



FJ BENJAMIN



NASH BENJAMIN
Chief Executive Officer

F J Benjamin Holdings Ltd
FY 2014 FINANCIAL RESULTS
22 August 2014

Highlights



1. *Turnover down 1% to \$368.2 million*
2. *Net loss of \$22.1 million*
3. *Gross margin declines to 39%*
4. *Directors recommend dividend of 0.25 cents per share*

Financial Highlights

<i>S\$'000</i>	<i>FY 14</i>	<i>FY 13</i>	<i>Variance</i>	<i>%</i>
Turnover	368,200	373,403	(5,203)	-1
Gross margin	39%	43%		
Operating expenses	166,956	163,628	3,328	2
Operating (loss)/profit	(12,616)	7,538	(20,154)	nm
Underlying net loss	(14,284)	(1,093)	(13,191)	nm
Net (loss)/profit after tax	(22,096)	4,039	(26,135)	nm

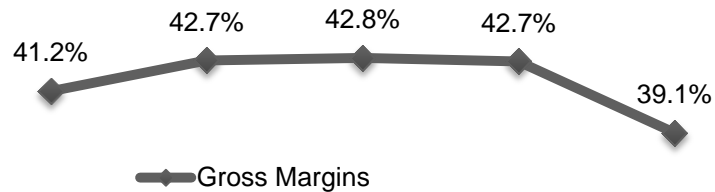


The business was hard hit by a slowdown in luxury spending in North Asia, protracted discounting among Southeast Asia retailers and rising costs in Singapore

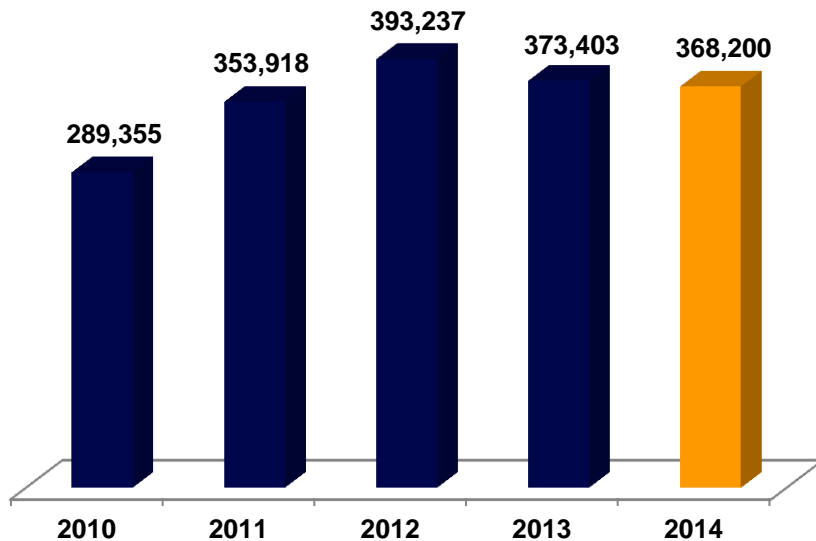
Turnover

Turnover & Gross Margin

S\$ '000



Turnover



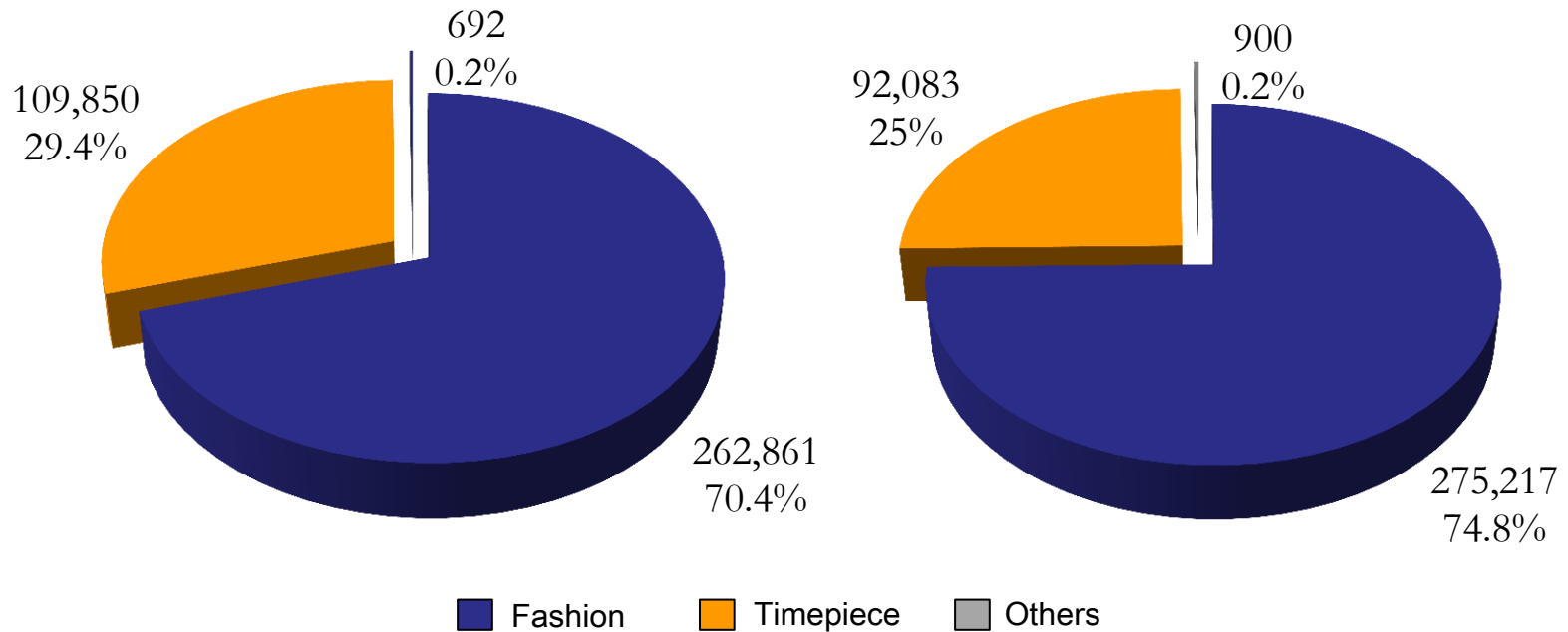
North Asia declines, continued growth in SE Asia

- Group turnover down 1% to \$368.2 million
- Fashion business rises 5%, timepiece falls 16%
- 5% and 2% increases in fashion business and timepiece sales in Southeast Asia respectively
- Timepiece businesses in North Asia down 36% due to continued slowdown in China market
- Sales in Indonesia continue to grow with domestic sales rising by 13% while maintaining constant gross margin

(\$'000)

FY 2013

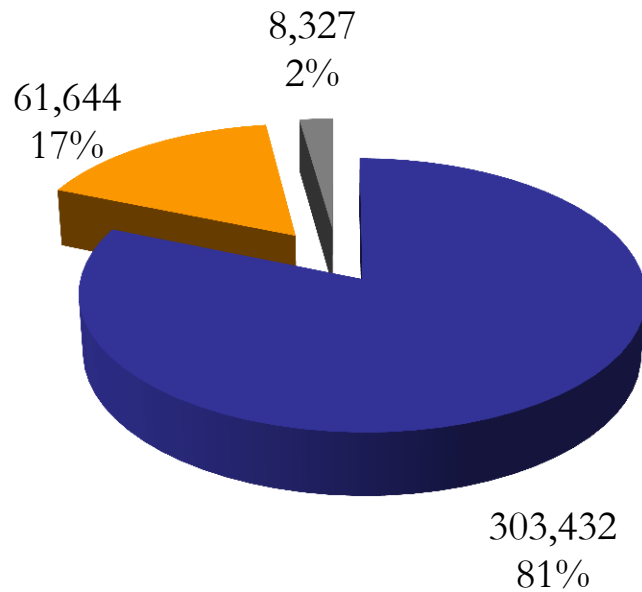
FY 2014



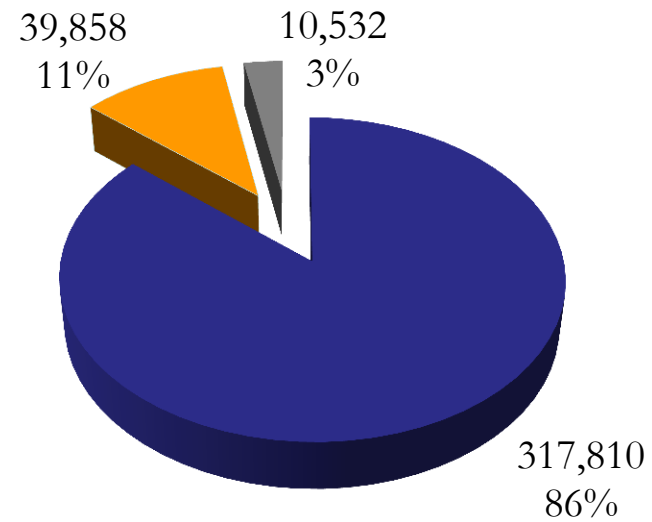
By Business Segment

(\$'000)

FY 2013



FY 2014



■ Southeast Asia
 ■ North Asia
 ■ Italy/UK/USA

By Geography

Expenses



Higher expenses

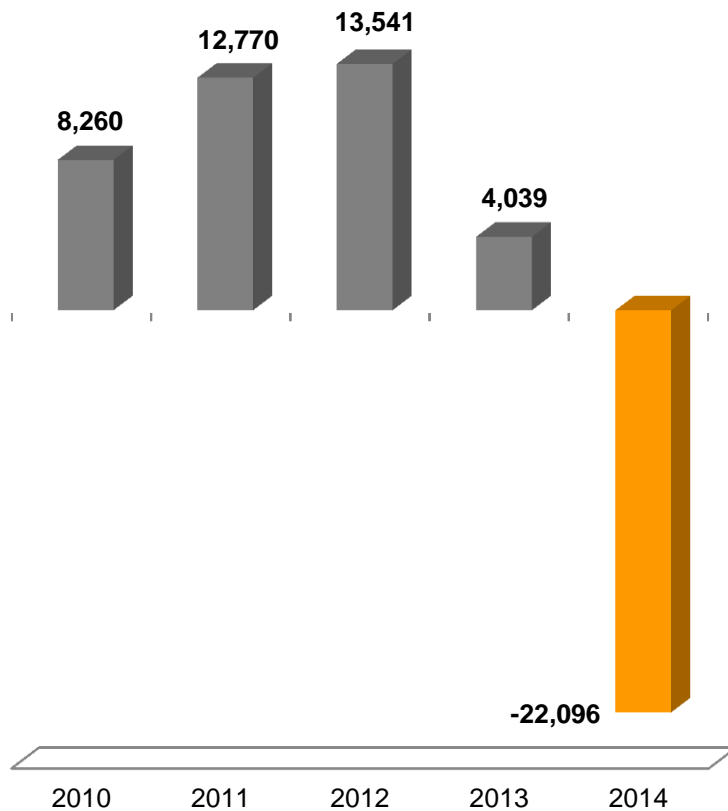
- Group operating expenses rise 2% to \$167.0 million due to higher staff costs, rental and depreciation charge
- Cost-to-revenue ratio higher at 45.3%



*Aggressive markdowns by
retailers in the key markets of
Singapore and Malaysia
eroded profitability for the
Group's lifestyle brands*

Net Profit/ (Loss) After Tax

S\$ '000

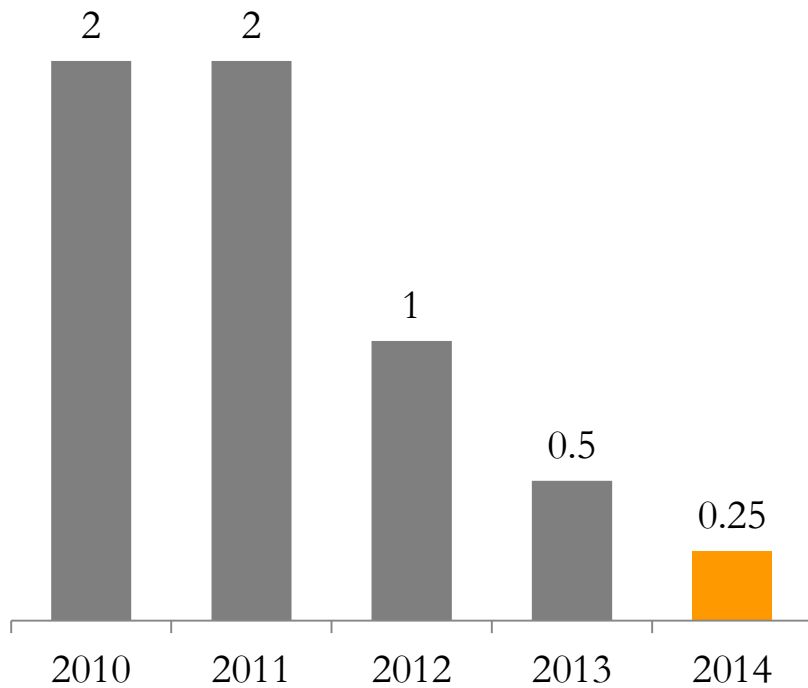


Net loss for the year compounded by non-cash items

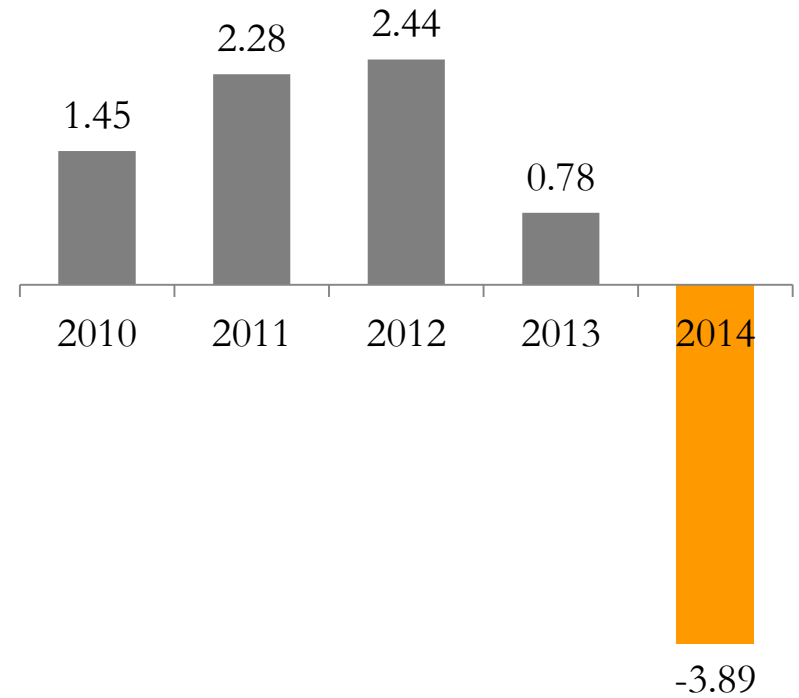
- Net loss at \$22.1 million against profit of \$4.0 million in the previous year; 4Q14 operating loss of \$12.9 million
- Non-cash items totalling \$7.8 million comprised:
 - a) Fair value loss of \$1.5 million for the investment in St James Holdings Ltd
 - b) Impairment of fixed assets for non-performing stores of \$1.4 million
 - c) Tax recoverable written off of \$2.2 million
 - d) Share of unrealised translation loss of \$2.7 million booked by associated company in Indonesia

Dividends/EPS

Dividend Per Share
cents



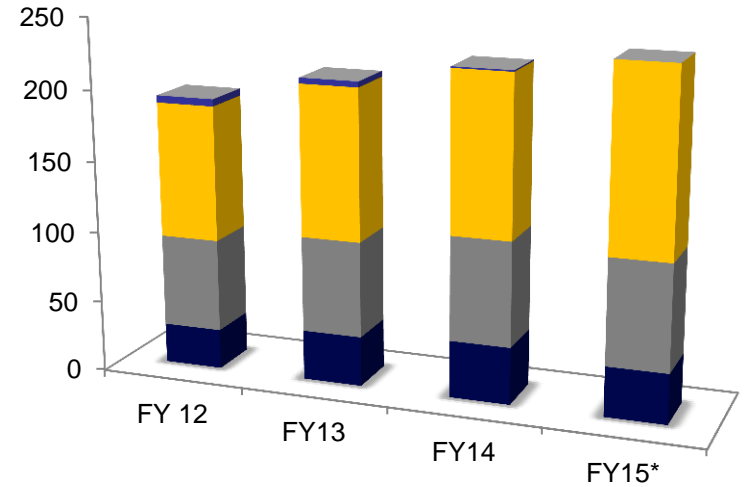
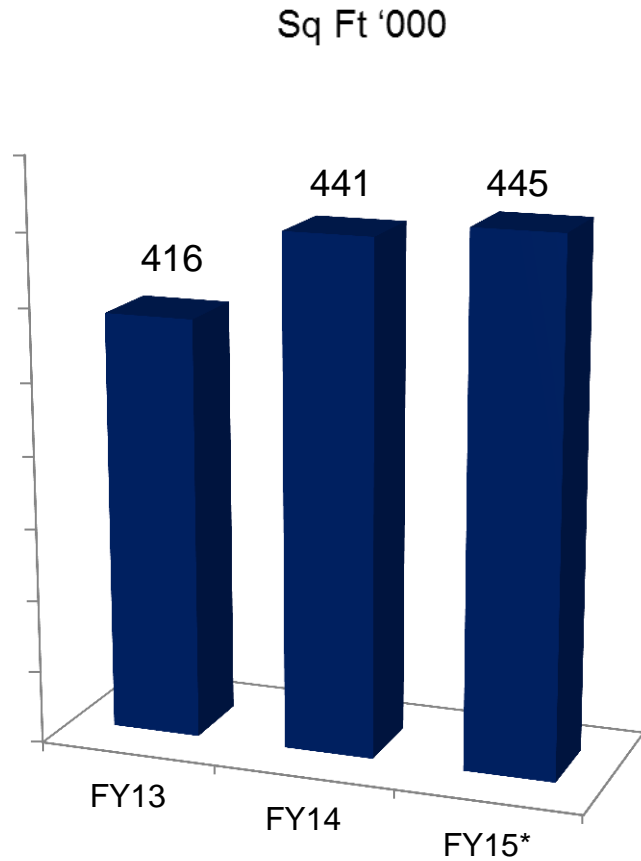
Earnings Per Share
cents



Retail Footprint

TOTAL SQUARE FOOTAGE

NUMBER OF STORES



	FY 12	FY13	FY14	FY15*
■ Australia	0	0	0	0
■ Hong Kong	5	4	1	0
■ Indonesia	95	106	112	128
■ Malaysia	65	67	73	74
■ Singapore	28	35	40	35
Total	193	212	226	237

* Projected figures



Outlook



Consumer spending and sentiment to remain muted in the near to medium term

- Measures taken to cut costs and improve productivity
- Steps taken to reduce inventory, downsize and close underperforming stores; number of stores in Singapore to fall to 35 by end FY2015 from 40 currently
- Strengthen the Group's brand portfolio across the region
- Will open the first SuperDry store in Singapore by December 2014
- Added two Swiss watch brands to the timepiece portfolio, Frederique Constant and Alpina



- Expansion to focus on the larger and growing markets of Indonesia and Malaysia; total number of stores there will rise to 202 by end FY2015 from the current 185
- The Group recently forged an alliance with Indonesian investment firm Saratoga to enhance growth in its Indonesian business
- The Saratoga deal involved purchase of debt and an investment of 25% in the equity of the Group's Indonesian business. The Group will realise a net gain of about \$11.5 million from the transactions.

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