

**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 2010 (2Q11).

	-----GROUP-----		Change %
	2Q11 \$'000	2Q10 \$'000	
Turnover	93,059	78,959	18
Cost of goods sold	(52,983)	(46,905)	13
Gross Profit	40,076	32,054	25
Other income	1,746	1,625	7
Staff costs	(12,760)	(9,263)	38
Rental of premises	(11,543)	(10,273)	12
Advertising and promotion	(4,887)	(3,563)	37
Depreciation of property, furniture, fixtures and equipment	(1,432)	(1,860)	(23)
Depreciation of investment properties	(43)	(48)	(10)
Other operating expenses	(6,074)	(7,629)	(20)
<b>OPERATING PROFIT</b>	<b>5,083</b>	<b>1,043</b>	<b>nm</b>
Interest income	4	11	(64)
Interest expenses	(385)	(396)	(3)
	4,702	658	nm
Foreign exchange gain	275	1,277	(78)
Share of results of associates, net of tax	369	554	(33)
<b>PROFIT BEFORE TAXATION</b>	<b>5,346</b>	<b>2,489</b>	<b>nm</b>
Taxation	(1,331)	(765)	74
<b>NET PROFIT FOR THE FINANCIAL PERIOD</b>	<b>4,015</b>	<b>1,724</b>	<b>nm</b>
Profit attributable to:			
Equity holders of the Company	4,117	1,724	
Non-controlling interests	(102)	-	
	4,015	1,724	

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

Loss on disposal of furniture, fixtures and equipment	3	55
Allowance for bad and doubtful debts	1	86
Allowance for stocks obsolescence and stocks written off	1,045	2,795
Reversal of allowance for stocks obsolescence	-	(255)
(Writeback of impairment loss) / Impairment loss on other investment	(48)	10

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		
2Q11	2Q10	Change
\$'000	\$'000	%
4,015	1,724	133
(2,088)	(63)	nm
<b>1,927</b>	<b>1,661</b>	<b>16%</b>

2,033	1,661	22%
(106)	-	nm
<b>1,927</b>	<b>1,661</b>	<b>16%</b>

**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-----	
	31-Dec-10 \$'000	30-Jun-10 \$'000	31-Dec-10 \$'000	30-Jun-10 \$'000
<b>NON-CURRENT ASSETS</b>				
Property, furniture, fixtures and equipment	21,690	23,298	1,468	1,809
Investment properties	7,259	8,016	-	-
Goodwill	559	-	-	-
Subsidiaries	-	-	103,324	115,941
Investment in associates	11,429	10,942	-	-
Other investments	126	78	126	78
Other receivables	260	260	-	-
Deferred tax assets	1,191	1,248	-	-
	<u>42,514</u>	<u>43,842</u>	<u>104,918</u>	<u>117,828</u>
<b>CURRENT ASSETS</b>				
Inventories	88,185	86,511	-	-
External trade debtors	26,236	12,080	-	-
Trade debts due from related companies	31,714	31,384	-	-
Tax recoverable	1,217	1,004	-	-
Other debtors	22,981	21,040	86,769	66,414
Fixed deposits	26,284	33,702	26,284	33,702
Cash on hand and at banks	29,316	26,004	318	392
	<u>225,933</u>	<u>211,725</u>	<u>113,371</u>	<u>100,508</u>
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	75,174	61,981	59,592	46,721
Finance lease creditors	286	300	46	46
Bank borrowings	59,019	50,458	-	-
Provision for taxation	2,758	1,404	88	92
	<u>137,237</u>	<u>114,143</u>	<u>59,726</u>	<u>46,859</u>
<b>NET CURRENT ASSETS</b>	<b>88,696</b>	<b>97,582</b>	<b>53,645</b>	<b>53,649</b>
<b>NON-CURRENT LIABILITIES</b>				
Finance lease creditors	137	186	88	100
Bank borrowings	1,288	1,406	-	-
Other liabilities	2,583	2,583	-	-
Deferred tax liabilities	40	40	-	-
	<u>4,048</u>	<u>4,215</u>	<u>88</u>	<u>100</u>
<b>NET ASSETS</b>	<b>127,162</b>	<b>137,209</b>	<b>158,475</b>	<b>171,377</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(19,986)	(14,021)	-	-
Accumulated losses	(18,407)	(14,341)	(6,972)	5,930
	<u>127,054</u>	<u>137,085</u>	<u>158,475</u>	<u>171,377</u>
Non-controlling interests	(16)	-	-	-
Preference shares issued by a subsidiary	124	124	-	-
	<u>127,162</u>	<u>137,209</u>	<u>158,475</u>	<u>171,377</u>

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

	-----GROUP-----	
	31-Dec-10 \$'000	30-Jun-10 \$'000
Amount repayable in one year or less, or on demand - unsecured	59,305	50,758
Amount repayable after one year - unsecured	1,425	1,592
Total borrowings	60,730	52,350
Cash on hand and at banks (including fixed deposits)	(55,600)	(59,706)
Net borrowings / (cash)	5,130	(7,356)

**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-----	
	2Q11 \$'000	2Q10 \$'000
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before taxation	5,346	2,489
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	1,432	1,860
Depreciation of investment properties	43	48
Share of results of associates, net of tax	(369)	(554)
Currency realignment	(1,568)	(103)
Loss on disposal of furniture, fixtures and equipment	3	55
(Write-back of impairment loss) / Impairment loss on other investment	(48)	10
Interest income	(4)	(11)
Interest expense	385	396
<b>OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL</b>	5,220	4,190
Increase in debtors	(8,788)	(5,210)
Increase in stocks	(5,259)	(859)
Increase in creditors	14,345	10,006
<b>CASH FROM OPERATIONS</b>	5,518	8,127
Income tax (paid) / recovered	(441)	302
<b>NET CASH FROM OPERATING ACTIVITIES</b>	5,077	8,429
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of furniture, fixtures and equipment	(1,028)	(963)
Proceeds from disposal of furniture, fixtures and equipment	-	225
Net cash inflow on acquisition of subsidiary*	14	-
Interest received	4	11
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(1,010)	(727)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Drawdown / (Repayment) of bank borrowings	545	(204)
Decrease in finance lease	(17)	(206)
Interest paid	(385)	(396)
Dividend paid to shareholders	(11,374)	(2,844)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(11,231)	(3,650)
Net (decrease) / increase in cash and cash equivalents	(7,164)	4,052
Cash and cash equivalents at beginning of the financial period	37,098	11,677
Net effect of exchange rate changes on opening cash and cash equivalents	30	28
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	29,964	15,757
Cash and cash equivalents comprise the following:		
Cash and bank balances (including fixed deposits)	55,600	43,270
Bank overdrafts	(25,636)	(27,513)
	29,964	15,757

\* Arising from provisional adjustments to goodwill recorded on acquisition of Arcangel HK Ltd

**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><u>GROUP</u></b>						
At 1 October 2010	165,447	(17,902)	(11,138)	102	124	136,633
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
At 1 October 2009	165,447	(15,104)	(19,236)	-	124	131,231
Total comprehensive income for the period	-	(63)	1,724	-	-	1,661
Dividends paid	-	-	(2,844)	-	-	(2,844)
At 31 December 2009	165,447	(15,167)	(20,356)	-	124	130,048
<b><u>COMPANY</u></b>						
At 1 October 2010	165,447	-	5,323	-	-	170,770
Total comprehensive income for the period	-	-	(921)	-	-	(921)
Dividends paid	-	-	(11,374)	-	-	(11,374)
At 31 December 2010	165,447	-	(6,972)	-	-	158,475
At 1 October 2009	165,447	-	(2,659)	-	-	162,788
Total comprehensive income for the period	-	-	(460)	-	-	(460)
Dividends paid	-	-	(2,844)	-	-	(2,844)
At 31 December 2009	165,447	-	(5,963)	-	-	159,484

**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 2010 and 31 December 2009, 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 2010: 568,709,857

As at 31 December 2009: 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 July 2010.

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	
	2Q11	2Q10
(a) Basic (cents)	0.72	0.30
(b) Diluted (cents)	0.72	0.30

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 (2Q10: 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)	22.34	27.87
(b) immediately preceding financial period (cents)	23.99	30.03

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 2010 (2Q11)**

Group turnover rose 18% to **\$93.1 million** from **\$79.0 million** with increases seen in all major markets of Singapore, Malaysia, Hong Kong, China and Taiwan.

Operating profit increased to **\$5.1 million** from **\$1.0 million** in same period last year. Net profit after tax rose to **\$4.0 million from \$1.7 million in 2Q10**, boosted by increased revenue and improved gross margins. Gross profit margins posted an increase to 43% compared to 41% in 2Q10.

With increased turnover, Group operating expenses increased by 13% to **\$36.7 million**. Cost-to-revenue ratio improved to 39% from 41% in 2Q10. Staff costs increased by \$3.5 million due mainly to higher commission payable and higher variable bonus paid.

Group turnover from the fashion business saw an increase of 12% to \$57.9 million, and the timepiece business grew by 29% to \$35.1 million.

In Southeast Asia, revenue grew by 11% with continued strong growth coming from Singapore and Malaysia. The timepiece business grew marginally by 2% while the fashion business grew by 14% with positive comparative store growth seen across brands.

In North Asia, fuelled by strong consumer demand, revenue in Hong Kong and China grew by 59% and 229% respectively. This is despite the depreciation of the HKD average rate of approximately 7.5% against the SGD.

Indonesia continued to see growth with domestic sales increasing by 8% over same period last year resulting in higher return on earnings for the Group.

The Group's Balance Sheet remains strong with net gearing at 4 percent. Net cash generated from operating activities remained positive at \$5.1 million.

**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.**

The Group expects the outlook in the near term to remain positive for its key markets in North and Southeast Asia.

The Group will capitalize on the strong consumer sentiment to grow its market share while being aware of the volatility in global currencies and inflationary pressures.



**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. 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 2010 to be false or misleading.

**14. Second quarter results for financial year ending 30 June 2010**

The Company expects to announce its third quarter results ending 31 March 2011 in the week of 9th May 2011.

**BY ORDER OF THE BOARD**

Karen Chong Mee Keng  
Company Secretary  
9 February 2011