

**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 is pleased to announce the unaudited results of the Group for the second quarter ended 31 December 2008 (2Q09).

	-----GROUP-----		
	2Q09 \$'000	2Q08 \$'000	Change %
Turnover	85,087	94,838	(10)
Cost of goods sold	(51,374)	(55,710)	(8)
Gross Profit	33,713	39,128	(14)
Other income	882	2,600	(66)
Staff costs	(8,988)	(11,187)	(20)
Rental of premises	(10,837)	(9,819)	10
Advertising and promotion	(3,061)	(4,651)	(34)
Depreciation of property, furniture, fixtures and equipment	(2,212)	(2,004)	10
Depreciation of investment properties	(125)	(122)	2
Other operating expenses	(5,846)	(6,420)	(9)
OPERATING PROFIT	3,526	7,525	(53)
Foreign exchange (loss)/gain	(2,345)	1,709	nm
Interest income	36	460	(92)
Interest expenses	(480)	(378)	27
Share of results of associates (note 1)	253	719	(65)
PROFIT BEFORE TAXATION	990	10,035	(90)
Taxation	(379)	(1,684)	(77)
NET PROFIT FOR THE FINANCIAL PERIOD	611	8,351	(93)

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

Investment income	-	(1)
Loss / (gain) on disposal of furniture, fixtures and equipment	39	(39)
Allowance for bad and doubtful debts and bad debts written off	34	4
Allowance for stocks obsolescence and stocks written off	598	447
Reversal of allowance for stocks obsolescence	(374)	(1,142)
Impairment loss / (Reversal of impairment loss) on quoted investment	88	(156)
Under provision / (Over-provision) of tax in respect of prior financial years	269	(145)

nm - not meaningful

Note (1)

Included in the share of results of associates is the results of St. James Holdings Limited which has been equity accounted based on management's best estimates and has not been revised to take into account the actual results announced on 11th February 2009.

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-08 \$'000	30-Jun-08 \$'000	31-Dec-08 \$'000	30-Jun-08 \$'000
NON-CURRENT ASSETS				
Property, furniture, fixtures and equipment	28,257	31,358	2,630	3,252
Investment properties	19,461	18,945	6,733	6,830
Subsidiaries	-	-	102,151	110,045
Investment in associates	6,911	6,251	-	-
Other investments	49	264	49	264
Other receivables	2,129	1,979	-	-
Deferred tax assets	1,020	1,023	-	-
	<u>57,827</u>	<u>59,820</u>	<u>111,563</u>	<u>120,391</u>
CURRENT ASSETS				
Inventories	98,135	92,057	-	-
External trade debtors	27,323	24,030	-	-
Trade debts due from related companies	42,940	40,829	-	-
Tax recoverable	862	1,132	-	-
Other debtors	23,808	24,215	45,119	46,051
Fixed deposits	11,756	10,928	11,756	10,928
Cash on hand and at banks	10,178	13,235	526	543
	<u>215,002</u>	<u>206,426</u>	<u>57,401</u>	<u>57,522</u>
CURRENT LIABILITIES				
Trade and other creditors	74,183	67,646	9,704	11,521
Finance lease creditors	31	90	15	34
Bank borrowings	58,358	52,412	-	-
Provision for taxation	256	2,780	61	82
	<u>132,828</u>	<u>122,928</u>	<u>9,780</u>	<u>11,637</u>
NET CURRENT ASSETS	82,174	83,498	47,621	45,885
NON-CURRENT LIABILITIES				
Finance lease creditors	556	585	417	444
Bank borrowings	381	971	-	-
Other liabilities	2,583	2,583	-	-
Deferred tax liabilities	-	40	-	-
	<u>3,520</u>	<u>4,179</u>	<u>417</u>	<u>444</u>
NET ASSETS	136,481	139,139	158,767	165,832
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	165,447	165,447	165,447	165,447
Exchange translation reserve	(14,683)	(16,570)	-	-
(Accumulated losses)/Retained earnings	(14,407)	(9,862)	(6,680)	385
	<u>136,357</u>	<u>139,015</u>	<u>158,767</u>	<u>165,832</u>
Preference shares issued by a subsidiary	124	124	-	-
	<u>136,481</u>	<u>139,139</u>	<u>158,767</u>	<u>165,832</u>

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

	-----GROUP-----	
	31-Dec-08	30-Jun-08
	\$'000	\$'000
Amount repayable in one year or less, or on demand - unsecured	58,389	52,502
Amount repayable after one year - unsecured	937	1,556
Total borrowings	59,326	54,058
Cash on hand and at banks (including fixed deposits)	(21,934)	(24,163)
Net borrowings	37,392	29,895

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-----	
	2Q09	2Q08
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before taxation	990	10,035
Adjustments for:		
Depreciation of property, furniture, fixtures and equipment	2,212	2,004
Depreciation of investment properties	125	122
Share of results of associates, net of tax	(253)	(719)
Currency realignment	(145)	(681)
Loss/(gain) on disposal of furniture, fixtures and equipment	39	(39)
Impairment loss / (reversal of impairment loss) on other investment	88	(156)
Interest income	(36)	(460)
Interest expense	480	378
OPERATING PROFIT BEFORE REINVESTMENT IN WORKING CAPITAL	3,500	10,484
Increase in debtors	(8,069)	(2,345)
Increase in stocks	(6,371)	(9,179)
Decrease in creditors	(154)	(856)
CASH USED IN OPERATIONS	(11,094)	(1,896)
Income tax paid	(2,238)	(1,891)
NET CASH USED IN OPERATING ACTIVITIES	(13,332)	(3,787)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(120)	(4,414)
Proceeds from disposal of furniture, fixtures and equipment	-	91
Loan to associates	(150)	(48)
Interest received	36	460
NET CASH USED IN INVESTING ACTIVITIES	(234)	(3,911)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from bank borrowings	18,107	11,755
Decrease in finance lease	(44)	(44)
Interest paid	(480)	(378)
Dividend paid to shareholders	(6,257)	(9,327)
NET CASH FROM FINANCING ACTIVITIES	11,326	2,006
Net decrease in cash and cash equivalents	(2,240)	(5,692)
Cash and cash equivalents at beginning of the financial period	13,342	102,610
Net effect of exchange rate changes on opening cash and cash equivalents	48	53
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	11,150	96,971
Cash and cash equivalents comprise the following:		
Cash and bank balances (including fixed deposits)	21,934	102,379
Bank overdrafts	(10,784)	(5,408)
	11,150	96,971

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	Warrant Reserve \$'000	Exchange Translation Reserve \$'000	(Accumulated Losses) Retained Earnings \$'000	Preference shares issued by a subsidiary \$'000	Total Equity \$'000
<u>GROUP</u>						
At 1 October 2008	165,447	-	(14,009)	(8,761)	124	142,801
Net profit for the financial period	-	-	-	611	-	611
Exchange differences arising from consolidation recognised in equity	-	-	(674)	-	-	(674)
Total recognised income and expenses for the period	-	-	(674)	611	-	(63)
Dividend paid	-	-	-	(6,257)	-	(6,257)
At 31 December 2008	165,447	-	(14,683)	(14,407)	124	136,481
At 1 October 2007	239,379	-	(11,244)	(6,203)	124	222,056
Net profit for the financial period	-	-	-	8,351	-	8,351
Exchange differences arising from consolidation recognised in equity	-	-	(1,895)	-	-	(1,895)
Total recognised income and expenses for the period	-	-	(1,895)	8,351	-	6,456
Dividend paid	-	-	-	(9,327)	-	(9,327)
At 31 December 2007	239,379	-	(13,139)	(7,179)	124	219,185
<u>COMPANY</u>						
At 1 October 2008	165,447	-	-	35	-	165,482
Net loss for the financial period	-	-	-	(458)	-	(458)
Dividend paid	-	-	-	(6,257)	-	(6,257)
At 31 December 2008	165,447	-	-	(6,680)	-	158,767
At 1 October 2007	239,379	-	-	(737)	-	238,642
Net profit for the financial period	-	-	-	5,268	-	5,268
Dividend paid	-	-	-	(9,327)	-	(9,327)
At 31 December 2007	239,379	-	-	(4,796)	-	234,583

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 2008 and 31 December 2007, 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 2008: 568,709,857

As at 31 December 2007: 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 share 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.

The Group and the Company have adopted the following INT FRS that have been issued and effective for its financial year beginning 1 July 2008:

INT FRS 113: Customer Loyalty Programmes

There is no material financial impact on the financial statements of the Group and the Company.

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	
	2Q09	2Q08
(a) Basic (cents)	0.11	1.47
(b) Diluted (cents)	0.11	1.47

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 (2Q08: 566,575,678) and 568,709,857 (2Q08: 566,575,678) respectively.

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)	23.98	27.92
(b) immediately preceding financial period (cents)	24.44	29.16

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 for 3 Months Ended 31 December 2008 (2Q09)

The global economic slowdown has negatively impacted the Group's results with revenue for the second quarter ended 31 December 2008 (2Q08) down 10% from S\$94.8 million to S\$85.1 million.

Net profit after tax was S\$0.6 million compared to S\$8.4 million in the previous corresponding quarter. Profit from operations declined by 53% from S\$7.5 million to S\$3.5 million and this lower profitability was further compounded by unrealised non-cash foreign exchange losses of S\$2.3 million, compared with a gain of S\$1.7 million in 2Q08. This loss arose from translation of trade payables and related companies balances denominated in foreign currencies to the closing exchange rate at balance sheet date. Excluding foreign exchange losses / gain, net profit after tax would have been S\$3.0 million compared to S\$6.6 million in the previous corresponding quarter. Gross margins declined 1% to 40% as retailers faced a highly competitive environment where the Group had to increase its promotional activities to drive demand.

Group operating expenses decreased 9% to S\$31.1 million from S\$34.2 million. Major cost reduction came from cuts in staff cost of 20% to S\$9.0 million and advertising expenses of 34% to S\$3.0 million respectively. Cost to revenue ratio matched the previous corresponding quarter and remained at 36% despite falling revenue.

Group turnover from the fashion business was down by 12% to S\$55.3 million, and contributed 65% to total turnover, compared to 66% in 2Q08. The timepiece business fell by 8% to S\$29.0 million with the decline coming mainly from the Malaysian and Taiwan markets.

In Southeast Asia, revenue declined by 11% compared to 2Q08. Both the retail fashion business and the timepiece business declined 11%.

In North Asia, revenue from Hong Kong grew by 15% but revenue in China fell by 35% on the back of weakening macro outlook for the territory.

Indonesia continued to see growth, with domestic sales increasing by 24% over the previous corresponding quarter. Operating margin, however, declined due to lower gross margin as a result of promotional activities. The depreciation of the rupiah of approximately 17% also impacted profitability.

The Group's Balance Sheet remains strong with gearing at 0.27 times.

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 uncertain global economic climate feeds further uncertainty, exacerbating the financial crisis leading to negative growth and increased volatility. It will further affect global consumption and investment decisions resulting in weakening demand in the months ahead.

The Group has been taking steps to mitigate the impact of the downturn by cutting costs where possible. In view of the challenges ahead, Management will continue its efforts to drive revenue, keep costs lean and will work with landlords to reduce rental and other overheads.

A newly appointed leading retailer in the Philippines will be launching RAOUL in Manila in April 2009, with four stores planned in Manila 2011. This will value add to the growth of the brand in the region. The Group continues to explore opportunities in New York as part of its growth strategy.

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?

Name of Dividend	First interim
Dividend Type	Cash
Dividend Amount per Share	0.90 cent per ordinary share
Tax Rate	Tax exempt (one tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been recommended.

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 interim financial period results ended 31 December 2008 to be false or misleading.

14. Third quarter results for financial year ending 30 June 2009.

The Company expects to announce its results for the third quarter ending 31 March 2009 in the week of 11th May 2009.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Dilhan Pillay Sandrasegara
Joint Company Secretaries
12 February 2009