-Jun-06 \$'000	31-Mar-07 \$'000	30-Jun-06 \$'000
NON-CURRENT ASSETS					
Property, furniture, fixtures and equipment		41,196	69,370	4,987	35,857
Subsidiaries		-	-	114,173	75,537
Investment in associates		3,267	9,551	-	-
Other investments		244	332	244	332
Other receivables		2,062	4,672	-	-
Deferred tax assets		611	601	-	-
		<u>47,380</u>	<u>84,526</u>	<u>119,404</u>	<u>111,726</u>
CURRENT ASSETS					
Inventories		62,391	43,708	-	-
External trade debtors		19,935	17,474	-	-
Trade debts due from related companies		26,429	11,600	-	-
Tax recoverable		1,180	1,579	-	241
Other debtors	1	26,539	7,961	2,195	190
Cash on hand and at banks		68,264	24,929	58,117	19,893
		<u>204,738</u>	<u>107,251</u>	<u>60,312</u>	<u>20,324</u>
CURRENT LIABILITIES					
Trade and other creditors		53,905	52,023	3,674	2,676
Finance lease creditors		140	115	53	79
Bank borrowings		31,321	19,910	-	-
Provision for taxation		5,648	2,679	25	69
		<u>91,014</u>	<u>74,727</u>	<u>3,752</u>	<u>2,824</u>
NET CURRENT ASSETS		113,724	32,524	56,560	17,500
NON-CURRENT LIABILITIES					
Finance lease creditors		451	238	366	135
Bank borrowings		-	17,949	-	11,200
Other liabilities		2,583	2,583	-	-
Deferred tax liabilities		440	440	400	400
		<u>3,474</u>	<u>21,210</u>	<u>766</u>	<u>11,735</u>
NET ASSETS		157,630	95,840	175,198	117,491
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
Share capital		170,833	99,360	170,833	99,360
Warrant reserve		12,180	25,175	12,180	25,175
Exchange translation reserve		(10,896)	(9,109)	-	-
Accumulated losses		(14,611)	(19,710)	(7,815)	(7,044)
		<u>157,506</u>	<u>95,716</u>	<u>175,198</u>	<u>117,491</u>
Preference shares issued by a subsidiary		124	124	-	-
		<u>157,630</u>	<u>95,840</u>	<u>175,198</u>	<u>117,491</u>

Note 1

Included in this amount is an advance to an associated company of \$10.7 million to fund the Group's share of the business expansion.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	31-Mar-07	30-Jun-06
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
Secured	14,697	19,910
Unsecured	16,764	115
Amount repayable after one year		
Secured	-	17,949
Unsecured	451	238
Total borrowings	31,912	38,212
Cash on hand and at banks	(68,264)	(24,929)
(Net cash) / net borrowings	(36,352)	13,283

The secured bank borrowings are secured by a fixed charge over the freehold land and building and leasehold building of the Group.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	-----GROUP-----	
	3Q 07	3Q 06
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	4,978	2,703
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	1,296	1,010
Share of results of associates	(755)	(271)
Currency realignment	(348)	(166)
Gain on disposal of furniture, fixtures and equipment	(3)	-
Allowance for / (write back of) impairment in value of investment	29	(19)
Fair value of loan	(447)	(40)
Interest income	(162)	(57)
Interest expense	411	465
OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	4,999	3,625
Increase in debtors	(2,738)	(230)
(Increase)/decrease in inventories	(5,393)	1,445
Decrease in creditors	(18,060)	(2,930)
CASH (USED IN) / FROM OPERATIONS	(21,192)	1,910
Taxation paid	(605)	(416)
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	(21,797)	1,494
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(1,426)	(792)
Proceeds from sale of property, furniture, fixtures and equipment	10	-
Dividend received from an associate	6,375	-
Loan to associates	(6,563)	(251)
Disposal of joint venture entity	-	(290)
Interest received	162	57
NET CASH USED IN INVESTING ACTIVITIES	(1,442)	(1,276)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of ordinary shares	44,098	-
Repayments of bank borrowings	(7,037)	(3,863)
Repayments of finance lease	(23)	(29)
Interest paid	(411)	(465)
Dividend paid to shareholders	(5,392)	-
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	31,235	(4,357)
Net increase in cash and cash equivalents	7,996	(4,139)
Cash and cash equivalents at beginning of the period	52,327	13,453
Net effect of exchange rate changes on opening cash and cash equivalents	37	87
CASH AND CASH EQUIVALENTS AT END OF PERIOD	60,360	9,401
Cash and cash equivalents comprise the following:		
Cash and bank balances	68,264	12,478
Bank overdrafts	(7,904)	(3,077)
	60,360	9,401

Note 1 - Utilisation of proceeds from the disposal of property at 6B Orange Grove Road

Balance as at 12 Feb 07 (as disclosed in 2Q07 results)	12,648
Dividend payment	(5,392)
Royalty payment for terminated brand	(1,200)
Advance to an associate	(250)
Working capital for expansion	(5,557)
Balance as at 31 Mar 07	<u>249</u>

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital \$'000	Share Premium \$'000	Warrant Reserve \$'000	Exchange Translation Reserve \$'000	(Accumulated Losses) \$'000	Preference Shares Issued By A Subsidiary \$'000	Total Equity \$'000
GROUP							
At 31 Dec 06	116,936	-	21,979	(10,322)	(12,543)	124	116,174
Net profit for the financial period	-	-	-	-	3,324	-	3,324
Exchange differences arising from consolidation recognised in equity	-	-	-	(574)	-	-	(574)
Total recognised income and expenses for the financial period	-	-	-	(574)	3,324	-	2,750
Interim dividend paid	-	-	-	-	(5,392)	-	(5,392)
Exercise of warrants	53,897	-	(9,799)	-	-	-	44,098
At 31 Mar 07	170,833	-	12,180	(10,896)	(14,611)	124	157,630
At 31 Dec 05	57,000	26,685	28,025	(7,486)	(25,187)	124	79,161
Net profit for the financial period	-	-	-	-	1,551	-	1,551
Exchange differences arising from consolidation recognised in equity	-	-	-	(792)	-	-	(792)
Total recognised income and expenses for the financial period	-	-	-	(792)	1,551	-	759
Transfer of share premium to share capital account	26,685	(26,685)	-	-	-	-	-
At 31 Mar 06	83,685	-	28,025	(8,278)	(23,636)	124	79,920
COMPANY							
At 31 Dec 06	116,936	-	21,979	-	(1,584)	-	137,331
Net loss for the financial period	-	-	-	-	(839)	-	(839)
Interim dividend paid	-	-	-	-	(5,392)	-	(5,392)
Exercise of warrants	53,897	-	(9,799)	-	-	-	44,098
At 31 Mar 07	170,833	-	12,180	-	(7,815)	-	175,198
At 31 Dec 05	57,000	26,685	28,025	-	(13,950)	-	97,760
Net loss for the financial period	-	-	-	-	(1,104)	-	(1,104)
Transfer of share premium to share capital account	26,685	(26,685)	-	-	-	-	-
At 31 Mar 06	83,685	-	28,025	-	(15,054)	-	96,656

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the period, the Company issued 97,993,000 ordinary shares at \$0.45 each upon the exercise of warrants.

As at 31 March 2007, there were 126,550,000 outstanding warrants. The number of shares that may be issued on exercising of all the outstanding warrants were as follows:

As at 31 March 2007 : 126,550,000

As at 31 March 2006 : 285,000,000

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation as in the most recent audited annual financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	3Q 07	3Q 06
	Cents	Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.87	0.54
(b) On a fully diluted basis	0.65	0.54

The basic and diluted earnings per share is computed based on the weighted average number of ordinary shares in issue during the financial period of 382,986,011 (3Q 06: 285,000,000) and 509,536,011 (3Q 06: anti-dilutive) respectively.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP	COMPANY
	Cents	Cents
Net asset value per ordinary share based on issued share capital as at:		
(a) current financial period reported on	35.52	39.51
(b) immediately preceding financial period	30.53	37.48

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Results for Third Quarter – 3 Months Ended 31 March 2007 (3Q07)

Group operating revenue for the third quarter grew 43% to S\$65.7 million against the same period in 2006. Net profit after tax rose to S\$3.3 million from S\$1.6 million.

Turnover - Geographical

- **Southeast Asia – Singapore, Malaysia, Thailand**

The Southeast Asian markets continued to grow and posted an overall increase of 52% in turnover over 3Q06.

For the fashion retail and distribution division, sales increased by 67% mainly from GUESS, RAOUL, LA SENZA, GAP and export sales to an associated company. Most brands continued to record double-digit growth in existing stores. Newly introduced brand, GAP, contributed 40% to the increase while sales to an associated company contributed 17% to the increase.

For the timepiece division, there was a 15% increase in revenue with contributions coming from technical and life-style brands through existing distribution channels and new doors opened in the reporting quarter.

- **North Asia – Hongkong, Taiwan, China**

Overall, the timepiece turnover declined by 2%. Hongkong and China markets grew by 4% but turnover from Taiwan declined by 15% due to the political unrest in the country thus affecting consumer spending. Sale of GIRARD-PERREGAUX timepieces in China continued to grow by 40%.

Associated Companies

Indonesia continued to be a growth market with domestic sales increasing by 29% over 3Q06.

All 9 entertainment outlets in St James Power Station which were opened at end December 2006 have seen encouraging patronage.

Margin and Operating expenses

Gross margin remained relatively constant at 41.4% for this quarter compared to 41.3% in 3Q06.

In tandem with the growth in revenue through new stores opened, entry into the Thailand market and the introduction of GAP, operating expenses increased by 47% with major increases coming from staff cost, rental and higher advertising spend to launch GAP.

Balance Sheet

The Group's Balance Sheet remains strong with cash of S\$68 million against total borrowings of S\$32 million. It registered a zero gearing and a net asset value per ordinary share of 35.5 cents.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was made on the Group's third quarter results.

10. A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group will continue its efforts to maintain its momentum to grow its market share in the region.

As earlier planned, a total of 35 new stores have been opened in the territories in which the Group operates, with a further 8 more stores to be opened by the end of the financial year. Timepiece distribution will continue to grow, with an emphasis on technical brands in China.

With its current cash position and further anticipated cash from exercise of balance of warrants to shares (warrants will expire in July 07), the Group is constantly evaluating various options for the effective utilization of these funds. To-date, 64% of warrants have been converted to shares.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period report on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediate preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. Full financial year results for financial year ending 30 June 2007.

The Company expects to announce its results for the financial year ending 30 June 2007 in the week of 27 August 2007.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Dilhan Pillay Sandrasegara
Joint Company Secretaries
14 May 2007

FJ BENJAMIN

CONFIRMATION PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, Eli Manasseh Benjamin and Karen Chong Mee Keng, being two directors of F J Benjamin Holdings Ltd (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the third quarter financial results ended 31 March 2007 to be false or misleading.

On behalf of the Board of Directors



Eli Manasseh Benjamin
Director

14 May 2007



Karen Chong Mee Keng
Director