



## MARKET ANNOUNCEMENT

For immediate release

### ***FIJI TV GROUP announces profit after tax of \$668,128 for Financial Year Ended June, 2009 and Dividend Payout.***

29<sup>th</sup> September, 2009, Suva, Fiji – Fiji Television Limited's Board of Directors today announced the company's audited financial results for the 12 months ended June, 2009.

The Fiji TV Group recorded Net Profit after Tax (NPAT) of \$668,128 for the year ended 30<sup>th</sup> June 2009, compared with previous financial year's figure of \$2,735,317. This is after Fiji TV Group reported a un - audited loss for the first six months for the financial year of \$402k.

The Group's operating revenue declined by 3.23%, from \$26.45m in 2008 financial year to \$25.60m in the year under review.

The Holding company, Fiji TV, registered decline in total revenue of 1.07% whilst Compac's total revenue declined by 27% when compared with the same period last year. Media Niugini Ltd in Papua New Guinea registered 8.95% increase in total revenue.

These results include Communications Pacific Ltd and Media Niugini Ltd, subsidiaries of Fiji TV.

Programming costs for Fiji TV alone contributes to 37% of the Operating Expenditure. This was impacted severely with the 20% devaluation as the majority of content is paid for in US dollars.

Fiji TV Group Chief Executive Officer, Tarun Patel said : *"The market situation in Fiji for the last financial year has seen a reduced advertising spend from our clients. Given that a large component of our revenue is advertising, we have seen clients reducing their marketing dollar. To counter this, we have repackaged our sales proposals and this was acceptable to our clients"*.

He added that for the past 6 months, we have seen a large number of Pay TV customers disconnecting as well. Our customers are simply reducing their spending on luxury goods and Sky product is deemed to be a luxury item in the household.

The Group registered a decline in profits due to Fiji TV and Compac incurring losses in the period under review. Fiji TV in its accounts provided for \$1.13m impairment losses for the investment and loan it has in Compac. Compac incurred a net loss of \$565k after tax. In addition, impairment for goodwill of \$261k was also provided for, upon consolidation of the Groups accounts.

The decline in profits was also attributed to the change in the basis of the translation currency that was used for consolidation purposes. In previous years, the Group translated the foreign subsidiary accounts using the year end selling exchange rates for assets and liabilities and the average selling exchange rate for the year for revenue and expenses. The exchange rate used in the current year is the average of selling and buying exchange rate. The net impact of this on profits



after tax for the Group is a reduction to profits by \$860,176 to \$668,128 and a reduction to Group net assets by \$3,522,325 to \$19,152,009.

The Chairman of Fiji TV Ltd, Isoa Kaloumaira said that; *"the Fiji TV board has had to take a prudent and conservative measure for the Group to ensure that there is long term sustainability of the Group"*. He further added that the operation in Papua New Guinea is doing extremely well and that the Fiji TV board is taking a more proactive approach to its Fiji operations to ensure shareholder value is maintained. Kaloumaira said that *"they were pleased with the recent upgrade of the state of the art digitized studio and transmitter sites. We expect more efficiency in the operations of the delivery of content from EMTV and with the upgraded transmitter sites, we expect to generate more rental revenue. Fiji TV's subsidiary company, Compac has been involved in the consultancy of the up grade of EMTV's digitized studio"*.

Fiji TV's Board of Directors also declared the company's second interim dividend of \$0.05 per share or approximately \$515,000.00 to be paid out of retained earnings on 28<sup>th</sup> October, 2009. The Shareholders Register will be closed on 20<sup>th</sup> October, 2009. Date of Ex Benefit is 8<sup>th</sup> October, 2009.

Despite the current situation that we are operating in, the company still managed to declare dividends to its shareholders.

The company remains positive for the 2009/2010 financial year despite the economic challenges that it is operating in.



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**Tarun Patel**  
**Group Chief Executive Officer**

*For further information, please contact: Tanya M Waqanika, Corporate Affairs, Fiji Television Limited, Tel: 3305 100*

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**APPENDIX 7**

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**A GUIDELINE ON DIVIDEND ANNOUNCEMENT**

*( In compliance with Section 3A, Rule 3.1.6 (a), 3.1.7  
and 3.1.8 of the SPSE Listing Rules)*

**FIJI TELEVISION LIMITED DECLARATION OF DIVIDEND**

Fiji Television Limited is pleased to announce an Interim dividend for the financial year Ended 30 June 2009
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Date of Closure of Registry	20 October 2009
Date of Ex-Benefit	8 October 2009
Date of Payment of Dividends	28 October 2009

*(Intentions to close or fix the Share Register by a listed company should be done 14 business days after notifying the Exchange- SPSE Listing Rule 3.1.4)*

	Current	Previous
Dividend per share	\$5c per Share	\$9c per share
Amount of Dividend (\$)	\$515,000	\$927,000

	Current	Previous
Turnover	25,597,478	26,450,899
Gross Profit	16,956,038	18,705,589
Income from other sources	1,010,055	522,770
Provision for taxation	1,743,352	689,538
Net profit after tax	668,128	2,735,317

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

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Signed  (Company Secretary)