

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR RESULTS****I(ai) 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 wishes to announce the unaudited results of the Group for the second quarter ended 31 December 2011 (2Q12).

	-----GROUP-----		Change %
	2Q12 \$'000	2Q11 \$'000	
Turnover	109,929	93,059	18
Cost of goods sold	(63,323)	(52,983)	20
Gross Profit	46,606	40,076	16
Other income	3,011	1,746	72
Staff costs	(14,858)	(12,760)	16
Rental of premises	(12,367)	(11,543)	7
Advertising and promotion	(6,660)	(4,887)	36
Depreciation of property, furniture, fixtures and equipment	(1,623)	(1,432)	13
Depreciation of investment properties	(29)	(43)	(33)
Other operating expenses	(9,563)	(6,074)	57
<b>OPERATING PROFIT</b>	<b>4,517</b>	<b>5,083</b>	<b>(11)</b>
Interest income	261	4	n.m.
Interest expenses	(796)	(385)	107
	3,982	4,702	(15)
Foreign exchange gain	2,184	275	n.m.
Share of results of associates, net of tax	247	369	(33)
<b>PROFIT BEFORE TAXATION</b>	<b>6,413</b>	<b>5,346</b>	<b>20</b>
Taxation	(1,774)	(1,331)	33
<b>NET PROFIT FOR THE FINANCIAL PERIOD</b>	<b>4,639</b>	<b>4,015</b>	<b>16</b>
Profit attributable to:			
Equity holders of the Company	4,765	4,117	
Non-controlling interests	(126)	(102)	
	4,639	4,015	

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

(Gain)/Loss on disposal of furniture, fixtures and equipment	(69)	3
Allowance for bad and doubtful debts	-	1
Allowance for stocks obsolescence and stocks written off	1,243	1,045
Reversal of allowance for stocks obsolescence	(588)	-
Writeback of impairment loss on other investment	(10)	(48)

nm - not meaningful

**1(aii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**Profit for the period**

**Other comprehensive income**

Net translation differences relating to translation of financial statement and monetary items of investment of foreign subsidiaries

**Total comprehensive income for the period**

**Total comprehensive income attributable to:**

Equity holders of the Company

Non-controlling interests

GROUP		
2Q12	2Q11	Change
\$'000	\$'000	%
4,639	4,015	16
(125)	(2,088)	nm
<b>4,514</b>	<b>1,927</b>	134%

4,620	2,033	127%
(106)	(106)	nm
<b>4,514</b>	<b>1,927</b>	134%

**I(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.**

	-----GROUP-----		-----COMPANY-----	
	31-Dec-11 \$'000	30-Jun-11 \$'000	31-Dec-11 \$'000	30-Jun-11 \$'000
<b>NON-CURRENT ASSETS</b>				
Property, furniture, fixtures and equipment	27,605	24,730	1,835	2,245
Investment properties	5,358	5,081	-	-
Goodwill	559	559	-	-
Subsidiaries	-	-	117,501	111,144
Investment in associates (Note)	29,731	12,626	-	-
Other investments	69	59	69	59
Other receivables	260	260	-	-
Deferred tax assets	1,123	1,117	-	-
	<u>64,705</u>	<u>44,432</u>	<u>119,405</u>	<u>113,448</u>
<b>CURRENT ASSETS</b>				
Inventories	106,547	94,390	-	-
External trade debtors	24,695	15,964	-	-
Trade debts due from related companies	45,446	41,591	-	-
Tax recoverable	1,883	1,492	-	-
Other debtors	23,148	21,032	122,415	102,484
Fixed deposits	3,687	20,371	3,687	20,371
Cash on hand and at banks	43,310	44,825	223	392
	<u>248,716</u>	<u>239,665</u>	<u>126,325</u>	<u>123,247</u>
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	79,030	74,888	84,067	63,918
Finance lease creditors	311	328	120	121
Bank borrowings	88,217	71,336	-	-
Provision for taxation	3,146	2,254	477	487
	<u>170,704</u>	<u>148,806</u>	<u>84,664</u>	<u>64,526</u>
<b>NET CURRENT ASSETS</b>	<b>78,012</b>	<b>90,859</b>	<b>41,661</b>	<b>58,721</b>
<b>NON-CURRENT LIABILITIES</b>				
Finance lease creditors	716	791	713	775
Bank borrowings	8,699	-	-	-
Other liabilities	2,586	2,583	-	-
Deferred tax liabilities	482	459	-	-
	<u>12,483</u>	<u>3,833</u>	<u>713</u>	<u>775</u>
<b>NET ASSETS</b>	<b>130,234</b>	<b>131,458</b>	<b>160,353</b>	<b>171,394</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(20,044)	(21,861)	-	-
Accumulated losses	(14,947)	(12,152)	(5,094)	5,947
	<u>130,456</u>	<u>131,434</u>	<u>160,353</u>	<u>171,394</u>
Non-controlling interests	(346)	(100)	-	-
Preference shares issued by a subsidiary	124	124	-	-
	<u>130,234</u>	<u>131,458</u>	<u>160,353</u>	<u>171,394</u>

Note: Included a 5-year interest bearing loan of S\$16.5m to a joint venture partner in Indonesia

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

	-----GROUP-----	
	31-Dec-11 \$'000	30-Jun-11 \$'000
Amount repayable in one year or less, or on demand - unsecured	88,528	71,664
Amount repayable after one year - unsecured	9,415	791
Total borrowings	<u>97,943</u>	<u>72,455</u>
Cash on hand and at banks (including fixed deposits)	(46,997)	(65,196)
Net borrowings / (cash)	<u>50,946</u>	<u>7,259</u>

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

	-----GROUP-----	
	2Q12 \$'000	2Q11 \$'000
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	6,413	5,346
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	1,623	1,432
Depreciation of investment properties	29	43
Share of results of associates, net of tax	(247)	(369)
Currency realignment	(225)	(1,568)
(Gain) / Loss on disposal of furniture, fixtures and equipment	(69)	3
Write-back of impairment loss on other investment	(10)	(48)
Interest income	(261)	(4)
Interest expense	796	385
<b>OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL</b>	<u>8,049</u>	<u>5,220</u>
Increase in debtors	(6,865)	(8,788)
Increase in stocks	(10,076)	(5,259)
Increase in creditors	11,060	14,345
<b>CASH FROM OPERATIONS</b>	<u>2,168</u>	<u>5,518</u>
Income tax paid	(1,983)	(441)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>185</u>	<u>5,077</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of furniture, fixtures and equipment	(4,479)	(1,028)
Proceeds from disposal of furniture, fixtures and equipment	35	-
Net cash inflow on acquisition of subsidiary	-	14
Interest received	172	4
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(4,272)</u>	<u>(1,010)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Drawdown of bank borrowings	1,698	545
Decrease in finance lease	(45)	(17)
Interest paid	(796)	(385)
Dividend paid to shareholders	(11,374)	(11,374)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(10,517)</u>	<u>(11,231)</u>
Net decrease in cash and cash equivalents	(14,604)	(7,164)
Cash and cash equivalents at beginning of the financial period	25,933	37,098
Net effect of exchange rate changes on opening cash and cash equivalents	90	30
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>11,419</u>	<u>29,964</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances (including fixed deposits)	46,997	55,600
Bank overdrafts	(35,578)	(25,636)
	<u>11,419</u>	<u>29,964</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	Exchange Translation Reserve \$'000	(Accumulated Losses) Retained Earnings \$'000	Non-controlling interests \$'000	Preference shares issued by a subsidiary \$'000	Total Equity \$'000
<b>GROUP</b>						
At 1 October 2011	165,447	(19,899)	(8,338)	(240)	124	137,094
Profit for the period	-	-	4,765	(126)	-	4,639
<u>Other comprehensive income</u>						
Foreign currency translation	-	(145)	-	20	-	(125)
Total comprehensive income for the period	-	(145)	4,765	(106)	-	4,514
Dividends paid	-	-	(11,374)	-	-	(11,374)
At 31 December 2011	165,447	(20,044)	(14,947)	(346)	124	130,234
At 1 October 2010	165,447	(17,902)	(11,138)	102	124	136,633
Profit for the period	-	-	4,117	(102)	-	4,015
<u>Other comprehensive income</u>						
Foreign currency translation	-	(2,084)	-	(4)	-	(2,088)
Total comprehensive income for the period	-	(2,084)	4,117	(106)	-	1,927
Acquisition of subsidiary (provisional adjustments)	-	-	(12)	(12)	-	(24)
Dividends paid	-	-	(11,374)	-	-	(11,374)
At 31 December 2010	165,447	(19,986)	(18,407)	(16)	124	127,162
<b>COMPANY</b>						
At 1 October 2011	165,447	-	6,867	-	-	172,314
Profit for the period, representing Total comprehensive income for the period	-	-	(587)	-	-	(587)
Dividends paid	-	-	(11,374)	-	-	(11,374)
At 31 December 2011	165,447	-	(5,094)	-	-	160,353
At 1 October 2010	165,447	-	5,323	-	-	170,770
Profit for the period, representing Total comprehensive income for the period	-	-	(921)	-	-	(921)
Dividends paid	-	-	(11,374)	-	-	(11,374)
At 31 December 2010	165,447	-	(6,972)	-	-	158,475

**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

There has been no change in the Company's share capital during the period reported.

As at 31 December 2011 and 31 December 2010, there was no outstanding warrants.

**1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 December 2011: 568,709,857

As at 31 December 2010: 568,709,857

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There is no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

**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.**

Except as disclosed in item 5 below, the Company and the Group have 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.**

In the current financial period, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") and interpretation of FRSs ("INT FRSs") that are relevant to its operations and effective for the financial period beginning on or after 1 Jan 2011.

The adoption of these new / revised FRSs and INT FRSs does not result in changes in Group's accounting policies and has no material effect on the amounts reported for the current period or prior years.

**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	
	2Q12	2Q11
(a) Basic (cents)	0.84	0.72
(b) Diluted (cents)	0.84	0.72

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 568,709,857 (2Q11: 568,709,857).

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

	GROUP	COMPANY
Net asset value per ordinary share based on issued share capital as at:		
(a) current financial period reported on (cents)	22.94	28.20
(b) immediately preceding financial period (cents)	23.11	30.14

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 Second Quarter – 3 Months Ended 31 December 2011 (2Q12)**

Group turnover rose 18% to **\$109.9 million** from **\$93.1 million** with increases seen in major markets of Singapore, Malaysia and Hong Kong. Gross margin, however, dipped from 43% to 42% as the Group pre-empted a more challenging trading environment ahead by liquidating inventory.

Net profit after tax rose 16 percent to **\$4.6 million from \$4.0 million** in same period last year. This included a foreign exchange gain of \$2.2 million compared to \$0.3 million in previous corresponding period.

Group operating expenses increased by 23% to **\$45.1 million**. The increase came from higher headcount for new stores, incentive and bonus pay out, advertising spend, expenses incurred in the newly set up studio, warehousing and logistics centre in China, the opening of a showroom in Milan and expansion of the showroom in New York. Cost-to-revenue ratio rose to 41% from 40% in same period last year.

Group turnover from the fashion business saw an increase of 19% to \$69.0 million, and the timepiece business grew by 16% to \$40.8 million.

In Southeast Asia, the timepiece business grew by 13% while the fashion business grew by 14% with positive comparative store growth seen across brands.

In North Asia, growth was less robust compared to 1Q12. For 2Q12, the Timepiece business in Hong Kong grew by 9% and revenue in China grew by 44%. However, on a quarter-to-quarter comparison, growth has slowed as reflected in increases of 35% and 67% for Hong Kong and China respectively in the first quarter of FY2012.

Indonesia continued to see growth with domestic sales increasing by 16% over same period last year. However, gross margin dipped slightly as a result of concerted effort to reduce inventory.

The Group's net gearing increased from 6% as at June 2011 to 39% as at December 2011 as it incurred higher operational cash outflow for its business growth and expansion.

**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 second 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.**

An absence of clarity and visible signs of global economic recovery, exacerbated by continuing sovereign debt crisis in Europe has generated an uncertain climate of business activity.

The Group continues to be prudent in managing business risks as it leverages on its key brands to capitalize growth opportunities. Equally, its focus of attention is applied to cost and liability management.



**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. Confirmation pursuant to Rule 705(4) of the Listing Manual.**

To the best of our knowledge, nothing material has come to the attention of the Directors which may render the financial period results ended 31 December 2011 to be false or misleading.

**14. Third quarter results for financial period ending 31 March 2012**

The Company expects to announce its third quarter results ending 31 March 2012 in the week of 8th May 2012.

**BY ORDER OF THE BOARD**

Karen Chong Mee Keng  
Company Secretary  
9 February 2012