



**FIJIAN
HOLDINGS
LIMITED**



About Fijian Holdings Limited

Fijian Holdings Limited was established in 1984 to fulfill the objective of the Great Council of Chiefs, of creating an entity that meaningfully represent indigenous Fijians in the business sector and ensure their meaningful participation in Fiji's national economy.

FHL Group Core Values

- Integrity in our dealings
- Innovative in our solutions
- Progressive in our culture
- Play together to win
- Grow our people



FHL Group Core Purpose

- "To accelerate the participation of indigenous Fijians in the commercial sector and in doing so, enhance their socio-economic standing"

FHL Group Vision

- "To be the most innovative investment Group in the Pacific"

Mission Statements

- The FHL Group is committed to the achievement of its mission statement as set out below:
- We will create sustainable and consistent value for our shareholders & stakeholders.
- We will strive to lead in all our chosen areas of business through creativity, innovation, passion and by putting our customers first at all times.
- We will maintain the highest standards of professional integrity, diligence, responsibility and care in carrying out all aspects of our business.
- We will actively promote the growth & development of our people to excel in business and fulfil their purpose in life.

Na Fijian Holdings Limited

E a tauyavu ena 1984, ena vuku ni nodra gagadre na Turaga Bale kei Viti kei ira na lewenivanua itaukei me vakatotolotaki na nodra vakaitavi ena bula raraba vakailavo ni vanua ko Viti.

Veika Bibi e Vakaliuca na FHL

- Dina ena Neitou Veiqaravi.
- Wali ni leqa ena vakasama ni veisau vou
- Me Toso tiko ga na i tovo ni neitou veiqaravi
- Noke vata me da qaqa
- Me Vutuniyau na vanua (tamata)



Na i Takele ni Waqa ni FHL

- Me vakusakusataka na vakaitavi ni Taukei ena cicivaki bisinisi, vakadeitaka na bou ni nodra bula vakavanua, vakabisinisi.

Na Rai Ki Liu Ni FHL

- Me dau ni vakatubu i lavo levu taudua ena Pasifika.

Yalayala Me Vakavatukanataki

- Sa tu vakarau na Kabani Cokovata me tutaka na kena laurai na vatuka ni nona yalayala e ra vola i qo e ra:
- Keitou bulia ka cakacakataka na veika keitou vakavulica ena kabani me baleti ira era i taukei ni sea kei ira era vakaitavi kina.
- Keitou na sasaga me tadolavi yani na vanua ni vakatubu bisinisi ena neitou vakaliuci ira keitou qaravi ira, ni tu vei keitou na faiwa ni veiqaravi, na vakasama titobu, na loloma kei na gadrevi ni veisau.
- Keitou na maroroya ka bulataka na i tovo cecere ni veiqaravi ka kena yavu na dina, cakacaka vakadodonu kei na tuvaki qaravi vinaka ni tavi ni veiqaravi.
- Keitou na tutaka vakaukauwa na nodra tuberi cake kei na na nodra vakavulici na i Taukei me ra daunibisinisi vinaka ka tamusuki na vua ni nodra bula.

History of Fijian Holdings Limited

Today FHL is a highly successful Fijian Enterprise and a major player in Fiji's corporate sector.

Its shareholders include Provincial Councils, the Native Land Trust Board, the Fijian Affairs Board, Tikina and village groups, Fijian co-operatives, individual Fijians and family companies. It's investments that give Fijians significant shareholding in major companies thus helping to achieve the national objective of bringing indigenous Fijians fully into the mainstream of the country's economic life.

Fijian Holdings has also broadened the scope of its training programme wherein young Fijians are prepared and groomed for business utilising the resources of its associates and subsidiary companies.

Talanoa Ni Kabani

E na gauna oqo, e sa rawa ka vakalevu sara na kabani, ka sa liu sara toka ena bula cokovata ni bisinisi e Viti. E ra taukena na kabani na Matabose ni Qele Maroroi, na vei Yasana, na Matabose ni Veika Vakaitaukei, na i Soqosoqo ni vei Tikina kei na Koro, na Soqosoqo Cokovata ni Veivoli ka nodra na itaukei, Taukei yadudua kei ira na kabani taukeni vakavuvale. Na nona vakacuru ilavo kei na voli sea na Fijian Holdings Limited ena vei Kabani lelevu eso, e a mai rawa kina na inaki raraba ni kena vakayarayarataki na nodra vakaitavi na itaukei ena bula vakabisinisi kei na bula vakailavo e Viti.

E sa vakarabailevutaka tale ga na nona yavu ni veiqaravi me baleta na nodra vakavulici ka vakarautaki na gone itaukei ena cicivaki ni bisinisi ka sa vakayagataki kina na iyau ni kabani e taukena ka cicivaka tiko na Fijian Holdings Limited.

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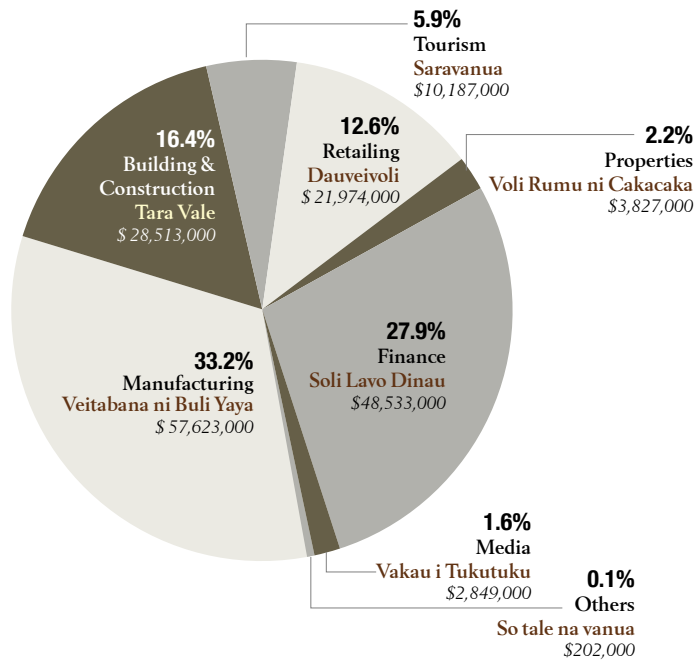
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Performance Highlights

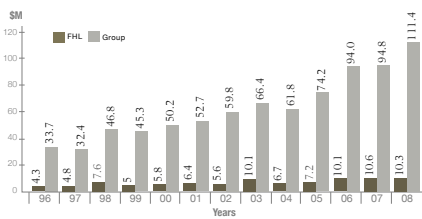
Usutu ni Cicivaki Bisinisi

YEAR ENDED 30 JUNE YABAKI MAI CAVA 30 JUNE	HOLDING COMPANY KABANI			GROUP KABANI COKOVATA		
	2008	Restated 2007	Change % Veisau %	2008	Restated 2007	Change % Veisau %
Operating Results Na Rawa Ka Ena Cicivaki Bisinisi						
Operating Revenue (\$, '000) Lavo Ni Veivoli (\$, '000)	10,332	10,610	-3%	111,435	94,805	18%
EBITDA (\$, '000)	8,129	8,149	0%	27,357	33,079	-17%
EBIT (\$, '000)	7,903	7,907	0%	21,865	27,942	-22%
NPBT (\$, '000)	7,181	6,310	14%	16,475	19,984	-18%
NPAT (\$, '000)	7,366	6,130	20%	10,530	13,195	-20%
Operating Ratios Dusidusi Ni Cicivaki Bisinisi						
EBIT / Total Revenue [%] Lavo Ni Veivoli [%]	76.49%	74.52%	3%	19.62%	29.47%	-33%
EBITDA / Total Revenue [%] Lavo Ni Veivoli [%]	78.68%	76.80%	2%	24.55%	34.89%	-30%
NPAT / Total Revenue [%] Lavo Ni Veivoli [%]	71.29%	57.78%	23%	9.45%	13.92%	-32%
Financial Position Tutu Vakailavo						
Total Assets (\$, '000) Yau Tudei (\$, '000)	182,302	176,919	3%	263,390	233,042	13%
Total Liabilities (\$, '000) Dinau Ni Kabani (\$, '000)	30,699	12,749	141%	139,896	107,142	31%
Financial Position Ratios Dusidusi Ni Tutu Vakailavo						
Gearing [%] Dinau Ni Kabani Kina Yau Tudei [%]	16.8%	7.2%	134%	53.1%	46.0%	16%
Net Debt To Equity [%] Dinau Ni Kabani Kina Na I Yau Ni Taukei Ni Kabani [%]	20.2%	7.8%	161%	113.3%	85.1%	33%
EBIT Interest Cover [Times] Kena Veibokoci I Rawa Na I Sau Ni Dinau [Vakavica]	14.7	4.4	231%	1.9	1.9	2%
Cash Flows Lavo Qaqa						
Net Cash From Operating (\$, '000) Lavo Qaqa E Rawa Ena Vakacici Bisinisi (\$, '000)	5,712	5,221	9%	27,521	15,585	77%
Purchases Of Investments (\$, '000) Voli Ni Vanua Ni Vakatubuilavo (\$, '000)	20,157	3,439	486%	19,864	3,439	478%
Shares Sea Ni Kabani						
Earnings Per Share [Cents] Tubu Ni Dua Na Sea [Sede]	24.2	20.1	20%	37	47	-21%
Dividends Per Share [Cents] Tubu Me Wasei Ni Dua Na Sea [Sede]	13.2	13.2	0%	13.2	13.2	0%
Key Measures Dusidusi Namaki						
Return On Net Assets [%] Tubu E Rawa Mai Na I Yau Ni Taukei Ni Kabani [%]	4.86%	3.73%	30%	8.53%	10.48%	-19%
Employees [Number] Tamata Cakacaka [Kena Levu]	10	10	0%	1414	403	251%

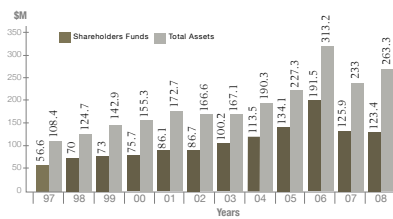
FHL Investment Portfolio by Sector - 2008
Veitabana ni Vakatabuilavo nei FHL - 2008



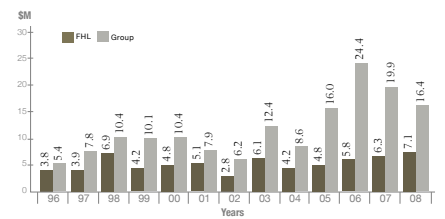
Operating Revenue
Lavo e Rawa ena Volivolitaki
\$Million



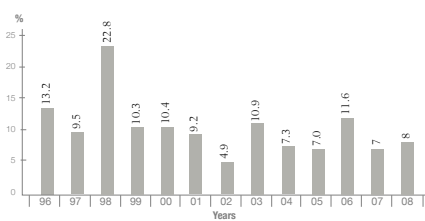
Total Group Assets and Shareholders Fund
Yau Tudei kei na Nodra i Wasewase na Taukeni Sea
\$Million



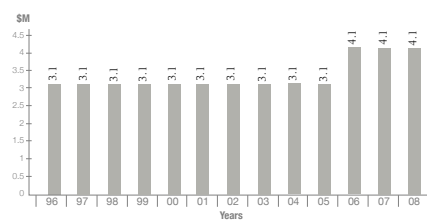
Profit Before Tax
Tubu ni Kabani ni Musuki Oti nai Vakacavacava
kei na Veika Sega ni Namaki
\$Million



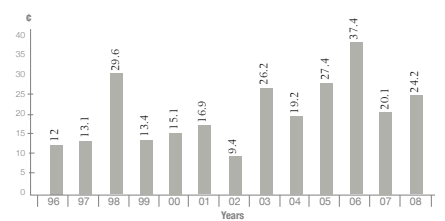
FHL Return on Investment
Tubu ni Lavo e Rawa
(% percentage)



Dividends
Tubu ni Lavo e Wasei
\$Million



FHL Earnings per Share
Tubu ni Kabani Cokovata Dua na Sea
(¢ cents)



Board of Directors

Lewe ni Matabose



Isoa Kaloumaira
Chairman

OCCUPATION:
CEO - Fijian Trust Fund

APPOINTED:
1998 - 2006
2008 -



Colonel Aziz Mohammed
Deputy Chairman

OCCUPATION:
Chief of Staff - RFMF

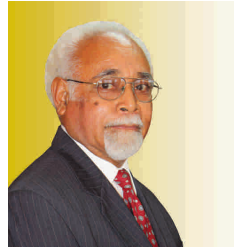
APPOINTED:
2008



Sereana Qoro
Director

OCCUPATION:
Managing Director
Fijian Holdings Group of
Companies

APPOINTED:
2008



Radike Qereqeretabua
Director

OCCUPATION:
Managing Director
of Shangri-La Fijian Resort

APPOINTED:
2002 - 2006
2008 -



Iowane Naiveli
Director

OCCUPATION:
Chartered Accountant

APPOINTED:
2008



Ulaiasi Baya
Director

OCCUPATION:
Consultant

APPOINTED:
2008



Michael Makasiale
Director

OCCUPATION:
CEO
Yatu Lau Company Limited

APPOINTED:
2008



Padam Lala
Director

OCCUPATION:
Businessman

APPOINTED:
2008



Sereana Qoro
Managing Director



Aiyaz Musa
Chief Finance Officer



Nouzab Fareed
General Manager
- Investment & Strategy



Tomasi Radakua
Manager Human Resources



Mariana Saumadu
Manager Internal Audit/
Company Secretary



Tevita Gonelevu
Manager Financial Markets

Chairman's Report

Tukutuku ni Liuliu ni Matabose ni Fijian Holdings Limited



Isoa Kaloumaira
Chairman

Isoa Kaloumaira
Liuliu ni Matabose.

It is an honour and a pleasure to address the shareholders of Fijian Holdings Ltd, in this my, first report as Chairman. The year has been a difficult one in terms of economic performance with negative growth recorded for the country. The Bureau of Statistics reported a 6.6% contraction in 2007. Forecast for 2008 is a growth of 1.7%. Against this backdrop of subdued growth, the high inflation (mostly imported) is a concern. The Reserve Bank of Fiji reported inflation in June was 6.9% up from 5.8% in May with the forecast for the year end remains at 7.5%. The high global oil price remain the single biggest contributor.

High liquidity in the financial system as well as the credit ceiling put in place by the Reserve Bank of Fiji is keeping interest rates down. According to the Reserve Bank the credit ceiling is not constraining investment. There are signs the private sector driven largely by local and existing investors are revisiting investment plans despite the prolonged political difficulties.

The proverbial saying 'there are opportunities in adversities' still holds true as the Group seeks out opportunities to improve internal growth and also growth through acquisition. Some subsidiaries successfully continue to enjoy good returns whilst others struggle on in this difficult economic times. However, the opportunity presented itself and was seized; that was for the acquisition of 50.16% of the RB Patel Group at an effective price of \$19.86 million. This acquisition in April is the biggest to be undertaken and fits in well with the overall strategy of portfolio diversification especially into the resilient retail sector. I have no doubt this investment would reap added benefits in the years to come.

Financial Results

The financial statement for the year is over 50 pages a bit more bulkier than usual. The reason being that the Group has to adopt the International Financial Reporting Statements (IFRS) standards as from this year. The IFRS conversion exercise was carried out by KPMG, and vetted by PWC, our external Auditors. As expected there were changes made to the financial statements in terms of reporting format and valuation methodology with transparency and accuracy as the underlying principles. The notes to the accounts disclose in greater details what the figures in the statements represent.

For this Financial year the Fijian Holdings Group achieved a consolidated post-tax earnings of \$15.56 million compared to \$19.48 million made in the previous year, a 20.12% fall. During the period, consolidated group revenue stood at \$111.43 million against the last year's revenue of \$94.80 million. We attribute this glitch to timing in terms of the R B Patel Group's purchase and consolidation into the Group late into the financial year. Going forward as we complete a full 12 months would result in a more realistic picture which is to be expected.

In terms of the performance of the various subsidiaries, only Fijian Holdings Ltd, Fijian Property Trust Company Ltd and Merchant Finance & Investment Co Ltd managed to outpace expectations. The rest of the subsidiaries, except for two that

Eka dokai ka ka ni marau vei au, ena noqu i tutu vaka i Liuliu ni Matabose, meu vosa vei kemuni nai taukei ni sea ena Fijian Holdings Limited ena i matai ni gauna. Qo e sa dua na yabaki dredre vakailavo baleta ni sega ni dua na tubu vakailavo e rawata na vanua o Viti. A vakaraitaka na Bureau of Statistics ni na vakalailaitaki na vakayagataki ni lavo ena 6.6% ena 2007. Sa namaki na tubu vakailavo e 1.7% ena 2008. Ena i tutu gogo ni tubu vakailavo kei na tubu sivia ni sauni yaya voli mai vavalagi sa kauta mai na kauwai. A vakaraitaka na Reserve Bank of Fiji ni tutu ni tubu sivia ni sau ni yaya kina 5.8% ena Me, a sudra cake kina 6.9% ena vula o Jume kei na nanumi ni na dei toka ena 7.5% ni cava na yabaki. E vakavuna na leqa qo na tubu sivia ni sau ni waiwai e vuravura.

Na I tutu ni lavo e cowiri tu e noda vanua kei na nona virikotora na Reserve Bank of Fiji nai yalayala i cake ni lavo me vakayagataki baleta na bula vakailavo, sa vukeya na kena dei koto e ra na i vakacavacava ni dinau. Kaya na Reserve Bank ni yalayala i cake ni dinautaki i lavo e sega ni vakatubuilavo vakasaurarataki. E sa raici tiko ni ra tu e so na dau cakabisinisi ena taudaku ni matanitu era qaravi vakalevu mai vei ira na dau vakatubu bisinisi e Viti, era sa lesuva tale tiko na nodra i tuvatuva ni vakatubuilavo, dina ni toso tiko ga na leqa vakapolitiki e da sotava tiko.

E sa dina tikoga e dua na vosa vakaibalebale ka kaya ni ra tu e vuqa na sala ni toso ki liu ena gauna e sotavi kina na dredre, ka vakadeitaki qo ena nona sasaga na Kabani Cokovata me vakasaqara na veigaunisala me vakavinakataka cake kina na nona bula vakaikoya kei na tubu ni bisinisi ka rawa mai tuba ena bisinisi vou. So na taba ni kabani era tomani tiko vakavinaka na nodra rawa tubu ka so era sotava tiko na dredre ena gauna ni bula vakailavo veilecayaki e daidai.

Ia sa dau tauri ka vakayagataki na veisala ni toso ki liu ena sotavi me vaka na kena saumi rawa e 50.16% ni sea ena R.B.Patel Group ena i sau \$19.86 milioni. Na volivoli qo ena Epereli sa dua na kena e levu taudua sa bau tauri ka sota vakavinaka kei na i tuvatuva ni vakatubu i lavo vakabisinisi ena tabana dredre ni sitoa ni volivolitaki. Au sega ni vakabekataka ni vakatubu i lavo qo ena kauta mai e vuqa na tubu ni bisinisi ena veigauna mai muri.

Macala ni Veika Vakailavo

Na i Tukutuku Vakailavo me baleta na yabaki qo e sivia e 50 na draunipepa – e viavia levu toka mai na kena i liu. Qo baleta ni sa tekivu taurivaka na Kabani Cokovata na i vakarau ni tuvatuva vakailavo ka vakatokai na International Financial Reporting Statements (IFRS) me vakatekivu ena yabaki qo. Na kena i vakarau vou na IFRS a vakarautaka na KPMG, ka qai vakadikeva tale vakamatailalai o PWC na neitou daunifika mai tuba. Keitou sa kila ni so na veisau e e vakayacori enai tuvatuva ni tukutuku vakailavo, na i vakarau ni kena vakabauti na kena matata kei na kena dodonu. Na i tukutuku leleka ni lavo ena vakaraitaka vakamatata na i balebale ni matanifika era tu ena i tukutuku vakailavo.

A rawata na kabani cokovata ni Fijian Holdings ena yabaki vakailavo qo nai lavo e \$15.56 na milioni ni sa musuki oti nai

recorded losses, recorded lower than forecast profits. Given the overall contraction in the economy the Group's performance should be pleasing although at all levels in each subsidiary, the drive to do better than forecast is still very much pursued. Details of each subsidiary company's operational information is stated elsewhere in the report.

Dividends

Based on the year's results, the director's in line with FHL's dividend policy have resolved to maintain the dividend payment. Accordingly, this year FHL share holders will receive a total of 20 cents for A Class shares and 10 cents for B Class shares as dividends. In terms of dividends, the company has paid more than \$50 million in the last 20 years.

Share Price

The price of FHL share declined from \$3.50 per share on 2 July 2007 to \$2.16 per share on 30 June 2008, a fall of 38%. There are a number of reasons people sell but the difficulties we as a nation are going through is a major cause. At the current price share is trading at a discount, a reflection of the strong underlying value of the company. It is important to note that FHL has no control over the movement of the share price. In fact, it is a function of the market's demand and supply.

Future

In the immediate future we have to bed down the synergies and other positives from the acquisition of the RB Patel Group. This is also in keeping with the current strategy for the Group to work closer together as a single business unit than a group of stand alone businesses. We are confident the tangible benefits will flow through and that in the medium to long term, this should place the Group in a position of strength for bigger acquisitions. The strategic fit of each investment will be continually evaluated. We have to remain resilient and robust to weather the economic and political turmoils within, in the region and beyond.

Establishing business ventures in the countries of the region is still very much in the radar. We see this as desirable in managing our geographical exposure risk; so when an opportunity presents itself it will be pursued with the usual degree of prudence.

Acknowledgment

I must acknowledge contribution of the management and staff in making it possible for the Group to achieve another pleasing profit despite the difficult year.

I take this opportunity to thank my predecessor, Mr Josaia Mar who resigned in June. The fusion of a unifying management culture throughout the Group whilst concurrently steering the Group under difficult economic conditions is due in no small measure to Mr. Mar's astute guidance. We are ever grateful to him. I also thank Directors

vakacavaca ni raici vata kei \$19.48 milioni a rawa ena yabaki yani e liu ka lutu ena 20.12%. Na i lavo era rawata na veikabani ena loma ni yabaki e tu ena \$111.43 milioni ni raici vata kei nai lavo e rawa ena yabaki sa oti e \$94.80 na milioni. Keitou beitaka na leqa qo ni vakavu mai na leqa ni gauna keitou a volia kina na RB Patel Group kei na kena cokoti kina Kabani Cokovata ena mua ni yabaki vakailavo. Ni mai cava na 12 na vula e nanumi ni na laurai kina e dua nai yaloyalou uasivi vakailavo. E na vuku ni nodra vei qaravi na veitaba ni veikabani tale eso, eratou cavu kalawa i liu ena ka eratou rawata na Fijian Holdings Ltd, Fijian Property Trust Co Ltd. O ira na vo ni veikabani era sega ni rawata na tubu e ra a kacivaka taumada, ka rua e rau lusi vakailavo.

Ni da raica na vakalailaitaki ni lavo me vakayagataki raraba, e marautaki na nodratou sasaga gumatua na Kabani Cokovata ena veika eratou rawata, dina ga ni sasaga ni qara tubu me ra sivia na kena era yalataki mai mai na veitabana yadudua, se bera ni cava. Na i tukutuku matailalai ni veikabani yadudua ni kedratou cicivaki e tiko talega ena i tukutuku ni yabaki qo.

Na Tubu me Wasei

Mai na veika e rawa mai na loma ni yabaki, ratou a duavata na daireketa mai na i vakarau tudei ni FHL me vakadeitaki tiko na saumi ni tubu me wasei. Koya gona, ena yabaki qo ra na taura na i taukei ni sea ena FHL e 20 na sede ena sea Kalasi A kei na 10 na sede ena sea Kalasi B ena tubu me wasei. Ena tubu me wasei, a sa sauma oti na kabani e sivia e \$50 na milioni ena 20 na yabaki sa oti.

Na I Sau ni Sea

Sa mai lutu nai sau ni dua na sea ena FHL mai na \$3.50 e nai karua ni Jiulai 2007 kina \$2.16 dua na sea ena 30 ni Jiune 2008, a lutu ena 38%. E levu na vuna era volitaki kina na sea, ia na leqa eda sotava tiko na lewe ni vanua ena gauna, sa o koya na vuna levu taudua sara ga. Na i sau ni sea e veivolitaki ena gauna qo e sa lutu, e vakaraitaka na dei kei na kaukauwa ni i yau vakailavo ni kabani. Dodonu me dau kila ni sega ni dau lewa na kabani ni veitosoyaki ni sau ni sea. Sa lewa taudua ga na makete ni volivolitaki kei na nodra gadadre na dauvolivoli.

Rai ki Liu

Ena loma ni dua na gauna walega qo ena dodonu me keitou raica vata na leqa kei na veika vinaka e rawa mai na voli ni sea ena RB Patel Group. Qo me sota vata kei na i tuvatuva ni Kabani Cokovata me ra cakacaka vata vakavoleka me dua ga na binisini ka sega ni cakacaka taudua. Keitou vakabauta ni na laurai mai na vua ni sasaga ka na dodonu me biuta na Kabani Cokovata kina dua nai tutu kaukawa me rawa ni kauta tale mai eso na bisinisi lelevu ena loma ni dua na gauna mai qo.

Ena vakadikevi tiko ga vakavoleka na i tuvaki ni vakatubuilavo e tauri. Me keitou na tu vakarau me sotava na veitosoyaki ni draki ni bula vakailavo kei na bula yavavala vakapolitiki e Viti, ena Pasifika kei na veivanua tani. Ni sasaga ni vakaduri bisinisi ena veivanuanu ena Pasifika e sa raici rawa tiko. Keitou raica

Mr. Sekonaia Tui Mailakai, Mr. Asif Razak, Mrs Alice Tabete and Mr. Isikeli Tuituku for their contributions, all of whom resigned during the year. Last, but certainly not the least, I wish to record our sincere appreciation to Mr Sitiveni Weleilakeba, who resigned as the Group Managing Director, after more than 20 years of dedicated service in June 2008. The Fijian Holdings he left behind has been completely transformed from the small private company which he stepped into back in 1987 to a publicly listed Group with 9 subsidiaries, 12 associate companies and a net worth of over \$123 million. We thank him for his contribution throughout the years and wish him all the best in his endeavours. Mr Weleilakeba has been replaced by Mrs Sereana Qoro, a Chartered Accountant by profession and CEO of FHL's first and largest subsidiaries BIL and FIL. Mrs Qoro has always been part of FHL's executive succession plan.

I now take the opportunity to formally acknowledge and introduce our new Directors. I welcome Colonel Aziz our Deputy Chairman also a lawyer by profession, renowned businessman Mr Padam Lala, business manager and current CEO of Yatu Lau Ltd Mr Michael Makasiale, tourism and hotel management expert Mr Radike Qereqeretabua.

I am confident that the new team of FHL Directors bring with them a wealth of knowledge, corporate experience and the maturity that will help the Board steer FHL into its next level of growth.



Isoa Kaloumaira
Chairman

ni dodonu me gole e kea na sasaga ni neitoku kilai raraba kevaka e votu mai e dua na tikina yaga me raici sa na cakacakataki e nai vakarau dodonu me qaravi kina.

Vakavinavinaka

Au via vakavinavinakataka na nodrau cau na tabana ni veiliutaki kei ira na veiqaravi ena nodra cakacaka me rawata kina na Kabani Cokovata e dua na tubu vakailavo ena dela ni yabaki dredre eda sotava.

Au via vakavinavinakataka na turaga au sosomitaka o Josaia Mar ka a sa mai vakacegu e na Jiune. Na vakaduavatataki ni dua nai vakaraiu ni veiliutaki ena loma ni Kabani Cokovata kei na kena sokotaki e dua ena draki ni bula dredre vakailavo na kena waqa e sa qoro kina na cau vakaitamera nei Mr Mar. Keimami na vakacautaki koya ga kina.

Au na vakavinavinakataka ira na Dairekita Sekonaia Tui Mailekai, Mr Asif Razak, Mrs Alice Tabete kei Isikeli Tuituku ena nodratou cau. E ratou a sa kerea na nodratou vakacegu taucoko ena loma ni yabaki.

Au na via vakaraitaka, meu mai tinia kina na noqu vakavinavinaka cecere vei Mr Sitiveni Weleilakeba ka mai kerea na nona vakacegu ena nona i tutu vaka Manidia Dairekita ni Kabani Cokovata, ka sa 20 na yabaki na nona veiqaravi tu mai kina me yacova mai na Jiune 2008. Sa veisau sara vakalevu na i tuvaki ni Fijian Holdings ka sa mai biuta tu. Mai na dua na kabani taukeni lailai ena 1987 kina dua ka taukeni raraba ka 9 na tabana lalai, 3 na kabani veiwekani ka kedra i sau vaka i lavo e \$123 milioni. Keitou vakavinakataka koya ena nona cau ena veiyabaki sa oti yani ka keitou nuitaka ni na kalougata ena nona sasaga.

Sa sosomitaki Mr Weleilakeba o Mrs Sereana Qoro e dua talega na Daunifika se Chartered Accountant ka a i liuliu ni tabana levu duadua ni FHL na Basic Industries Limited kei na Fiji Industries Limited. E dau okati tu mai o Mrs Qoro me dua vei ira ka vakarautaki me veiliutaki ena loma ni kabani cokovata.

E sa noqu i tavi meu vakaraitaki ira na Dairekita vou ka ra sa curu mai ena Matabose ni FHL ena Jiune 2008. Au ciqomi Colonel Aziz na i Vukevuke i Liuliu ni Matabose, ka loya talega, na dauvakabisinisi kilai levu o Padam Lala, o Michael Makasiale na manidia ka CEO ni Yatu Lau Limited, O Ulaiyasi Baya e loya ka dau vakabisinisi, Mr Radike Qereqeretabua, na dauveiliutaki ena Otela kei na saravanua, Iowane Naiveli daunifika ka dau ni lavo kei Saimone Lutu na idinia ka a i liuliu vakacegu ni Shell Fiji kei na Pasifika.

Au nuidei ni ra na kauta mai na timi vou ni Dairekita ni FHL na kila na veiliutaki vaka kabani kei na yalomatua ka na vukea na Matabose me tosoya cake na FHL kina dua na i vakatagedegede e cake ni rawa tubu vakailavo.



Isoa Kaloumaira
Liuliu ni Matabose.

Managing Director's Report

Tukutuku Ni Manidia Daireketa Ni Kabani Cokovata



Sereana Qoro
Managing Director

Sereana Qoro
Manidia Daireketa

Operating Environment:

The global economy grew by 4.9% in 2007 and is expected to grow by 3.7% in 2008, while forecasted growth for 2009 is at 3.8%. The declining growth trend has been primarily influenced by soaring crude oil and commodity prices. Rising inflation continues to be a growing global concern. The Fiji economy is estimated to have contracted by 6.6% in 2007 underpinned by contractions in most sectors of the economy except the manufacturing and electricity and water sectors which had registered marginal growth.

The forecast for 2008 is a positive economic growth rate of 1.7%. This positive growth forecast is broad-based with the exception of finance, insurance, real estate and business services sectors which are expected to decline.

Latest indications of investment in 2008 suggest a mild growth in activity backed by a small growth in investment lending.

The 2008 inflation rate is expected to be at 7.5%. The positive economic growth rate forecast for 2008, although marginal at 1.7%, will positively reflect on the business performance of FHL's investment portfolio particularly in the June 2009 financial year.

Financial Results

The Group financial results have been presented in full compliance with the International Financial Reporting Standards (IFRS), for the first time. The 2007 comparative figures in the financial statements have been amended to IFRS format thus making the year to year comparison and analysis accurate and meaningful.

Total assets of the Group increased by \$30 million for the year to \$263.3 million as a result of the acquisition of majority shares in RB Patel Group during the year.

This significant acquisition directly contributed to the increases in Receivables, Inventories, Land and Buildings and Intangible assets. Total Group Liabilities increased by \$32.8 million to \$139.9 million in 2008 due to increased borrowing to fund the investment in RB Patel Group.

The total Group Net Assets at June 2008 stood at \$123.4 million compared to \$125.9 million

Draki ni Vakacici Bisinisi

A tubu ena 4.9% na bula vakailavo e vuravura ena 2007 ka nanumi ni na tubu ena 3.7% ena 2008, ia na tubu e kacivaki ena 2009 e koto ena 3.8%. E vakavuna na lutu ni tubu na tubu sivia ni waiwai kei na I sau ni yaya. E nuiqawaqawa o vuravura ena tubu tikoga ni sau ni yaya. Sa nanumi ni na lailai sobu kina 6.6% ena 2007 na bula vakailavo e Viti, ka vukea qo na vakalailaitaki ni lavo ena tabana e vuqa ni bula vakailavo qai vakavo na buli yaya, na livaliva kei na wai ka ratou rawa tubu.

Sa kacivaki ni na tubu na bula vakailavo kina 1.7% ena 2008. Na tubu oqo e tara e vuqa na yasana qai vakavo na tabana ni lavo, na inisua, na volitaki vale kei na tabana ni bisinisi ka nanumi ni na lutu talega.

Tukutuku ni vakatubu bisinisi ena 2008 e kaya ni toso vakamalua na tubu vakailavo ka vukea e dua na tubu lailai ena soli dinau.

Na tubu ni sau ni yaya ena 2008 e kilai me tiko ena 7.5%. Nai tuvaki ni tubu Vinaka vakailavo baleta na 2008 e kaya dina ni lailai ena 1.7% ena vakaraitaka na I tuvaki ni cakacaka ni bisinisi ni tabana ni vakatubu i lavo ena Jiune 2009.

Macala ni Rawa Ka Vakailavo

Era sa vakaraitaki na macala ni tukutuku vakailavo ni Kabani Cokovata me vaka na kena I valavala taucoko ka tu ena International Financial Reporting Standards (IFRS) ena i matai ni gauna. E ra sa veisautaki na fika e ra tu ena I tutu vakailavo ni 2007 me muria nai tuvatuva ni IFRS me rawa ni dodonu ka vakaibalebale na kena dikevi vata na fika e rua ka rau vakatautauvatani tiko.

E toso cake ena \$30 milioni na i sau ni yaubula ni taukeni me baleta na yabaki kina \$263.3 milioni ena vuku ni kena voli na sea levu taudua ena RB Patel Group ena loma ni yabaki.

Na kena tauri na veibisinisi eso sa vukea na levu ni lavo e rawa mai, na I yaya e ra sa tu rawa me ra volitaki, na qele, na vale kei na yaubula taukeni eso. E tubu cake na dinau ni Kabani Cokovata mai na \$107. milioni kina \$139.9 milioni ena 2008 ena vuku ni kere I lavo me saumi kina na RB Patel Group.

Na levu taucoko ni yaubula taukeni ni Kabani Cokovata ena Jiune 2008 e tu ena \$123.4

in June 2007. The \$2.5 million decrease in Group Net Assets effectively reflected the higher borrowing in 2008. The Group recorded a positive operating cash flow inflow of \$27.8 million, an increase of 78% compared to the same period last year.

The 2008 Group profit before tax of \$16.5 million and profit after tax of \$10.5 million showed a decline of 17% and 20% respectively compared to last year. The decline was a direct result of a 28% increase in operating expenses, bulk of which relates to provision for doubtful debt which was necessary in order to fully comply with IFRS requirements.

Dividends received by the Holding company for 2008 totalled \$10 million which was the highest dividend ever received by the company and represents 11% increase from 2007.

The Holding company recorded a profit before tax of \$7 million representing a 14% increase from the \$6 million achieved in 2007.

Total Assets of the Holding company increased by 3% to \$182 million in 2008 while Total liabilities also increased by 172% from \$12 million in 2007 to \$30 million in the current year as a result of increased borrowings.

FHL Operations

In line with the Group Strategic Plan, the year ended June 2008 was a year of expansion and strategic monitoring of FHL's overall investment portfolio to ensure strong and sustainable performance despite the challenging business environment.

Some of the key activities were:

- The acquisition of 50.16% shares of RB Patel Group by FHL Retailing Ltd in April 2008.

FHL Retaining Ltd holds majority shares while RB Patel Brothers continue to retain management control over RB Patel Group. This new acquisition was a strategic move to diversify into the retail sector to cushion the risks and market volatility associated with our major investments in the Tourism and Building and Construction sectors.

- The successful completion of the subsidiary and consolidated Accounts for the first time under the full requirements of the

milioni me raici vata kei na \$125.9 milioni ena Jiune 2007. Na lutu ni yaubula taukeni ni Kabani Cokovata ena \$2.5 milioni sa vakaraitaka na toso cake ni kere dinau levu ena 2008.

A rawata na Kabani Cokovata e dua na i tutu uasivi ni lavo ni cakacaka e \$27.8 milioni, e tubu cake ena 78% ni raici vata kei na gauna vata oya ena yabaki sa oti.

Na tubu e rawata na Kabani Cokovata ni bera ni musu na i vakacavacava e \$16.5 milioni kei na tubu ni sa musu oti nai vakacavacava e \$10.5 milioni e vakaraitaka ni lutu ena 17% kei na 20% talega ni raici vata kei na yabaki sa oti. Na lutu oqo e vu mai na tubu ni sau ni veiqaravi ena 28%, ena vuku ni tuvatuva vou ka gadreva e na IFRS.

A taura na Kabani Cokovata me baleta na yabaki 2008 e \$10 milioni, na tubu me wasei levu taudua ka se bau taura na kabani ka vakaraitaka na tubu e 11% mai 2007.

A ciqoma na Kabani Cokovata e dua na tubu e \$7 ni bera ni musu na i vakacavacava, tautauvata ni tubu ena 14% mai na \$6 milioni a rawa ena 2007.

Toro cake nai yaubula taukeni ni Kabani Cokovata mai na 3% kina \$182. milioni ena 2008 ka toso cake tale ga na dinau taucoko ena 172% mai \$12 milioni ena 2007 kina \$30 milioni ena yabaki qo, vu mai na toso cake ni dinau.

Na Veiqaravi ni Kabani Cokovata

Ni salavata kei na i tuvatuva levu ni Kabani Cokovata, a cava na yabaki ena Jiune 2008, dua na yabaki ni vakarabailevutaki ni kabani kei na kena raici vakamatailalai na veivakatubuilavo taucoko me rawa ni cici vakavinaka ena gauna dredre ni cicivaki bisinisi.

Qo eso na cakacaka era qaravi tiko:

- Na kena okati mai e 50.16% ni sea ena RB Patel Group kina FHL Retailing Ltd ena Epereli 2008.
- Sa taura tu na FHL Retailing Limited na i wase ni sea levu taudua, ka qarava tikoga na RB Patel Brothers na cicivaki ni RB Patel Group. Na tauri mai ni kabani sa dua na toso vinaka me vakarabailevutaki na sasaga kina tabana ni sitoa ni volivolitaki me tarova na

International Financial Reporting Standards (IFRS) for the FHL Group. The Holding and Group Audited Accounts are fully IFRS compliant.

- The continuing review and internal restructuring and monitoring of Blue Lagoon by the Holding company to ensure a turnaround in business performance.
- The consolidation of Group Common Services to successfully realise the anticipated savings and efficiency gains without compromising actual business performance. The full benefit on this initiative should be realised in the new financial year.
- The aggressive push to expand outside of Fiji and into the Pacific region as successfully demonstrated by two major subsidiaries, Fiji Industries Ltd and Basic Industries Ltd during the year.

Future Outlook

The most recent economic forces released in August 2008 reveals that Fiji's economic growth for 2009 and 2010 is expected to be 1.4% and 1.9% respectively. Given that the projection for 2008 is 1.7%, it is encouraging that the expectation is one of positive growth and not a contraction.

The challenge for the FHL Group is to ensure business resilience and expansion of the major subsidiaries in the Pacific market. The positive aspect of any challenging environment is that companies in such an environment are forced to review business strategies and operation to ensure business survival.

A number of investments that have not generated the required returns over the years have been recently assessed and are now undergoing the process of divestment where necessary so that investment funds are put to more economic use for more profitable returns.

The Pacific move has now become an absolute necessity in order for the Group to maintain and increase shareholders wealth in the future.

The Holding company will aggressively pursue local and offshore investment opportunities that fall within the FHL investment criteria in the next three years to achieve investment growth and secure sustainable returns.

ririko ni yavalati ni makete ka tara na noda vakatubu I lavo ena tabana ni saravanua kei na taravale.

- Na kena vakacavari vakavinaka na I tukutuku vakailavo ni veikabani veiwekani, sa qai vakayacori ena I matai ni gauna me vakayacori me muria na veitikina taucoko ka gadreva na International Reporting Standards (IFRS) baleta na Kabani Cokovata. Na I tukutuku vakailavo era raica na daunifika sa vakamura taucoko na IFRS.
- Sa toso tikoga na kena rai lesuvi na qaravi kei na cicivaki ni Blue Lagoon mai na Kabani Cokovata me rawa ni vakalesuya mai na nona rawa I lavo vakabisinisi.
- Na vakadeitaki ne veiqaravi ni Kabani Cokovata me kila vakavinaka na lavo maroro e sa nanumi tu me rawa kei na tubu e rawa mai na bisinisi ka me kakua ni toroya sobu na veiqaravi vakabisinisi. Na yaga ni sasaga qo ena vakilai ena yabaki vou vakailavo.
- Rau sa sasaga vakaukauwa ena loma ni yabaki na tabani ni kabani levu e rua na Fiji Industries Ltd kei na Basic Industries me rau vakatubu bisinisi ena taudaku kei Viti ka curuma yani na Pasifika.

Gauna Mai Muri

Na i tukutuku vaka i lavo ni Matanitu a soli ena Okosita 2008 e vakaraitaka ni tubu vakailavo me baleta na 2009 kei na 2010 e nanumi me tu ena 1.4% kei na 1.9% . Kevaka e tubu ena 1.7% ena 2008 , oya e veivakayaloqagataki ni raici kina na tubu ka sega ni dua na lutu sobu.

Sa bolei na FHL Group me vakadeitaka na nona tosoya yani na nona caka bisinisi ni kabani levu e rua ena Pasifika. Na tikina vinaka ni veiqaravi ena dua na vanua vou, oya me ra vakadeitaka na kabani na nodra I tuvatuva vakabisinisi kei na kedra cicivaki me rawa ni ra bula.

E vica na vakaitubu I lavo era sega ni rawa tubu tiko ena loma ni yabaki sa oti, era sa vakadeuci tiko ka ra sa tekivu me ra sa sogo eso me rawa ni ra laki biu na vakatubuilavo kina vanua era rawa tubu vakalevu.

Sa dodonu me vakadeitaki na veivoli ena Pasifika me rawa kina Kabani Cokovata me tomana ka tosoya cake na nodra I lavo na i taukei ni sea ena gauna mai muri.

Given the high debt level and associated financing cost the ongoing challenge for management is to strategically plan for investment diversification and growth options that attracts sustainable returns while keeping the overall debt at a reasonable level.

Acknowledgement

To conclude, we would like to sincerely thank the past Group Managing Director Sitiveni Weleilakeba, who resigned in June 2008. Mr Weleilakeba has been with the company since its early formative years and has contributed significantly to the success of FHL over the years.

We would like to thank the Chief Executives, General Managers, Managers and all employees of FHL Group for their commitment and determination to achieve a positive result despite the subdued and challenging business environment.

We also record our appreciation of the significant contribution of our associated companies.

We definitely envisage another year of growth and positive performance for FHL in 2009!



Sereana Qoro
Managing Director

Sa na sasaga vakaukauwa na Kabani Cokovata me vakasaqara eso na sala ni vakatubuilavo e Viti kei na taudaku kei Viti ena vakadikevi na bisinisi ka sota kei na veika e gadreva na FHL ena yabaki tolu ka tu mai liu me rawa na tubu ena veigauna taucoko.

Ni raici na i vakatagedegede e cake ni dinau kei na I sau ni kena cakacakataki, na bolebole vei ira na veiliutaki me ra tuvana na nodra I tuvatuva me vakarabailevutaki na nodra I tuvatuva ka goleva walega na kena era na rawa tubu mai kina, ka me na koto na dinau ena dua na tutu vinaka.

Na Vakavinavinaka

Meu tinia, keitou via vakavinavinaka vakalevu vua na Manidia Daireketa e liu o Daireketa Sitiveni Weleilakeba ka mai biuta na kabani ena Jiune 2008 ni sa kerea na nona vakacegu. A tiko mai o Mr Weleilakeba ena kabani me vakatekivu mai na gauna e sa qai buli cake mai kina, ka sa vakaitavi vakalevu mai me yacova na vanua cecere e sa tu kina na FHL ena gauna qo. Keitou vakavinavinaka vei ira na Chief Executives, General Managers, Managers kei ira taucoko na liga ni cakacaka ni Kabani Cokovata ena nodra cakacaka vagumatua kei na cakacaka dina ka rawa kina me vakavatukenataki nai naki ni Kabani ena gauna dredre ni cicivaki bisinisi.

Keitou vakadeitaka talega na neitou marau ena vuku ni nodra cau uasivi na veitaba ni kabani veiwekani.

Keitou vakabauta ni na dua tale na yabaki vinaka ni rawa ni rawa tubu ni FHL na yabaki 2009.



Sereana Qoro
Manidia Daireketa

Operational Report of Subsidiary Companies
Tukutuku Mai Vei Ira na Veikabani Cokovata



Operational Report of Subsidiary Companies

Tukutuku Mai Vei Ira na Veikabani Cokovata



01 ↓ Subsidiary Company

Merchant Finance & Investment Co Ltd

Fijian Holdings Shareholding: 80%

Merchant Finance & Investment Company Limited (MF) recorded a Pre-Tax Profit of \$7.36 million for the financial year ending June 2008 compared to a revised IFRS complaint profit of \$7.78 million made in the previous year. MF declared a total Dividend of \$2.5 million during the year as against \$1.8 million paid in the last year.

Net Interest Income remained strong at \$12.2 million that attributed to more than 87% of the Total Revenue. This was largely influenced by decline in Interest Expenses by the gradual easing off of cost of funding during the period, due to surplus liquidity in the financial system. Interest Spread was maintained at a decent level. Major source of funding remained Public Borrowings through the company's "High Notes" products standing at \$ 62.0 million.

The gross loans & advances portfolio declined by 6% to \$99.4 million reflecting a generally subdued business environment and a highly competitive market. The company had maintained its focus on quality new business which has slowed down considerably after restrictions imposed by the Government on the importation of second hand motor vehicles over 5 years old. In terms of portfolio spread, bulk of the company's exposure is to the Transport Industry (36%) followed by Private Individuals (16%), Building & Construction (15%), Retail & Wholesale (10%), Agriculture (6%) and others.

Merchant Finance will ensure that it develops appropriate strategies to diversify its products and services in the ensuing year in order to capture the emerging opportunities to maintain a lead position amongst the Licensed Credit Institutions.

02 ↓ Subsidiary Company

FHL Retailing Ltd

Fijian Holdings Shareholding: 100%

Since incorporation in February 2008 as a wholly owned subsidiary of Fijian Holdings Ltd, FRL has acquired 50.16% of RB Patel Group Ltd (RBG), a listed company on South Pacific Stock

01 ↓ Kabani Cokovata

Merchant Finance & Investment Co Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 80%

A rawata na Merchant Finance & Investment Company Limited (MF) na tubu e \$7.36 milioni ni bera ni musu nai vakacavacava me baleta na yabaki ka cava ena Jiune 2008 ni raici vata kei na tubu mai na raici lesu ni IFRS complaint e \$7.78 milioni ka rawa ena yabaki yani e liu. A kacivaka na MF na tubu me wasei e \$2.5 milioni ena loma ni yabaki ni raici vata kei na \$1.8 milioni a saumi ena yabaki sa oti.

E dei ka kaukauwa vinaka tu na tubu ni lavo ra curu mai e \$12.2milioni ka okati oya ena 87% ni lavo taucoko ni veivoli. E vakau na tikina qo mai na lutu sobu ni tubu ni lavo ka curu tu, baleta na lutu ni vakacavacava ka ni levu tu nai lavo era cowiri tu. Vakailavotaki na kabani ena kere I lavo raraba kei na veiyalayalati ni lavo e curu ena dua na loma ni gauna. Ka tu ena gauna qo ena \$62.0 milioni.

A lutu sobu na levu ni dinau kei na soli lavo ena 6% kina \$99.4 milioni ka vakaraitaka na tuvaki vakaleqa ni rara ni veivoli kei na veiqati ni makete ni veivoli. Tomana tikoga na kabani na nona rai kina veibisinisi vinaka ka vou ka ra mai bula gogo ni oti na nona tarova na matanitu na nodra voli mai na lori ka sa sivia e lima na yabaki na nodra bula. E na kena vakarabailevutaki na bisinisi, a gole na rai ni kabani kina kabana ni Basi kei lori (36%) tarava na motoka taukeni (16%) Taravale (15%) Veivoli qaqa kei na sitoa(10%) Tabana ni teitei (6%) kei na vuqa tale.

E vakadeitaka na Merchant Finance ni ra na vakarautaka eso nai tuvatuva me volitaka tale eso na nona I voli kei na cakacaka vou ena yabaki ka tarava me rawa ni ciqoma e so nai voli vou me dei tikoga na nona i tutu liu ni dausoli dinau.

02 ↓ Kabani Cokovata

FHL Retailing Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 100%

Me vakatekivu mai na nodra cokovata ena Feperueri 2008 me sa dua na tabana ni Fijian Holdings Ltd, sa mai taukena na FRL e 50.16% na sea ena RB Patel Group Ltd (RBG), e dua na kabani ka tabaki ena South Pacific Stock Exchange ka voli ena \$19.86 milioni na RBG e qarava vakatabakidua na volivolitaki umauma kei na cicivaki sitoa e Viti.



Exchange at a net purchase consideration of \$19.86 million. RBG operates predominantly in the retailing and wholesaling industry in Fiji.

RBG's financial year ends in March every year and this will be changed to June with effective from next year to ensure alignment of the holding company. Net Sales for the financial year ending March 2008 increased by 4.98% over the same period last year. We are pleased with the level of growth considering the general trends in revenue for most retail sectors. An increase of 3.23% in Gross Margin on an increased turnover of 4.98% is a good achievement. The increase in margins has been attributed to continuous improvements in sourcing of products from offshore and a regular review of inventory turnover.

Post-tax profit for the year was \$4.28 million compared to \$3.7 million made in the last year. This represents an increase of 15.41%. Dividend per share increased by 4 cents over the previous year taking the total payment for the year to 14 cents per share, a growth of 40% over last year. Total dividends paid for the year was \$4.2 million.

03 ↓ Subsidiary Company

Blue Lagoon Cruises Holdings Limited

Fijian Holdings Shareholding: 100%

Blue Lagoon Cruises Holdings Ltd, is a wholly owned subsidiary of FHL and BLCHL owns 70% of Blue Lagoon Cruises Ltd. BLC experienced a down turn in passenger numbers for the 12 months ended June 2008 which was mainly triggered by lower arrivals to the country.

However, this did not deter Blue Lagoon Cruises from investing into a state of the art reservation system RESCO, which is preferred by cruise liners all over world. The system is not only a reservation tool but also provides a platform for database marketing. During the year BLC sold the MV Yasawa Princess, the 20 year old vessel to readjust its vessel fleet to suit market demand and current economy conditions of Fiji.

Escalating fuel cost combined with high food and beverage expenses lead to a post-tax loss of

Dau cava na yabaki vakailavo ni RBG ena Maji ni veiyabaki, ka sa na veisau kina Jiune me vakatekivu ena yabaki mai qo me rawa ni gauna vata kei na kabani. A toso cake na volivolitaki ena Maji 2008 ena 4.98% ena loma ni gauna vata ena yabaki sa oti. Keitou taleitaka nai tuvaki ni tubu ni raici vata kei na I lavo e rawa mai na tabana ni veivoli. Ni tubu cake ena 3.25% ena I lavo taucoko e rawa mai na tubu ni lavo taucoko e vakayagataki ena veivoli ena 4.98% sa dua na I sausau vinaka. Na tubu cake ni lavo bula sa vu mai na digitaki vinaka ni voli mai vanua tani kei na dikevi vakavoleka ni vei ka sa tu rawa eke.

Na tubu ni sa musu oti na I vakacavacava \$4.28 milioni baleta na yabaki ni raici vata kei na \$3.7 milioni rawa ena yabaki sa oti. Qo e vakaraitaka na tubu ena 15.41%. Na tubu me wasei ena veisea yadua e 4 na sede mai na yabaki yani i liu, ka kauta cake na levu ni sausaumi me baleta na yabaki kina 14 na sede dua na sea, tubu ena 40% mai na yabaki sa oti. Na tubu me wasei ena yabaki qo e \$4.2 milioni.

03 ↓ Kabani Cokovata

Blue Lagoon Cruise Holdings Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100%

E nona vakatabakidua na FHL kei na BLCHL Blue Lagoon Cruises Holdings Limited, ka nona e 70% na Blue Lagoon Cruises Ltd. A vakila na BLC na lutu ni wiliwili ni pasidia ena loma ni 12 vula ka cava na Jiune 2008, vu mai na lailai ni saravanua.

Ia e sega ni tarova na Blue Lagoon Cruises ena nona vakatubu bisinisi ena dau volai ni yacadra o ira mai vanuatani era via vodo e waqa. Qo e sega walega ni ka ni vola yaca, e dau vakayagataki kilai kina na i wiliwili ni tamata e vukea talega na makete ni saravanua. A volitaki na Blue Lagoon Cruises na MV Yasawa Cruises ena yabaki qo. Sa yabaki 20 na waqa ka sa kena gauna me ra veisautaki me sota kei na gagadre ni bisinisi e Viti ena gauna qo. Na kaba totolo ni sau ni waiwai, kei na sau levu ni kakana kei na gunu sa vakavuna na lusi ena \$1.01 milioni ni sa musu oti nai vakacavacava. E oka talega na leqa ni lusi na qele kei na vale ena \$686,821. Sa sasaga na veilitaki vou kei na veitokoni ni FHL, na tuvai tale nai tuvatuva ni veilitaki sa na rawa me veisau kina me vinaka na nona veiqaravi na bisinisi mai na yabaki vakailavo ena Jiune 2009.



\$1.01 million. It also includes an impairment loss on Land and Buildings of \$686,821. The new management team with strong support from FHL, coupled with re-engineered organizational structure aim to see a turnaround in business performance from June 2009 financial year.

04 ↓ Subsidiary Company

Clariti (South Pacific) Ltd

Fijian Holdings Shareholding: 60%

Clariti (South Pacific) Ltd acquired the Hewlett Packard operation in Fiji in 2007. CSPL is a joint venture between FHL, Vinod Patel Group and Fijian Holding Unit Trust. CSPL's current business platform is two-tier, the sale of hardware with backup services and IT managed services, serving a diverse and knowledgeable customer base mainly comprising of corporate and end-user type customers.

In late 2007, CSPL acquired Premium Business Partner status with HP New Zealand, a first for Fiji and prides itself as the only Warranty Service Provider in Fiji. Other strategic alliances include Citrix Access Partner, Microsoft Certified Partner – Network Infrastructure Solutions & Security Solutions, Cisco Premier Reseller, Marshal Software Partner, RSA Certified Partner, Trend Micro Accredited Reseller, Veritas Elite Partner, Wyse Gold Partner and Argent Software to name a few.

During the financial year ending 30 June 2008, CSPL recorded a loss of \$0.3 million. With the recent change in The Senior Management and a serious move to develop its people, acquire market share through continued strategic value chain management, competitive market pricing and service delivery standards, we envisage that 2009 will be a year of growth and turnaround in business results.

05 ↓ Subsidiary Company

Fijian Property Trust Co Limited

Fijian Holdings Shareholding: 89%

FPT owns Ratu Sukuna House and Vanua House and manages Ra Marama on behalf of Fijian Holdings Property Trust Fund. FPT recorded a Net Profit after tax of \$601,661 for 2008 which

04 ↓ Kabani Cokovata

Clariti (South Pacific) Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 60%

A taura na Clariti (South Pacific) Ltd na bisinisi ni Hewlett Packard e Viti me nona ena 2007. E rau kabani vata kina na FHL, na Vinod Patel Group kei Fijian Holdings Unit Trust. E rua na bisinisi e qarava na CSPL, na volitaki ni misini kei na kedra gacagaca, kei na kedra qaravi na misini mai vei ira na kena dau.

Ena mua ni yabaki 2007, rau a qai cakacaka vata vakabisinisi e dua na kena dau mai Niu Siladi HP New Zealand – e dua na dau solia na veivakadeitaki ena I yaya e voli vou. So tale na kabani era veitokoni vata me vaka na Citrix Access Partner, Microsoft Certified Partner-Network Infrastructure Solutions & Security Solutions, Cisco Premier Reseller, Marshall Software Partner, Wyse RSA Partner, Fraud Micro Accredited Reseller Veritas Elite Partners, Wyse Gold Partner and Argent Software – ke cavuti e vica.

Ena loma ni yabaki vakailavo ka cava ena 30 ni Jiune 2008, a sotava na CSPL na lusi e \$0.3 milioni. Ena veisau ena veiliutaki e cake kei na sasaga me ra vukea na tamata cakacaka me rawa na sea me baleta na makete, na lewai matau ni sau kei na vakavinakataki ni qaravi ni bisinisi, keitou raica ni na dodonu me tubu na bisinisi ka me rawa tubu ena 2009.

05 ↓ Kabani Cokovata

Fijian Property Trust Co Limited

Wase ni sea ena kabani qo ka taukena na FHL: 89%

E taukena na FPT na Ratu Sukuna House kei na Vanua House, ia e cicivaki na qaravi ni Ra Marama ena rukuna na Fijian Holdings Property Trust Fund. A rawata na tubu na FPT, ni sa musu oti na vakacavacava, e \$601,661 baleta na 2008 – levu cake mai na ka e rawa ena 2007. Ena vuku ni sa rawa e dua na tubu levu, a sauma na FPT e dua na tubu me wasei e 6.5 na sede dua na sea baleta na 2008 vei ira era sea kina. Rua na cakacaka levu (projects) a qaravi ena loma ni yabaki ena vale ruarua me vakavinakataki na kedrau I tuvaki ka me rawa ni ra dei tiko o ira era saumi rede.

Na bolebole levu kina FPT ena dua na gauna mai qo na nodrau vakadeitaka na kedrau tawani tiko na Ratu Sukuna kei na Vanua House. Dina



was higher than 2007 results. As a result of the higher profit, FPT paid a higher dividend of 6.5 cents per share for 2008 to its two shareholders. Two major projects were carried out during the financial year for both properties to maintain its competitiveness and enhance its retention of its current tenants.

The greatest challenge for FPT in the immediate future is to maintain tenancy in Ratu Sukuna and Vanua House properties. While there is some vacancy, no other major tenant is expected to move out within the next few years. The magnitude of the latest office property construction projects collectively totaled around 320,000 square feet of new office floor space in Suva's CBD. This is expected to further dilute the already low demand for office space. It is envisaged that the office space vacancy level is going to peak within the next few years.

Although we anticipate a challenging year for FPT given the difficult operating and current economic environment, we are quite optimistic that the strategies being implemented will allow us to do the best for our shareholders and deliver a competitive yield for their investments.

06 ↓ Subsidiary Company

Fijian Holdings Trust Management Limited

Fijian Holdings Shareholding: 100%

The Fijian Holdings Trust Management Limited completed its seventh year of operation. Operating in an unstable political and economic environment, the year has been challenging for FHTML in managing Fijian Holdings Unit Trust and Fijian Holdings Property Trust Fund.

As a result of the abolishment of tax exemptions on Unit Trusts, FHTML reduced the management fees charged to FHUT from 2% to 1.5% effective 1 January 2008 to increase dividend available to unit holders to counteract the removal of tax exemption.

The two funds produced positive dividend returns during the year however the depressed interest rate market continues to affect the portfolio in terms of growth returns. FHTML continues to seek investment opportunities that will mitigate this effect for both funds. Our team

ni lala tiko eso na rumu, sega ni dua vei ira na kabani levu e nanumi me biuta na vale ena vica na yabaki e tu mai. Na levu ni vale ni volavola era tara ena gauna qo e rawata na 320,000 sq ft. Qo e vakuria na leqa ni vale sa tara oti tu. Sa vakabauti ni vakarau tara ena dua na gauna lekaleka qo na levu ni valenivolavola lala.

Dina ni keitou vakila ni dua na yabaki dredre ka ni bula vakabisinisi kina FPT ena leqa vakailavo e da sotava, ia keitou nuidei ni tuvatuva keitou sa biuta tu ena vukea na neitou qaravi ira na i taukei ni sea kei na tubu ni nodra vakatubuilavo.

06 ↓ Kabani Cokovata

Fijian Holdings Trust Management Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100%

Sa mai cava e vitu na yabaki ni nona veiqaravi na Fijian Holdings Trust Management. Sa dua na yabaki dredre ni bolebole kina FHTML ena dela ni gauna dredre ni bula vakailavo ena kena cicivaki na Fijian Holdings Unit Trust kei na Fijian Holdings Property Trust Fund.

Ena vuku ni kena sa mai bokoci na vei vagalalataki na I vakacavacava ena Unit Trust, sa mai vakalutuki sobu na FHTML nai vakacavacava ni veiqaravi kei FHUT mai na 2% kina 1.5% me vakatekivu mai na 1 Janueri 2008, me rawa ni toso cake na tubu me wasei vei ira nai taukei ni unit me bolea na kena kau tani ni vakacavacava.

Rau a solia na I lavo e rua edua na tubu vinaka me wasei ena loma ni yabaki, dina ni tu vakaleqa na makete ni vakacavacava me tara na tubu ni lavo e rawa. Tomana tikoga na FHTML na vaqaqara vakatubuilavo me vakamalumalumutaka na leqa ena tobu ni lavo ruarua. Ra tomana tikoga na neitou timi na volivolitaki ena makete me ra kila na porokaramu e Viti raraba me sota kei na neitou I tuvatuva ka vakadeitaki talega na yavu ni neitou i lavo ni vakatubu bisinisi.

A lutu na tubu ni FHTML ni bera ni musu na i vakacavacava kina 93% ni raici vata kei macala ni 2007, vakavu qo mai na vakalailaitaki ni sau ni veiliutaki kei na veika tale eso me vaka nai sau ni veisau na Trustee ni FHUT. A lutu talega na saumi ni neitou tubu me wasei ena 18% ni raici vata kei na 2007, ia toso tikoga na neitou sotava na lalawa ni tubu me wasei vei ira na neitou taukei ni sea. Eratou namaka na veiliutaki ni na veibolei na yabaki 2009.

Operational Report of Subsidiary Companies

Tukutuku Mai Vei Ira na Veikabani Cokovata



continues to drive sales through its effective marketing and awareness programmes throughout Fiji to meet annual targets and provide a solid platform for investments funds.

FHTML profit before tax fell by 93% compared to 2007 results; mainly due to the reduction in management fees and some once off expenses which included cost for the change of Trustee for FHUT. Our dividend payment also reduced by 18% compared to 2007 however we continue to meet the dividend expectation of our shareholder. Management expects the 2009 financial year to be a challenging one.

07 ↓ Subsidiary Company

FHL Securities Limited

Fijian Holdings Shareholding: 100%

Despite the 2008 financial year being a challenging one, FHLS declared and paid a dividend to FHL during the financial year. This is the first dividend payout since 2002. Fiji's stock market is slowing picking up momentum with a slight increase in trades and gradual increase in some share prices however this has been driven by the trading of small parcels of shares or one-off trades.

In April 2008, FHLS was the broker for the FHL Retailing Limited for the successful first ever partial public takeover on the South Pacific Stock Exchange of the RB Patel Group Limited. The takeover was for 50.2% of RBG shareholding totaling over \$20 million in value.

Moving forward, we expect that the stock market activity and listed stock price will gradually improve as investors regain confidence in the listed companies and the market. The company will continue with its aggressive marketing and awareness campaign in the new financial year.

08 ↓ Subsidiary Company

Basic Industries Ltd

Fijian Holdings Shareholding: 51.1%

The continued suspension of major hotel construction projects and operational delays affecting the PWD Kings Road Project significantly affected the business performance of BIL's major divisions Standard Concrete Industries and Hume Industries.

07 ↓ Kabani Cokovata

FHL Securities Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100%

Dina ni yabaki ni bolebole na 2008, a sauma na FHLS e dua na tubu me wasei kina FHL ena loma ni yabaki. Qo nai matai ni saumi ni tubu me wasei me tekivu mai na 2002. Sa tekivu me toso cake mai vakamalua na makete ni volitaki sea ni sa levu cake tale mai na veivoli kei na toso cake ni sau ni sea. Qo e rawa mai na veivolitaki ni so na sea lalai.

Ena Epereli 2008, a tu me dau volitaki sea na FHLS me baleta na FHL Retailing Limited baleta ena kena tauri ena South Pacific Stock Exchange na RB Patel Group Limited. A tauri e 50.2% ni sea ni RBG ka kena I sau sivia e \$20 milioni.

Keitou namaka mai muri ni na vinaka cake vakamalua na i sau ni yaya kacivaki me vakalesuya mai na yalodei vei ira na vei kabani ra kacivaki tu ena makete. Ena tomana tiko na kabani na nona maketetaka na nona i voli ena yabaki vou ka tarava.

08 ↓ Kabani Cokovata

Basic Industries Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 51.1%

Na kena mai tao tu vakawawa na cakacaka levu ni tara otela kei na berabera ni qaravi ni ta sala ni PWD ena Kings Road sa vakaleqa na nodrau veiqaravi vakabisinisi na tabana lelevu ni BIL na Standard Concrete Industries kei na Hume Industries.

Kena i kuri, na tubu ni sau ni waiwai sa vakavuna na tubu sega ni namaki ni sau ni yaya era vakau tu na i sau ni waiwai ni lori kei na misini era vakayagataka sa tosoya sobu nai lavo e dodonu me rawa mai.

A lutu na tubu ni BIL ena 27% mai na tuvatuva vakailavo me baleta na yabaki ena vuki bera ni cakacaka lelevu ni tara vale kei na tubu tiko ni sau ni yaya.

Na kena sa toso tale na ta sala ena Kings Road sa na vukeya na veika e na rawa mai na bisinisi ena yabaki vou .Sa toso vinaka tiko na volitaki ni buloko ni tara vale kina Pasifika ena yabaki qo. Ena vakamuri na kena i vakarau oya ena yabaki vou me sala vata kei na sasaga ni Kabani Cokovata



Among others, the increase in fuel cost led to unexpected increases in cartage, transport and equipment running costs which eroded margins.

BIL profit was 27% below budget for the year as a result of these construction delays and escalating costs.

The timely continuation of the Kings Road project will positively contribute to the improvement in business results in the new year.

Export of concrete blocks in the Pacific continued with great success during the year. The same model will be adopted in the new year in keeping with our Group initiative to move out into the Pacific where commercially viable.

09 ↓ Subsidiary Company

Fiji Industries Ltd

Fijian Holdings Shareholding: 50.1%

Total Cement revenue dropped by 4% compared to last year. Despite the subdued domestic cement market, the year was considered a successful one for a number of reasons.

Firstly, 2008 was the best year in terms of export sales to the Pacific market. FIL was able to increase its market share to comfortably compete with the larger cement suppliers from Indonesia, China and the Philippines. The export market demanded the highest quality of cement at very competitive prices which have helped position FIL as a world-class cement producer in the Pacific region.

The significant increase in landed cost of clinker during the year was a major challenge which directly impacted on business profitability. In the absence of a compensating price increase approval from the relevant authorities, FIL continued to be vigilant with operational and administrative cost management initiatives.

FIL anticipates a positive response from Commerce Commission with regard to a price increase to cushion the negative effect of escalating clinker costs which is the major raw material used to produce cement.

The company continued to make investments to alleviate clinker dust emission during unloading and production times.

Compliance with environment regulation and Occupational Health and Safety requirements remain paramount.

me sudra yani na volivolitaki ena Pasifika ni uasivi kina na veivoli.

09 ↓ Kabani Cokovata

Fiji Industries Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 50.1%

A lutu nai lavo a rawata mai na volitaki ni simede ena 4% ni raici vata kei na rawa ena yabaki sa oti. Dina ni a malumalumu na makete ni simede, a raici ni a yabaki vinaka na yabaki a oti, ka vica na vuna.

Matai a yabaki vinaka ni volitaki simede kina veimakete ena Pasifika na yabaki 2008. A rawata o Viti me vakalevutaki nai lavo e rawata mai na volitaki simede ka rawa kina me veiqati vakavinaka kei ira na veikabani lelevu ni volitaki simede mai Esia me vaka o Inidonesia, Jaina kei na Filipaini. E vakarota na makete ni volitaki simede i vanua tani me volitaka o Viti na kalasi ni simede vinaka taudua kei na i sau vinaka ka a sa vukea na FHL me okati me dua na dau volitaki simede vinaka duadua ena Pasifika ka kalasi vata kei ira na dau buli simede e vuravura na kena i tuvaki uasivi.

A bolea vakalevu na kabani na tubu ni sau ni vakauti mai ni vatu qaqi (clinker) ena loma ni yabaki ka vakaleqa na tubu vakailavo ni bisinisi. E na kena sega ni tu e dua nai vakarau ni sau ni lesu ni tubu sivia ni lavo mai na tabana ni vei liutaki, sa tomana tikoga na FHL na nona wanonova matua na i sau ni nona cicivaka na nona veiqaravi.

Sa namaka tiko na FHL e dua na lewa vinaka mai na Commerce Commission me baleta na neitou vakatubura na i sau me vukea na leqa ni tubu ni sau ni vatu qaqi (clinker) ka dau vakayagataki ena buli simede.

A tomana tiko ga na kabani ni nona sasaga ni kena musuki sobu na kuvu ni vatu qaqi (clinker) ka dau ceburaki mai na gauna ni vakasoburi kei na gauna ni buli simede.

E okati tiko me bibi na kena vakamuri na lawa ka tara na vanua e tuba kei na veika e gadreva na lawa baleta na nodra bula na tamata cakacaka (OHS) kei na lewe ni vanua.

Report on Associate Companies and other investments
Kedra i Tukutuku na Kabani Veivekani





01 ↓ Associate Company

Goodman Fielder Fiji Ltd

Fijian Holdings Shareholding: 10% ordinary, 50% preference.

Goodman Fielder (Fiji) Limited comprises known brands of Crest chicken, Tuckers Ice Cream, Twisties snacks, Meadowlea margarine and many other well known consumer food brand names in Fiji and other Pacific Islands. Sales for the year were up 11% on the previous year and earnings before interest and tax lifted 6.2%.

During the year, GF Fiji was able to meet overall market demand including during the Christmas peak trading period. There were continued improvements in the livestock performance throughout the year, however increasing global commodity prices especially for wheat saw a challenge in maintaining our costs without compromising on our quality. The Crest Chicken Small Holder Farm project that involves local farmers growing chickens for the company, continues to contribute over 30% of the total Crest chicken requirements.

Rooster Poultry provided strong competition throughout the year and have been building up their market base. There was a reduction of duty for importation of frozen chicken from 27% to 15%, as well as reduced duty rates for other food staples such as tinned fish. Change in duty rates and tight economic conditions have seen a reduction in chicken consumption in recent months. There is continued strong competition in ice cream, snacks and foodline categories. Our continued focus on exports has resulted in good sales growth.

The company continues to focus on production continuity by regularly upgrading and maintaining all existing assets. Capital expenditure spend for the FY08 period was approximately \$2.2m. A similar spend is planned for the FY09 period however all reinvestments and expansion projects will be evaluated thoroughly before any major spend in this current economic climate especially as relevant price increases are very difficult to obtain even with the escalating costs of business.

World commodity costs continued to increase during the year with major increases in wheat and milk powder caused by shortages due to the

01 ↓ Kabani Veiwekani

Goodman Fielder Fiji Ltd

Wase ni sea ena kabani oqo ka taukena na FHL: 10% kei na 50% Sea digitaki.

E na okati ena Goodman Fielder (Fiji) Ltd na veiyaca ni kakana na Crest Chicken, Tuckers Ice Cream, Twistie, Meadowlea Margarine kei na vuqa tale na yaca ni kakana kilai e Viti kei na Pasifika. Toso cake na volivoli ena loma ni yabaki ena 11% e na yabaki yani e liu kei na i lavo e rawa ni bera ni musu nai vakacavacava e toso cake ena 6.2%.

A rawata na Goodman Fielder ena loma ni yabaki me sotava na veika e gadreva na makete bau kina na gauna ni osooso ni veivoli ena Siganisucu. Toso tikoga na vakavinakataki ni tabana ni susu manumanu ena loma ni yabaki, ia na tubu cake ni sau ni yaya e volitaka vakabibi na witi keitou qarauna sara nai lavo keitou vakayagataka, me kakua ga ni leqa na kena i tuvaki vinaka . E ra tomana tiko na dau susu toa lalai na nodra vakaitavi me ra susuga na toa me baleta na kabani , ka rauta e 30% ni toa e gadrevi e na susuga o ira.

E kaukauwa sara na nona veiqati na Rooster Poultry ena loma ni yabaki taucoko ka sa bulia cake e dua na yavu ni nona makete veivoli. A dua na lutu e nai vakacavacava ni voli mai na toa mai vanua tani mai na 27% kina 15% vaka kina na lutu ni vakacavacava ni kakana dau vakayagataki vakalevu me vaka na tini ika. Na veisau ni vakarau ni vakacavacava kei na dredre ni bula vakailavo sa lailai tale ga kina na kani ni toa ena vica na vula sa oti. Toso tale tiko ga na veiqati ena volitaki ice cream, na kakana eso vaka na bini, na lakari kei na kakana tale eso. A tosoya cake na neitou lavo ni volivolitaki i vanua tani na neitou qarauna na tikina oya.

Tomani tiko na rai ni kabani ena buli ni kakana ena kena vakavinakataki cake tiko ga kei na maroroi ni yaubula taukeni. Lavo e vakayagataki ena veicakacaka eso ena yabaki qo e rauta \$2.2 milioni. E dua nai lavo vata ga oya sa nanumi tiko me baleta na yabaki vou, ia na tosoi tale ni vakatubu i lavo kei na vakarabailevutaki e na raica vakavinaka ni bera ni duatale na vakayagataki i lavo e na gauna dredre ni bula vakailavo vakabibi na tubu sivia ni yau kei na sau levu ni qaravi bisinisi.

Toso tiko ga nai tosocake ni sau ni yaya e vuravura ena loma ni yabaki ka tubu sivia sara nai sau ni



drought in Australia and New Zealand and the high demand from Asia. While economic conditions remain tight, and commodity prices are high, there will remain a strong focus on reducing cost withing the business.

Food safety, quality and OHS standards continue to be a consistent focus for the business, with an increased focus on operational efficiencies and manufacturing best practice. OHS statistics have again shown an improvement in the year, resulting in a safer working environment for staff. ISO9002 and HACCP compliance continues.

02 ↓ Associate Company

Golden Manufacturing Ltd

Fijian Holdings Shareholding: 30.0%

Golden Manufacturers Limited continues to maintain its position as market leader in corrugated packaging in the South Pacific. Their position remains strong due to continued emphasis being placed on internal and external customer relations, backed by an excellent product and commitment to service that far exceeds customer expectations and remains in par with international standards.

The country's current political situation has affected general sales in all areas of the market, especially locally, resulted in a drop in third quarter sales. This has been reflected across all industries within the country. Due to this set back, Golden has proactively realigned its internal resources and efficiencies to ensure that they remain on track to meet projected forecast for year ending 2008.

03 ↓ Associate Company

Fijian Holding Property Trust Fund

Fijian Holdings Shareholding: 79%

This is the second full year of operation for Fijian Holdings Property Trust Fund. In spite of the increasing plethora of office spaces available in Suva Central Business District, increasing demand for additional services by tenants and the negative effect of the tax concessions removal in 2007, FHPT unit holders received a dividend return of 3.93% for the year. Although the dividend return was lower than the 4.90%

witi, na sucu mamaca, qo e vu mai na lauqa ni vanua mai Ositerelia kei Niusiladi kei na kedrau vinakati vakalevu mai Esia. E na gauna e sa tadre tu kina na bula vakailavo, ka tubu tu i lagi na i sau ni yaya, e na tu na rai me vakalailaitaki na i sau ena loma ni bisinisi.

Qaqarauni na bisinisi ena raici ni tuvaki ni kakana me salavata kei na ka e virikotori ena OHS, na raici ni bisinisi me cici vinaka kei na qarauni tiko ni vakarau ni buli i voli. Toro cake na vakamuri ni OHS ena loma ni yabaki ka vakavatukana e na sega na vakacalaka ena vanua ni cakacaka ka muri tikoga na ISO 9002 kei na HACCP.

02 ↓ Kabani Veiwekani

Golden Manufacturing Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 30.0%

E tomana tiko na Golden Manufacturers Limited na nona i tutu ni liuliu ni dauvolitaki kateni buli ena Ceva ni Pasifika. E dei vinaka tu na kaukauwa ni nodra i tutu baleta na vakabibitaki ni nodratou veimaliwai kei ira na nodratou dauvolivoli kei na uasivi ni veika ratou volitaka kei na uasivi ni veiqaravi. E ra taleitaka na nodratou dauvolivoli ka sega ni duidui kei na vakatagedegede e vuravura.

Nai tuvaki ni bula vakapolitiki e tara tu na noda vanua sa vakaleqa na volivolitaki ena vanua taucoko ni volivolitaki eke, e lutu na volivolitaki ena i ka 9 ni vula. E laurai ya na leqa oqo ena vanua taucoko me baleta na leqa oqo, sa moka na Golden ena nona i tuvatuva ena veika me buli ka qaravi me rawa ni sa tou lesu tale ka sotava na veika ratou a sa tuvana makawa ena 2008.

03 ↓ Kabani Veiwekani

Fijian Holding Property Trust Fund

Wase ni sea ena kabani qo ka taukena na FHL: 79%

Qo sa i karua ni yabaki ni nona cici tiko baleta na Fijian Holdings Property Trust Fund. Dina ni sa sivia na rumu ni valenivolavola e tu e loma ni koro e Suva, toso cake na nodra gadreva e so tale na veiqaravi o ira era rede kei na leqa ni veivuke ni vakacavacava ni mai musuki ena 2007 e ra taura nai taukei ni unit ena FHPT na tubu me wasei e3.93% baleta na yabaki. Dina ni lutu sobu na tubu ena 4.90 a rawa ena 2007, e laurai ni toso vinaka na veiqaravi ni raici vata kei na bula dredre ni veivoli ena makete. A lutu na tubu



achieved in 2007, the performance was considered strong given the current market environment. There was a negative growth return of 3.27% due to vacancies in the building which impacted the valuation of property year on year. The total return for the Fund was 0.65%.

The next twelve months would be challenging as new buildings become available for tenancy in Suva especially with the commissioning of the new FIRCA office and the GCC complex. The FHTML challenge for FHPT would be to retain our current tenants and ensure 100% occupancy by innovatively meeting their requirements and expectations without negatively impacting returns to FHPT unit holders.

04 ↓ Associate Company

Fijian Holdings Unit Trust

Fijian Holdings Shareholding: 13.0%

FHUT performance to date has seen FHUT distribute over \$6.5 million in dividends to unit holders and its portfolio has grown by over 422% since its inception.

FHUT recorded a dividend return of 4.20% and a negative capital growth return of 6.09%, resulting in a negative total return of 1.89%. This positive result was achieved despite the challenging economic conditions, political uncertainty and with the unit trust industry affected by the removal of the tax concessions on dividends.

FHUT funds under management as at 30 June 2008 was \$29.9 million, an increase of 6.8% from 2007. The growth in value was caused by an increase in value of listed and unlisted equity stocks held by the Trust and positive net unit sales.

Moving forward, FHTML will focus on developing innovative strategies for FHUT to alleviate the effect of the current challenging investment market conditions and the continued softening of the interest rates market.

05 ↓ Associate Company

Asian Paints (South Pacific) Ltd

Fijian Holdings Shareholding: 8.9%

Asian Paints (SP) Limited has manufacturing presence in Fiji and Samoa. It operates two brands

ena 3.27% vu mai na lala ni valenivolavola eso ena vale ka tara talega na kena raici vakailavo na vale ena veiyabaki. Na levu ni ka e rawa baleta na Trust Fund e 0.65%.

E na veibolei ena vula 12 ka tarava ni ra sa tara oti eso tale na vale vou me tawani e Suva, vakabibi ni sa dola na nodrau valenivolavola vou na FIRCA kei na veivale ni Matabose Levu Vakaturaga. Na nona bolebole na FHTML kina FHPT oya me vakadeitaki ira na saumi rede tiko vua me rawa ni 100% tikoga na tawani ni vale na nodra gagadre ka me rawa ni rawa na nodra tubu na i taukei ni uniti ena FHPT.

04 ↓ Kabani Veiwekani

Fijian Holdings Unit Trust

Wase ni sea ena kabani qo ka taukena na FHL: 13.0%

Na veiqaravi ni FHUT ena gauna oqo sa soli oti na FHUT e sivia e \$ 6.5 milioni ni tubu me wasei vei ira na i taukei ni uniti, ka sa tubu na tabana qo sivia e 422% mai na gauna a tauyavu kina.

A taura na FHUT na tubu me wasei e 4.20% kei na lutu ni tubu ni lavo ni kabani e 6.09% vakavuna na lutu ni lavo taucoko e rawa e 1.89%. A rawa vinaka na tubu dina ni veibolei na dredre ni bula vakailavo, ena veilecayaki ni veiliutaki kei na leqa ni tabana ni Unit Trust ni sa kau tani na musuki ni vakacavacava ena tubu me wasei.

Na i lavo e tu ena veiliutaki ni FHUT ena 30 ni Jiune 2008 e \$29.9 milioni e tubu ena 6.8% mai na 2007. A vu na tubu cake ni kena levu ena tubu ni sau ni uniti kacivaki raraba kei na kena ka ra sega ni kacivaki ka maroroya tiko na Trust kei na tabana ni volitaki uniti.

Ena vagolea nona rai ena nona sasaga ki liu na FHTML me vakaukauwataka na nona i tuvatuva ni veisau me baleta na FHUT, me toroya sobu na dredre ni veitaratara ena makete ni vakatubuilavo kei na malumalumu ni makete ni vakacavacava ni dinau.

05 ↓ Kabani Veiwekani

Asian Paints (South Pacific) Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 8.9%

Rau tu na vale ni buli boro ni Asian Paints (SP) Limited e Viti kei Samoa. E volitaka tiko e rua na kena mataqali na APCO kei na Taubmans. E 100% nai lavo e solia na kabani me cici kina



viz. Apco and Taubmans. The company has 100% stake in Taubmans Paints Fiji Limited and 80% stake in the Samoa Paints Limited.

Asian Paints (SP) Limited closed the year 2007 with a consolidated sale of \$ 16.5 Million. This represents a value decline of 5% over that of the previous year. Samoa performed well in 2007 with a sales growth of 21% over that of the previous year. The company closed the year with a profit after tax of \$754,388, a growth of 25% over that of the previous year.

2007 saw Fiji's GDP decline by about 4.4%. That impacted the overall demand for paints. New constructions were down. That affected the sales of both Apco and Taubmans. Lot of initiatives were taken in Fiji to strengthen our operations. Apco did a major rebranding exercise in March 2007. New logo, new livery for premium range, new products and a string of marketing initiatives were implemented which were well received by the customers. The company also built a new warehouse at the adjacent block in Lautoka. A major area of improvement has been with regard to debtors. Focussed approach has helped the company in keeping its working capital at lower levels. Samoa continued to do well. Its growth was spectacular due to South Pacific Games which resulted in new constructions.

The company looks ahead at 2008 with cautious optimism.

06 ↓ Associate Company

Marsh Ltd

Fijian Holdings Shareholding: 25%

Marsh continues to maintain its position as the largest and leading risk consulting and insurance broking firm in Fiji and globally, comprising more than 26,000 colleagues in over 100 countries. Despite the challenges brought about by the current political and economic climate, Marsh Fiji continues to grow through the acquisition of both new commercial and tourism related businesses and through the expansion of its existing clients' activities.

Although future growth will be affected by soft insurance market conditions, a slowing global economy, the political environment in Fiji, reduced construction activity, and increased

na kabani ni Taubmans Paints Fiji Limited, ka 80% ena Samoa Paints Limited.

A mai sogo na yabaki vakailavo 2007 ni Asian Paints (SP) Limited vata kei na i lavo \$16.5 milioni ka rawa mai na volivolitaki. Vakaraitaka eke na lutu ni sau e 5% ena loma ni yabaki yani i liu. Uasivi na veika e rawata o Samoa ena 2007 ena volivolitaki ka tubu ena 21% ka sivia na kena ena yabaki e liu. A sogo na kabani ni cava na yabaki ni sa musu oti nai vakacavacava e \$754,388, a tubu ena 25% main a yabaki yani i liu.

A lutu na GDP e Viti rauta ni 4.4%. Vakaraitaka oya na levu ni vinakati ni boro. Sa lutu sobu na tara vale vou, ka vakaleqa qo na kedrau volitaki na Apco kei na Taubmans. Vuqa sara na sasaga e yaco e Viti me vukea na cici vinaka ni volitaki i boro. A vakayacora e dua na cakacaka levu na Apco me veisautaka na kena i rairai ena Maji 2007. Dua tale na yaca vou e taurivaki, vakaisulutaki vou ena roka malumu, i voli vou kei na vuqa na i walewale ni voivolitaki me vukea na kedra maketetaki. E ra ciqomi vakavinaka sara mai vei ira na dauvolivoli. A tara tale ga na kabani e dua na vale ni maroroi i yau volekata na vale mai Lautoka. A vakavinakataka e dua na vanua ka baleta na kumuni ni dinau. Na raici vakamatau ni kumuni ni dinau sa vukea na kabani me vakalailaitaka sobu na i lavo e dau vakayagataka e na cakacaka. Toso vakavinaka tiko na veiqaravi mai Samoa. A totoka na nona tubu baleta na tara ni vale vou ni South Pacific Games.

Sa vakanuinui ni na yabaki vinaka na 2008.

06 ↓ Kabani Veiwekani

Marsh Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 25%

A vakadeitaka tiko ga o Marsh na nona i tutu ni kabani levu taudua ena qaravi ni leqa kei na inisua e Viti kei na veiyasai vuravura ka ra vakaiatavi kina e sivia 26,000 na tamata cakacaka ena 100 vakacaca na matanitu. Dina ni kauta mai e vuqa na bolebole na draki ni politiki kei na bula vakailavo, a tomama tiko ga na Marsh Fiji na nona tubu ni kena rawa mai eso na bisinisi ka vakabibi na saravanua, na veivoli kei na nona vakarabailevutaka na nodra qaravi o ira era inisua.

Dina ni na vakaleqa na tubu na malumalumu ni tuvaki ni makete ni insua, na gogo ni bula



competition, Marsh remains optimistic that revenue levels in Fiji will be maintained at a similar level to its current position. Our focus will continue to be on maximizing Marsh's already strong market share and expanding further into emerging sectors.

In line with Marsh's global strategy, Marsh Fiji has undergone an important transition in 2007 by expanding its role as a transactional insurance broker to encompassing the role of a 'strategic risk advisor'. This is particularly true for our larger clients and prospects, which use insurance solutions as part of a broader risk management approach, in which insurance premiums are viewed as only a portion of their total cost of risk.

The quality of Marsh's people continues to be a key differentiator as the value of its human capital and intellectual property has long been the cornerstone of Marsh's growth in Fiji. As such, strong investment in this area will continue to be made, which will help to ensure that Marsh maintains its position as the leading risk consulting and insurance broking firm in Fiji.

07 ↓ Associate Company

Minjesk Investments Company Ltd

Fijian Holdings Shareholding: 17%

Suva Private Hospital has performed well, achieving a first ever profit, despite the recessive economic environment of the last financial year. This is the strongest financial performance for the hospital since inception.

Increased Medical Centre visits were attributed to significant market segment demands to be treated in an efficient, clean and quality environment. Additional increased visits came from outbreaks of dengue and viral illness affecting the majority of the populace. As a result SPH experienced increased utilisation of diagnostics, the specialist centre, wards, and theatres.

We have tapped into some of the Pacific Island countries that normally utilise New Zealand and Australia for medical treatment. By providing an alternative for primary and secondary conditions we are optimistic we will acquire further market share and currently projections are heading in the desired direction.

Certain specialist services such as the Angiography and other specialist procedures not

vakailavo raraba e vuravura, na bula vakapolitiki e Viti, na lutu ni cakacaka ni tara vale kei na toso cake ni veiqati vakabisinisi, e dei tiko na vakabauta nei Marsh ni na tomani tiko nai tuvaki ni I lavo e Viti me tautauvata kei na kena ena gauna qo. Keitou na tomana tiko na neitou sasaga me vakalevutaka na makete kaukauwa ni sea era sa tu rawa kei na kena tosoi yani kina kena era qai kune mai.

Me salavata kei na i tuvatuva nei Marsh e vuravura, sa sotava oti mai o Marsh e dua na veisau ena 2007 ena nona vakarabailevutaka na nona i tavi mai na dauniinisua kina bisinisi ka veiqaravi raraba me veisotari kei na gagadre ni kabani lelevu ka na dauvakayagataka na inisua me dua na gaunisala walega ni qarauni ni ririko ka dau raici na i lavo e saumi e veigauna me dua na tiki ni sau taucoko ni ririko.

Na uasivi ni nodra kila na tamata cakacaka nei Marsh ni sa i yaragi levu ni nodra kilai na kedra yaga kei na nodra vuku ka sa I vakadei tu mai ni tubu ni bisinisi e Viti. Sa na tomana tiko qo na toso ni vakatubuilavo me rawa ka na vukeyi Marsh me tosoya tiko na nona i tutu cecere ni nona veiqaravi me dua na kabani ni inisua vinaka ni veivakasalataki e Viti.

07 ↓ Kabani Veiwekani

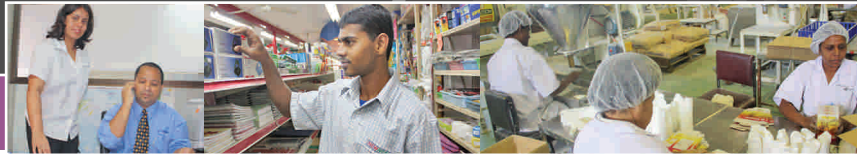
Minjesk Investments Company Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 17%

A cici vinaka na Suva Private Hospital ka rawata na i matai ni tubu, dina ni gogo nai tuvaki ni bula vakailavo ena yabaki sa oti. Qo na cakacaka kaukauwa taudua vakailavo ni valenibula me vakatekivu mai na gauna a dola kina.

Na talevi vakawasoma ni valenibula e vakavu mai na nodra gadreva na veiqaravi vinaka, ka savasava, totoka na vanua era qaravi kina. E vukeya na veisiko vakawasoma mai na veitauvi ni mate na deqi kei na matetaka ka tauva na lewenivanua. Qo sa vakavuna na vakayagataki vakalevu ni valenibula SPH ena vakadidike, raici ni mate mai vei ira na kenadau, davodavo kei na veisele .

Keitou a veitaratara tiko kei ira eso na matanitu ena Pasifika ka ra dau vakayagataki Niusaladi kei Ositerelia ena veiqaravi vakavuniwai. E na neitou na solia e dua tale na sala ka duatani me baleta na veiqaravi ena uasivi ka keitou vakabauta ni



available in these Pacific Island countries will be the springboard in our bid to acquire significant market share.

The diagnostics (pathology/radiology) department continue to progress well under an extremely competitive and tumultuous environment. Histology was introduced this year into the pathology department in an effort to differentiate ourselves from competitors. We remain the market leader in terms of service delivery within an acceptable time frame and on par with international quality standards.

Suva Private Hospital is looking at expanding to the west and initial moves are under consideration for a medical centre at Denarau and establishment of a satellite diagnostic unit to facilitate basic blood tests needing urgent attention. The future may see SPH venture into medical tourism which is an area of great potential.

08 ↓ Associate Company

Amalgamated Telecom Holdings Ltd

Fijian Holdings Shareholding: 0.2%

Amalgamated Telecom Holdings has traveled a long way in a relatively short time to become one of Fiji's premier corporations. The year to 31st March 2008 the companies 10th year of operations stands out as one of the most momentous in the companies' brief history.

The most significant point of the year was the long awaited negotiation with the government on deregulation. The negotiation ended with an agreement on a framework to deregulate the industry by the termination of the monopoly rights held by ATH subsidiaries Telecom Fiji and Vodafone Fiji. This was an important landmark for the consumers of Fiji as well as the Government and ATH. ATH is confident that the result will be favorable to its shareholders in the long run. ATH produced another record financial performance.

Consolidated net profit after tax and minority interest came in at 46.1 Mn an increase of 11.8% year on year. Total group sales revenue reached 269.6 Mn, up from 257.3 Mn in the previous year. The accounts were prepared under IFRS and independent financial consultants have

keitou na rawata mai eso na sea ni makete, ka sa toso tiko na sasaga ena vanua oya.

So na veiqaravi mai vei ira na kenadau ena tabana me vaka na misini ni sala ni dra kei na so tale na veiqaravi ka sega ni tu na kena dau ena veiyanyanu ena Pasifika, sa na vakaukauwataka na neitou sasaga me keitou rawata mai na sea ni makete mai vanua tani.

E toso vinaka tiko na tabana ni vakadikevi ni mate (pathology/ radiology) ena vanua dredre ni veiqati vakabisinisi. Sa tekivutaki ena yabaki qo na kau mai ni misini ka dau vaka dikeva na manumanu ni veimate dredre eso ena tabana e dau vakadikevi kina na mate e veitauvi, ka na wasei keitou tani mai vei ira keitou veiqati vata. Keitou tomana tiko na neitou i tutu ni dau ni veiqarav uasivi ena loma ni gauna ni vinakati kina ka tautauvata na kena i tuvaki kei ira ena veiyasai vuravura.

Sa nanuma tiko na Suva Private Hospital me tosoya na nona veiqaravi kina yasayasa vakara, ka sa nanumi me sa laki dabe na valenibula mai Denarau vata kei na vakaduri ni dua na tabana lailai ni vakadikevi ni dra kei na veileqa tale eso ka gadrevi totolo kina na veivuke. Sa nanuma na SPH me na gole tale ga kina na tabana ni saravanua na vanua tu kina na i lavo

08 ↓ Kabani Veiwekani

Amalgamated Telecom Holdings Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 0.2%

Sa lako mai vakabalavu na Amalgamated Telecom Holdings e na dua na gauna lekaleka me yacova na i tutu ni dua vei ira na kabani levu. Na yabaki ka mai cava ena 31ni Maji 2008, sa yabaki tini kina ni nona veiqaravi, ka sa dua na gauna vakairogorogo ena i tukutuku lekaleka ni kabani.

Na gauna cecere taudua ena loma ni yabaki na gauna e waraki tiko mai kina na veivosaki kei na matanitu ena dolavi raraba ni veivoli. A mai cava na veivosaki kei na dua na veidinadinati ena dua nai vakarau me vagalalataki na kabani ena tagutuvu nai vakarau ni volivolitaki taudua ka tu na kena lewa vei ATH Telecom Fiji kei na Vodafone Fiji. Qo edua na delana levu era sa cabeta rawa na dauvolivoli e Viti, bau kina na matanitu kei na ATH.

Na tubu a rawa kina ni sa musu oti nai vakacavacava kei na nodra na kabani lai e \$46.1



confirmed that ATH by certain measures had done better in 2007 in terms of revenue and earnings than some major pacific region telecommunications companies. The study disclosed that ATH's EBIDTA margin of 47% was significantly higher than that achieved by Singapore's Sing Tel and Australia's Telstra.

This result was remarkable in view of the weak economy and the reduction in price for telecommunication services. It reflected improvements in operational efficiencies, focused and aggressive marketing and continued innovation in the launch of new products and services. The outcome enabled the directors to recommend a dividend of nine cents per share or 37,989,719 a 50% improvement over 2007. The group has made much progress from its founding in 1998 and is ready to successfully to meet the challenges of a deregulated market place.

09 ↓ Associate Company

New World Ltd

Fijian Holdings Shareholding: 15%

The Company recorded marginal growth both in turnover and net earnings during the financial year ended August 2008 over the previous year. In keeping with its expansion strategy, the year saw Newworld opening its sixteenth store in Nakasi, a busy suburb in the Suva – Nausori corridor. Nakasi store has exceeded expectations in the first year of operations both in terms of sales and returns.

Newworld recognizes the value addition that can be achieved through a trained work force. In realising this objective, structured training and development programmes are being organized by the human resource department and conducted by local and overseas experts in the respective areas. The company continuously invests in upgrading the IT support to ensure Newworld deploys up-to-date retailing tools with particular attention to point-of-sale equipment and software. Newworld continues to place high priority on the delivery of quality products to its customers at all times.

10 ↓ Associate Company

Foster Group Pacific Ltd

Fijian Holdings Shareholding: 28.9%

Overall trading conditions in the past financial year were very difficult. Rising global fuel prices

milionina tubu ena loma ni yabaki vakailavo. Na i lavo taucoko ena rawata main a veitabana ena volivolitaki a yacova ni \$296.6 milioni, tubu mai \$257.3 ena yabaki i liu. A salavata na vakarautaki ni tukutuku vakailavoe na I vakarau ni IFRS, ka sa vakadeitaka e dua na taba ni lavo tu vakaikoya ni raici ni uasivi na veika a rawata na ATH ena 2007 enai lavo e rawa mai ni raici vata kei na so na kabani ni veivosaki ni talevoni ena Pasifika. A vakarautaka na vakadidike ni toso cake saran a ATH EBIDTA ena 47% a levu cake sara main a veika a rawata o Singapore's Sing Tel kei na Australia Telstra

09 ↓ Kabani Veiwekani

New World Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 15%

A rawata na kabani e dua na tubu lailai ena i lavo taucoko ka cicivaki tiko kina na bisinisi kei na i lavo bula e rawa ena loma ni yabaki vakailavo a cava ena okosita 2008 mai na yabaki yani I liu. Ni sala vata tiko kei na i tuvatuva ni vakarabailevutaki ni bisinisi, a raica na New World na dola ni ka 16 ni sitoa mai Nakasi – edua na tiki Suva osooso ena maliwa i Suva kei Nausori. Sa ulabaleta na sitoa mai Nakasi na veika e nanumi taumada me rawata nai matai ni yabaki ni nona cici ena volivolitaki kei na ka e rawata vakailavo.

Sa vakila na New World na uasivi ni nodra vakavulici vinaka na nona tamata cakacaka kei na veika dau rawata mai kina. Ena vuku ni rai oya, era sa qai tuvai eso na i tuvatuva ni vuli mai na tabana ka qarava, ka ra veivakavulici eso na kena dau e Viti, ka so mai vavalagi ena nodra dui tabana era kila vakavinaka. E vakuri tikoga na kabani na nodra biuta na nodra I lavo ena tabana ni IT me vukea na New World ena nona vakayagataki na veiyaya ni volivolitaki vovou vakabibi na vanua era dau saumi kina na I yaya e voli. Tomana tikoga o New World na nona vakabibitaka na volitaki ni veiyaya vivinaka vei ira na dau volivoli ena veigauna taucoko.

10 ↓ Kabani Veiwekani

Foster Group Pacific Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 28.9%

E ra sa bau tadre dina nai tuvaki ni veivoli ena yabaki vakailavo sa oti. A tatara sara vakaca nai tubu ni sau ni waiwai e vuravura raraba ena ono na vula sa oti ka vakaleqa ka vakaleqa na bula vakailavo kei na nodra gagadre na dau volivoli.



over the last six months of the year had a significant adverse impact on the economy and consumer demand.

Beer sales volumes decreased for the year by -1.0%, to just over 2.089 million 9 litre cases, compared to 2.116 million 9 litre cases for the same period last year. Spirits, RTD products and imported wine volumes increased by 5.0% to 0.233 million 9 litre cases, compared to 0.223 million 9 litre cases for the same period last year. Sales revenue increased by 4.3%, from \$41.5m to \$43.3m for the same period last year. Increased sales revenues from beer, packaged spirits and RTD products from pricing movements drove this increase.

Cost of sales increased by 2.0% from \$26.6m last year to \$27.1m this year, due to increased costs of production driven by imported raw and packaging materials price increases as well as utilities prices. Selling, marketing, distribution and administration expenses decreased by 15.6% from \$7.1m last year to \$6.0m this year, due to stringent cost management.

Gross margins were up 8.4% from \$14.948m last year to \$16.201m for the same period this year driven by higher net sales revenue per case and sales mix. Profit after tax performance for the 12 months decreased by 6.5%, from \$10.792m last year to \$10.093m for the same period this year. This was primarily due to significant dividends received from our Samoa operations in 2007.

Our subsidiary company, Samoa Breweries Limited, decreased EBIT performance by -23.4% on last year due to increased costs of production driven by fuel price increases, adverse forex movements and 3.2% sales volume decrease.

11 ↓ Associate Company

Goodluck Investments Ltd

Fijian Holdings Shareholding: 50%

Good Luck Investments Ltd (GIL) is a joint venture between FHL and Tappoo Group for investment in the tourism industry. GIL and CP Group of NZ own Upfront Investments Ltd (UIL), the owning company of Mercure Hotel, Nadi.

In addition, UIL also owns Novotel Hotel, Nadi through a wholly owned subsidiary Cravensville

A lutu ena loma ni yabaki na levu ni bia e volitaki ena - 1.0% kina sivia e 2.089 mlioni na kisi 9 na lita me vakatautauvatani kei na 2.116 mlioni na kisi 9 na lita ena gauna vata ena yabaki sa oti.

A toso cake na levu ni siviriti vaka na ramu kei wisiki nai voli ni RTD kei na levu ni waini voli mai valalagi ena 5.0% kina 0.233 mlioni na kisi 9 na lita ni raici vata kei na 0.223 mlioni na kisi 9 na lita ena gauna vata ena yabaki sa oti. A toso cake nai lavo rawa mai na volivolitaki ena 4.3% mai na \$41.5 mlioni kina \$43.3 mlioni baleta na gauna vata oya ena yabaki sa oti. Na tubu cake ni lavo e rawa mai na gauna volitaki ni bia, siviriti kei na voli ni RTD e vu mai na veitosoyaki ni sau ni voli.

A toso cake na i sau ni volivolitaki ena 2.0% mai na \$26 mlioni ena yabaki sa oti kina \$27.1 mlioni ena yabaki qo, baleta na tubu cake ni sau ni buli ni yaya kei na tubu cake talega ni sau ni veika me mai vakayagataki ena buli kei na tawa i kisitaki talega ni voli kei na veika tale eso e vinakati. Lutu sobu ena 15.6% nai i lavo e vakayagataki ena volivolitaki, maketetaki, veikauyaki kei na kena cakacakataki mai na \$7.1 mlioni ena yabaki qo, vu mai na maninitaki ni sau ni cakacaka .

E toso cake nai lavo e rawa ena 8.4% mai na \$14.948 mlioni ena yabaki sa oti kina \$16.201 mlioni ena gauna vata ena yabaki qo e rawa mai na i lavo ni volitaki kisi yadua kei na kena era veicurumaki.

A lutu sobu ena 6.5% na tubu ni sa musu oti na i vakacavacava baleta na 12 na vula mai na \$10.792 mlioni ena yabaki sa oti kina \$10.093 mlioni ena loma ni gauna vata ena yabaki qo. A vu vakalevu qo mai na tubu me wasei a tauri mai na neitou tabana mai Samoa ena 2007. A lutu na veika a rawata EBIT ena neitou taba ni bisinisi mai Samoa na Samoa Breweries Limited ena - 23.4% ena yabaki sa oti vu mai na tubu cake ni sau ni qaqi ni voli vakabibi na tubu ni sau ni waiwai, na leqa ni veitosoyaki ni forex kei na lutu ni tubu ni volivolitaki.

11 ↓ Kabani Veiwekani

Goodluck Investments Ltd

Wase ni sea ena kabani qo ka taukena na FHL: 50%

Na Goodluck Investment s Limited (GIL) e dua na kabani ka rau cakacavavata vakabisinisi kei



Ltd. Both hotels are managed by the ACCOR group, one of the larger international hotel management companies. Both hotels have undergone major renovations to meet the ACCOR branding Standards [Mercure/Novotel] subsequent to acquisition by Upfront Group. The first six months of 2008, have seen a gradual improvement in guest numbers at both hotels compared to same period last year. The management team is positive of year ahead with increased tourist arrivals to the country.

12 ↓ Associate Company

Sun Fiji Ltd

Fijian Holdings Shareholding: 100% preference shares

The 2008 year was a very challenging one for the Fiji Sun. While circulation sales remain buoyant, our advertising revenue has reflected the downturn in our various markets.

This has had a serious effect on earnings which are well down on the 07 year. Going forward, the focus will be on protecting and preserving profitability in a very difficult market.

13 ↓ Associate Company

Fiji Television Group

Fijian Holdings Shareholding: 5.3%

Fiji Television Group continued drive towards its vision - To THE communications business for Pacific communities led to a successful end of our financial year on the 30th of June, 2008. FTV is moving towards providing content for its Pacific Communities Any Where and At Anytime. We have expanded on our Fiji TV website: providing news for all our Pacific Communities.

This has been a year of growth for Fiji TV, despite encountering competition in the market and with only one major world event coverage The 2008 Olympics, Fiji TV stood its ground and increased revenue compared to last year. We built and strengthened our local content through strategic partnerships with Fiji Secondary School Rugby Union (FSSRU), Fiji Football Association (FFA), Fiji Secondary School Athletics and The Hibiscus Committee.

These partnerships led to our successful live coverage's of BOG Soccer, Coke Games, Secondary School Rugby and the Hibiscus Live Show, major annual events in Fiji.

na FHL kei Tapoo Group baleta na vakatubuilavo ena tabana ni saravanua. GIL kei na CP Group of NZ e nodrau na Upfront Investment Limited (UIL), e nodrau na kabani ni Otelu na Mercure Hotel mai Nadi.

Me kena i kuri, e nona talega na UIL na Novotel mai Nadi ka nona taudua na tabana ni Cravenville Ltd. Na otela ruarua qo e qarava na kena cicivaki na ACCOR Group, e dua vei ira na kabani levu ka qarava na kedra cicivaki na otela e vuravura. Rau a vakavinakataki ruarua tiko na kedrau I tuvaki me salavata kei na I vakatagedege e virikotora na ACCOR ni bera ni rau tauri mai na Upfront Group. Na i matai ni ono na vula ni 2008 sa raici tiko mai kina na vinaka cake ni wiliwili ni saravanua ena otela ruarua ni raici vata kei na gauna vata ena yabaki sa oti. Era nuidei na dau veiliutaki ni yabaki vinaka sa tu mai liu ni sa na levu na saravanua era curu mai kina noda vanua.

12 ↓ Kabani Veiwekani

Sun Fiji Ltd

Wase ni sea ena kabani oqo ka taukena na FHL: 100% Sea digitaki.

Na yabaki 2008 sa dua na yabaki ni bolebole kina Fiji Sun. Dina ni toso tiko vakavinaka na volitaki ni pepa, na i lavo e rawa mai na I tukutuku saumi sa vakaraitaka na leqa ni neitou makete eso.

Sa vakaleqa vakaca na neitou rawa i lavo vakabibi na lutu vakaca ni ka e rawa ena yabaki 2007. Ni sagai na toso ki liu, sa na gole na rai kina taqomaki kei na maroroi ni tubu ena makete dredre ni bisinisi.

13 ↓ Kabani Veiwekani

Fiji Television Group

Wase ni sea ena kabani qo ka taukena na FHL: 5.3%

A toso tikoga na Fiji Television kina vakarautaki ni veika e vakarautaki me sota vata kei ira na lewe ni vanua ena Pasifika ena vanua era vakaitikotiko kina kei na gauna era sarava kina. Keitou sa vakarabailevutaka na neitou gaunisala livaliva ni vakaitukutuku ka yacana na TV Website: me baleti ira taucoko na lewe ni vanua ena Pasifika.

Na yabaki qo sa yabaki ni rawa tubu ena Fiji TV dina ni sotava na veiqati ena makete ni bisinisi, kei na kena qaravi me vakaraitaki e dua bulu nai



FTV has also signed up with 12 Sky Pacific Licensed Distributors across the Pacific Region. We have now grown from strength to strength in stamping our dominance in the region. Our Pacific stories are sourced from the Region for our Pacific Communities which leads us back to FTV's vision.

Despite, competition from other media companies in Fiji, PNG and Other Pacific Island Countries (OPICs), Fiji TV achieved another milestone by recording an NPAT of \$2.7m, a remarkable growth of 219% from the previous year.

We also created history in the Pacific by having the first One Shopping Network live on Fiji One.

Fiji's first ever prime time Fijian vernacular program, Noda Gauna scooped the best locally produced program award for 2007. Noda Gauna since its first screening on Fiji One has received positive feedback from the producers of the Discovery Channel, National Geographic and BBC World. The high demand has led Fiji TV to venture into the production of Noda Gauna DVD's.

Fiji TV's subsidiary Media Niugini Limited (MNL) and Compac continue to contribute to the overall performance for the financial year.

This was the first full financial year, COMPAC was owned and managed by Fiji TV. The company recorded positive financial results at the year end with positive cashflow.

Media Niugini Limited (MNL) operating as EMTV in PNG performed very well in the year. The strong performance is a reflection of the economic growth in PNG.

yaloyalo me baleta na Qito Levu ni Vuravura na Olympics ni 2008, a dei na qaravi ni Fiji TV ka vakalevutaka na nona i lavo me vakatautauvatani kei na yabaki sa oti. Keitou a bulia ka vakavina-vinakata na veika keitou vakaraitaka eke ena vinaka ni cakacakavata kei na nodra i soqosoqo ni rakavi na secondary schools, (FSSRU) Soqosoqo ni Veicaqe (FFA) Fiji Secondary Schools Athletic kei na Komiti ni Hibiscus.

Na toso ni veitokani qo sa vukea na neitou dau vakaraitaka na Battle of the Giants ena soka, qito ni Coke, na Secondary Schools Rugby kei na vakaraitaki ni soqo na Hibiscus ena gauna sara ga e vakayacori tiko kina kei na soqo bibi eso e Viti.

Sa sainitaka oti na Fiji TV kei na 12 Sky Pacific Licensed Distributors ena veivanua ni veiqaravi ena Pasifika. Keitou sa tosoya tale tiko ga na kaukauwa ni neitou vakaraika nai tutuuasivi ni veiqaravi ena Pasifika. E na dau tauri mai na neitou i talanoa mai na veivanua taucoko ena Pasifika (OPICs) a cavuta tale edua nai sausau na Fiji TV ena nona katona e dua na NPAT e \$2.7 milioni, na tubu vakaiyanaqa e 219% mai na yabaki yani i liu.

Keitou sa kilai raraba ena Pasifika ena neitou taukena nai matai ni dua na tabana vou ni vakaraitaki yaloyalo ka yacana na One Shopping Network ena Fiji One.

Na i matai ni gauna me vakaraitaki kina e dua na porokaramu vakaviti Na Noda Gauna ena dua na gauna vinaka, ka tauri lesu ma ieso na i tukutuku marautaki mai vei ira na dau tabaiyaloyalo ni Discovery Channel, National Geographic kei na BBC World. Na kena taleitaki vakalevu ka sa vakavuna me ra tabaki na Noda Gauna ena DVD's.

Dua na tabana ni Fiji TV na Media Niugini Limited (MNL) kei na Compac e rau tomana tiko na nodrau vakaitavi kina cakacaka vinaka baleta na yabaki vakailavo.

Oqo nai matai ni yabaki momona vakailavo, e taukena ka cicivaka na Fiji TV na Compac. A rawata na kabani e dua na tubu vinaka baleta na yabaki vakailavo e na uasivi ni lavo e dau rawa tiko mai.

A cici vinaka na Media Niugini Limited (MNL) ka veiqaravi na na EMTV mai PNG ena loma ni yabaki. Sa il vakaraitaki ni rawa tubu vinaka na tubu vakailavo mai PNG.

Audited Financial Report

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Directors' Report

Fijian Holdings Limited and Subsidiary Companies financial statements
30 June 2008

In accordance with a resolution of the Board of Directors, the directors herewith submit the balance sheets of the group and of the company as at 30 June 2008, and the related income statements, changes in equity and cash flows for the year ended on that date and report as follows:

1. DIRECTORS

The following were directors of the company at any time during the financial year and up to the date of this report:

J Mar – chairman to 13 June 2008	A Tabete – to 13 June 2008	A Razak – to 13 June 2008
FT Nemani – retired 23 October 2007	ST Mailekai – to 4 June 2008	I Tuituku – to 3 April 2008
S Welililakeba – to 14 June 2008	Robin Storck – 13 to 20 June 2008	U Baya – from 26 October 2007
I Kaloumaira – chairperson from 13 June 2008	A Mohammed - deputy chairperson from 13 June 2008	S Qoro – from 13 June 2008
P Lala – from 13 June 2008	M Makasiale	I Naiveli
R Qereqeretabua		

2. PRINCIPAL ACTIVITIES

The principal activity of the holding company is investment. The principal activities of the subsidiary companies are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, provision of management and information technology services, stock brokering, assets and loan financing and acceptance of term deposits, cruise ship operations and retailing and wholesaling of general merchandise, owners and administrators of properties and equity instruments.

There were no significant changes in the nature of these activities during the financial year except that the principal activities of the Group were expanded to include the acquisition of RB Patel Group Limited on 14 April 2008.

3. TRADING RESULTS

The profit after income tax of the group attributable to the members of the holding company for the year ended 30 June 2008 was \$11.349 million (2007: \$14.291 million) and for the holding company was \$7.367 million (2007: \$6.130 million).

4. RESERVES

The directors recommend that amounts totalling \$63.040 million for the group and \$10 million for the holding company be transferred from general reserves to retained earnings effective 1 July 2006 on adoption of International Financial Reporting Standards. The directors do not recommend any other transfers to or from reserves.

5. DIVIDENDS

The directors have paid an interim dividend of \$1.047 million (2007:\$1.047 million) for "A" class shareholders and \$1 million (2007:\$1 million) for "B" class shareholders. The directors recommended the payment of a final dividend of \$1.046 million (2007:\$1.046 million) for "A" class shareholders and \$1 million (2007:\$1 million) for "B" class shareholders from the profits for the year ended 30 June 2008.

6. BAD AND DOUBTFUL DEBTS

The directors took reasonable steps before the company and the group's financial statements were made out to ascertain that all known bad debts were written off and adequate allowance were made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts, or the amounts of the allowance for doubtful debts, inadequate to any substantial extent.

7. CURRENT ASSETS

The directors took reasonable steps before the company's and the group's financial statements were made out to ascertain that the current assets of the company and of the group were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the directors are not aware of any circumstances which would render the values attributable to the current assets in the financial statements misleading.

8. EVENTS SUBSEQUENT TO BALANCE DATE

No charge on the assets of any company in the group has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the company or the group to meet their obligations when they fall due.

9. BASIS OF ACCOUNTING

The Directors believe that the basis of preparation of accounts is appropriate and the company will be able to continue in operation for at least 12 months from the date of this statement. Accordingly, the directors believe that the classification and carrying amounts of the assets and liabilities as stated in the accounts to be appropriate.

10. RELATED PARTY TRANSACTION

In the opinion of the directors all related party transactions have been adequately recorded in the books of the company and its subsidiaries.

11. OTHER CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which render any amounts stated in the financial statements misleading.

12. UNUSUAL TRANSACTIONS


The results of the company and its subsidiaries operations during the financial year have not in the opinion of the directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

13. DIRECTORS' INTERESTS

No director of the company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors as shown in the company financial statements) by reason of contract made by the company or related corporation with the director or with a firm of which he is a member, or with a company in which he has substantial financial interest.

For and on behalf of the Board of Directors

Dated this 21st day of September 2008.


Chairperson

Statement by Directors

Fijian Holdings Limited and Subsidiary Companies financial statements
30 June 2008

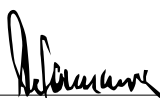
In the opinion of the directors:

the accompanying income statements of the company and of the group are drawn up so as to give a true and fair view of the results of the company and of the group for the year ended 30 June 2008,

- (b) the accompanying balance sheets of the company and of the group are drawn up so as to give a true and fair view of the state of the affairs of the company and of the group's at 30 June 2008,
- (c) the accompanying statements of changes in equity of the company and of the group are drawn up so as to give a true and fair view of the movement in shareholders' funds for the year ended 30 June 2008, and
- (d) the accompanying cash flow statements of the company and of the group are drawn up so as to give a true and fair view of the cash flows of the company and of the group for the year ended 30 June 2008.

For and on behalf of the Board of Directors by authority of a resolution of the Directors.

Dated this 29th day of September 2008.



Director



Director

**INDEPENDENT AUDIT REPORT****To the members of Fijian Holdings Limited****PricewaterhouseCoopers**

Level 8, Civic Tower
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Scope

We have audited the financial statements of Fijian Holdings Limited and of the group for the year ended 30 June 2008 as set out on pages 5 to 49. The company's directors and management are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the company.

Our audit has been conducted in accordance with Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with International Financial Reporting Standards and statutory requirements so as to present a view which is consistent with our understanding of the company's and the group's financial position, the results of their operations, changes in equity and their cash flows.

We have examined the financial statements and the auditor's reports of the subsidiary companies Fijian Holdings Trust Management Limited and R. B. Patel Group Limited, of which we have not acted as auditors. The audit reports on the financial statements of the subsidiary and associates were not subject to qualification.

The audit opinion expressed in this respect has been formed on the above basis.

Audit Opinion

In our opinion:

- (a) proper books of account have been kept by the company and its subsidiaries, so far as it appears from our examination of those books, and
- (b) the accompanying financial statements which have been prepared in accordance with Fiji Accounting Standards:
 - (i) are in agreement with the books of account;
 - (ii) to the best of our information and according to the explanations given to us:
 - (a) give a true and fair view of the state of affairs of the company and of the group as at 30 June 2008 and of the results, changes in equity and cash flows of the company and of the group for the year ended on that date;
 - (b) give the information required by the Fiji Companies Act, 1983 in the manner so required.

We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit.

29 September, 2008
Suva, Fiji

PricewaterhouseCoopers
PricewaterhouseCoopers
Chartered Accountants

Income Statements

Fijian Holdings Limited and Subsidiary Companies Financial Statements
Year Ended 30 June 2008

	Notes	Group		Holding Company	
		2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Income					
Operating		106,733	94,133	10,025	9,002
Other		4,702	672	307	1,608
		111,435	94,805	10,332	10,610
Expenses					
Changes in inventories of finished goods and work in progress		(16,327)	(722)	-	-
Raw materials and consumables used		(28,350)	(28,027)	-	-
Staff costs		(11,474)	(11,083)	(1,253)	(1,114)
Depreciation and amortisation	12(b)	(5,492)	(5,137)	(226)	(242)
Fair value gains/(losses) on trading investments		30	(35)	-	-
Other operating expenses		(27,957)	(21,859)	(950)	(1,347)
		(89,570)	(66,863)	(2,429)	(2,703)
Operating profit		21,865	27,942	7,903	7,907
Finance costs		(5,390)	(7,958)	(722)	(1,597)
Profit before income tax	3	16,475	19,984	7,181	6,310
Income tax expense	4(a)	(5,945)	(6,789)	185	(180)
Profit after income tax		10,530	13,195	7,366	6,130
Share of profit in associates	18	5,007	6,290	-	-
Profit for the year		\$ 15,537	\$ 19,485	\$ 7,366	\$ 6,130
Attributable to:					
Equity holders of the company		11,349	14,291		
Minority interest		4,188	5,194		
		\$ 15,537	\$ 19,485		
Basic and diluted earnings per share	25	\$ 0.37	\$ 0.47		

The notes on pages 42 to 78 are an integral part of these financial statements.

	Notes	Group		Holding Company	
		2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	6	21,346	18,038	1,720	1,905
Trading investments	7	191	161	-	-
Loans, advances and receivables	9	63,308	58,378	4,018	2,501
Inventories	11	22,281	13,626	-	-
Assets held for sale	13	3,173	155	-	-
		110,299	90,358	5,738	4,406
Non-current assets					
Investment securities	8	5,530	5,551	2,504	2,504
Loans, advances and receivables	9	23,332	29,584	-	-
Property, plant and equipment	12	68,236	47,687	352	617
Investment properties	14	6,947	7,065	-	-
Investments in associates	18	12,294	23,991	-	-
Intangibles	15	13,840	1,728	-	-
Available-for-sale financial assets	16	22,912	27,078	173,708	169,392
		153,091	142,684	176,564	172,513
Total assets		263,390	233,042	182,302	176,919
LIABILITIES					
Current liabilities					
Payables	19	14,962	8,652	294	860
Borrowings	21	86,092	40,292	30,238	11,870
Provisions		168	157	155	-
Employee entitlements	20	495	452	12	19
Current tax liability	4(b)	5,964	4,643	-	-
		107,681	54,196	30,699	12,749
Non-current liabilities					
Borrowings	21	31,425	52,481	-	-
Deposits		38	-	-	-
Employee entitlements	20	31	25	-	-
Deferred tax liabilities	4(c)	721	440	-	-
		32,215	52,946	-	-
Total liabilities		139,896	107,142	30,699	12,749
Net assets		\$123,494	\$125,900	\$151,603	\$164,170
SHAREHOLDERS EQUITY					
Share capital	23	30,465	30,465	30,465	30,465
Reserves	22	(14,928)	3,072	87,421	103,261
Proposed dividends		2,099	2,160	2,065	2,065
Retained earnings		71,071	63,815	31,652	28,379
Attributable to the members of the holding company		88,708	99,512	151,603	164,170
Minority interest		34,787	26,388	-	-
Total shareholders' equity		\$123,494	\$125,900	\$151,603	\$164,170

The notes on pages 9 to 49 are an integral part of these financial statements.

These financial statements have been approved in accordance with a resolution of the Board of Directors.

For and on behalf of the Board.


Director


Director

Statements of Changes in Equity

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

	Notes	Attributable to the members of the Holdings Company				Minority Interest \$'000	Total Equity \$'000
		Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000		
GROUP							
Balance at 1 July 2006		30,465	96,977	39,878	-	24,185	191,505
IFRS adjustments	31.1(a)	-	(63,040)	20,461	2,108	207	(40,264)
Restated balance at 1 July 2006		30,465	33,937	60,339	2,108	24,392	151,241
IFRS adjustments	31.1(b)	-	-	(6,722)	-	(220)	(6,942)
Profit for the year		-	-	14,291	-	5,194	19,485
Realisation of asset revaluation reserve		-	(213)	-	-	-	(213)
Fair value movements	16(c)	-	(30,652)	-	-	-	(30,652)
Dividends proposed		-	-	-	52	-	52
Dividends paid/payable		-	-	(4,093)	-	(2,978)	(7,071)
Restated balance at 30 June 2007		30,465	3,072	63,815	2,160	26,388	125,900
Acquisition of subsidiary		-	-	-	-	8,149	8,149
Profit for the year		-	-	11,349	-	4,188	15,537
Fair value movements	16(c)	-	(18,000)	-	-	-	(18,000)
Dividends proposed		-	-	-	-	-	-
Dividends paid/payable	5	-	-	(4,093)	(61)	(3,938)	(8,092)
Balance at 30 June 2008		\$ 30,465	(\$ 14,928)	\$ 71,071	\$ 2,099	\$ 34,713	\$ 123,494
HOLDING COMPANY							
Balance at 1 July 2006		30,465	106,263	16,342	-	-	153,070
IFRS adjustments	31.2	-	(10,000)	10,000	2,065	-	2,065
Restated balance at 1 July 2006		30,465	96,263	26,342	2,065	-	155,135
Profit for the year		-	-	6,130	-	-	6,130
Fair value movements	16(c)	-	6,998	-	-	-	6,998
Dividends paid/payable		-	-	(4,093)	-	-	(4,093)
Restated balance at 30 June 2007		30,465	103,261	28,379	2,065	-	164,170
Profit for the year		-	-	7,366	-	-	7,366
Fair value movements	16(c)	-	(15,840)	-	-	-	(15,840)
Dividends paid/payable	5	-	-	(4,093)	-	-	(4,093)
Balance at 30 June 2008		\$ 30,465	\$ 87,421	\$ 31,652	\$ 2,065	\$ -	\$ 151,603

The notes on pages 42 to 78 are an integral part of these financial statements.

Cash Flow Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

Notes	Group		Holding Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Cash flows from operating activities:				
Receipts from customers	83,034	74,304	-	444
Payment to suppliers and employees	(64,100)	(54,573)	(3,126)	(2,622)
Cash generated from/(used in) operations	18,934	19,731	(3,126)	(2,178)
Dividends received	4,571	4,113	9,560	7,812
Net customer loans granted	6,099	(9,598)	-	-
Net (decrease) in deposits	(6,406)	(1,093)	-	-
Interest received	16,414	16,710	-	1,184
Other finance costs paid	(5,390)	(7,958)	(722)	(1,597)
Income taxes paid	(6,701)	(6,320)	-	-
Net cash generated from operating activities	27,521	15,585	5,712	5,221
Cash flows from investing activities:				
Acquisition of property, plant and equipment	(32,429)	(8,779)	(15)	(9)
Acquisition of subsidiary	(19,864)	(3,439)	(20,157)	(3,439)
Proceeds from disposal of available-for sale investments	-	565	-	565
Proceeds from disposal of property, plant and equipment	2,915	110	-	30
Net receipts on advances to subsidiaries	-	-	-	5,000
Net cash (used in)/from investing activities	(49,378)	(11,543)	(20,172)	2,147
Cash flows from financing activities:				
Dividends paid to the holding company's shareholders	(2,046)	(4,093)	(4,093)	(4,093)
Dividends paid to minority interests	(3,938)	(2,926)	-	-
Net loans (paid)/received	(7,944)	(11,104)	18,368	(12,971)
Net cash generated from/(used in) financing activities	(13,928)	(18,123)	14,275	(17,064)
Net (decrease) in cash and cash equivalents	(35,785)	(14,081)	(185)	(9,696)
Cash and cash equivalents at the beginning of the year	12,935	27,016	1,905	11,601
Cash and cash equivalents at the end of the year	6(a) (\$ 22,850)	\$ 12,935	\$ 1,720	\$ 1,905
Non cash investing activities	6(a)			

The notes on pages 42 to 78 are an integral part of these financial statements.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fijian Holdings Limited is a publicly listed company incorporated and domiciled in the Republic of the Fiji Islands and its registered office and principal place of business is located at 7th Floor, Ra Marama House 91 Gordon Street, Suva, Fiji.

The principal accounting policies adopted by Fijian Holdings Limited and its subsidiaries are stated to assist in a general understanding of these financial statements. These policies have been consistently applied by the company and its subsidiaries except where otherwise indicated.

1.1 Basis of accounting

The financial statements of the Company have been drawn up in accordance with the provisions of the Companies Act 1983, International Financial Reporting Standards ("IFRS") and disclosure requirements of the Fiji Institute of Accountants. The financial statements have been prepared under the basis of historical costs, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss.

1.2 Adoption of IFRS

These consolidated financial statements are the first financial statements for the group to be prepared in accordance with IFRS. IFRS 1 First-time Adoption of International Financial Reporting Standards has been applied in preparing these financial statements.

Consolidated financial statements of the group until 30 June 2007 had been prepared in accordance with Fiji Accounting Standards (FAS). FAS differs in certain respects from IFRS. When preparing the consolidated 2008 financial statements for the group, management has amended certain accounting, measurement and valuation methods applied in the FAS financial statements to comply with IFRS. The comparative figures in respect of 2007 were restated to reflect these adjustments.

An explanation of how the transition to IFRS affected the reported Statement of Changes in Equity, Balance Sheet and the Income Statement of the company is provided in Note 31: Explanation of transition to IFRS.

1.3 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements including the following notes:

- Note 1.9 – Allowance for doubtful debts
- Note 1.10 – Property, Plant and equipment impairment
- Note 1.9 – Fair value of equity investments

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

1.4 Principles of consolidation

(i) *Subsidiaries*

Subsidiaries are all those entities over which the group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

(ii) *Associates (equity accounted investees)*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. On adoption of the IFRS, associates are accounted for using the equity method (equity accounted investees) as noted in Note 18. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iii) *Transactions eliminated on consolidation*

Internal transactions and profits are eliminated on consolidation and all figures in the consolidated financial statements relate to external transactions only. Minority interest represents the equity in subsidiary companies not attributable to the members of Fijian Holdings Limited.

Intercompany transactions, balances and unrealised gains or losses on transactions between group companies are eliminated.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

1.5 Foreign currency

(a) *Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Fijian Dollars, which is the company's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.6 Segment information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

1.7 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term liquid investments and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

1.8 Trade receivables

Trade receivables are carried at original invoice amount less allowance made for impairment of these receivables. An allowance for impairment of receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement as part of 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the income statement.

1.9 Financial assets and liabilities

Investments in debt and equity securities are classified into the following categories: at fair value through profit and loss, held-to-maturity, available-for-sale financial assets and loans and receivables. The classification is dependent on the purpose for which the investments are acquired. Management determines the classification of investments at the time of the purchase and re-evaluates such designation on a regular basis. Purchases and sales of investments are recognised on the trade date, which is the date the group commits to purchase or sell the asset. Cost of purchase includes transaction costs.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. Investments that are acquired principally for the purposes of generating a profit from short-term fluctuations in price are included in current assets. Trading investments are carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of trading investments are included in the income statement in the period in which they arise.

Held-to-maturity investments

Investments which management has the intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortised cost.

Available-for-sale financial assets

Available-for-sale financial assets are not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Equity investments not held for trading are classified under this category. Available-for-sale financial assets are subsequently carried at fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

1.9 Financial assets and liabilities - continued

Unrealised gains and losses arising from changes in the fair value of non-monetary investments classified as available-for-sale financial assets are recognised in a reserve. When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses.

The fair values of quoted investments are based on current market prices. If the market for a financial asset is not active (and for unlisted investments), the group establishes fair value by using appropriate valuation techniques, including recent transaction prices. Where the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the financial asset is precluded from measurement at fair value.

The group assesses at balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement when the impairment condition reverses.

Amounts expended to acquire a share, upon coming into existence of the copyright to an audio visual production, is stated at a value expected to be recovered from the exploitation of the copyright in accordance with that production's Investment Agreement.

Loans and receivables

Loans and advances are recognised at recoverable amount, after assessing required allowance for impairment. Impairment of a loan is recognised when there is reasonable doubt that not all the principal and interest can be collected in accordance with the terms of the loan agreement. Impairment is assessed by specific identification in relation to individual loans and estimation of expected losses in relation to loan portfolios where specific identification is impracticable. Bad debts are written off when identified. If an allowance for impairment has been recognised in relation to a loan, write-offs for bad debts are made against the allowance. If no allowance for impairment has previously been recognised, write-offs for bad debts are recognised as expenses in the income statement.

Other financial assets and liabilities

Cash, deposits and borrowings are valued at transaction date value.

1.10 Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost and deemed cost less accumulated depreciation and impairment losses. On adoption of IFRS, the Directors have resolved to record property, plant and equipment which was at valuation at deemed cost.

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.10 Property, plant and equipment - continued

(ii) *Subsequent expenditure*

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major improvements, renovations and overhaul expenditure, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the income statement as an expense as incurred.

(iii) *Depreciation*

Freehold land is not depreciated. Leasehold properties, plant and equipment and other assets are depreciated on the straight line basis over the estimated useful lives, as follows:

	Rate
Leasehold land and improvements	Term of lease
Buildings	1.25% - 10%
Plant and equipment:	
- machinery, furniture & fittings and office equipment	5% - 33 1/3%
- motor vehicles	15% - 33%
Bricks and liners	Replacement
Vessels	2.85% to 10%

1.11 Investment properties

Investment property is stated at cost less accumulated depreciation and impairment losses. Rental income from investment property is accounted for as described in accounting policy 1.20.

Investment property includes both land and building. Buildings are depreciated on a straight-line basis at an annual rate of 1.25%

When an item of property, plant and equipment becomes an investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item and its fair value is recognised directly in equity if it is a gain. Upon disposal of the item, the gain is transferred to retained earnings. Any loss is recognised in the income statement immediately.

1.12 Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Assets classified as held for sale are stated at cost less accumulated depreciation.

1.13 Inventories

Inventories are consistently valued at lower of cost and net realisable value. The cost of raw materials, stores and supplies includes all costs of acquisition, calculated on the first-in-first-out basis. Finished goods and goods in process are valued at the actual cost of conversion, including a proportion of variable factory overheads.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

1.14 Intangibles

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

The gain or loss on disposal of an entity includes the carrying amount of goodwill relating to the entity sold.

1.15 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and depreciation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment losses are recognised in the income statement in the period in which they arise. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

1.16 Trade and other creditors

Trade and other creditors are stated at cost. These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid.

1.17 Income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the Fiji Islands, where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of temporary difference will not reverse in the foreseeable future.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.18 Employee entitlement

Liabilities for annual leave is recognised and is measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

A liability for long service leave is recognised as the present value of estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The estimated future cash outflows are discounted using interest rates on government bonds which have terms to maturity that match, as closely as possible, the estimated future cash outflows. Factors which affect the estimated cash outflows, such as expected future salary increases, experience of employee departures and period of service, are incorporated in the measurement.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Income Statement when they are due.

1.19 Leases

A group company is the lessee

Assets acquired under finance leases are included as property, plant and equipment in the balance sheet. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets. Where assets are acquired by means of finance leases, the present value of the minimum lease repayments is recognised as an asset at the beginning of the lease term and amortised on a straight line basis over the expected useful life of the leased asset. A corresponding liability is also established and each lease payment is allocated between the liability and interest expense.

Other leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to expense in the periods in which they are incurred.

A group company is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income is recognised on a straight-line basis over the lease term.

1.20 Revenue recognition

Revenue comprises the fair value for the sale of goods and services, net of value added tax, rebates and discounts and after eliminating sales within the group. Revenue is recognised as follows:

Sales of goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Sales of services

Revenue is generally recognised when services are rendered. Fees such as brokerage income and commission arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest or compound interest method which matches income earned to the funds employed on a constant basis.

Dividend income

Dividend income is recognised when the right to receive payment is established.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

1.20 Revenue recognition - continued

Rental income

Rental income is recognised when due. Rental income from investment property is recognised in the Income Statement on a straight-line basis over the term of the lease.

1.21 Dividend distribution

Provision is made for the amount of any dividend declared, determined or publicly recommended by the directors on or before the end of the financial year but not distributed at balance date.

Dividends are subject to the provisions of the Fiji Income Tax Act and Income Tax (Dividend) Regulations 2001.

1.22 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

1.23 Basic and diluted earnings per share

Basic and diluted earnings per share is determined by dividing profit after income tax attributable to shareholders of the holding company by the weighted average number of ordinary shares outstanding during the financial year.

1.24 Reporting currency

All figures are reported in Fiji dollars and are rounded to the nearest thousand dollars.

1.25 Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2. FINANCIAL RISK MANAGEMENT

2.1 Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including fair value interest risk, cash flow interest risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by Group Finance and Audit Division and also the directors of certain subsidiaries.

(a) Market risk

Market risk is the risk that changes in the market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the groups' income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimising the return of risk.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

2. FINANCIAL RISK MANAGEMENT - continued

2.1 Financial risk management - continued

(a) Market risk - continued

The principal tool used to measure and control market risk exposure within Merchant Finance & Investment Company Limited's investments and lending portfolios is the Value at Risk. This is the estimated loss that will arise on the portfolio over a specified period of time from an adverse market movement with a specified confidence level.

(i) Foreign exchange risk

The group undertakes certain transactions denominated in foreign currencies hence exposures to exchange rate fluctuations arise. Exchange rate exposures are closely managed within approved policy parameters.

(ii) Price risk

The group is exposed to equity securities price risk because of investments held by the group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The group is not exposed to commodity price risk. To manage its price risk arising from investment in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

The group's investments in equity of other entities that are publicly traded are quoted on the South Pacific Stock Exchange.

(iii) Interest rate risk

The principal risk to which investments and lending portfolios are exposed is the risk of loss from fluctuations in future cash flows or fair values of financial instrument because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits from re-pricing bands.

The management of interest rate risk against interest rate gap limits is supplemented by management's regular monitoring of the sensitivity of the group's financial assets and liabilities to various standard interest scenarios.

(b) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's loans and advances to customers and investees.

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, including outstanding receivables and committed transactions. For banks and financial institutions, only reputable parties are acceptable. As far as practicable, if wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent ranking, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with set limits. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

In order to manage credit risk of the loan portfolio, the group's finance segment closely monitors existing customers in ensuring a debt service ratio of 1.5%, loan does not exceed 75% of security value held, ensure that all new customers go through a comprehensive credit screening including Data Bureau Check as well as credit rating with other institutions. Furthermore, customer accounts are graded internally as excellent, good, satisfactory or limited. All loans and advances are secured by collateral.

2. FINANCIAL RISK MANAGEMENT - continued**2.1 Financial risk management - continued**

	Group 2008 \$'000	Group 2007 \$'000
Neither past due nor impaired	105,293	108,641
Past due but not impaired	2,955	3,158
Individually impaired	13,694	9,420
Gross loans and receivables	121,942	121,219
Less: unearned revenue	22,569	24,327
Less: allowance for impairment	12,733	8,930
Net loans and receivables	86,640	87,962

The details of total impairment provision for loans and receivables is provided for in Note 9 and 10.

Credit risk concentration

The credit risk concentration for Merchant Finance & Investment Company Limited is as follows:

	2008		2007	
	Loans and advances (%)	Impairment allowance (%)	Loans and advances (%)	Impairment allowance (%)
Industry				
Agriculture	7.06	6.37	7.29	6.99
Building and construction	17.31	26.02	15.18	20.33
Manufacturing	4.88	8.00	3.31	5.23
Mining and quarrying	0.09	-	0.27	-
Private individuals	12.46	2.02	14.50	5.72
Professional and business services	3.17	4.77	2.90	2.85
Transport, communication and storage	36.79	49.07	37.59	50.73
Wholesale, retail, hotels and restaurants	8.78	1.98	9.30	3.21
Others	9.54	1.77	9.67	4.94
Total	100.00	100.00	100.00	100.00

(c) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations from its financial liabilities. Prudent and careful management of the group's liquidity position is essential in order to ensure that adequate funds are available to meet the company's ongoing financial obligations.

In order to comply with the Reserve Bank's requirement and the Banking Act 1995, its subsidiary, Merchant Finance & Investment Company Limited must hold as liquid deposits an amount equivalent to 10% of its total liabilities. An internal bench mark of 12% is maintained on a daily basis. The group will ensure that the liquidity requirement is covered entirely by long term bonds.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

2. FINANCIAL RISK MANAGEMENT - continued

2.1 Financial risk management - continued

(c) Liquidity risk - continued

The daily liquidity position is monitored. The key measure used by the group for managing liquidity risk is the ratio of net liquid assets to deposits from customers.

As at 30 June 2008	Up to 1 year \$'000	1 to 2 years \$'000	5 to 5 years \$'000	Over 5 years \$'000	Total \$'000
Borrowings	56,992	6,389	22,978	3,319	89,678
Creditors & accruals	13,403	660	426	-	14,489
Total	70,395	7,049	23,404	3,319	104,167
As at 30 June 2007					
Borrowings	28,970	11,154	37,546	1,150	78,820
Creditors & accruals	7,874	1,106	2,159	2,159	13,298
Total	36,844	12,260	39,705	3,309	92,118

2.2 Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The objectives for Merchant Finance & Investment Company Limited when managing capital, which is a broader concept than the 'equity' on the face of the balance sheet, are:

- To comply with the capital requirements set by the Reserve Bank of Fiji;
- To safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of the company's business.

Capital adequacy and the use of regulatory capital are monitored daily by the company's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Fiji, for supervisory purposes.

The Reserve Bank of Fiji requires the company to (a) hold at least 10% or more of its total holdings in liquid assets and (b) maintain a ratio of total regulatory capital to the risk-weighted asset at or above 10%. The company complied with the requirements during the year.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

4. INCOME TAX - continued

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
(b) Current tax liability				
Movements during the year were as follows:				
Balance at beginning of year	4,643	4,309	-	-
Income tax paid	(6,701)	(6,320)	-	-
Current year's income tax expense	6,891	7,115	-	-
Under/(over) provision in prior years	1,131	(461)	-	-
Balance at end of year	\$ 5,964	\$ 4,643	\$ -	\$ -

- (c) Deferred tax asset
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Deferred tax assets				
Annual leave	99	109	-	-
Doubtful debts	3,985	2,809	-	-
Write down of inventories	311	256	-	-
Realised foreign exchange gain	8	-	-	-
Tax losses	875	1,313	-	-
	5,278	4,487	-	-
Deferred tax liabilities				
Property, plant & equipment	5,999	4,927	-	-
Deferred tax liabilities (net)	\$ 721	\$ 440	\$ -	\$ -

Deferred income tax assets are recognised for tax loss carried-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. The group did not recognise deferred income tax asset of \$0.794 million (2007: \$0.460 million) attributable to tax losses of \$2.563 million (2007: \$1.483 million) that can be carried forward against future taxable income.

5. DIVIDENDS PROVIDED FOR OR PAID

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Ordinary - A class				
Interim dividend at 10%	1,047	1,047	1,047	1,047
Proposed final dividend at 10%	1,046	1,046	1,046	1,046
	2,093	2,093	2,093	2,093
Ordinary - B class				
Dividend paid at 5%	1,000	1,000	1,000	1,000
Dividends proposed at 5%	1,000	1,000	1,000	1,000
	2,000	2,000	2,000	2,000
	\$ 4,093	\$ 4,093	\$ 4,093	\$ 4,093

6. CASH AND CASH EQUIVALENTS

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Cash on hand and at bank	7,307	6,038	1,720	1,905
Short term deposits	14,039	12,000	-	-
	21,346	18,038	1,720	1,905
Bank overdrafts (Note 21)	(44,196)	(5,103)	-	-
	(\$ 22,850)	\$ 12,935	\$ 1,720	\$ 1,905

Non-cash investing activities

Acquisition of plant and equipment through credit finance - \$0.132 million (2007: \$0.276 million).

b) Financing facilities

Facilities available to the group are bank overdrafts and revolving term loan. Firmly committed financing facilities of \$56.4 million (2007: \$36.4 million) were available to the group at the reporting date. At that date \$44.196 million (2007: \$5.253 million) was utilised.

7. TRADING INVESTMENTS

The trading investments of a subsidiary are traded in the market and are valued at market value at the close of the last trading day before the financial year end by reference to South Pacific Stock Exchange quoted bid prices.

Trading investments are classified as current assets because they are expected to be realised within twelve months of the balance date. The change in the fair value of trading investments is recorded in the income statement in accordance with Note 1.9 of the group's accounting policy.

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Listed equity investments at market value				
Amalgamated Telecom Holdings Limited	137	104	-	-
Pacific Green Industries Limited	42	45	-	-
RB Patel Group Limited	8	8	-	-
Government securities				
Bonds	4	4	-	-
	\$ 191	\$ 161	\$ -	\$ -

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

8. INVESTMENT SECURITIES

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Non-current Securities				
- Government securities	3,000	3,000	-	-
Add: Unamortised premium	26	47	-	-
	3,026	3,047	-	-
Preference shares				
- Sun (Fiji) Limited	500	500	500	500
- Goodman Fielder Limited	2,004	2,004	2,004	2,004
	\$ 5,530	\$ 5,551	\$ 2,504	\$ 2,504

Investment securities are classified as held-to-maturity financial assets and are valued in accordance with Note 1.9 of the group's accounting policy.

9. LOANS, ADVANCES AND RECEIVABLES

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Current				
Trade receivables	18,809	13,657	-	-
Allowance for doubtful debts	(2,063)	(1,698)	-	-
	16,746	11,959	-	-
Loans and advances (Note 10)	42,874	44,402	-	-
Owing by subsidiary companies	-	-	1,893	1,475
Owing by other companies	1,589	768	1,588	702
Other receivables	2,099	1,249	537	324
	\$ 63,308	\$ 58,378	\$ 4,018	\$ 2,501
Non-current				
Other receivables	20	20	-	-
Loans and advances (Note 10)	23,312	29,564	-	-
	\$ 23,332	\$ 29,584	\$ -	\$ -

10. LOANS AND ADVANCES

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Gross term receivables	99,425	105,525	-	-
Unearned income	(22,569)	(24,327)	-	-
	76,856	81,198	-	-
Individually assessed allowance	(8,170)	(3,652)	-	-
Collective allowance	(2,500)	(3,580)	-	-
	\$ 66,186	\$ 73,966	\$ -	\$ -

10. LOANS AND ADVANCES - continued

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Maturity analysis				
Not longer than 3 months	10,599	10,529	-	-
Longer than 3 and no longer than 12 months	32,275	33,873	-	-
Current (Note 9)	42,874	44,402	-	-
Longer than 1 and not longer than 5 years	55,840	60,958	-	-
Longer than 5 years	711	165	-	-
Individually assessed allowance	56,551	61,123	-	-
Unearned income	(8,170)	(3,652)	-	-
Collective allowance	(22,569)	(24,327)	-	-
	(2,500)	(3,580)	-	-
Non-current (Note 9)	23,312	29,564	-	-
	\$ 66,186	\$ 73,966	\$ -	\$ -
11. INVENTORIES				
Raw materials, spares, stores and supplies	11,206	9,440	-	-
Finished goods	1,774	1,343	-	-
Other trading	9,301	2,843	-	-
	\$ 22,281	\$ 13,626	\$ -	\$ -

12. PROPERTY, PLANT AND EQUIPMENT

(a) Property, plant and equipment are set out in the financial statements on the following bases:

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Freehold land and buildings				
- at deemed cost	9,209	2,822	-	-
Accumulated depreciation	(111)	(538)	-	-
	9,098	2,284	-	-
Leasehold land, improvements and building				
- at deemed cost	29,421	12,315	-	-
Accumulated amortisation	(3,396)	(2,048)	-	-
	26,025	10,267	-	-
Plant and equipment				
- at deemed cost	71,918	70,472	1,213	1,315
Accumulated depreciation	(39,463)	(36,793)	(908)	(759)
	32,455	33,679	305	556
Capital work in progress - at cost	658	1,457	47	61
	\$ 68,236	\$ 47,687	\$ 352	\$ 617

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

12. PROPERTY, PLANT AND EQUIPMENT - continued

(b) Reconciliation of property, plant and equipment

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current year is set out below:

Group	Freehold land and building \$'000	Freehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 1 July 2007	2,284	10,267	33,679	1,457	47,687
Additions	7,285	18,649	3,830	157	29,921
Disposals	-	(2,566)	(838)	(14)	(3,418)
Assets held for sale	(462)	-	-	-	(462)
Transfer of capital works in progress	-	-	942	(942)	-
Depreciation/amortisation expense	(9)	(325)	(5,158)	-	(5,492)
Carrying amount at 30 June 2008	\$ 9,098	\$ 26,025	\$ 32,455	\$ 658	\$ 68,236

Holding Company	Freehold land and building \$'000	Freehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 1 July 2007	-	-	556	61	617
Additions	-	-	45	-	45
Disposals	-	-	(70)	-	(70)
Reversal	-	-	-	(14)	(14)
Depreciation	-	-	(226)	-	(226)
Carrying amount at 30 June 2008	\$ -	\$ -	\$ 305	\$ 47	\$ 352

(c) The depreciation and amortisation policy is set out in Note 1.10.

13. ASSETS HELD FOR SALE

Assets classified as held for sale consists of residential properties held by Merchant Finance & Investment Company Limited and Fiji Industries Limited and vessel held by Blue Lagoon Cruises Holdings Limited.

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Assets held for sale	\$ 3,173	\$ 155	\$ -	\$ -

14. INVESTMENT PROPERTIES

Cost

Opening balance	7,718	7,471	-	-
Acquisitions	-	247	-	-
Closing balance	7,718	7,718	-	-

Accumulated depreciation

Opening balance	653	481	-	-
Depreciation charge for the year	118	172	-	-
Closing balance	771	653	-	-

Carrying amount

Opening balance	\$ 7,065	\$ 6,990	\$ -	\$ -
Closing balance	\$ 6,947	\$ 7,065	\$ -	\$ -

15. INTANGIBLES

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Goodwill on consolidation	12,689	577	-	-
F1 Audio Visual Copyright	1,151	1,151	-	-
Total intangibles	\$ 13,840	\$ 1,728	\$ -	\$ -

The investment in an audio visual copyright is stated at a value guaranteed to be recovered from the exploitation of the copyright in accordance with that production's Investment Agreement. The accounting policy is set out in Note 1.14.

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Opening net book amount	1,728	1,728	-	-
Additions	12,112	-	-	-
Amortisation charge	-	-	-	-
Closing net book amount	\$ 13,840	\$ 1,728	\$ -	\$ -

Impairment test for goodwill

Goodwill is allocated to the group's cash generating unit (GCU) identified.

The recoverable amount of a GCU is determined based on value in use calculations. These calculations use pre-tax cashflow projections based on financial budgets approved by management covering a five year period. Cashflows beyond the five year period as extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long term average growth rate in which the CGU operates.

Management determined budgeted gross margins based on past performance and its expectations of the market. The weighted average growth rates used are based on management's assessment. The discount rate used reflects the risk adjusted rate of return. The tests indicate there was no impairment on goodwill.

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are valued in accordance with Note 1.9 of the financial statements.

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
(a) Listed/quoted securities				
- Amalgamated Telecom Holdings Limited	1,010	790	1,010	790
- Fiji Sugar Corporation Limited	1,337	1,377	1,337	1,377
- Fiji Television Limited	1,839	2,463	1,839	2,463
- Fijian Holdings Unit Trust	3,900	3,901	3,900	3,900
- Fijian Holdings Property Trust Fund	8,699	8,699	8,694	8,694
- Fosters Group Pacific Limited	-	-	39,522	52,806
- Flour Mills of Fiji Limited	532	1,103	532	1,103
	17,317	18,333	56,834	71,133

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS - continued

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
(b) Unlisted securities				
Shares in subsidiary companies				
- Basic Industries Limited	-	-	13,355	13,355
- Blue Lagoon Cruises Holdings Limited	-	-	9,539	9,539
- Clariti (South Pacific) Limited	-	-	202	684
- FHL Retailing Limited	-	-	19,864	-
- FHL Securities Limited	-	-	504	436
- Fiji Industries Limited	-	-	15,158	15,238
- Fijian Holdings Trust Management Limited	-	-	1,991	1,751
- Fijian Property Trust Company Limited	-	-	3,827	2,613
- Merchant Finance & Investment Company Limited	-	-	27,944	26,746
	-	-	92,384	70,362
Shares in other companies				
- Goodman Fielder International (Fiji) Ltd	1,764	1,764	2,164	2,164
- Goodluck Investments Limited	648	2,199	648	2,199
- Golden Manufacturers Limited	-	-	13,017	13,017
- Marsh Limited	-	-	5,500	5,750
- Minjesk Investment Co Limited	-	341	-	341
- New World Limited	2,110	3,375	2,110	3,375
- South Pacific Stock Exchange	15	15	-	-
- Asian Paints (South Pacific) Limited	1,051	1,051	1,051	1,051
	5,588	8,745	24,490	27,897
- Other	7	-	-	-
Total investments	\$ 22,912	\$ 27,078	\$ 173,708	\$ 169,392

The investment in an audio visual copyright is stated at a value guaranteed to be recovered from the exploitation of the copyright in accordance with that production's Investment Agreement.

(c) Reconciliation of available-for-sale financial assets

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Opening balance	27,078	24,259	169,392	159,174
Acquisitions	7	3,439	19,864	3,439
Disposals	-	-	-	(770)
Reclassification	-	551	-	551
Revaluation surplus – transfer to available-for-sale reserve (Note 22)	(4,173)	(1,171)	(15,548)	6,998
Total investments (at fair value)	\$ 22,912	\$ 27,078	\$ 173,708	\$ 169,392

17. DETAILS OF INVESTMENTS

Name of company	Place of incorporation	Ownership Interest		Dividends received by Holdings Company	
		2008 %	2007 %	2008 %	2007 %
(a) Listed/quoted securities					
Amalgamated Telecom Holdings Ltd	Fiji	0.2	0.2	70	60
Fiji Sugar Corporation Limited	Fiji	8.8	8.8	-	-
Fiji Television Limited	Fiji	5.3	5.3	99	99
Fijian Holdings Unit Trust	Fiji	13.57	13.57	173	179
Fijian Holdings Property Trust Fund	Fiji	79.52	79.52	329	267
Fosters Group Pacific Limited	Fiji	28.9	28.9	1,358	1,207
Flour Mills of Fiji Limited	Fiji	4.3	4.3	26	16
				2,055	1,828
(b) Unlisted securities					
Subsidiary companies					
Basic Industries Limited	Fiji	51.1	51.1	1,224	1,128
Blue Lagoon Cruises Holdings Limited	Fiji	100.0	100.0	-	-
Clariti (South Pacific) Limited	Fiji	60.0	60.0	-	-
FHL Retailing Limited	Fiji	100.0	-	-	-
FHL Securities Limited	Fiji	100.0	100.0	29	-
Fiji Industries Limited	Fiji	50.1	50.1	1,872	1,522
Fijian Holdings Trust Management Ltd	Fiji	100.0	100.0	170	200
Fijian Property Trust Company Limited	Fiji	89.7	89.7	169	156
Hinterland Fiji Limited (liquidated)	Fiji	-	-	-	406
Merchant Finance & Investment Company Limited	Fiji	80.0	80.0	2,000	1,486
				5,464	4,898
(c) Other companies					
Asian Paints (South Pacific) Ltd	Fiji	8.9	8.9	-	-
Goodman Fielder International (Fiji) Limited	Fiji	(Pref)	(Pref)	240	200
Goodman Fielder International (Fiji) Limited	Fiji	10.0	10.0	176	216
Golden Manufacturers Limited	Fiji	30.0	30.0	1,110	1,200
Marsh Limited	Fiji	25.0	25.0	700	400
Minjesk Investment Company Limited	Fiji	20.0	37.5	-	-
New World Limited	Fiji	15.0	15.0	255	260
Sun (Fiji) Limited	Fiji	(Pref)	(Pref)	25	-
				2,506	2,276
				\$ 10,025	\$ 9,002

(d) Dividends received by subsidiary company

FHL Securities Limited received dividend income of \$9,884 (2007: \$8,372) from its investments.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

18. INVESTMENT IN ASSOCIATES

The Group's share of after tax profit in its equity accounted investees for the year was \$5.007 million (2007:\$6.290 million).

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group:

	Interest held %	Assets \$'000	Liabilities \$'000	Profit/(loss) \$'000
2008				
Fosters Group Pacific Ltd	28.9	79,645	15,777	10,427
Golden Manufacturers Ltd	30.0	19,124	3,720	5,322
Marsh Ltd	25.0	9,965	6,986	1,587
		108,734	26,483	17,336
2007				
Fosters Group Pacific Ltd	28.9	75,437	16,407	8,034
Golden Manufacturers Ltd	30.0	18,257	4,677	4,793
Marsh Ltd	25.0	10,511	6,311	2,165
		104,205	27,395	14,992

Carrying value of associate:

The total investment in associated company comprises:

	Group 2008 \$'000	Group 2007 \$'000
Opening balance	23,991	21,968
Equity accounted earnings of associates	5,007	6,290
Dividends from associates	(3,168)	(2,807)
Fair value adjustments	(13,536)	(1,461)
Share of increase in associates equity during the year	-	1
Closing balance	\$ 12,294	\$ 23,991

19. PAYABLES

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Trade creditors and accruals	8,906	5,499	-	-
Owing to related companies	21	175	49	41
Other creditors	6,035	2,978	245	819
	\$ 14,962	\$ 8,652	\$ 294	\$ 860

20. EMPLOYEE ENTITLEMENTS

	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Annual leave	495	452	12	19
Long service leave (non-current)	31	25	-	-
	\$ 526	\$ 477	\$ 12	\$ 19

21. BORROWINGS

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Current				
Bank overdrafts				
Secured (Note 6)	44,196	5,103	-	-
Term loans				
Secured	4,801	15,838	30,238	11,870
Fixed term deposits and short term borrowings				
Unsecured	37,095	19,351	-	-
	\$ 86,092	\$ 40,292	\$ 30,238	\$ 11,870
Non-current				
Term loans				
Secured	11,469	8,375	-	-
Fixed term deposits and short term borrowings				
Unsecured	19,956	44,106	-	-
	\$ 31,425	\$ 52,481	\$ -	\$ -
TOTAL	\$ 117,517	\$ 92,773	\$ 30,238	\$ 11,870

- (a) The bank overdraft facilities of the subsidiary companies with ANZ Bank are secured by registered equitable mortgages over all the assets and undertakings, including uncalled capital of the respective companies. The bank overdraft facility with Westpac Banking Corporation of a subsidiary is secured by registered mortgage debenture and registered mortgage over CT 4411 and NL 15761.
- (b) Term loans of the group companies are secured as follows:
- (i) Fijian Property Trust Company Limited: \$0.674 million – the loan with the ANZ Bank is secured by a first mortgage over CT19239 (Vanua House). Interest and principal repayments are to be made monthly in arrears at \$0.047 million per month.
 - (ii) Merchant Finance & Investment Company Limited: \$1.151 million - The limited recourse loan of \$1.151 million is with Fine Arts (Fiji) Limited and the principal amount shall be paid from the company's share of net profits as set out in the Joint Venture Deed dated 15 December 2004.
 - (iii) Blue Lagoon Cruises Holding Limited: \$5.48 million – the loan with Westpac Banking Corporation is secured by a registered first party all monies mortgage over lease number 123725, registered ship's mortgage over passenger cruise vessel "Mystique Princess"; and a registered ship's mortgage over passenger cruise vessel "Fiji Princess".
 - (iv) Fiji Industries Limited: \$0.650 million – the loan is secured by a first registered mortgage debenture over all the company's assets and undertakings.
 - (v) Basic Industries Limited: \$1.708 million - the loan is secured by a registered second fixed and floating charge by company over all fixed assets and undertaking including its uncalled and unpaid capital and registered mortgages over CT 37075, CT 37069 and CT 36564.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

21. BORROWINGS - continued

- (vi) Clariti (South Pacific) Limited: \$0.163 million – the loan is secured by Bill of Sale over Motor vehicle.
 - (vii) FHL Retailing Limited: \$6.677 million – the loan with ANZ Bank is secured by first registered mortgage debenture over all its assets and undertakings including its un-called and unpaid capital, first registered mortgages over CT 234000 and CT 34330.
- (c) Fixed term deposits and short term borrowings relate to customer deposits with Merchant Finance & Investment Company Limited.

22. OTHER RESERVES

	Note	Asset Revaluation Reserve \$'000	General Reserves \$'000	Available for Sale Reserve \$'000	Changes in Associates Equity \$'000	Total \$'000
Group						
Balance at 1 July 2006		213	10,152	86,612	-	96,977
IFRS Adjustments	31	-	(10,152)	(78,616)	(3,753)	(92,521)
Restated balance at 1 July 2006		213	-	7,996	(3,753)	4,456
Realisation of asset revaluation reserve		(213)	-	-	-	(213)
Changes in associates equity during the year		-	-	-	1	1
Fair value movements	16(c)	-	-	(1,172)	-	(1,172)
Restated balance at 30 June 2007		-	-	6,824	(3,752)	3,072
Fair value movements	16(c)	-	-	(18,000)	-	(18,000)
Balance at 30 June 2008		\$ -	\$ -	(\$ 11,176)	(\$ 3,752)	(\$ 14,928)
Holding Company						
Balance at 1 July 2006		-	10,000	96,263	-	106,263
IFRS adjustments	31	-	(10,000)	-	-	(10,000)
Restated balance at 1 July 2006		-	-	96,263	-	96,263
Fair value movements	16(c)	-	-	6,998	-	6,998
Restated balance at 30 June 2007		-	-	103,261	-	103,261
Fair value movements	16(c)	-	-	(15,840)	-	(15,840)
Balance at 30 June 2008		\$ -	\$ -	\$ 87,421	\$ -	\$ 87,421

22. OTHER RESERVES - continued

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Available for sale reserve	(11,176)	6,824	87,421	103,261
Changes in associates equity	(3,752)	(3,752)	-	-
	(\$ 14,928)	\$ 3,072	\$ 87,421	\$ 103,261

Available for sale reserve consists of unrealised gains or losses arising from changes in the fair value of non-monetary investments classified as available-for-sale financial assets.

Changes in associates equity represents movements in reserves held by the respective associates and is made up of the following:

Associate	Reserve
Marsh Limited	Employee equity settled benefit reserve
Fosters Group Pacific Limited	Asset revaluation reserve
Fosters Group Pacific Limited	Share premium

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Balance as the beginning of the year	(3,752)	(3,753)	-	-
Increase during the year	-	1	-	-
Balance at the end of the year	(\$ 3,752)	(\$ 3,752)	\$ -	\$ -

23. SHARE CAPITAL

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Authorised				
20,000,000 'A' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
20,000,000 'B' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Issued and fully paid				
10,464,650 'A' class ordinary shares of \$1 each	10,465	10,465	10,465	10,465
20,000,000 'B' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
	\$ 30,465	\$ 30,465	\$ 30,465	\$ 30,465

The company's ordinary 'A' class shares are listed on the Restricted Board of the South Pacific Stock Exchange.

The Fijian Affairs Board and the Fijian Trust Fund each hold 10 million of the company's "B" class ordinary shares of \$1 each.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

24. OPERATING LEASES

Operating lease commitments – where a group company is the lessee

The group has a number of lease agreements with varying terms and conditions. The future aggregated minimum lease payments under these leases are as follows:

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Not later than 1 year	483	499	159	160
Later than 1 year but not later than 5 years	648	581	317	-
Later than 5 years	-	20	-	-
	\$ 1,131	\$ 1,100	\$ 476	\$ 160

Operating lease commitments – where a group company is the lessor

The group leases certain properties at varying terms and conditions. The future minimum lease payments receivable under these leases are as follows:

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Not later than 1 year	1,972	2,154	-	-
Later than 1 year but not later than 5 years	4,058	986	-	-
Later than 5 years	1,832	1,889	-	-
	\$ 7,862	\$ 5,029	\$ -	\$ -

25. EARNINGS PER SHARE

Profit after income tax attributable to members
of the holding company

Weighted average number of shares outstanding

Basic and diluted earnings per share

Group	Group
2008 \$'000	2007 \$'000
\$ 11,349	\$ 14,291
30,465	30,465
\$ 0.37	\$ 0.47

26. CONTINGENT LIABILITIES

Non performance guarantees given by
the bank on behalf of subsidiary companies
Limited guarantees provided by the holding
company to the bank on behalf of:
- related party

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
	2,128	2,233	-	-
	1,875	1,875	1,875	1,875

In the opinion of the directors, no loss is anticipated in respect of the above contingent liabilities.

27. CAPITAL COMMITMENTS

Commitments for capital expenditure not provided for in the financial statements are as follows:

Approved but not contracted
 Approved and contracted

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Approved but not contracted	18,233	2,653	-	-
Approved and contracted	837	6,522	-	-
28. EMPLOYEE NUMBERS				
Number of employees at year end	1,414	403	10	10

28. EMPLOYEE NUMBERS

Number of employees at year end

29. RELATED PARTY INFORMATION

Directors

The following were directors of the company at any time during the financial year and up to the date of this report:

J Mar – chairman to 13 June 2008	A Tabete – to 13 June 2008	A Razak – to 13 June 2008
F T Nemani – retired 23 October 2007	S T Mailekai – to 4 June 2008	I Tuituku – to 3 April 2008
S Welelilakeba – to 14 June 2008	Robin Storck – 13 to 20 June 2008	U Baya – from 26 October 2007
I Kaloumaira – chairperson from 13 June 2008	A Mohammed - deputy chairperson from 13 June 2008	S Qoro – from 13 June 2008
P Lala – from 13 June 2008	M Makasiale	I Naiveli
R Qereqeretabua		

Amounts paid to the directors during the year are disclosed in Note 3(b).

Loans to directors

As at 30 June 2008, there were no balances owing in the books of a subsidiary company in respect of advances made to the director (2007: \$0.090 million).

Ownership interests in related parties

All material ownership interests in related parties are disclosed in Note 16 to the financial statements.

Transactions with related parties

All transactions with related parties are made on normal commercial terms and conditions.

Amounts receivable from and payable to related parties are disclosed in Notes 9 and 19 to the financial statements.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

29. RELATED PARTY INFORMATION - continued

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the:

Group

Name	Current title
Sitiveni Weleilakeba	Group Managing Director – resigned 14 June 2008
Nouzab Fareed	Group Chief Financial Officer – to 14 June 2008
Jonetani Tonawai	Group Human Resource Manager – transferred to Basic industries Limited from 24 June 2008
Sereana Qoro	Managing Director – from 14 June 2008
Aiyaz Musa	Chief Financial Officer – from 24 June 2008
Tomasi Radakua	Human Resource Manager – from 24 June 2008
Mariana Saumadu	Manager Internal Audit & Company Secretary – from 24 June 2008
Jaoji Koroi	Chief Executive Officer – transferred to RB Patel Group

Company

Name	Current title
Jaoji Koroi	Chief Executive Officer – to 22 April 2008
Tevita Gonelevu	Manager Financial Markets
Nouzab Fareed	Group Chief Finance Officer – to 24 June 2008 General Manager, Investment & Strategy - from 25 June 2008.
Jonetani Tonawai	Group Human Resource Manager – transferred to Basic industries Limited to 24 June 2008
Finau Soqo	Manager Investment & Strategic Planning
Sitiveni Weleilakeba	Group Managing Director – resigned 14 June 2008
Mariana Saumadu	Manager Internal Audit & Company Secretary – from 24 June 2008

The aggregate compensation of the key management personnel comprises only short-term benefits and is set out below:

	Group		Holdings Company	
	2008 \$'000	Restated 2007 \$'000	2008 \$'000	Restated 2007 \$'000
Short-term benefits	\$ 3,407	\$ 437	\$ 841	\$ 681

30. BUSINESS COMBINATION

On 14 April 2008, the group acquired 50.20% of the share capital of R. B. Patel Group Limited (RBG), a company which operates predominantly in the retailing and wholesaling industry in Fiji. The acquired business contributed revenues of \$18,895,152 and profit after tax of \$919,389 to the group for the period up to 30 June 2008.

Details of net assets acquired and goodwill are as follows:

	\$
Purchase consideration:	
- Cash paid	19,578,000
- Direct costs relating to acquisition	286,208
Net purchase consideration	\$ 19,864,208
Net assets acquired	7,752,701
Goodwill	\$ 12,111,507

The assets and liabilities as of 1 April 2008 arising from the acquisition are as follows:

	\$
Cash and cash equivalents	98,910
Trade and other receivables	1,205,735
Inventories	8,465,834
Non current assets held for sale	750,544
Financial assets	7,104
Property, plant and equipment	25,409,787
Deferred tax assets	9,712
Trade and other payables	(9,515,036)
Tax payables	(1,128,624)
Provisions	(19,826)
Interest bearing borrowings	(8,602,362)
Deferred tax liabilities	(1,208,558)
Deposits	(29,593)
Net assets	\$ 15,443,627
Net assets	15,443,627
Minority interest (49.84%)	7,690,926
Net assets acquired	\$ 7,752,701
Purchase consideration settled in cash	19,864,208
Cash and cash equivalent	(98,910)
Cash outflow on acquisition	\$ 19,765,298

The accounting of the acquisition has been done on a provisional basis.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

31. EXPLANATION OF TRANSITION TO IFRS

This is the first period that the company has presented its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 30 June 2008, the comparative information presented in these financial statements for the period ended 30 June 2007 and in preparation of an opening Balance Sheet as at 1 July 2007.

In preparing its opening IFRS Balance Sheet, the company has adjusted amounts reported previously in financial statements prepared in accordance with Fiji Accounting Standards ("FAS"). The adjustments involve two types of changes: those concerning presentation and disclosure of items in the financial statements; and those concerning recognition and measurement of items in the financial statements.

An explanation of how the transition from Fiji Accounting Standards to IFRS has affected the company's financial position, financial performance and cash flows is set out in the tables and the notes in the following pages.

1. Group

(a) At the date of transition to IFRS: 1 July 2006

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000	
ASSETS				
Current assets				
	Cash and cash equivalents	29,367	-	29,367
	Trading investments	196	-	196
1	Loans, advances & receivables	43,649	-	43,649
	Inventories	10,693	-	10,693
2	Assets held for sale		155	155
		83,905	155	84,060
Non-current assets				
	Investment securities	6,123	-	6,123
1	Loans, advances & receivables	40,920	1,823	42,743
2	Property, plant and equipment	51,924	(7,220)	44,704
2	Investment properties	-	7,065	7,065
3	Investment in associates	-	26,798	26,798
4	Intangibles	174	1,645	1,819
3	Available-for-sale financial assets	126,464	(72,725)	53,739
5	Deferred tax assets	3,713	1,458	5,171
		229,318	(41,156)	188,162
Total assets				
		313,223	(41,001)	272,222
LIABILITIES				
Current liabilities				
	Payables	(8,491)	-	(8,491)
	Borrowings	(54,627)	-	(54,627)
6	Provisions	(7,356)	2,108	(5,248)
	Employee entitlements	-	-	-
	Current tax liability	-	-	-
		(70,474)	2,108	(68,366)

31. EXPLANATION OF TRANSITION TO IFRS - continued

(a) At the date of transition to IFRS: 1 July 2006 - continued

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
Non-current liabilities			
Borrowing	(47,592)	-	(47,592)
Deposits	-	-	-
Employee entitlements	-	-	-
Deferred tax liabilities	5 (3,652)	(1,371)	(5,023)
	(51,244)	(1,371)	(52,615)
Total liabilities	(121,718)	737	(120,981)
NET ASSETS	191,505	(40,264)	151,241
SHAREHOLDER EQUITY			
Share capital	(30,465)	-	(30,465)
Reserves	3,7 (96,977)	63,040	(33,937)
Proposed dividends	6 -	(2,108)	(2,108)
Retained earnings	(39,878)	(20,461)	(60,339)
Attributable to the members of the holding company	(167,320)	40,471	(126,849)
Minority interest	8 (24,185)	(207)	(24,392)
Total shareholders' equity	(191,505)	40,264	(151,241)

(b) Reconciliation of Balance Sheet as at 30 June 2007

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
ASSETS			
Current assets			
Cash and cash equivalents	18,038	-	18,038
Trading investments	161	-	161
Loans, advances & receivables	1 41,305	-	41,305
Inventories	13,625	-	13,625
Assets held for sale	2 -	155	155
	73,129	155	73,284
Non-current assets			
Investment securities	5,551	-	5,551
Loans, advances & receivables	1 44,061	2,595	46,656
Property, plant and equipment	2 54,907	(7,220)	47,687
Investment properties	2 -	7,065	7,065
Investment in associates	3 -	23,991	23,991
Intangibles	4 (153)	1,881	1,728
Available-for-sale financial assets	3 99,802	(72,725)	27,077
Deferred tax assets	5 3,188	1,132	4,320
	207,356	(43,281)	164,075
Total assets	280,485	(43,126)	237,359

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

31. EXPLANATION OF TRANSITION TO IFRS

(b) Reconciliation of Balance Sheet as at 30 June 2007 - continued

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
LIABILITIES			
Current liabilities			
	(8,901)	-	(8,901)
	(40,292)	-	(40,292)
6	(7,185)	2,160	(5,025)
	-	-	-
	-	-	-
	(56,378)	2,160	(54,218)
Non-current liabilities			
	(52,481)	-	(52,481)
	-	-	-
	-	-	-
5	(3,389)	(1,371)	(4,760)
	(55,870)	(1,371)	(57,241)
	(112,248)	789	(111,459)
	168,237	(42,337)	125,900
NET ASSETS			
SHAREHOLDER EQUITY			
	(30,465)	-	(30,465)
3,7	(66,112)	63,040	(3,072)
6	-	(2,160)	(2,160)
	(45,479)	(18,336)	(63,815)
	(142,056)	42,544	(99,512)
8	(26,181)	(207)	(26,388)
	(168,237)	42,336	(125,900)

(c) Reconciliation of Income Statement as at 30 June 2007

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
INCOME			
	(94,133)	-	(94,133)
3	(3,479)	2,807	(672)
	(97,612)	2,807	(94,805)
EXPENSES			
	723	-	723
	28,027	-	28,027
	11,083	-	11,083
	5,137	-	5,137
	-	-	-
	35	-	35

31. EXPLANATION OF TRANSITION TO IFRS - continued

(c) Reconciliation of Income Statement as at 30 June 2007 - continued

	Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
Other operating expenses	2,4	22,866	(1,008)	21,858
		67,871	(1,008)	66,863
OPERATING PROFIT		(29,741)	1,799	(27,942)
Finance costs		7,958	-	7,958
PROFIT before Income Tax		(21,783)	1,799	(19,984)
Income tax expense	5	7,115	(326)	6,789
PROFIT for the year		(14,668)	1,473	(13,195)
Associates' profit				(6,290)
				(19,485)
<u>Attributable to:</u>				
Equity holders of the company		(9,694)	-	(14,291)
Minority interest		(4,974)	(220)	(5,194)

(d) Notes to the restatement of comparatives as at 30 June 2007

1. Loans, advances & receivables

Adjustments relate to the write-back of provision for doubtful debts..

2. Property, plant and equipment

Adjustment relate to the reclassification of assets held for sale (IAS 16) and investment properties (IAS 40).

3. Available-for-sale financial assets

Adjustments relate to the reclassification of investment in associates and reversal of reserves for investments in associates.

4. Intangibles

Adjustment relate to reclassification of available-for-sale financial assets and the write-back of goodwill amortisation and write-off of negative goodwill.

5. Deferred tax assets/liabilities

Tax effect of the adjustments in relation of the write-back of provisions and the tax losses booked.

6. Provisions

Adjustments relate to the reclassification of the proposed dividend to equity.

7. Reserves

Adjustments relate to the reversal of reserves no longer required under IFRS.

8. Minority reserves

Adjustments in relation to the reversal of the reserves in 7 above.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

31. EXPLANATION OF TRANSITION TO IFRS

2. Holding Company

(a) At the date of transition to IFRS: 1 July 2006

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
ASSETS			
Current assets			
Cash and cash equivalents	11,601	-	11,601
Trading investments	-	-	-
Loans, advances & receivables	6,565	-	6,565
Inventories	-	-	-
Assets held for sale	-	-	-
	18,166	-	18,166
Non-current assets			
Investment securities	3,055	-	3,005
Loans, advances & receivables	-	-	-
Property, plant and equipment	853	-	853
Investment properties	-	-	-
Investment in associates	-	-	-
Intangibles	-	-	-
Available-for-sale financial assets	159,174	-	159,174
Deferred tax assets	-	-	-
	163,082	-	163,082
Total assets	181,248	-	181,248
LIABILITIES			
Current liabilities			
Payables	(718)	-	(718)
Borrowings	(24,841)	-	(24,841)
Provisions	(2,619)	2,184	(435)
Employee entitlements	-	(119)	(119)
Current tax liability	-	-	-
	(28,178)	2,065	(26,113)
Non-current liabilities			
Borrowing	-	-	-
Deposits	-	-	-
Employee entitlements	-	-	-
Deferred tax liabilities	-	-	-
	-	-	-
Total liabilities	(28,178)	2,065	(26,113)
NET ASSETS	153,070	2,065	155,135
SHAREHOLDER EQUITY			
Share capital	(30,465)	-	(30,465)
Reserves	(106,263)	10,000	(96,263)
Proposed dividends	-	(2,065)	(2,065)
Retained earnings	(16,342)	(10,000)	(26,342)
Attributable to the members of the holding company	(153,070)	(2,065)	(155,135)
Minority interest	-	-	-
Total shareholders' equity	(153,070)	(2,065)	(155,135)

31. EXPLANATION OF TRANSITION TO IFRS

(b) Reconciliation of Balance Sheet as at 30 June 2007

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
ASSETS			
Current assets			
Cash and cash equivalents	1,905	-	1,905
Trading investments	-	-	-
Loans, advances & receivables	2,501	-	2,501
Inventories	-	-	-
Assets held for sale	-	-	-
	4,406	-	4,406
Non-current assets			
Investment securities	2,504	-	2,504
Loans, advances & receivables	-	-	-
Property, plant and equipment	617	-	617
Investment properties	-	-	-
Investment in equity accounted investees	-	-	-
Intangibles	-	-	-
Available-for-sale financial assets	169,392	-	169,392
Deferred tax assets	-	-	-
	172,513	-	172,513
Total assets	176,919	-	176,919
LIABILITIES			
Current liabilities			
Payables	(860)	-	(860)
Borrowings	(11,870)	-	(11,870)
Provisions	1 (2,084)	2,084	-
Employee entitlements	1 -	(19)	(19)
Current tax liability	-	-	-
	(14,814)	2,065	(12,749)
Non-current liabilities			
Borrowing	-	-	-
Deposits	-	-	-
Employee entitlements	-	-	-
Deferred tax liabilities	-	-	-
	-	-	-
Total liabilities	(14,814)	2,065	(12,749)
NET ASSETS	162,105	2,065	164,170
SHAREHOLDER EQUITY			
Share capital	(30,465)	-	(30,465)
Reserves	2 (113,261)	10,000	(103,261)
Proposed dividends	1 -	(2,065)	(2,065)
Retained earnings	2 (18,379)	(10,000)	(28,379)
Attributable to the members of the holding company	(162,105)	(2,065)	(164,170)
Minority interest	-	-	-
Total shareholders' equity	(162,105)	(2,065)	(164,170)

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

31. EXPLANATION OF TRANSITION TO IFRS - continued

(c) Reconciliation of Income Statement as at 30 June 2007

Note	Previous FAS \$'000	Effect of transition to IFRS \$'000	Restated IFRS \$'000
INCOME			
Operating	(9,002)	-	(9,002)
Other	(1,608)	-	(1,608)
	(10,610)	-	(10,610)
EXPENSES			
Changes in inventories of finished goods & work in progress	-	-	-
Raw materials & consumables used	-	-	-
Staff costs	1,114	-	1,114
Depreciation & amortisation	242	-	-
Fair value gains/ (losses) on trading investments	-	-	-
Impairments loss - investments	-	-	-
Other operating expenses	1,347	-	1,347
	2,703	-	2,703
OPERATING PROFIT	(7,907)	-	(7,907)
Finance costs	1,597	-	1,597
PROFIT before Income Tax	(6,310)	-	(6,310)
Income tax expense	180	-	180
PROFIT for the year	(6,130)	-	(6,130)

(d) Notes to the restatement of comparatives as at 30 June 2007

1. **Provisions**
Adjustments relate to the reclassification of the proposed dividend and annual leave.
2. **Reserves**
Adjustments relate to the reversal of general reserve no longer required under IFRS.

32. SEGMENT INFORMATION

Primary Reporting - Business Segments

	Construction \$'000	Property \$'000	Finance \$'000	Tourism \$'000	Other \$'000	Inter Segment \$'000	Total Group \$'000
External operating revenue	53,806	1,989	18,165	9,972	36,780	(9,277)	\$ 111,435
Result							
Profit before income tax	9,239	866	7,362	(848)	8,288	(8,432)	\$ 16,475
Depreciation and amortisation expenses	2,665	137	317	1,754	619	-	5,492
Acquisition of property, plant and equipment	1,243	136	324	613	28,547	-	\$ 30,863
Total Assets	51,506	8,324	89,402	23,409	96,262	(5,513)	\$ 263,390
Total Liabilities	15,893	1,858	61,853	11,319	53,083	(4,110)	\$ 139,896
External operating revenue	56,028	1,987	16,772	9,585	18,234	(7,801)	\$ 94,805
Result							
Profit before income tax	12,969	652	7,784	(929)	7,446	(7,938)	\$ 19,984
Depreciation and amortisation expenses	3,048	305	318	1,128	338	-	\$ 5,137
Acquisition of property, plant and equipment	8,330	322	112	149	142	-	\$ 9,055
Total Assets	48,436	9,260	93,228	24,164	62,039	(4,085)	\$ 233,042
Total Liabilities	14,754	3,033	68,333	11,051	13,978	(4,007)	\$ 107,142

The group operates in Fiji in a number of business segments. Construction operations comprise the production and sale of cement, concrete and concrete products. Property comprises the ownership of properties and derivation of rental income. Tourism includes investment in a company operating a fleet of cruise vessels. Finance includes the financing of asset purchases and granting of personal loans and acceptance of term deposits. Other includes equity and securities investments, stock brokering, management services, the selling and servicing of electronic and communication products and retailing and wholesaling of general merchandise.

Notes to and forming part of the Financial Statements

Fijian Holdings Limited and Subsidiary Companies financial statements
Year Ended 30 June 2008

33. GENERAL INFORMATION

Holding company

The holding company is incorporated and domiciled in the Republic of the Fiji Islands with limited liability. Its principal activity is investment. The address of its registered office is 7th Floor, Ra Marama House, 91 Gordon Street, Suva. The company is listed on the South Pacific Stock Exchange.

Approval of financial statements

These consolidated financial statements have been approved for issue by the Board of Directors on 29th September, 2008.

Subsidiary companies

The principal activities of the subsidiary companies are as follows:

- Basic Industries Limited - investment, production and sale of concrete products, quarrying and sale of aggregates.
- Blue Lagoon Cruises Holdings Limited – investment in a company operating a fleet of cruise vessels.
- Clariti (South Pacific) Limited – provision of management and information technology services.
- FHL Securities Limited - a licensed dealer and broker in equities and securities on the South Pacific Stock Exchange.
- Fijian Property Trust Company Limited – property investment.
- Fiji Industries Limited - production and sale of cement.
- Fijian Holdings Trust Management Limited – investor and managers of the Fijian Holdings Unit Trust.
- Merchant Finance & Investment Company Limited - financing of asset purchases and granting of personal loans and acceptance of term deposits.
- FHL Retailing Limited – investment in a company retailing and wholesaling of general merchandise, owners and administrators of properties and equity instruments.

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS

Listing requirements of the South Pacific Stock Exchange (not included elsewhere in this financial statements)

a) Statement of interest of each Director in the share capital of the Company or in a related Corporation as at 30 June 2008:

Mr Sitiveni Weleilakeba (Indirect interest: Weleilakeba Family Trust) – NIL (2007: 21,200) in Fijian Holdings Limited.

b) Distribution of Shareholding

Holding	No. of Holders	% Holding
Less than 500 shares	5	0.00%
501 to 5,000 shares	672	2.90%
5,001 to 10,000 shares	52	1.24%
10,001 to 20,000 shares	47	2.34%
20,001 to 30,000 shares	13	1.03%
30,001 to 40,000 shares	11	1.22%
40,001 to 50,000 shares	9	1.41%
50,001 to 100,000 shares	28	7.08%
100,001 to 1,000,000 shares	19	15.46%
Over 1,000,000 shares	2	67.32%

c) Disclosure under Section 7(4)

	Fijian Property Trust Co. Limited \$'000	FHL Securities Limited \$'000	Basic Industries Group \$'000	Fiji Industries Limited \$'000	Merchant Finance & Investment Co. Ltd \$'000
Turnover	1,914	150	34,275	25,945	16,414
Other income	75	44	1,840	-	1,752
	1,989	194	36,115	25,945	18,166
Depreciation	(137)	(9)	(2,533)	(1,002)	(317)
Other expenses	(986)	(63)	(29,589)	(19,697)	(10,487)
Income tax expense	(264)	1	(1,379)	(1,643)	(2,208)
	(1,387)	(71)	(33,501)	(22,342)	(13,012)
Profit/(loss) after tax	\$ 602	\$ 123	\$ 2,614	\$ 3,603	\$ 5,154

	Fijian Holdings Management Limited \$'000	Clarity (South Pacific) Limited \$'000	Blue Lagoon Cruises Holdings Limited \$'000	FHL Retailing Limited \$'000
Turnover	873	6,532	7,677	18,895
Other income	25	-	2,295	151
	898	6,532	9,972	19,046
Depreciation	(54)	(57)	(1,754)	(272)
Other expenses	(641)	(6,853)	(9,066)	(17,416)
Income tax expense	(63)	41	(175)	(439)
	(758)	(6,869)	(10,995)	(18,127)
Profit/(loss) after tax	\$ 140	(\$ 337)	(\$ 1,023)	\$ 919

Board Meetings Record

Year Ended 30 June 2008

Board Members	Meetings Dates							
	24 Aug 07	26 Oct 07	7 Dec 07	11 Feb 08	3 Mar 08	13 Jun 08	20 Jun 08	27 Jun 08
J Mar	★	★	★	★	★	★	★	★
F Nemani	★	★	★	★	★	★	★	★
I Tuituku	★	★	★	★	★	★	★	★
S T Mailekai	★	★	★	★	★	★	★	★
S Weleilakeba	★	★	★	★	★	★	★	★
A Razak	★	★	★	★	★	★	★	★
A Tabete	★	★	★	★	★	★	★	★
I Naiveli	★	★	★	★	★	★	★	★
I Kaloumaira	★	★	★	★	★	★	★	★
U Baya	★	★	★	★	★	★	★	★
R Stork	★	★	★	★	★	★	★	★
A Mohammed	★	★	★	★	★	★	★	★
S Qoro	★	★	★	★	★	★	★	★
P Lala	★	★	★	★	★	★	★	★

Colour Keys

- ★ Present
- ★ Apologies
- ★ Retired
- ★ Resigned
- ★ Not Applicable

Fijian Holdings Limited - Subsidiary Companies
Fijian Holdings Limited - Veikabani Cokovata

Merchant Finance & Investment Co Ltd
FHL Retailing Ltd
Blue Lagoon Cruises Holdings Limited
Clariti (South Pacific) Ltd
Fijian Property Trust Co Limited
Fijian Holdings Trust Management Limited
FHL Securities Limited
Humes Industries Ltd
Standard Concrete Ltd
Basic Industries Ltd
Fiji Industries Ltd

Fijian Holdings Limited - Associate Companies and Other Investments
Fijian Holdings Limited - Kabani Veiwekani

Goodman Fielder Fiji Ltd
Golden Manufacturing Ltd
Fijian Holding Property Trust Fund
Fijian Holdings Unit Trust
Asian Paints (South Pacific) Ltd
Marsh Ltd
Minjesk Investments Company Ltd
Amalgamated Telecom Holdings Ltd
New World Ltd
Foster Group Pacific Ltd
Goodluck Investments Ltd
Sun Fiji Ltd
Fiji Television Group
Fiji Sugar Corporation



The Ra Marama

Ra Marama was Ratu Cakobau's flagship war canoe presented as a gift from the people of Somosomo in 1842. Ra Marama became Ratu Cakobau's sign of dominance, power and authority over the Fiji waters. One of the largest ever built. Ra Marama was 102 feet long, 18 feet wide and took 7 years to build. It could carry up to 200 men with food and water for long voyages and capable of travelling 10 to 15 knots. ■

Na Ra Marama

Na Ra Marama e a Drua ni valu nei Ratu Cakobau. E a soli me i loloma mai vei ira na lewe i Somosomo ena 1842. Na Drua oqo e yaco me i vakatakilakila ni qaqa, kaukauwa kei na vakatulewa nei Ratu Cakobau e na vei wasawasa e Viti. E dua vei ira na Drua levu e buli, e 102 na fiti na kena balavu, 18 na fiti na kena raba ka taura e 7 na yabaki na kena tara. E rawa ni usana e 200 na tamata kei na kedra i vaqa kei na medra wai ena veisokoyaki balavu, ka rawa ni soko na Drua oqo ena 10 kina 15 na nota na kena totolo ■



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Suva
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FACSIMILE
(679) 330 5020

AUDITORS
PriceWaterHouseCoopers

LAWYERS
Lateef & Lateef

BANKERS
Australia & New Zealand
Banking Group Ltd

