

Statement to the South Pacific Stock Exchange

26 April, 2013

COMMUNICATIONS FIJI LTD ANNUAL GENERAL MEETING

Communications Fiji Limited held its 28th Annual General meeting this afternoon.

The meeting adopted the Audited Balance Sheets and Profit and Loss Statements for the year ended 31st December 2012 and adopted a final dividend of 12 cents taking total dividends to 24 cents for the year.

Shareholders also re appointed Directors Mr Pramesh Sharma and Ms Shaenaz Voss. The meeting also endorsed the Board's decision to remove Mr Semi Leweniqila from the Board due to his consecutive absences from Board meetings in 2012. Chairman, Mr Matt Wilson said that a new Independent Director would be appointed shortly to replace Mr Leweniqila.

The Chairman thanked staff based in both Fiji and Papua New Guinea for delivering a record after tax profit of \$2,231,636.00, an increase of 155% on the previous year. He commended them on their zeal, drive, passion, creativity and willingness to innovate. A copy of the Chairman's remarks accompanies this statement.



MATT WILSON
Chairman



WILLIAM PARKINSON
Managing Director



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

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Communications (Fiji) Limited
Address by Chairman Matt Wilson
at the 28th Annual Meeting of the Company
Suva, April 26th, 2013



I extend a cordial welcome to you to the 28th annual meeting of Communications (Fiji) Ltd. You have copies of the printed annual report that has been released to the South Pacific Stock Exchange. The report contains the meeting agenda that I shall address shortly.

2012 was another of those years that will stand out as a major landmark in the history of CFM.

Our principal achievement was a Group profit that easily surpassed all our previous performances.

This was despite severe flooding in Fiji which had a negative effect on the economy. Thanks to the exemplary efforts of management and our talented employees, we recovered quickly from this difficult situation. We once again helped to keep the people of Fiji up-to-date with crucial information, damage assessments and the Government's relief efforts.

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As the country, showing its customary resilience, started to recover and the economy got back into gear, our sales graph soon began moving upwards. We were on course for success.

At \$2,231,636 after tax, profit for the Group increased by 155 per cent over 2011.

In Fiji we posted a result of \$937,000 after tax.

It was the after tax profit of \$1,293,846 in Papua New Guinea, that pushed us to our new high.

You can read about the financial details in the printed report.

I will just touch on a few key points that illustrate the 2012 outcome and the strength and quality of CFM's balance sheet.

Group sales went up to \$14,121,757. That was a 27 per cent improvement.

Of this amount \$4,610,303 came from Fiji and \$9,511,454 from PNG.

The reduction in the gearing ratio to 18 per cent reflects your Board's focus on ensuring that we do not become weighed down by debt.

Group earnings per share, which is of central interest to all shareholders, jumped from 24.64c to 62.72c.

There was a steady rise in our share price. During the year it moved from \$2.10c to \$2.21c. The rise continued in 2013 and presently stands at a record level of \$2.26c.

Many factors contribute to the accomplishments of CFM. But today I wish to once more single out the staff for the part they play. We commend them for their zeal, their drive, their passion, creativity and willingness to innovate.,

Every time I walk into the building I get a very real sense of the buzz, the vibrancy and restless spirit that animates this company.

In the CFM Group we ensure that the employees benefit directly from our performance through a long-established profit sharing scheme. Each month, 10 per cent of the Group's profit goes into a fund. This is divided between staff on the basis of their pay as a percentage of the total salary bill.

I am pleased to report that in the last five years we have paid out across the Group approximately \$2 million to employees through this scheme.

Ladies and gentlemen, CFM never stands still; it takes nothing for granted; it constantly re-energises itself and ensures it stays close to its markets.

The audience ratings that place it in a dominant position are the product of all the qualities I have outlined.

I have explained to you why 2012 was exceptional for the company, particularly in Papua New Guinea, where rapid economic growth and a general election helped contribute to record sales.

2013 is at this stage difficult to read.

In Fiji we have experienced a much better start to the year than in 2012 and look forward to an enhanced performance from important revenue centres such as Fiji Showcase.

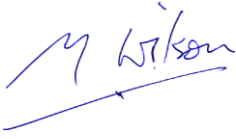
In Papua New Guinea, we do not expect the same scale of high growth we experienced in 2012, mainly because the economy is temporarily slowing in line with predictions. We have an opportunity now to consolidate while maintaining and capitalizing on the strong gains we made last year. We will further strengthen some of our operational and management systems.

I should mention that the figures from our PNG Paradise Cinemas associate company are more positive, which reaffirms our belief that this new investment will produce excellent returns when it is out of the start-up phase.

Ladies and gentlemen and colleagues, I close by reiterating our new dividend policy, based on 40 per cent of after-tax profit. This will of course be dependent on circumstances.

Although this will give shareholders better returns than previously, it is still conservative in comparison to the dividend ratios of some of the other companies on the South Pacific Stock Exchange.

Thank you for your support. I express my thanks also for the support I have received from board members.

A handwritten signature in blue ink that reads "Matt Wilson". The signature is written in a cursive style with a long horizontal stroke underneath the name.

Matt Wilson

April 26th, 2013