



13 November 2018

MARKET ANNOUNCEMENT

For immediate release

Kontiki Finance Limited (KFL) Announces 87% Increase in Profit for Q1 2018/19

Kontiki Finance Limited (KFL) announced the Group's unaudited profit result for the three months to 30 September 2018.

For the quarter ending 30 September 2018, the net profit after tax recorded was \$2.209m, an increase of 87% over the \$1.180m profit recorded for the same period the previous year.

Net operating income for the quarter ending 30 September 2018 was \$5.524m, compared with \$3.654m for the same period the previous year, an increase of 51%.

Total assets under management grew to \$186.8m as at 30 September 2018, compared with \$111.7m as at 30 September 2017, an increase of 67%.

Net assets closed at \$20.3m as at 30 September 2018, compared with \$12.1m as at 30 September 2017, an increase of 69%.

On 8 November the Company paid a final dividend of 2 cents per share for the year ending 30 June 2018, bringing total dividends for the year to 3 cents per share.

Shareholders have approved the raising of an additional \$3.0m in capital to support the strong growth in loan sales during the current financial year.

Chairman Daryl Tarte said "Kontiki Finance continued to trade well in the September quarter, and the company is well positioned to grow both its balance sheet and profitability in the year ahead."

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Daryl Tarte', written over a horizontal line.

Director

A handwritten signature in blue ink, appearing to be 'David Orew', written over a horizontal line.

Director/Company Secretary

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER

(FJ\$ '000)	2018	2017	% change
Interest income	7,825	4,877	60%
Less Interest expense	(2,205)	(1,234)	79%
Net interest income	5,620	3,643	54%
Fee and other income	357	367	
Total operating income	5,977	4,010	49%
Less Impairment charges on financial assets	(453)	(356)	
Net operating income	5,524	3,654	51%
Less Depreciation	(186)	(110)	
Less Operating expenses	(2,921)	(2,055)	
Profit before tax	2,417	1,489	62%
Less Income tax expense	(208)	(309)	
Net profit after tax	2,209	1,180	87%
Basic earnings per share	2.5 cents	1.6 cents	
Diluted earnings per share	2.5 cents	1.4 cents	

KONTIKI FINANCE LIMITED AND ITS SUBSIDIARY

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER

(FJ\$ '000)	2018	2017	% Change
Assets			
Cash at bank	5,589	7,500	-25%
Financial instruments held to maturity	68,449	29,020	136%
Finance receivables	110,186	73,793	49%
Provisions	(2,736)	(1,596)	71%
Other receivables	3,422	1,976	73%
Property, plant & equipment	1,854	999	86%
Total Assets	186,764	111,692	67%
Liabilities			
Term deposits	157,001	94,318	66%
Other creditors	9,450	5,320	78%
Total liabilities	166,451	99,638	67%
Net Assets	20,313	12,054	69%
Shareholders' funds			
Ordinary equity	11,010	8,257	33%
Retained earnings	9,303	3,797	145%
Total Shareholders' Funds	20,313	12,054	69%



Director