



# Statement to the South Pacific Stock Exchange

## 28<sup>th</sup> October, 2011

### COMMUNICATIONS FIJI LTD DECLARES

### INCREASED INTERIM DIVIDEND

The Board of Communications Fiji Ltd (CFM) announced today that the company will be increasing its interim dividend to 5 cents (previously 4 cents) following strong third quarter results for CFM to September 30<sup>th</sup> 2011.

Chairman Mr. Hari Punja said that Communications Fiji Ltd is on track to exceed the previously forecast group profit after tax for the year ending December 31<sup>st</sup> 2011 of \$1,467,786.00 (2010: \$1,318,038.00). Based on current forecasts, the board anticipates announcing an additional final dividend of 5 cents once audited accounts are completed in March 2012. This would take total dividends for the year ended December 31<sup>st</sup> 2011 to 10 cents per share.

Managing Director, William Parkinson said results across the group remained positive with CFM's Fiji radio operations showing growth and PNG FM Ltd the company's 100% subsidiary in Papua New Guinea performing very strongly. "The launch of Legend FM has gone well and as anticipated is already contributing positively to the bottom line".

We have experienced delays in the construction of Paradise Cinemas in Port Moresby, however, we are now in the final stages and expect the complex to open late December/ early January 2012.



**Communications  
Fiji Limited**  
parent company of:  
Fiji: FM96, Legend, Navitarang,  
Radio Sargam, VITI FM,  
Total Event Company  
& Fijivillage.com  
PNG: Nau FM & Yumi FM

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Progress has also been made with the reorganization of iPAC Communications Ltd or Unwired Fiji. "Shareholders are aware that we have been working on turning the financial performance of Unwired Fiji around", said William Parkinson. "The internet service business is a very tough one in Fiji with a number of substantial players now entering the industry".

The Board of i-PAC Communications Ltd has decided that to continue to grow in this competitive environment the company needs to first pay down bank debt. CFM as a major shareholder (36%) and guarantor has complied paying out \$1.3 million of this debt. This is currently being held as a shareholder loan with the intention to convert this into equity.

Communications Fiji Ltd has financed this via a new term loan that raises the company's gearing ratio from 26% (2010) to approximately 34% (2011). However, lower interest rates and improved terms, mean that the impact on CFM's operational cash flow is minimal.

The interim dividend of 5 cents will be paid out to shareholders on November 25<sup>th</sup> 2011 with shares going ex benefit November 9<sup>th</sup> and the share register closing November 17<sup>th</sup>.

For more information, please contact the undersigned.



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



**JYOTI SOLANKI**  
**Group Financial Controller &  
Company Secretary**