

**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 first quarter ended 30 September 2015 (1Q16)

	-----GROUP-----		Change %
	1Q16 \$'000	1Q15 \$'000	
Turnover	63,695	75,354	(15)
Cost of goods sold	(38,755)	(42,351)	(8)
Gross Profit	24,940	33,003	(24)
Other income, net	604	9,039	(93)
Staff costs	(9,205)	(12,473)	(26)
Rental of premises	(11,395)	(14,532)	(22)
Advertising and promotion	(1,961)	(2,796)	(30)
Depreciation of property, furniture, fixtures and equipment	(1,620)	(2,254)	(28)
Other operating expenses	(4,510)	(9,324)	(52)
<b>OPERATING (LOSS)/PROFIT</b>	<b>(3,147)</b>	<b>663</b>	<b>nm</b>
Interest expenses	(584)	(699)	(16)
	(3,731)	(36)	nm
Foreign exchange (loss)/gain	(1,854)	482	nm
Share of results of associates, net of tax	54	370	(85)
<b>(LOSS)/PROFIT BEFORE TAXATION</b>	<b>(5,531)</b>	<b>816</b>	<b>nm</b>
Taxation	64	216	(70)
<b>NET (LOSS)/PROFIT FOR THE FINANCIAL PERIOD</b>	<b>(5,467)</b>	<b>1,032</b>	<b>nm</b>
(Loss)/Profit attributable to:			
Equity holders of the Company	(5,467)	1,107	nm
Non-controlling interests	-	(75)	(100)
	<b>(5,467)</b>	<b>1,032</b>	<b>nm</b>

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

(Gain)/Loss on disposal of furniture, fixtures and equipment	(50)	47
Gain on sale of a unit of leasehold property	-	(1,298)
Allowance for doubtful debts and bad debts written off	4	-
(Writeback)/Allowance for inventory obsolescence	(1,633)	2,470
Reversal of allowance for inventory obsolescence	(982)	(390)
Gain on partial sale of mandatory convertible bonds	-	(5,880)
Gain from acquisition of non-controlling interests	-	(124)
Loss on disposal of investment securities	176	-

nm - not meaningful

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

**(Loss)/Profit for the financial period**

**Other comprehensive gain/(loss)**

Item that may be reclassified subsequently to profit or loss:

Foreign currency translation

**Total comprehensive(loss)/income for the financial period**

**Total comprehensive (loss)/income attributable to:**

Equity holders of the Company

Non-controlling interests

GROUP		
1Q16	1Q15	Change
\$'000	\$'000	%
(5,467)	1,032	nm
(1,804)	545	nm
<b>(7,271)</b>	<b>1,577</b>	nm

(7,271) 1,658 nm

- (81) -100%

**(7,271) 1,577 nm**

**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.**

	-----GROUP-----		-----COMPANY-----	
	30-Sep-15 \$'000	30-Jun-15 \$'000	30-Sep-15 \$'000	30-Jun-15 \$'000
<b>NON-CURRENT ASSETS</b>				
Property, furniture, fixtures and equipment	14,194	15,080	183	242
Goodwill	-	-	-	-
Subsidiaries	-	-	80,503	80,851
Investment in associates	8,594	8,638	-	-
Mandatory convertible bonds	29,862	29,862	-	-
Other receivables	1,498	1,631	-	-
Deferred tax assets	1,016	1,006	-	-
	<u>55,164</u>	<u>56,217</u>	<u>80,686</u>	<u>81,093</u>
<b>CURRENT ASSETS</b>				
Inventories	75,383	74,257	-	-
Investment securities	168	1,642	-	-
External trade debtors	5,866	5,959	-	-
Trade debts due from related companies	29,768	25,879	-	-
Tax recoverable	944	3,025	-	-
Other debtors	16,522	18,106	36,303	31,564
Cash on hand and at banks	4,156	5,555	31	3,545
	<u>132,807</u>	<u>134,423</u>	<u>36,334</u>	<u>35,109</u>
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	49,765	51,366	1,709	1,840
Finance lease creditors	171	171	137	137
Bank borrowings	57,420	50,685	-	-
Provision for taxation	61	43	-	-
	<u>107,417</u>	<u>102,265</u>	<u>1,846</u>	<u>1,977</u>
<b>NET CURRENT ASSETS</b>	<b>25,390</b>	<b>32,158</b>	<b>34,488</b>	<b>33,132</b>
<b>NON-CURRENT LIABILITIES</b>				
Finance lease creditors	219	263	219	253
Bank borrowings	-	500	-	-
Other liabilities	2,610	2,616	-	-
Deferred tax liabilities	40	40	-	-
	<u>2,869</u>	<u>3,419</u>	<u>219</u>	<u>253</u>
<b>NET ASSETS</b>	<b>77,685</b>	<b>84,956</b>	<b>114,955</b>	<b>113,972</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(28,071)	(26,267)	-	-
Accumulated losses	(59,691)	(54,224)	(50,492)	(51,475)
	<u>77,685</u>	<u>84,956</u>	<u>114,955</u>	<u>113,972</u>

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

	-----GROUP-----	
	30-Sep-15	30-Jun-15
	\$'000	\$'000
Amount repayable in one year or less, or on demand - unsecured	57,591	50,856
Amount repayable after one year - unsecured	219	763
Total borrowings	57,810	51,619
Cash on hand and at banks	(4,156)	(5,555)
Net borrowings	53,654	46,064

**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-----	
	1Q16	1Q15
	\$'000	\$'000
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(Loss)/Profit before taxation	(5,531)	816
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	1,620	2,254
Share of results of associates/ joint venture, net of tax	(54)	(370)
Currency realignment	(975)	408
Gain on disposal of leasehold property, furniture, fixtures and equipment	(50)	(1,251)
Gain on partial sale of mandatory convertible bonds	-	(5,880)
Loss from disposal of investment securities	176	-
(Writeback)/Allowance for inventory obsolescence	(2,615)	2,080
Gain from acquisition of non-controlling interests	-	(124)
Allowance for doubtful debts and bad debts written off	4	-
Interest income	(179)	(420)
Investment income	(162)	-
Interest expense	584	699
<b>OPERATING LOSS BEFORE REINVESTMENT IN WORKING CAPITAL</b>	<b>(7,182)</b>	<b>(1,788)</b>
Increase in debtors	(1,742)	(3,004)
Decrease/(increase) in stocks	1,489	(3,821)
Decrease in creditors	(1,603)	(10,357)
<b>CASH USED IN OPERATIONS</b>	<b>(9,038)</b>	<b>(18,970)</b>
Income tax refunded/(paid)	1,983	(580)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(7,055)</b>	<b>(19,550)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of furniture, fixtures and equipment	(1,604)	(1,337)
Proceeds from disposal of property, furniture, fixtures and equipment	359	3,150
Proceeds from investment securities (net)	1,298	-
Proceeds from sale of mandatory convertible bonds	-	21,977
Loan repayment received from joint venture partner	-	11,000
Interest received	-	826
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>53</b>	<b>35,616</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Net proceeds/(repayments) from bank borrowings	6,924	(15,539)
Repayment of obligations under finance lease	(44)	(42)
Interest paid	(584)	(735)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>6,296</b>	<b>(16,316)</b>
Net decrease in cash and cash equivalents	(706)	(250)
Cash and cash equivalents at beginning of the financial period	(5,887)	(7,488)
Net effect of exchange rate changes on opening cash and cash equivalents	(4)	13
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>(6,597)</b>	<b>(7,725)</b>
Cash and cash equivalents comprise the following:		
Cash and bank balances	4,156	6,675
Bank overdrafts	(10,753)	(14,400)
	(6,597)	(7,725)

**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	Total Equity \$'000
<b>GROUP</b>					
At 1 July 2015	165,447	(26,267)	(54,224)	-	84,956
Loss for the period	-	-	(5,467)	-	(5,467)
<u>Other comprehensive gain/(loss)</u>					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	(1,804)	-	-	(1,804)
Total comprehensive loss for the period	-	(1,804)	(5,467)	-	(7,271)
At 30 September 2015	165,447	(28,071)	(59,691)	-	77,685
At 1 July 2014	165,447	(27,013)	(35,814)	(766)	101,854
Profit for the period	-	-	1,107	(75)	1,032
<u>Other comprehensive gain/(loss)</u>					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	551	-	(6)	545
Total comprehensive income for the period	-	551	1,107	(81)	1,577
<u>Changes in ownership interests in subsidiaries</u>					
Acquisition of non- controlling interests without a change in control	-	-	-	(124)	(124)
Total changes in ownership interests in subsidiaries	-	-	-	(124)	(124)
At 30 September 2014	165,447	(26,462)	(34,707)	(971)	103,307
<b>COMPANY</b>					
At 1 July 2015	165,447	-	(51,475)	-	113,972
Total comprehensive income for the financial period	-	-	983	-	983
At 30 September 2015	165,447	-	(50,492)	-	114,955
At 1 July 2014	165,447	-	3,725	-	169,172
Total comprehensive income for the financial period	-	-	1,669	-	1,669
At 30 September 2014	165,447	-	5,394	-	170,841

**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 30 September 2015 and 30 September 2014, 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 30 September 2015: 568,709,857

As at 30 June 2015: 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 2015.

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 periods.

**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	
	1Q16	1Q15
(a) Basic (cents)	(0.96)	0.19
(b) Diluted (cents)	(0.96)	0.19

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 (1Q15: 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)	13.66	20.21
(b) immediately preceding financial year (cents)	14.94	20.04

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 First Quarter Ended 30 September 2015 (1Q16)**

The challenging retail sector was further compounded by a combination of factors including lower tourist arrivals, exchange rate volatility, the disruptive haze situation and poor consumer sentiment in the region.

Group turnover for the quarter decreased by 15% to \$63.7 million from \$75.4 million in the previous corresponding quarter. Correspondingly gross profit decreased by \$8.1 million with gross margin percentage declining 4.6 percentage points from 43.8% in same period last year to 39.2% in this reported quarter. The drop was attributable to higher discounts given on the timepiece wholesale business and the sales mix of retail and wholesale. The gross margin percentage generated from retail sales were consistent with that of 1Q15.

Group operating loss was \$3.1 million compared to operating profit of \$0.7 million in previous corresponding period. Excluding the one-time gains from sale of properties and mandatory convertible bonds of \$7.2 million in 1Q15, operating loss decreased by 52% from \$6.5 million in 1Q15 to \$3.1 million in this reported quarter.

Foreign exchange losses arising from the weakening of the Singapore Dollar and Malaysian Ringgit against the United States Dollar for goods purchased amounted to \$1.9 million (compared to foreign exchange gain of \$0.5 million in 1Q15).

Group operating expenses declined from \$41.4 million to \$28.7 million with cost-to-revenue ratio at 45% compared to 55% in same period last year. This was a result of the proactive action taken by Group to focus on productivity by right-sizing some stores and closing underperforming stores. Group net loss before tax was at \$5.5 million.

Group turnover from the fashion business decreased by 17% to \$49.6 million and the timepiece business decreased by 10% to \$13.7 million.

In Southeast Asia, the fashion business (excluding purchases by the Indonesia associate and discontinued brands) decreased by 12% while the timepiece business decreased by 25%. Purchases by the Indonesia associate increased by 14%.

The domestic sales in Indonesia registered sales growth of 2% but netted a lower return due to higher operating costs.

#### **(ii) Balance Sheet**

Inventory holdings increased by 2% to \$75.4 million from \$74.3 million in June 2015. However, comparing to same seasonal period as at September 2014, inventory holdings were trimmed by \$16.8 million.

Net borrowings was \$53.7 million from \$46.1 million as at 30 June 2015 due to increased financing of purchases for the festive seasons ahead. Net gearing stood at 69%.

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

Not applicable.

**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.**

Given the uncertain global economic outlook and intensifying competition, the Group expects the retail sector in its key markets of Singapore, Malaysia and Indonesia, to remain challenging in the mid-term.

The Group continues to proactively manage its brand portfolio and right-size its operations to move forward efficiently. This exercise is expected to be completed by the end of 2Q16.



**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/recommendeded, a statement to that effect.**

Not applicable.

**13. If the Company has obtained a general mandate from shareholders for interested party transactions ("IPT mandate"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have an IPT mandate.

**14. Confirmation pursuant to Rule 705(5) 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 30 September 2015 to be false or misleading.

**15. Second quarter results for financial year ending 31 December 2015**

The Company expects to announce its second quarter results ending 31 December 2015 in the week of 8th February 2016.

**BY ORDER OF THE BOARD**

Karen Chong Mee Keng  
Company Secretary  
11 November 2015