

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****I(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 2013 (1Q14)

	-----GROUP-----		
	1Q14	1Q13	Change
	\$'000	\$'000	%
Turnover	96,000	94,294	2
Cost of goods sold	(55,540)	(53,339)	4
Gross Profit	40,460	40,955	(1)
Other income	1,344	1,636	(18)
Staff costs	(12,785)	(11,998)	7
Rental of premises	(14,063)	(12,766)	10
Advertising and promotion	(3,867)	(4,521)	(14)
Depreciation of property, furniture, fixtures and equipment	(2,294)	(1,743)	32
Depreciation of investment properties	-	(30)	(100)
Other operating expenses	(6,288)	(8,105)	(22)
OPERATING PROFIT	2,507	3,428	(27)
Interest income	166	167	(1)
Interest expenses	(638)	(606)	5
	2,035	2,989	(32)
Foreign exchange (loss) / gain	(784)	451	nm
Share of results of associates/ joint venture, net of tax	102	371	(73)
PROFIT BEFORE TAXATION	1,353	3,811	(64)
Taxation	(1,017)	(1,505)	(32)
NET PROFIT FOR THE FINANCIAL PERIOD	336	2,306	(85)
Profit attributable to:			
Owners of the parent			
Profit before exceptional items	396	2,319	(83)
Exceptional items	-	-	nm
	396	2,319	(83)
Non-controlling interests	(60)	(13)	nm
	336	2,306	(85)
OPERATING PROFIT IS STATED AFTER CHARGING/(CREDITING):-			
Loss on disposal of furniture, fixtures and equipment	51	3	
Reversal of allowance for doubtful debts and bad debts written off	(43)	(76)	
(Writeback of)/Allowance for inventory obsolescence and inventories written off	(604)	1,244	
Reversal of allowance for inventory obsolescence	(61)	(720)	
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

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:

Owners of the parent

Non-controlling interests

GROUP		
1Q14	1Q13	Change
\$'000	\$'000	%
336	2,306	-85%
(2,606)	(1,919)	36%
(2,270)	387	nm
(2,208)	380	nm
(62)	7	nm
(2,270)	387	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-13 \$'000	30-Jun-13 \$'000	30-Sep-13 \$'000	30-Jun-13 \$'000
NON-CURRENT ASSETS				
Property, furniture, fixtures and equipment	27,934	27,139	703	786
Goodwill	559	559	-	-
Subsidiaries	-	-	110,240	116,686
Investment in associates/ joint venture	26,517	26,666	-	-
Investment securities	-	86	-	86
Other receivables	260	260	-	-
Deferred tax assets	924	1,128	-	-
	<u>56,194</u>	<u>55,838</u>	<u>110,943</u>	<u>117,558</u>
CURRENT ASSETS				
Inventories	121,997	117,694	-	-
Investment securities	3,666	4,261	-	-
External trade debtors	13,122	12,973	-	-
Trade debts due from related companies	59,581	51,793	-	-
Tax recoverable	3,477	3,515	-	-
Other debtors	21,970	20,859	54,359	48,322
Cash on hand and at banks	10,181	9,671	3,577	3,676
	<u>233,994</u>	<u>220,766</u>	<u>57,936</u>	<u>51,998</u>
CURRENT LIABILITIES				
Trade and other creditors	71,786	61,000	2,139	2,529
Finance lease creditors	162	163	127	127
Bank borrowings	69,104	73,734	-	-
Provision for taxation	3,453	3,035	540	476
	<u>144,505</u>	<u>137,932</u>	<u>2,806</u>	<u>3,132</u>
NET CURRENT ASSETS	89,489	82,834	55,130	48,866
NON-CURRENT LIABILITIES				
Finance lease creditors	563	602	492	522
Bank borrowings	14,000	4,500	-	-
Other liabilities	2,614	2,603	-	-
Deferred tax liabilities	239	430	-	-
	<u>17,416</u>	<u>8,135</u>	<u>492</u>	<u>522</u>
NET ASSETS	128,267	130,537	165,581	165,902
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(25,877)	(23,273)	-	-
Accumulated (losses) / profit	(10,472)	(10,868)	134	455
	<u>129,098</u>	<u>131,306</u>	<u>165,581</u>	<u>165,902</u>
Non-controlling interests	(955)	(893)	-	-
Preference shares issued by a subsidiary	124	124	-	-
	<u>128,267</u>	<u>130,537</u>	<u>165,581</u>	<u>165,902</u>

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

	-----GROUP-----	
	30-Sep-13	30-Jun-13
	\$'000	\$'000
Amount repayable in one year or less, or on demand - unsecured	69,266	73,897
Amount repayable after one year - unsecured	14,563	5,102
Total borrowings	83,829	78,999
Cash on hand and at banks	(10,181)	(9,671)
Net borrowings	73,648	69,328

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-----	
	1Q14	1Q13
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	1,353	3,811
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	2,294	1,743
Depreciation of investment properties	-	30
Share of results of associates/ joint venture, net of tax	(102)	(371)
Currency realignment	(2,070)	(1,315)
Loss on disposal of furniture, fixtures and equipment	51	3
Gain from disposal of investment securities	(14)	-
Fair value loss on investment securities	595	-
Writeback of inventory obsolescence and inventories written off	(665)	-
Reversal of allowance for doubtful debts and bad debts written off	(43)	(76)
Interest income	(166)	(167)
Interest expense	638	606
OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	1,871	4,264
Increase in debtors	(8,839)	(1,909)
(Increase)/Decrease in stocks	(3,638)	727
Increase/(Decrease) in creditors	11,249	(6,236)
CASH FROM OPERATIONS	643	(3,154)
Income tax paid	(591)	(1,251)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	52	(4,405)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(3,409)	(1,268)
Proceeds from investment securities	100	-
Interest received	-	89
NET CASH USED IN INVESTING ACTIVITIES	(3,309)	(1,179)
CASH FLOW FROM FINANCING ACTIVITIES:		
Net proceeds from bank borrowings	3,496	9,702
Repayment of obligations under finance lease	(40)	(45)
Interest paid	(1,106)	(606)
NET CASH FROM FINANCING ACTIVITIES	2,350	9,051
Net (decrease)/increase in cash and cash equivalents	(907)	3,467
Cash and cash equivalents at beginning of the financial period	572	7,709
Net effect of exchange rate changes on opening cash and cash equivalents	25	(169)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(310)	11,007
Cash and cash equivalents comprise the following:		
Cash and bank balances	10,181	17,160
Bank overdrafts	(10,491)	(6,153)
	(310)	11,007

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
<u>GROUP</u>						
At 1 July 2013	165,447	(23,273)	(10,868)	(893)	124	130,537
Profit for the period	-	-	396	(60)	-	336
<u>Other comprehensive income/(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)	(955)	124	128,267
At 1 July 2012	165,447	(21,868)	(9,628)	(468)	124	133,607
Profit for the period	-	-	2,319	(13)	-	2,306
<u>Other comprehensive income</u>						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	-	(1,939)	-	20	-	(1,919)
Total comprehensive income for the period	-	(1,939)	2,319	7	-	387
At 30 September 2012	165,447	(23,807)	(7,309)	(461)	124	133,994
<u>COMPANY</u>						
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
At 1 July 2012	165,447	-	357	-	-	165,804
Total comprehensive loss for the financial period	-	-	(1,244)	-	-	(1,244)
At 30 September 2012	165,447	-	(887)	-	-	164,560

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 2013 and 30 September 2012, 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 2013: 568,709,857

As at 30 June 2013: 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 2013.

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	
	1Q14	1Q13
(a) Basic (cents)	0.07	0.41
(b) Diluted (cents)	0.07	0.41

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 (1Q13: 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)	22.70	29.12
(b) immediately preceding financial year (cents)	23.09	29.17

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 2013 (1Q14)

Group revenue increased marginally by 2% from \$94.3 million to \$96.0 million. For this quarter, the Group operated in a highly competitive retail and distribution environment as retailers actively engaged in markdown pricing to clear inventory. Gross margins declined to 42% compared to 43% in the same period last year.

Net profit after tax was **\$0.3 million** compared to **\$2.3 million** in 1Q13. The results included a fair value loss on investment securities of \$0.6 million and an exchange loss of \$0.8 million (exchange gain of \$0.4 million in 1Q13), resulting in a non-cash swing of \$1.2 million.

Group operating expenses was constant at **\$39.3 million** with cost-to-revenue ratio at 40.9% compared to 41.5% in the same period last year.

Group turnover from the fashion business rose 8% to \$68.6 million but the timepiece business decreased by 11% to \$27.1 million.

In Southeast Asia, the fashion business increased by 6% and the timepiece business by 17%. This was partly due to increased shipments to Indonesia for both fashion and timepieces.

In North Asia, the timepiece business in Hong Kong fell 26% while in China, it declined 47%. The on-going slowdown in demand for luxury timepieces in China and reduced tourist spending by mainland Chinese visitors in Hong Kong were main factors behind the lower sales.

Indonesia continued to see growth with domestic sales rising by 5% despite the currency turmoil during the quarter.

Group net gearing stood at 57% as at 30 September 2013 compared to 53% as at 30 June 2013.

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 first 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.

Whilst the Group continues to selectively invest in new brands and expand its retail footprint for the future, it will continue its efforts to improve productivity and exercise vigilance in managing its business risks, while being mindful of the current global market conditions.

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 2013 to be false or misleading.