

Fiji Television Ltd - Six-Monthly as at 31 December 2008

	Dec-08	Jun-08	Dec-07
PROFIT & LOSS (F\$000)			
Total Operating Revenue	13,049	27,033	13,903
Net Profit/Loss before Tax	156	3,425	2,070
Income Tax	(558)	(690)	(400)
Net Profit/Loss after Tax	(402)	2,735	1,670
BALANCE SHEET (F\$000)			
Current Assets	13,466	14,558	12,432
Non - Current Assets	11,002	11,972	12,089
Total Assets	24,468	26,530	24,521
Current Liabilities	5,833	6,914	5,917
Non - Current Liabilities	1,137	68	614
Total Liabilities	6,969	6,981	6,531
Net Assets	17,499	19,549	17,990
Contributed Equity	10,300	10,300	10,300
Reserves	690	1,411	1,390
Retained Profits/Loss	6,509	7,838	6,301
Outside Equity Interest	0	0	0
Total Equity	17,499	19,549	17,990
CASHFLOW (F\$000)			
Net cashflow from Operating Activities	1,215	5,392	2,214
Net cashflow from Investing Activities	(247)	(78)	(418)
Net cashflow from Financing Activities	(927)	(2,014)	(785)
Net Increase/(Decrease) in Cash held	41	2,597	1,010
Cash / (Overdraft) at year end.	7,106	7,065	5,484

Comments

- Fiji Television recorded a net loss of \$402k for the 6 months ended December 2008, compared with a net profit of \$1.67m the same period last year. The recorded loss was attributed to the lack of major TV broadcast events for the period under review and the depressed local and global economy.
- In spite of this, the ordinary dividend of \$927,000 was paid at the end of the 6 month period.
- Total Assets decreased as property, plant and equipment significantly decreased over the year. On the other hand, increases for some of the company's assets included cash, trade receivables, inventories, future income tax benefit and intangible assets.

- Liabilities increased due to higher provisions and other liabilities.
- Total Equity declined as reserves were reduced by the company's net loss incurred at the end of December 2008.

	Dec-08	Jun-08	Dec-07
PROFITABILITY RATIOS (%)			
Ann. ROE	(4.59)	13.99	18.57
Ann. ROA	2.25	17.34	23.72
Net Profit Margin	(3.24)	10.34	13.18
MARKET PERFORMANCE RATIOS			
Earnings per share (cents)	(3.90)	26.56	16.22
Price Earnings Ratio (times)	(89.75)	16.95	20.66
Dividend per share (\$)	0.09	18.00	0.09
Dividend Yield (%)	2.57	4.00	2.69
Net Tangible Asset per share (\$)	1.60	1.80	1.69
Price to Book (times)	2.18	2.50	1.98
Cash flow per share (cents)	19.04	52.35	26.86

Profitability

There is a significant decline in both the ROE and ROA due to the net loss recorded.

Market Performance

The current market performance ratios are not at all attractive. EPS currently stands at negative 3.9 cents per share. Fiji TV subsidiaries in PNG and EM TV recorded a net profit of \$1.329 million, with a dividend payment of \$1.137 million to Fiji TV. This has managed to keep its dividend per share at 0.09 cents and a dividend yield of 2.57%.

Conclusion

According to the Press Release by Fiji TV, the next six months will be challenging for them as they expect the introduction of a state-of-the-art outside broadcast vehicle brought on by new programs, additionally the diversification into a digital platform by Compac for its radio communications business will be an added challenge for them as they work on keep operating costs at a minimum. The onus therefore is on management to control costs while at the same time seek more coverage for major world events. Share price for the company however increased from \$3.35 at December 2007 to \$3.50 at December 2008.