

Communication Fiji Ltd – 12 months ended 31 December 2008.

	Dec-08	Dec 07	Dec 06
PROFIT & LOSS (F\$000)			
Total Revenue	7,950	7,633	6,110
Net Profit/Loss before Tax	1,318	827	326
Income Tax	(454)	(386)	(238)
Net Profit/Loss after Tax	864	441	88
BALANCE SHEET (F\$000)			
Current Assets	1,908	1,482	1,116
Non - Current Assets	6,530	6,738	6,162
Total Assets	8,438	8,220	7,278
Current Liabilities	1,174	1,251	820
Non - Current Liabilities	2,336	2,620	2,358
Total Liabilities	3,510	3,871	3,178
Net Assets	4,928	4,349	4,100
Contributed Equity	3,558	3,558	3,558
Retained Profits/Loss	1,355	739	483
Reserves	15	52	59
Outside Equity Interest	0	0	0
Total Equity	4,928	4,349	4,100
CASHFLOW (F\$000)			
Net cashflow from Operating Activities	1,830	1,579	1,358
Net cashflow from Investing Activities	(373)	(1,153)	(694)
Net cashflow from Financing Activities	(1,192)	(375)	(696)
Net Increase/(Decrease) in Cash held	265	51	(32)
Cash/ (Overdraft) at year end.	411	146	95

Comments

- The Company recorded a 96.1% increase in profit after tax from \$441k to \$864k for the year ended 31 December 2008.
- This increase has been attributed to a combination of increased revenues and a reduction in costs taking into account last year's one off provisioning for backdated license fees and the significant profits made by CFM's PNG investment which is owed to increased revenues as well as controlled expenses.

- Net Assets has increased by 13.29% from the last period as there has been an increase in Assets coupled with a decrease in Liabilities. The increases in Assets are owed to the increases in the cash at bank, financial assets, inventories, prepayments and other assets. Decrease in trade payables, interest-bearing borrowings and provisions resulted in the overall decrease in total Liabilities.
- There have also been increases in Total Equity as a result of the increases in profits retained by the company. Reserves were reduced from \$52k to \$15k.
- The cash balance at the end of the year has further increased by 182.3% to \$411k.

	Dec-08	Dec-07	Dec-06
PROFITABILITY RATIOS (%)			
ROE	17.54	10.13	2.15
ROA	19.27	13.65	7.50
Net Profit Margin	11.12	5.92	1.54
MARKET PERFORMANCE RATIOS			
Earnings Per Share (cents)	24.29	12.39	2.48
Price Earning Ratio (times)	7.41	14.13	76.58
Dividend Per Share (cents)	0.04	0.03	0.03
Dividend Yield (%)	2.22	1.71	1.58
NT Asset Per Share (\$)	1.38	1.22	1.15
Price to Book (times)	1.30	1.43	1.52
Operating cashflow per share (cents)	51.44	44.39	38.18

Profitability

The higher profit recorded during the year raised the profitability ratios.

Market Performance

The profit earned by this company has increased the earnings per share to 24.29%. Notice however that the Price Earning Ratio has been decreasing over the years. Dividend per share has increased to 4 cents per share due to the excellent profits attained.

Conclusion

CFM has performed exceptionally well in 2008, and this has resulted in increased profits for that year. Increased revenues due to increase in broadcasting opportunities and the running of advertisements has improved operational earnings and goes hand in hand with conservative cost measures.