



## Statement to the South Pacific Stock Exchange

### **COMMUNICATIONS FIJI LTD (CFM) ANNOUNCES INCREASED DIVIDEND AND HALF YEAR RESULT TO JUNE 30<sup>TH</sup> 2012**

Communications Fiji Ltd announced today that the company delivered a record operating profit for the first half of 2012 of \$1,425,732 (2011: \$1,159,948). However, the company has also had to make a one off negative provision of (\$684,293) to account for pre-operating expenses relating to their investment in Paradise Cinemas in Papua New Guinea. This resulted in a group after tax profit of \$358,380 (2011:\$755,220) for the first six months to June 30<sup>th</sup> 2012

As a result of the strong operating result the Board of Communications Fiji Ltd has announced an increased interim dividend of 6 cents per share (2011: 5 cents). "Assuming results go to plan in the second half of the year, we will look to deliver a similar final dividend", said Mr Parkinson.

"We are delighted with this result as it comes after a challenging first 6 months in Fiji and Papua New Guinea", said William Parkinson, Managing Director. "In Fiji, CFM delivered a net profit after tax of \$353,886 (2011: \$345,011) despite the negative impact of the floods that impacted on results on the first quarter.

Communications Fiji Ltd's Papua New Guinean subsidiary PNG FM's core broadcasting operations boosted operating profits by 25% compared to 2011. Following the successful completion of elections and a quick transition to a new government, the company expects a very strong second half of the year.

#### Communications

##### Fiji Limited

parent company of:

Fiji: FM96, Legend, Navtarang,  
Radio Sargam, VITI FM,  
Total Event Company  
& Fijivillage.com

PNG: Nau FM & Yumi FM

##### SUVA

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Email: [info@fm96.com.fj](mailto:info@fm96.com.fj)

Website: [fijivillage.com](http://fijivillage.com)

##### LAUTOKA

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Lautoka, Fiji

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Telephone: (679) 666 4966

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The big impact on the result has come from PNG FM's investment (33.3%) in Paradise Cinemas.

"The Cinemas opened in late February and operations are developing strongly but construction did take longer than expected resulting in the accumulation of substantial pre-operating expenditure (K1.3 million). On the advice of our auditors, this pre-operating expenditure has been taken up as current expenditure resulting in a loss for the first six months and we have decided to provision for our share in this half year report (\$684,293). It needs to be noted that is an estimate based on management accounts and will be reviewed when the year-end audit takes place but we have been deliberately cautious with this provision", said William Parkinson.

"Like with any pioneering venture, Paradise Cinemas going through a period of learning and development as it adjusts to market tastes and streamlines operations. In July, we recorded a operating surplus and revenue from tickets sales and concessions is growing strongly along with cinema advertising revenues that will have a positive effect on both Paradise Cinemas and PNG FM Ltd via CinemADs PNG", said Mr Parkinson.

Looking to the end of the year, Mr Parkinson said that despite this one off provision, CFM still expects to deliver a record result of the year to December 31<sup>st</sup> 2012. "In an earlier stakeholders briefing, we had forecast a potential profit after tax of around \$2.4 million( this did not include Paradise Cinemas). We still believe we are on track to deliver this type of result minus the Paradise provision. This would mean a final result close to \$1.6 million after tax (2011: \$876,558). Full details will be provided at a stakeholders Briefing to be held shortly.

For further information or clarification, please contact the undersigned.



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**WILLIAM PARKINSON**  
**Managing Director**



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**JYOTI SOLANKI**  
**Company Secretary**

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**APPENDIX F**

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**A GUIDELINE ON DIVIDEND ANNOUNCEMENT  
COMMUNICATIONS FIJI LIMITED DECLARATION OF DIVIDEND**

Communication Fiji Limited is pleased to announce a 1st Interim Dividend for the six months ending <b>30<sup>th</sup> June 2012</b>
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Date of Closure of Registry	5 <sup>th</sup> September 2012
Date of Ex-Benefit	28 <sup>th</sup> August 2012
Date of Payment of Dividends	13 <sup>th</sup> September 2012

	<b>Current</b>	<b>Previous</b>
Dividend per share	6 cents	5 cents
Amount of Dividend (\$)	213,480	177,900


	<b>Current</b>	<b>Previous</b>
Turnover	6,554,946	5,510,038
Net Profit Before Tax	724,914	1,030,092
Income from other sources	368,955	214,547
Income tax Expense	366,534	274,872
Net profit after tax	358,380	755,220

**CHAIRMAN/ CHIEF EXECUTIVE OFFICER/ COMPANY SECRETARY'S COMMENTS.**

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REFER TO ANNOUNCEMENT MADE (STATEMENT TO THE SOUTH PACIFIC STOCK EXCHANGE)

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Signed  \_\_\_\_\_ (Managing Director)

Signed  \_\_\_\_\_ (Company Secretary)

## Appendix D: HALF Year Financial Statement

Name of Listed Company: COMMUNICATIONS (FIJI) LIMITED and Subsidiary (Unaudited)

### PROFIT & LOSS STATEMENT FOR THE HALF YEAR ENDED 30 JUNE 2012

CONSOLIDATED			
	Current Half Year F\$	*Increase/ Decrease %	Previous corresponding half year F\$
<b>1. OPERATING REVENUE</b>			
(a) Sales Revenue	6,554,946	19%	5,510,038
(b) Other revenue	368,955	72%	214,547
(c) Total Operating Revenue	6,923,901	21%	5,724,585
<b>2. (a) Net Profit/Loss before Tax</b>	<b>724,914</b>	<b>-30%</b>	<b>1,030,092</b>
(b) Income tax Expense	(366,534)	33%	(274,872)
(c) <b>Net Profit/Loss after Tax</b>	<b>358,380</b>	<b>-53%</b>	<b>755,220</b>
3. (a) Extraordinary item after tax	-		-
(b) <b>Net Profit/Loss after Tax &amp; Extraordinary Item</b>	<b>358,380</b>	<b>-53%</b>	<b>755,220</b>
4. (a) OEI in net profit and extraordinary items after income tax			
(b) <b>Net Profit/Loss after Extraordinary Items and Income Tax         Attributable to Members of the Company</b>	<b>358,380</b>	<b>-53%</b>	<b>755,220</b>
(c) Retained Profit at Beginning	4,071,462		3,515,124
(d) <b>Total available for appropriation</b>	<b>4,429,842</b>		<b>4,270,344</b>
(e) Ordinary dividend provided for	(177,900)		(142,258)
(f) Preference dividend provided for	-		-
(g) Transfer to general reserves	-		-
(h) Total appropriations	-		-
(i) Retained profit at year end	4,251,942	3%	4,128,086

#### 5. Earnings Per Share

(a) Basic earnings per share	0.10	-53%	0.21
(b) Diluted earnings per share			

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Director

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Company Secretary

**STATEMENT OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY**  
AS AT 30 JUNE 2012

	CONSOLIDATED		
	At end of current period end F\$	As shown in last Annual Report F\$	If yearly as shown in last Half Yearly Report F\$
<b>6. CURRENT ASSETS</b>			
(a) Cash Assets	1,005,251	564,779	304,314
(b) Trade receivables	1,897,570	2,169,756	1,253,200
(c) Other receivables	-	-	-
(d) Inventories	56,192	42,296	44,192
(e) Short-term investment	-	-	-
(f) Other assets	651,857	343,355	1,480,426
<b>(g) Total Current Assets</b>	<b>3,610,870</b>	<b>3,120,186</b>	<b>3,082,132</b>
<b>NON-CURRENTS ASSETS</b>			
(h) Property, plant and equipment	5,686,113	5,107,982	4,808,205
(i) Long-term investment	2,123,170	2,668,213	1,927,206
(j) Term deposit	-	-	-
(k) Future Income tax benefit	-	-	-
(l) Intangible assets	1,673,351	1,676,819	1,634,973
(m) Other	-	-	-
<b>(n) Total Non-Current Assets</b>	<b>9,482,634</b>	<b>9,453,014</b>	<b>8,370,384</b>
<b>(o) Total Assets</b>	<b>13,093,504</b>	<b>12,573,200</b>	<b>11,452,516</b>
<b>7. CURRENT LIABILITIES</b>			
(a) Trade payables	1,229,798	916,303	1,008,922
(b) Other payables and accruals	-	-	-
(c) Current tax liabilities	325,695	749,142	241,963
(d) Interest-bearing borrowings	411,874	523,032	387,035
(e) Term loan - secured	-	-	-
(f) Bank overdraft	-	-	-
(g) Unsecured advance	-	-	-
(h) Inter-company loan	-	-	-
(i) Provisions	505,254	125,577	385,047
(j) Other	-	-	-
<b>(k) Total Current Liabilities</b>	<b>2,472,621</b>	<b>2,314,054</b>	<b>2,022,967</b>
<b>NON-CURRENT LIABILITIES</b>			
(l) Term loan - secured	2,013,192	2,354,285	1,546,989
- unsecured	-	-	-
(m) Unsecured advance	-	-	-
(n) Inter-company loan	-	-	-
(o) Deferred tax liabilities	299,330	297,760	294,445
(p) Provisions	-	-	-
(q) Other	-	-	-
<b>(r) Total Non-Current Liabilities</b>	<b>2,312,522</b>	<b>2,652,045</b>	<b>1,841,434</b>
<b>(s) Total Liabilities</b>	<b>4,785,143</b>	<b>4,966,099</b>	<b>3,864,401</b>
<b>(t) NET ASSETS</b>	<b>8,308,361</b>	<b>7,607,101</b>	<b>7,588,115</b>
<b>8. EQUITY</b>			
(a) Contributed equity	3,558,000	3,558,000	3,558,000
(b) Reserves	498,419	(22,361)	(97,971)
(c) Retained profits/accumulated losses	4,251,942	4,071,462	4,128,086
<b>(d) Equity Attributable to Members</b>	<b>8,308,361</b>	<b>7,607,101</b>	<b>7,588,115</b>
<b>OEI in Controlled Entities</b>			
(e) Contributed equity	-	-	-
(f) Reserves	-	-	-
(g) Retained profits/accumulated losses	-	-	-
<b>(h) Total Outside Equity Interest in Controlled Entities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(i) TOTAL EQUITY</b>	<b>8,308,361</b>	<b>7,607,101</b>	<b>7,588,115</b>




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Director



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Company Secretary

**STATEMENT OF CASH FLOWS**  
FOR THE HALF YEAR ENDED 30 JUNE 2012

		CONSOLIDATED	
		Current half year F\$	Previous corresponding Half year F\$
<b>9. CASH FLOW FROM OPERATING ACTIVITIES</b>			
(a)	Cash Received from Trading activities	7,223,182	4,903,807
(b)	Cash Payments	(4,901,577)	(3,777,330)
(c)	Interest Received	-	-
(d)	Dividend Received	-	-
(e)	Interest Paid	(85,059)	(78,595)
(f)	Income Tax Paid	(706,730)	(179,326)
(g)	Net VAT Paid	-	-
(h)	<b>Net Cash Inflow from Operating Activities</b>	<b>1,529,817</b>	<b>868,556</b>
<b>10. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
(a)	Acquisition of Fixed Assets	(581,389)	(898,189)
(b)	Proceeds from Sale of Fixed Assets	19,884	-
(c)	Acquisition of Investment	-	-
(d)	Long Term Deposit	-	-
(e)	Audio Visual Production	-	-
(f)	Proceeds from Sale of Associate/Dividend	50,000	150,000
(g)	Proceed from Sale of Investment	-	-
(h)	<b>Net Cash (Outflow) from Investing Activities</b>	<b>(511,505)</b>	<b>(748,189)</b>
<b>11. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(a)	Dividend Paid	(177,900)	(142,259)
(b)	Net (Repayment)/proceeds of Secured Loan	(423,775)	191,004
(c)	Proceed from Issue of Shares	-	-
(d)	Proceeds from Borrowings	-	-
(e)	Repayment of Lease Principal	(28,476)	(36,508)
(f)	<b>Net Cash (Outflow)/Inflow from Financing Activities</b>	<b>(630,151)</b>	<b>12,237</b>
<b>12. NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>388,160</b>	<b>132,604</b>
(a)	Cash/(Overdraft) at beginning of year	<b>564,779</b>	<b>183,916</b>
(b)	Effects of exchange rate changes on opening cash balances	<b>52,312</b>	<b>(12,206)</b>
(c)	Cash/(Overdraft) at end of year	<b>1,005,251</b>	<b>304,314</b>

  
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Director

  
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Company Secretary