

**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 wishes to announce the unaudited results of the Group for the first quarter ended 30 September 2014 (1Q15)

	-----GROUP-----		
	1Q15	1Q14	Change
	\$'000	\$'000	%
Turnover	75,354	96,000	(22)
Cost of goods sold	(42,351)	(55,540)	(24)
Gross Profit	33,003	40,460	(18)
Other income	8,619	1,344	nm
Staff costs	(12,473)	(12,785)	(2)
Rental of premises	(14,532)	(14,063)	3
Advertising and promotion	(2,796)	(3,867)	(28)
Depreciation of property, furniture, fixtures and equipment	(2,254)	(2,294)	(2)
Other operating expenses	(9,324)	(6,288)	48
OPERATING PROFIT	243	2,507	(90)
Interest income	420	166	nm
Interest expenses	(699)	(638)	10
	(36)	2,035	nm
Foreign exchange gain/(loss)	482	(784)	nm
Share of results of associates/ joint venture, net of tax	370	102	nm
PROFIT BEFORE TAXATION	816	1,353	(40)
Taxation	216	(1,017)	nm
NET PROFIT FOR THE FINANCIAL PERIOD	1,032	336	nm
Profit attributable to:			
Owners of the parent	1,107	396	nm
Non-controlling interests	(75)	(60)	25
	1,032	336	nm
OPERATING PROFIT IS STATED AFTER CHARGING/(CREDITING):-			
Loss on disposal of furniture, fixtures and equipment	47	51	
Gain on sale of a unit of leasehold property	(1,298)	-	
Reversal of allowance for doubtful debts and bad debts written off	-	(43)	
Allowance for/(writeback of) inventory obsolescence and inventories written off	2,470	(604)	
Reversal of allowance for inventory obsolescence	(390)	(61)	
Gain on partial sale of mandatory convertible bonds	(5,880)	-	
Gain from acquisition of non-controlling interests	(124)	-	
Gain from disposal of investment securities	-	(14)	
Fair value loss on investment securities	-	595	

nm - not meaningful

1(aii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit for the financial period

Other comprehensive income/(loss)

Item that may be reclassified subsequently to profit or loss:

Foreign currency translation

Total comprehensive income/(loss) for the financial period

Total comprehensive income/(loss) attributable to:

Owners of the parent

Non-controlling interests

GROUP		
1Q15	1Q14	Change
\$'000	\$'000	%
1,032	336	nm
545	(2,606)	nm
1,577	(2,270)	nm

1,658 (2,208) nm

(81) (62) 31%

1,577 (2,270) 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-14 \$'000	30-Jun-14 \$'000	30-Sep-14 \$'000	30-Jun-14 \$'000
NON-CURRENT ASSETS				
Property, furniture, fixtures and equipment	29,785	30,597	402	475
Goodwill	559	559	-	-
Subsidiaries	-	-	90,453	92,410
Investment in associates/ joint venture	6,859	17,488	-	-
Mandatory convertible bonds	29,862	-	-	-
Other receivables	260	260	-	-
Deferred tax assets	1,135	1,154	-	-
	<u>68,460</u>	<u>50,058</u>	<u>90,855</u>	<u>92,885</u>
CURRENT ASSETS				
Non-current assets held for sale	-	1,847	-	-
Inventories	92,192	90,451	-	-
Investment securities	2,724	2,724	-	-
External trade debtors	8,502	8,458	-	-
Trade debts due from related companies	30,180	61,329	-	-
Tax recoverable	2,994	2,295	-	-
Other debtors	20,250	26,706	79,615	78,868
Cash on hand and at banks	6,675	5,176	2,794	175
	<u>163,517</u>	<u>198,986</u>	<u>82,409</u>	<u>79,043</u>
CURRENT LIABILITIES				
Trade and other creditors	53,982	58,579	1,934	2,234
Finance lease creditors	163	168	133	133
Bank borrowings	65,938	77,103	-	-
Provision for taxation	428	514	-	-
	<u>120,511</u>	<u>136,364</u>	<u>2,067</u>	<u>2,367</u>
NET CURRENT ASSETS	43,006	62,622	80,342	76,676
NON-CURRENT LIABILITIES				
Finance lease creditors	397	434	356	389
Bank borrowings	4,862	7,500	-	-
Other liabilities	2,630	2,626	-	-
Deferred tax liabilities	270	266	-	-
	<u>8,159</u>	<u>10,826</u>	<u>356</u>	<u>389</u>
NET ASSETS	103,307	101,854	170,841	169,172
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(26,462)	(27,013)	-	-
Accumulated (losses) / profit	(34,707)	(35,814)	5,394	3,725
	<u>104,278</u>	<u>102,620</u>	<u>170,841</u>	<u>169,172</u>
Non-controlling interests	(971)	(766)	-	-
	<u>103,307</u>	<u>101,854</u>	<u>170,841</u>	<u>169,172</u>

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

	-----GROUP-----	
	30-Sep-14	30-Jun-14
	\$'000	\$'000
Amount repayable in one year or less, or on demand - unsecured	66,101	77,271
Amount repayable after one year - unsecured	5,259	7,934
Total borrowings	71,360	85,205
Cash on hand and at banks	(6,675)	(5,176)
Net borrowings	64,685	80,029

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-----	
	1Q15	1Q14
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	816	1,353
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	2,254	2,294
Share of results of associates/ joint venture, net of tax	(370)	(102)
Currency realignment	408	(2,070)
(Gain) / Loss on disposal of leasehold property, furniture, fixtures and equipment	(1,251)	51
Gain on partial sale of mandatory convertible bonds	(5,880)	-
Gain from disposal of investment securities	-	(14)
Fair value loss on investment securities	-	595
Allowance for /(Writeback of) inventory obsolescence and inventories written off	2,080	(665)
Gain from acquisition of non-controlling interests	(124)	-
Reversal of allowance for doubtful debts and bad debts written off	-	(43)
Interest income	(420)	(166)
Interest expense	699	638
OPERATING (LOSS) / PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	(1,788)	1,871
Decrease/(Increase) in debtors	36,812	(8,839)
Increase in stocks	(3,821)	(3,638)
(Decrease)/Increase in creditors	(10,357)	11,249
CASH FROM OPERATIONS	20,846	643
Income tax paid	(580)	(591)
NET CASH FROM OPERATING ACTIVITIES	20,266	52
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(1,337)	(3,409)
Proceeds from disposal of property, furniture, fixtures and equipment	3,150	-
Proceeds from investment securities	-	100
Proceeds from sale of mandatory convertible bonds	21,977	-
Purchase of mandatory convertible bonds	(39,816)	-
Loan repayment received from joint venture partner	11,000	-
Interest received	826	-
NET CASH USED IN INVESTING ACTIVITIES	(4,200)	(3,309)
CASH FLOW FROM FINANCING ACTIVITIES:		
Net (repayments) / proceeds from bank borrowings	(15,539)	3,496
Repayment of obligations under finance lease	(42)	(40)
Interest paid	(735)	(1,106)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(16,316)	2,350
Net decrease in cash and cash equivalents	(250)	(907)
Cash and cash equivalents at beginning of the financial period	(7,488)	572
Net effect of exchange rate changes on opening cash and cash equivalents	13	25
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(7,725)	(310)
Cash and cash equivalents comprise the following:		
Cash and bank balances	6,675	10,181
Bank overdrafts	(14,400)	(10,491)
	(7,725)	(310)

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
<u>GROUP</u>					
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 income</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
At 1 July 2013	165,447	(23,273)	(10,868)	(769)	130,537
Profit for the period	-	-	396	(60)	336
<u>Other comprehensive loss</u>					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	(2,604)	-	(2)	(2,606)
Total comprehensive loss for the period	-	(2,604)	396	(62)	(2,270)
At 30 September 2013	165,447	(25,877)	(10,472)	(831)	128,267
<u>COMPANY</u>					
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
At 1 July 2013	165,447	-	455	-	165,902
Total comprehensive loss for the financial period	-	-	(321)	-	(321)
At 30 September 2013	165,447	-	134	-	165,581

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 2014 and 30 September 2013, 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 2014: 568,709,857

As at 30 June 2014: 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 2014.

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	
	1Q15	1Q14
(a) Basic (cents)	0.19	0.07
(b) Diluted (cents)	0.19	0.07

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 (1Q14: 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)	18.34	30.04
(b) immediately preceding financial year (cents)	18.04	29.75

- 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 2014 (1Q15)

The retail industry remained challenging for this quarter amid declining tourist arrivals and lacklustre consumption.

Group revenue in the reported quarter decreased by 22% to \$75.4 million, from \$96.0 million in previous corresponding period. Gross profit fell by \$7.5 million or 18% to \$33.0 million. Gross margins, however, improved from 42% to 44% for this quarter.

Other income comprised mainly the gain on the partial sale of mandatory convertible bonds from our Indonesian joint venture.

Net profit after tax was \$1.0 million compared to \$336,000 in 1Q14.

Group operating expenses totalled \$41.4 million compared to \$39.3 million in 1Q14, and came mainly from additional provision for stock obsolescence. Cost-to-revenue ratio rose to 54.9% against 40.9% in same period last year, reflecting the lower sales and the fixed nature of overheads such as staff cost and rental.

Group turnover from the fashion business decreased by 13% to \$59.7 million and the timepiece business declined by 44% to \$15.3 million.

In Southeast Asia, the fashion business fell 10% mainly from lower exports to Indonesia. The timepiece business decreased by 20%. The retail industry in Singapore and Malaysia continued to see falling sales as tourist arrivals declined for another quarter and spending particularly by shoppers from mainland China and Indonesia remained soft.

Sales from our Indonesian joint venture continued to do well and registered increased sales of 13%.

In North Asia, the timepiece business in Hong Kong dropped 82% while business in China fell 98%. This was mainly due to the continued slowdown in China market, the decline in mainland Chinese spend in Hong Kong and the loss of sales from Girard Perregaux timepiece following the expiry of the distribution agreement in end February 2014.

Group net gearing stood at 62% as at 30 September 2014 compared to 78% as at 30 June 2014.

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.

Although sentiment in the near to mid term remains weak, the Group expects its productivity to improve with the planned closures and downsizing of some of its stores in Singapore, the rationalization of its North Asian operations and continued focus on cost efficiencies.

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. 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 2014 to be false or misleading.

15. Second quarter results for financial year ending 31 December 2014

The Company expects to announce its second quarter results ending 31 December 2014 in the week of 2nd February 2015.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
6 November 2014