

2009



FIJIAN HOLDINGS LIMITED

ANNUAL REPORT 2009

25 YEARS OF
EXCELLENCE.

“WE ARE WHAT WE REPEATEDLY DO.
EXCELLENCE, THEN, IS NOT AN ACT,
BUT A HABIT.”

About the Fijian Holding

Na Fijian Holding

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 and 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 all aspects of business.
- We will actively promote the growth and development of our people to excel in business and fulfill their purpose in life.

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”.

Na Rai Ki Liu Ni FHL

- Me dau 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 volai qo e ra:
- Keitou bulia ka cakacakataka na veika keitou vakavulica ena kabani me baleti ira era taukei ni sea kei ira era vakaitavi kina
- Keitou na sasaga me tadolavi yani na vanua ni vakatubu bisinisi ena neitou vakavulici ira keitou qaravi, ni tu vei keitou na kila ni vei qaravi, na vakasama titobu, na loloma kei na gadrevi ni veisau.
- Keitou na maroroya ka bulataka na i tovo cecere ni vei qaravi ka kena yavu dina, cakacaka vakadodonu kei na tuvaki ni qaravi vinaka ni tavi ni vei qaravi.
- Keitou na tutaka vakaukauwa na nodra tuberi cake kei na nodra vakavulici na i Taukei ni me ra daubisinisi vianaka ka tamusuki na vua ni nodra bula.

Veika Bibi e Vakaliuca na FHL

- Dina ena Neitou Vei qaravi
- Wali ni leqa ena vakasama i veisau vou
- Me toso tiko ga na i tovo ni neitou vei qaravi
- 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.



Contents

Ulutaga

PERFORMANCE HIGHLIGHTS Usutu ni Cicivaki Bisinisi	2
FINANCIAL HIGHLIGHTS Usutu ni Rawa Ka	3
BOARD OF DIRECTORS Lewe ni Matabose	4
MANAGEMENT TEAM Manidia Liu ni Kabani Cokovata	5
CHAIRMANS REPORT Tukutuku ni Liuliu ni Matabose ni Fijian Holdings Limited	6
MANAGING DIRECTORS REPORT Tukutuku ni Manidia Dairekita ni Kabani Cokovata	12
OPERATIONAL REPORT OF SUBSIDIARIES COMPANIES Tukututuku Mai Vei Ira na Kabani Cokovata	18
OPERATIONAL REPORT OF ASSOCIATE COMPANIES AND OTHER INVESTMENT Kedra i Tukutuku na Kabani Veiwekani	38
<hr/>	
FINANCIAL CONTENTS	
DIRECTORS REPORT	
STATEMENT BY DIRECTORS	
INDEPENDENT AUDIT REPORT	
INCOME STATEMENT	
BALANCE SHEET	
STATEMENT OF CHANGES IN EQUITY	
CASH FLOW STATEMENT	
NOTES TO AND FORMING PART OF THE FINANCIALS STATEMENTS	
SOUTH PACIFIC STACK EXCHANGE LISTING REQUIREMENTS	
FHL BOARD MEETING ATTENDANCE	

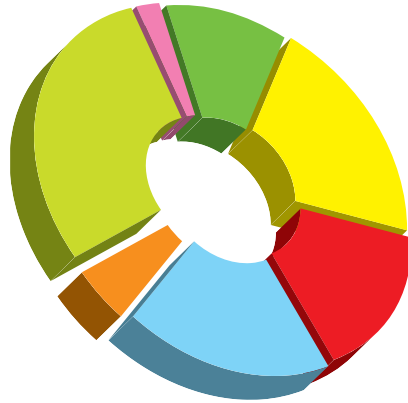
PERFORMANCE HIGHLIGHTS

USUTU NI CICIVAKI NI BISINISI

YEAR END 30 JUNE	HOLDING COMPANY			GROUP		
	2009	2008	Change %	2009	Restated 2008	Change %
Operating Results						
Operating Revenue (\$, '000)	11,059	10,025	10%	169,305	106,733	59%
EBITDA (\$, '000)	41,325	8,129	408%	67,148	24,880	170%
EBIT (\$, '000)	41,161	7,903	421%	61,168	19,270	217%
NPBT (\$, '000)	39,219	7,181	446%	55,061	13,880	297%
NPAT (\$, '000)	39,039	7,366	430%	46,925	7,935	491%
Operating Ratios						
EBIT / Total Revenue [%]	372%	79%	372%	36%	18%	100%
EBITDA / Total Revenue [%]	374%	81%	361%	40%	23%	70%
NPAT / Total Revenue [%]	353%	73%	380%	28%	7%	273%
Financial Position						
Total Assets (\$, '000)	188,030	182,302	3%	299,900	260,795	15%
Total Liabilities (\$, '000)	27,238	30,699	-11%	133,066	141,942	-6%
Financial Position Ratios						
Gearing [%]	14%	17%	-14%	44%	54%	-18%
Net Debt to Equity [%]	17%	20%	-16%	80%	119%	-33%
EBIT interest cover [times]	19.4	14.7	32%	4.3	1.7	153%
Cash Flows						
Net cash from operating (\$, '000)	2,904	5,712	-49%	1,745	25,013	-93%
Purchases of Investments (\$, '000)	-	20,157	-100%	234	19,864	-99%
Shares						
Earnings per share (EPS) [CENTS]	128	24	430%	143	30	377%
Dividends per share [CENTS]	23	13	74%	23	13	74%
Key Measures						
Return on Net Assets [%]	24%	5%	400%	28%	7%	321%

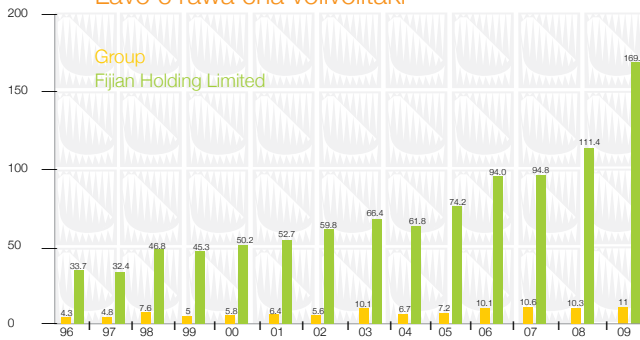
FINANCIAL HIGHLIGHTS

USUTU NI RAWA KA

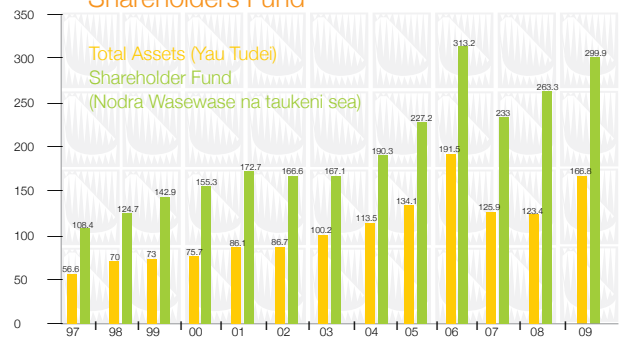


- **19.4%** Building & Construction, 27,565,000
- **15.8%** Tourism, 22,434,000
- **18.4%** Retailing, 26,116,000
- **4.8%** Properties, 6,890,000
- **28.6%** Finance, 40,655,000
- **2.1%** Media, 2,983,000
- **10.9%** Manufacturing, 15,475,000

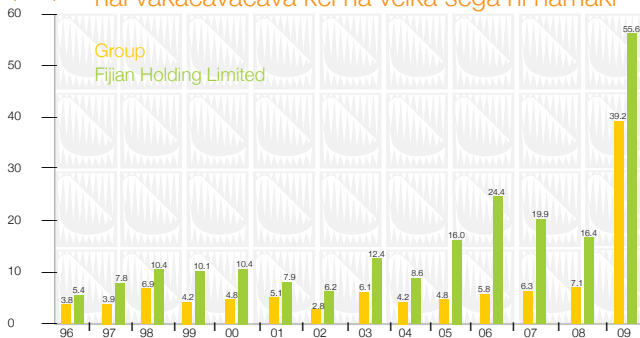
(\$M) Operating Revenue - Lavo e rawa ena volivolitaki



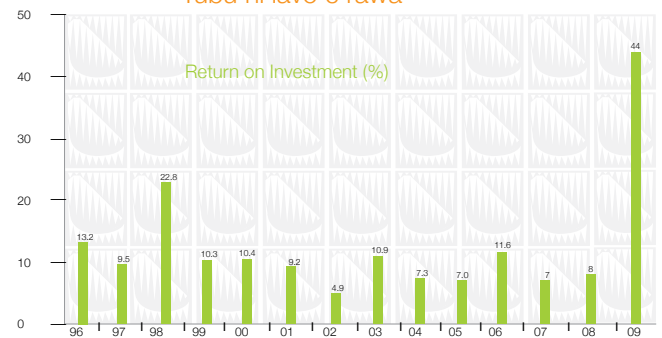
(\$M) Total Group Assets and Shareholders Fund



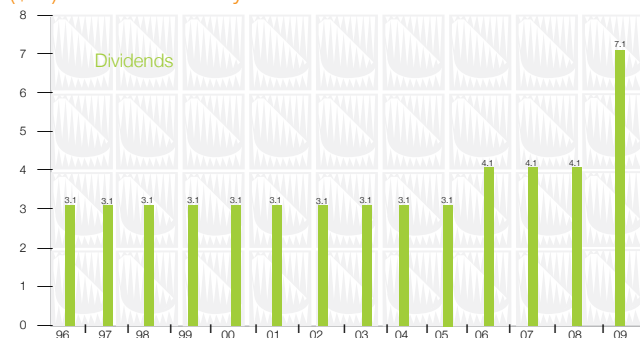
(\$M) Profit Before Tax - Tubu ni kabani ni musuki oti nai vakacavacava kei na veika sega ni namaki



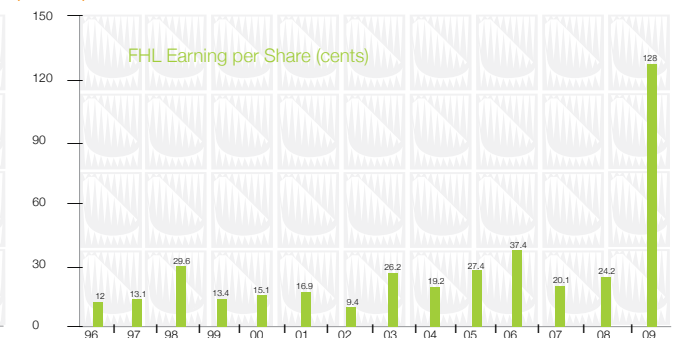
% - at cost FHL Return on Investment - Tubu ni lavo e rawa



(\$M) Dividend Payments - Tubu ni lavo e wasei



(cents) FHL Earnings per Share (cents)



Board of Directors
Lewe ni Matabose



ISOA KALOUMAIRA

Chairman
CEO – Fijian Trust Fund
Appointed : 1998 - 2006 / 2008 -



COLONEL MOHAMMED AZIZ

Deputy Chairman
Chief of Staff RFMF
Appointed : 2008



SEREANA QORO

Director
Managing Director –Fijian Holdings Group
of Companies
Appointed : 2008



IOWANE NAIVELI

Director
Chartered Accountant
Appointed : 2008



PADAM LALA

Director
Businessman
Appointed : 2008



SAIMONI LUTU

Director
Appointed : 2008



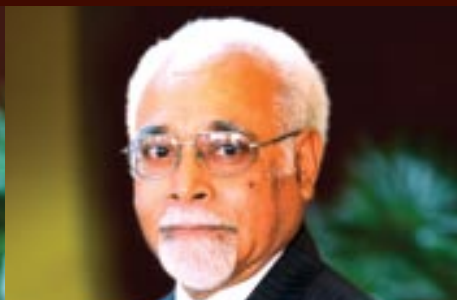
MICHAEL MAKASIALE

Director
CEO- Yatu Lau Limited
Appointed : 2008



ULAIYASI BAYA

Director
Consultant
Appointed : 2008



RADIKE QEREQERETABUA

Director
Managing Director of
Shangri-Lal Fijian Resort
Appointed:
2002-2006 / 2008-
Resigned 6th August 2009

Management Team
Manidia Liu ni Kabani Cokovata



SEREANA QORO

Managing Director



NOUZAB FAREED

General Manager Investment & Strategy



AIYAZ MUSA

Chief Finance Officer



TOMASI RADAKUA

Manager Human Resources



MARIANA SAUMADU

Manager Internal Audit /
Company Secretary



TEVITA GONELEVU

Manager Financial Markets



DESPITE THE
CHALLENGING
ECONOMIC CONDITIONS,
FIJIAN HOLDINGS LTD AS AN
INVESTMENT COMPANY, FOCUSED
ON NEW INITIATIVES FOR BUSINESS
GROWTH

Chairmans Report

Tukutuku ni Liuliu ni Matabose ni Fijian Holdings Limited

It gives me great pleasure to present my second annual report as Chairman of Fijian Holdings Limited.

This past year was characterized by challenging economic conditions which consequently affected business activities within the FHL Group. Domestically the economy is expected to decline by 0.3% this year. Flash floods earlier in the year and the ongoing global financial crisis have adversely impacted the economy.

The policy changes initiated by the Reserve bank of Fiji (RBF) including the 20% devaluation are expected to support Fiji's economic competitiveness and grow foreign reserves.

The RBF policy on setting a ceiling on weighted average lending rates of banks and licensed credit institutions and the interest rate spread of banks are expected to positively address foreign reserves and liquidity and promote investment lending.

Despite the challenging economic conditions, Fijian Holdings Ltd as an investment company, focused on new initiatives for business growth while at the same time keeping a watch on the performance of the existing investment portfolio. The on-going review of the existing portfolio is a strategic function of the Board which aims at identifying and dealing with investments that do not deliver desired rates of return.

The Divestment of 3,017,500 shares in Fosters Group Pacific Ltd was an outcome of such a review. The decision to divest the Fosters shares

Au marau vakalevu niu mai solia vei kemuni na i karua ni noqu i tukutuku vakayabaki e na noqui tutu vaka i Liuliu ni Matabose ni Fijian Holdings Limited [FHL].

A kilai na yabaki sa oti ena vuku ni bula vakailavo a bolel kina ka laki tara sara talega na qaravi ni veicakacaka vakabisinisi ni Kabani Cokovata ni FHL. Sa kilakasamitaki tiko ni na lutu na bula vakailavo e noda vanua ena 0.3% ena yabaki qo, ia na leqa ni bula vakailavo ka tara tiko na vuravura raraba e vakaleqa vakaca na i tutu ni lavo. Na veisau ni lewa baleta nai lavo ka vakayacora na Reserve Bank of Fiji (RBF) oka kina na kena vakalutui na kaukauwa ni dola ena 20% a nanumi me vukea na vakaitavi ni bula vakailavo nei Viti kei na vakatuburi cake ni noda i lavo maroro ni volivoli mai vanua tani.

Sa virikotora na RBF e dua nai yalayala e cake ni vakacavacava ni lavo mera soli dinau kina na baqe kei ira na vanua ra dau soli dinau ka kilai vakalawa kei nai vakacavacava ni dinau era lavaka na veibaqe sa nanumi mena vukea na i lavo maroro mai vanua tani kei na lavo bula ena baqe me baleta na soli dinau ni vakatubu i lavo.

E dina ga ni drakidrakita na bula vakailavo, ia e vagolea na nona rai na Kabani ni vakatubu i lavo na Fijian Holdings Ltd kina so tale na bisinisi vou me vakatubu i lavo kina, ka namaka tale tikoga na nodra qaravi na veivakatubu i lavo era sa tu edaidai. Na kedra vakadikevi tiko na kena era sa tiko rawa sa dua na nona i tavi bibi na Matabose ka vakaraica talega na kena era sa sega ni rawata tiko mai na tubu era nuitaki mera rawata.

was a strategic business decision due to its low dividend yield and declining return on investment at FHL Level.

The opportunity to invest in the oil industry was encountered during the year and explored through our participation in the bid to acquire BP SWP Ltd.

The changes in the international and local business environment during the six months period of the bid and acquisition process, affected our ability to raise funding with international banks which led to our withdrawal and the subsequent termination of the deal.

With the cash proceeds from divestment of Fosters shares and the full refund of deposits for BP SWP bid, FHL was able to fully retire all debt with the bank and is now in a much stronger position for further growth initiatives.

Financial Results

I am pleased to announce that Fijian Holdings Group recorded its highest profit ever with a consolidated post-tax earnings of \$49.7 million compared to \$12.9 million restated for last year. The movement in the earnings reflected a 285% increase. During the period consolidated group revenue stood at \$213.09 million against last year's revenue of \$111.43 million. The increase in revenue is attributed to the full 12 months trading result of RB Patel in the current year against 3 months last year, the extra ordinary income from divestment of Fosters shares and strong performance from the major subsidiary companies.

With regard to performance of subsidiaries, five companies exceeded

Na kena sa volitaki e 3,017,500 na sea ena Fosters Group Limited sa dua na vua ni vakadidike ya. Na lewa me sa kautani mai na sea ena Fosters, sa dua na lewa vakabisinisi baleta na lailai ni tubu me wasei e rawa mai kina kei na kena sa lutu tiko na veika e rawa mai na vakatubu i lavo e na kena i vakarau e vinakata na FHL.

Na sasaga me vakayacori na vakatubu i lavo ena bisinisi ni waiwai a sotavi ena loma ni yabaki ka tovolei me keitou vakaitavi ena voli ni BP SWP Ltd. Na veisau eso ena draki ni bisinisi mai vavalgi kei Viti mai na loma ni ono na vula mai na neitou sasaga e vakaleqa na neitou sasaga ni via vaqara i lavo ena baqe mai vanua tani, keitou nanuma me keitou sana vakasuka ka muduki na veivosaki a sa tekivutaki mai.

Mai na i lavo keitou a rawata mai na neitou sea ena Fosters kei na kena saumi lesu mai na i lavo ka i vakadei ni veivosaki me voli kina na BP SWP Ltd, sa rawa kina FHL me sauma kina baqe nai lavo e dinautaka tu mai e na veigauna sa oti. E ka ni marau me'u vakaraitaka ni sa tu na FHL ena i tutu vinaka ka kakauwa me vaka ni sa boko kece na dinau, ka sa rawa me tosoya tale na sasaga ni qara tubu vakailavo.

Macala ni Veika Vakailavo.

Au marau ena noqu sa na vakaraitaka na tubu levu taudua e sa bau rawata na Fijian Holdings Group ena nona rawata nai lavo e \$49.7 na milioni ni sa musu oti na i vakacavacava me raici vata kei na \$12.9 na milioni ka kacivaki ena yabaki sa oti. E vakaraitaka ni toso cake na i lavo e rawa 285%. Ena gauna qo nai lavo e ra rawata na veikabani e tiko ena \$213.09 na milioni ka tubu vakalevu ni vakatauvatani kei na \$111.43 na milioni

budget expectations namely Fijian Holdings Ltd, Fijian Property Trust, Fijian Holdings Securities, Merchant Finance & Investment Co. Ltd, FHL Retailing and Basic Industries Ltd. The other subsidiaries recorded lower than forecast profits and two subsidiaries recorded losses. Given the difficult economic climate and the impact of the devaluation, the Group performance is considered strong and the drive to do better than forecast is continually pursued. In fact, if the Fosters sale was excluded, the FHL Group results would still record a higher profit than that achieved in 2008, reflecting business strength and resilience.

Dividends

Based on this years result, the directors have resolved to increase the dividend payments.

Accordingly this year, FHL shareholders besides receiving the normal dividend payment of 20 cents for A Class Shares and 10 Cents for B Class shares will also receive an extra one – off dividend for 10 cents for A Class Shares and 10 cents for B Class Shares. FHL would have paid \$59 million to its shareholders since inception with the inclusion of the proposed final dividend.

Share Price

The share price has increased steadily from \$2.16 in June 2008 to \$2.90 in March and then reduced to \$2.74 in June this year, an increase of 27%-30% from the same period last year. The increase in the share price is considered a fair indication of investor confidence in the company, compared with the same period last year.

However, it is always important to note that FHL has no control over the

rawa mai ena yabaki sa oti. E vu na tubu ni lavo e curu mai o ya na 12 na vula ni veivoli ni R B Patel e na yabaki oqo mai na 3 na vula e na yabaki sa oti, na i lavo vakaitamera e rawa mai na volitaki ni sea ena Fosters kei na daumaka ni nodra cau na veikabani cokovata.

Ni raici na veika e rawata na veikabani cokovata e lima na kabani e ulabaleta na veika e tuvai tu me ra rawata vakailavo, me vaka na Fijian Holdings Limited, Fijian Property Trust, Fijian Holdings Securities, Merchant Finance and Investment Co Ltd, FHL Retailing kei na Basic Industries Ltd. Na kena vo ni kabani era tiko e ra na tubu e ra rawata mai na tubu e dodonu me ra rawata – ka rua na kabana e rau lusi . Ni raici na draki dredre ni bula vakailavo kei na tatara ni lutu ni kaukauwa ni lavo, e kunei ni kaukauwa vinaka na bula ni Kabani Cokovata, ia e sa vakadreti ga me vinaka na veika era rawata mai na ka e lalawataki. Kevaka a sega na volitaki ni sea ena Forsters, ena sega ni vakaleqa na tubu ka ni sa na levu tikoga mai na tubu e rawa e na 2009 ni raici vata kei na tubu e na 2008. Qo e vakaraitaka na kaukauwa kei na dei ni rawa ka vaka bisinisi.

Na Tubu Me Wasei

Mai na veika sa rawa ena yabaki oqo, ratou sa vakadonuya na lewe ni matabose me sa tosoi cake na levu ni tubu me wasei. Ena yabaki talega oqo, era na taura nai taukei ni sea ni FHL na tubu me wasei e dau soli e veigauna e 20 na sede baleta na kalasi A kei na 10 na sede ena kalasi B ka ra ciqoma talega e dua tale na tubu me wasei e 10 na sede baleta na sea Kalasi A ka tini na sede me baleta na sea Kalasi B. Sa sauma oti na FHL e \$59 na milioni na dola vei ira na i taukei ni sea me

movement of share price given that it is a function of market supply and demand.

Future

FHL will continue to focus on the current strategy for the Group to work closer together as a single business unit rather than a group of standalone businesses. The synergies and efficiencies should place the Group in a position of continued strength for strategic acquisitions.

The Pacific expansion strategy has been implemented through two major subsidiaries in the Group. The real challenge in the next 12 months and beyond is to grow in the Pacific region in and through other subsidiaries within the group.

We will also selectively and with prudence establish new business ventures in the Pacific region in order to better manage our geographical exposure risk as an investment company.

vakatekivu mai na gauna a tauyavu kina ka wili kina na tubu me wasei ka vakaturi tiko me saumi e na vula ko Okotova e na yabaki oqo.

Nai Sau Ni Sea

Sa tubu cake vakamalua nai sau ni dua na sea mai na \$2.16 ena Jiune, 2008 ki na \$2.90 ena Maji ka qai vakalutui sobu ki na \$2.74 ena Jiune ni yabaki oqo, e toso cake ena 27% - 30% mai na gauna vata ena yabaki sa oti. Na tubu ni sau ni sea sa nanumi ni dua nai vakaraitaki vinaka ni nodra veivakabauti na dau ni vakatubu i lavo ki na kabani, ni raici vata kei na gauna vata oya ena yabaki sa oti.

Ia e bibi me dau kilai ni FHL e sega ni lewa na veitosoyaki ni sau ni sea ka ni oya nai tavi ni makete ni veivoli.

Rai Ki Liu

Ena tosoya tikoga na FHL na nona vagolea na nona rai enai tuvatuva baleta na Kabani Cokovata me ra cakacakavata vakavoleka me vaka ga ni dua na bisinisi ka sega ni dua nai lala ra dui tu vakai ira. Na uasivi kei na mana ni veiqaravi vinaka sa dodonu me biuta na Kabani Cokovata ena dua nai tutu vinaka ni rawa sala ni vakatubui lavo.

Nai tuvatuva ni vakarabailevutaki ni veivoli ena Pasifika sa vakayacori ka rau qarava e rua na Kabani ni Kabani Cokovata. Na sasaga ni tinikarua na vula mai qo ka lako yani oya na vakatubu bisinisi ena veivanuyanu ena Pasifika ena nodra vakayagataki e so na Kabani ni Kabani Cokovata.

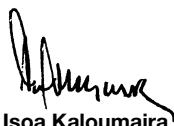
Acknowledgement

This year 2009, marks the 25th Anniversary of Fijian Holdings Ltd as a company. As we celebrate our 'Silver Jubilee', I take this opportunity to acknowledge the foresight and vision of the first FHL Board led by the longest serving Chairman of 21 years, the late Mr Lyle Cupit.

I also acknowledge all members who have served on the FHL Board for the past 25 years.

The commitment and support of Government and all shareholders, over the 25 years have contributed to the success and legacy associated with Fijian Holdings Ltd.

I take this opportunity to thank all of the Group employees and senior management for their unwavering commitment and the Board of Directors for their counsel and dedication throughout the year.



Isoa Kaloumaira
Chairman

Keitou na digitaka vakamatau na vakaduri bisinisi vou ena veivanuyanu ena Pasifika me rawa kina ni keitou walia e so na ririko ka dau laurai ni toso vakatabakidua na vakatubu i lavo e na dua ga na vanua. Sa yaga ki na me toso yani na vakatubu i lavo ki na taudaku kei Viti

Vakavinavinaka

Na yabaki 2009, e yabaki bibi ki na Fijian Holdings Limited ni sa yacova na Kabani na yabaki 25 ni bula vakabisinisi. Ena noda marautaka na "Jiupili Siliva," au gadreva ena gauna oqo meu vakavinavinakataka na rai yawa ni matai ni Matabose ni FHL ka a liutaka e dua na kenai liuliu ka 21 na yabaki na dede ni nona taura tu mai na kena Kabasi, na Turaga sa mai yali, ko Mr Lyle Cupit.

Au vakavinavinaka talega vei ira taucoko era a lewe tu mai ni matabose ni FHL ena 25 na yabaki sa sivi yani.

Na veiqaravi kei na veitokoni ni Matanitu kei ira kece na taukei ni sea, era sa vakaitavi taucoko ena rawa ka kei na veika vinaka ka rogo kina na Fijian Holdings Limited.

Au taura na gauna oqo meu vakavinavinakataka ira taucoko na cakacaka ena Kabani Cokovata kei ira na veiliutaki ena nodra yalo dina, ka vaka kina Matabose ni Daireketa, ena nodra i vakasala kei na nodra vakatulewa maqosa ena loma ni yabaki taucoko.



Isoa Kaloumaira
Liuliu in Matabose



**TOTAL ASSETS
FOR THE GROUP
INCREASED BY \$39
MILLION** REPRESENTING A 13%
GROWTH FROM \$260.8 MILLION IN
2008 TO \$299.9 MILLION IN 2009

Managing Directors Report

Tukutuku ni Manidia Dairekita ni Kabani Cokovata

OPERATING ENVIRONMENT

While the global economic environment have been challenging during the year, it is pleasing that the IMF forecasts of recent months indicate that the global economy is beginning to emerge out of recession. A growth of 2.5% is forecasted for 2010.

The effects of global economic trends on the Fiji economy were significant. Exports declined, remittances collapsed, tourist arrivals dropped, the currencies of major trading partners depreciated significantly against the US dollar which led to the Fiji dollar appreciating against currencies of important tourism source markets like Australia and New Zealand and foreign exchange plummeted leading to tight liquidity in the domestic market. The ultimate decision by RBF to devalue the Fiji dollar in April 2009 was necessary to address the apparent deficiency in Fiji's competitiveness.

Although the domestic economic growth for 2009 has been revised downwards to negative 0.3%, recent reports by RBF indicate that the Fiji economy is expected to recover and register a positive growth of around 2% in 2010.

The 2009 inflation rate is expected to be at 9.5% with a forecasted decline to 2% for next year, 2010.

Financial Results

The Group pre-tax profit of \$55.06 million and profit after tax of \$49.69 million for June 2009 was the highest ever recorded profit for FHL in its 25 years of operation. The majority of the profit came from the sale of Fosters

DRAKI NI VAKACIVAKI BISINISI.

Ena gauna e bolei vuravura kina na bula vakailavo ena loma ni yabaki, e ka marautaki ni kacivaka ena vica na vula sa oti na IMF ni sa tekivu me lamata cake mai na bula vakailavo e vuravura mai na kena i tutu ka a tu kina e ra. Sa vakaraitaka ni na tubu na bula vakailavo ena 2.5% ena 2010.

Na veika e kauta mai na i tosotoso ni bula vakailavo e Viti e vakilai vakalevu. A lutu na volitaki i voli i vanuatani, a karusa na vakau i lavo, lutu na i wiliwili ni saravanua era yaco mai, era lutu vakaca na kaukauwa ni nodra i lavo o ira eda veivoli kei ira ni biu vata kei na dola ni Amerika ka vakavuna na kaukauwa ni dola ni Viti ni biu vata kei na i lavo ni veivanua era cavu mai kina na noda saravanua vakataki Ositerelia kei Niusiladi kei na lutu ni lavo e rawa mai ena noda veivoli ki vanuatani ka vakavuna na lailai ni lavo ena makete ni veivoli e Viti. Nai ototi ni lewa a vakatauca na RBF me vakamalumalumutaki na kaukauwa ni dola ni Viti ena 2009 me rawa me vueta cake kina na malumalumu ni veivoli e Viti.

Dina ni a sa vakalutui sobu na tubu ni bula vakailavo baleta na 2009 kina 0.3%, e vakaraitaka na RBF ena nona i tukutuku ni nanumi ni na dua na tubu ni bula vakailavo rauta na 2% ena 2010.

Macala ni Rawa ka Vakailavo.

Na tubu ni kabani ni sa bera ni musuki na i vakacavacava e \$55.06 na milioni kei na tubu ni sa musuki oti nai vakacavacava e \$49.69 na milioni e na yabaki vakailavo Jiune 2009. Na tubu e rawa e na yabaki oqo Jiune 2009, e tubu e levu taudua e bau rawa ena FHL ena loma ni 25 na yabaki ni nona bula. Na tubu levu taudua e rawa mai na volitaki ni sea na Fosters Group ka rawa kina na tubu mai na volivolitaki oya e \$36 na milioni. Ia kevaka ke sega ni

Group shares recording a gain on sale of \$36 million. However, if the Fosters transaction was excluded, the consolidated pre-tax profit would be \$18.7 million which represents a positive 34% growth of \$4.8million from the restated 2008 profit of \$13.88 million. The positive growth in Group profit from normal trading is a clear reflection of the stable and strong business performance from major subsidiary companies namely Merchant Finance & Investment Ltd, RB Patel Group and Basic Industries Ltd, all of which performed better than last year.

Total Assets for the Group increased by \$39 million representing a 13% growth from \$260.8 million in 2008 to \$299.9 million in 2009. The positive growth is a direct result of increases in current assets arising from proceeds of the sale of Fosters shares and increase in Investment Properties for RB Patel.

The Group Net assets also recorded a significant growth of 40% from \$118.8 million in 2008 to \$166 million in 2009 reflecting the strong cash position in the current year.

Dividends received by the Holding company for 2009 totalled \$11 million which was the highest dividend ever received by the company and represents 10% increase from 2008.

The Holding company recorded a \$39 million pre-tax profit against \$7.3 million for 2008, with a highly positive cash position in 2009.

Total assets of the Holding company increased by 3% to \$188 million in

okati na tubu mai na veivoli kei Fosters, na tubu cokovata ni bera ni musuki na i vakacavacava, ena rauta e \$18.7 na milioni ka vakadeitaka tikoga na tubu vinaka e 34% na tubu ni \$4.8 na milioni ni vakatauvatani kei na \$13.88 na milioni ka a rawa e na 2008. Na tubu vinaka ni tubu ni Kabani Cokovata mai na veivoli ena kena i vakarau e veisiga sa vakaraitaka na taudei kei na nodra cakacaka vinaka na veikabani cokovata me vaka na Merchant Finance and Investment Ltd, RB Patel Group kei na Basic Industries Ltd, o ira taucoko qo era cici vinaka mai na kena ena yabaki sa oti.

A toso cake ena \$39 na milioni nai yaubula taukeni ena Kabani Cokovata ka tautauvata kei na 13% na tubu mai na \$260.8 na milioni ena 2008 kina \$299 na milioni ena 2009. Na tubu vinaka oqo e vu mai na tubu ni yaubula taukeni ena gauna qo ka rawa mai nai lavo qaqa e ciqomi mai na volitaki ni sea kina Fosters kei na levu cake ni i yau qele kei na vale tudei ni kabani na RB Patel.

Na levu taucoko ni yaubula taukeni ka rawata na Kabani Cokovata na tubu e 40% mai na \$118.8 na milioni ena 2008 kina \$166 na milioni ena 2009 ka vakaraitaka na kaukauwa ni tutu ni lavo qaqa e rawa ena yabaki qo.

E taura na Kabani tudei me baleta na 2009 e \$11 na milioni na tubu me wasei. Oqo e tubu me wasei levu taudua ka se bau taura na kabani ka tautauvata ni 10% na tubu mai na 2008.

A rawata na Kabani tudei e dua na tubu e \$39 na milioni ni bera ni musu nai vakacavacava ni raici vata kei na na \$7.3 na milioni ena 2008 kei na dua na i tutu vinaka ni lavo qaqa ena 2009.

2009 while Total Liabilities decreased by 11% from \$30.7 million in 2008 to \$27.2 million in 2009 as a result of reduced borrowings.

FHL Operations

The on-going review and monitoring of the business performance of FHL Group investment portfolio remained the key focus during the year given the very challenging operating environment.

A number of key activities undertaken during the year were:

- The bid to acquire BP SWP Ltd in line with the FHL Strategic Plan to invest in the energy sector which was later terminated given the stringent conditions for foreign funding beyond the control of FHL.
- The divestment of FHL shares in Fosters Group Pacific Ltd given the low dividend yield and return on the fair value of the investment.
- The drive for expansion and growth in the Pacific market to minimize geographical risk exposure for the Group. This was successfully achieved through major subsidiaries like Fiji Industries Ltd and Basic Industries Ltd. A number of new initiatives and plans are now in place for increased business activities in the Pacific region through other subsidiaries in the Group.
- A more focused approach to improve the business performance of Blue Lagoon Cruises and Clariti (South Pacific) Ltd to achieve sustainable profit and investment returns, through changes in management and internal restructuring.

A toso cake na levu ni yaubula taukeni ni Kabani tudei ena 3% kina \$188 na milioni ena 2009 ka lutu sobu na dinau taucoko ena 11% mai na \$30.7 na milioni ena 2008 kina \$27.2 na milioni ena 2009 e vakavu mai na lutu sobu ni dinau.

Na Veiqaravi ni Kabani Cokovata.

E vakadeitaka tiko na tabana ni vakatubu i lavo ni Kabani Cokovata ni FHL na kena raici ka vakadikevi ni veika ka rawata na bisinisi ni oya na tikina bibi e vakanamata kina na rai e na loma ni yabaki, dina ni veibolei tiko na draki ni cicivaki bisinisi.

Qo eso na veicakacaka era qaravi ena loma ni yabaki :

- Na sasaga ni kena voli na BP SWP Ltd me salavata kei na i tuvatuva ni bisinisi ni FHL me vakatubu i lavo ena tabana ni waiwai, a mani mai muduki ena vuku ni dredre ni vakarau ni kena vakailavotaki na veivoli oqo mai vanua tani ka sega ni lewa rawa kina na FHL e dua na ka.
- Na kau laivi ni sea ni FHL mai Fosters Group Limited ena vuku ni lailai ni tubu me wasei e dau vakasuka mai me baleta na i sau dodonu ni vakatubu i lavo e biu kina.
- Na sasaga me vakarabailevutaki kei na tubu ni makete ena Pasifika me vakalailaitaki kina na nuiqawaqawa ni Kabani ena nona vakaitavi e na dua na vanua . A rawa sara vakavinaka na tikina qo veiratou na veitabana lelevu vaka na Fiji Industries Ltd kei na Basic Industries Ltd.
- E so tale na sasaga vou kei na i tuvatuva era sa tu me vakalevutaki kina na veivakacakacaka ni bisinisi ena veivanu ena Pasifika mai vei ira na neitou tabana ni Kabani.
- A kaukauwa na sasaga me vakavinakataki na nona veiqaravi

- The strategic review of the current investment portfolio and on-going assessment of new investment opportunities in accordance with the FHL guidelines and benchmarks.
- The pro-active and a more aggressive approach towards the management of business performance of all FHL subsidiary companies driven from the perspective of delivering consistent shareholder returns and dividend.

Future outlook

The subdued economic environment should not be viewed as barriers to growth but opportunities to innovate and improve business performance.

The disciplined management of costs at operational level to improve cost efficiency and competitiveness remains a key focus of the Group. This will enable the group to survive and compete in Fiji and more importantly the Pacific market.

Exploring new investment opportunities in Fiji and the Pacific that will ensure sustainable growth in the future is an area that the group will continually pursue.

The development, retention and recruitment of qualified and capable people to manage and strategically move the company forward continues to be a strategic focus given the size of the Group and the diversity of businesses within the Group. The Pacific move will remain a priority for the FHL Group in order to grow,

vakabisinisi na Blue Lagoon Cruises kei na Clariti (South Pacific Ltd) me dei na nodrau rawa tubu kei na vua ni vakatubu i lavo ka vu mai na veisau ni veiliutaki kei na veisau ni veiqaravi.

- Na kena raici vakatitobu na i vakarau ni vakatubu i lavo ena gauna qo kei na kena vakadikevi e veigauna na so tale na vakatubu i lavo vou me salavata kei na i tuvatuva ni FHL kei na kedra i vakarau me ra vakadonui kina.
- Na sasaga kaukauwa me vakavinakataki na qaravi ni bisinisi ni veitabana na FHL ka kena i naki me rawata tiko mai e veigauna na tubu baleti ira nai taukei ni sea kei na tubu me wasei.

Nanamaki ni gauna mai Muri.

Me kakua ni raici na i tuvaki malumalumu ni bula vakailavo me i tatarovi ni rawa tubu, ia me ra sala ni bulibuli ka kei na vakavinakataki ni qaravi bisinisi.

Na lewai vakavuku ni sau e na i vakatagedegede ni veiliutaki me vakavinakataka na i tutu ni sau ni cicivaki bisinisi me vaka e gadreva na Kabani Cokovata. Qo ena rawa ki na Kabani Cokovata me bula tiko ka veiqati vakabisinisi e Viti ka vakabibi ena makete ni veivoli ena Pasifika.

Me vakasaqara eso na vanua ni vakatubuilavo vou e Viti kei na Pasifika ka dei tiko kina na tubu ena veigauna mai muri ena vanua ka nanuma na Kabani Cokovata me goleva.

Na nodra tuberi cake vakavuli, na maroroi tiko kei na nodra vakacakacakataki na tamata vakoroi ni

diversify and minimize geographical risks and continue to deliver sustainable returns to shareholders in the long term.

Acknowledgement

I take this opportunity to thank the Board for their counsel and direction, Chief Executives, General Managers and all employees of the FHL Group of Companies for their commitment during the year.

The achievement of a year of record profit befits the season as we mark and celebrate the 25th Anniversary of Fijian Holdings Limited. We wish the Company and its Shareholders a Happy and Blessed Silver Jubilee.



Sereana Qoro
Managing Director

vuku ka kila na cakacaka me ra liutaka ka tosoya na kabani ki liu me vaka na gagadre ni Kabani Cokovata kei na veiliutaki ni bisinisi ena loma ni Kabani.

Ena okati tikoga me bibi na sasaga ni Kabani ni FHL kina Pasifika me rawa kina ni tubu, vakarabailevutaki na sasaga ka toroi sobu na ririko ni veiqati, ka tomana na sasaga ni rawa tubu vakalevu baleti ira nai taukei ni sea ena veigauna mai muri.

Na Vakavinavinaka.

Au taura na gauna qo meu vakavinavinakataka na Matabose ena nodratou i vakasala kei na veidusimaki, o ira na Veiliutaki ena Veitabana e Cake(Chief Executives) o ira na manidia ni veitabana kei ira taucoko na cakacaka ena Kabani Cokovata ni FHL ena vuku ni nodra solia na nodra dina ka sa mai vakavatukana ena loma ni yabaki.

E da rawa ni kaya ni i sausau levu taudua ka sa mai rawa e na 2009 e yaco e na ke na gauna tau donu ni sota vata sara ga kei na marautaki ni ka 25 ni yabaki ni bula se "Jiupili Siliva" ni kabani na Fijian Holdings Limited. E da sa solia na vakanuinui vinaka kina Kabani kei ira kece nai taukei ni sea ni ra na marautaka na yabaki 25 ni bula ni Kabani.



Sereana Qoro
Managing Director

OPERATIONAL REPORT OF SUBSIDIARIES COMPANIES TUKUTUKU MAI VEI IRA NA KABANI COKOVATA

RB PATEL GROUP LTD

**Fijian Holdings Shareholdings:
50.20 %**

FHL Retailing Ltd (FRL) is the holding company of RB Patel Group Limited. Following the acquisition of RBG, the financial year of RBG was changed to June in line with the holding company's financial year. The change resulted in the 15 month reporting period for this financial year. Against a backdrop of difficult trading environment, it is reassuring to report that RB Patel Group Limited posted record financial results for the 15 months period. The growth was generated from both organic and from the new Jet Point Supermarket, Nadi which was opened in November 2008.

Operating profit after tax for the period ended 30 June 2009 increased by just over 32% to \$5.687 million with sales revenue for the same period increasing by 35.3% to \$101.884 million. Operating environment for the 15-months ended June 2009 was difficult, characterised by an overall fall in disposable income, rapid increase in prices, and increasing competition. This environment was shaped by three significant events – the flow-on effects of the global financial crises; successive declines in domestic economy; and the devaluation of the Fiji dollar.

The Fiji dollar was devalued by 20% in April 2009. Immediately the company lost close to \$200,000 in opened foreign exchange position particularly with the New Zealand imports.

RB PATEL GROUP LTD

**Wase ni sea ena kabani qo ka
taukena na FHL : 50.20%.**

Na FHL Retailing Ltd (FRL) na kabani cokovata ni R.B.Patel Group Ltd, ni mai oti na kena tauri na RBG, sa veisau sara na yabaki vakailavo ni RBG kina Jiune me salavata kei yabaki vakai lavo ni kabani cokovata. Na veisau oqo sa vakavuna me 15 walega na vula na gauna me volai kina qo na kena i tukutuku. Ni sota vata kei na gauna dredre ni veivoli e marautaki me vakaraitaki ni rawata na R.B.Patel Group Ltd e dua nai sausau ni tubu vakailavo ena loma ni 15 na vula. Na tubu e rawa mai na sitoa kei na Jet Point Supermarket mai Nadi ka a dola ena Noveba 2008.

Na tubu mai na cicivaki bisinisi ni sa musu oti na i vakacavacava me baleta na gauna mai cava ena i 30 ni Jiune 2009, e 32% kina \$5.687 na milioni, kei na tubu ni volivolitaki ena gauna vata e 35.3% kina \$101.884 milioni. A dredre na cicivaki bisinisi ena 15 na vula ka cava na Jiune 2009, e kilai mai na lutu ni lavo ni volivoli, tubu totolo ni sau ni yaya kei na levu ni veiqati vakabisinisi. E tara e tolu na ka na draki ni bisinisi – na tatara ni leqa vakailavo e tarai vuravura, na lutu veitarataravi ni bula vakailavo e Viti kei na lutu ni kaukauwa ni dola ni Viti.

A lutu na kaukauwa ni dola ena 20% ena Epereli 2009. Ena gauna vata oya a lusi ena kabani e \$200,000 ena i tutu ni veivoli vata kei na vanua tani vakabibi ena veika e voli mai Niusiladi. Tubu cake talega na i sau ni yaya e Viti . Dina

Domestic cost of goods also increased sharply as local suppliers passed on their increase in costs. Whilst domestic prices have now stabilised, consumers are finding it hard to adjust their consumption to their current disposable income, which is leading to an overall fall in customer count.

The Martintar, Nadi complex known as “RB Patel JetPoint Supacentre” is now completed and our supermarket in the complex is now operating well after opening in November 2008. Stage 2 of the complex is already well tenanted (about 60%) with new tenant enquiries still coming in. During the year the company purchased a piece of freehold land in the greater Suva area and has commenced ground testing with fill works to follow. It is anticipated that construction work should start sometime in late 2009.

Whilst remain optimistic, the future operating environment is likely to become more challenging. Within this, the cost increases are inevitable including wages and transportation. Competition likely to intensify, both from new store openings and price cutting, as major retailers try to retain their customers. With customers already reeling from the double effects of increasing prices and declining disposable income, winning and maintaining customers would be our focus in the immediate future. RBG will continue to strive to ensure that the company is in a good position to take advantage of opportunities as they arise.

MERCHANT FINANCE & INVESTMENT COMPANY LTD

Fijian Holding's Shareholding :
80.00 %

Financial Performance

Merchant Finance recorded a historic Pre-tax Profit of \$8.947m; 88%

sa taudei na i sau ni yaya, sa dredre vei ira na dauvolivoli mera lewa matau na i vakarau ni veika era volia mai na i lavo era volivoli kina ka vakavuna na lailai ni nodra volivoli.

Sa tara oti na sitoa ni RB Patel Jet Point Supercentre mai Martintar mai Nadi, ka sa cici tiko vakavinaka na supermarket e tiko e loma ni sitoa levu ni oti na kena dolavi ena November 2008. Sa tawani rawa e rauta e 60% ni karua ni wasewase, Stage 2 ni sitoa, ka sa toso tikoga eso na vakatataro. A volia na kabani ena loma ni yabaki e dua na qele volivakadua e Suva ka tekivu na nona raici tiko na qele ena vanua ena yavutaki kina . Sa nanumi ni na tekivu na taravale ena mua ni 2009.

Ni dei tu na vakabauta, na bula ni cicivaki bisinisi e veibolei vakalevu. Sa na dua na ka na levu ni kena i sau ni oka vata kei na kena i sau ni tamata cakacaka kei na i vodovodo. Ena levu na veiqati mai na sitoa vou sa qai dola kei na musuki ni sau ena vuku ni nodra maroroira na nodra dauvolivoli na vei sitoa lelevu. E na nodra sa vakila na dau volivoli ena gauna oqo na tatara ni tubu ni sau kei na lailai ni lavo me ra volivoli kina, keitou na tovolea me keitou vakadeitaki ira tiko ga na neitou dauvolivoli ena gauna mai muri.

Ena tosoya tiko ga na RBG me raici ni dei tiko na nona vakayagataki, na veika vinaka e raici ni votu mai.

MERCHANT FINANCE & INVESTMENT COMPANY LTD.

Wase ni sea ni kabani qo e taukena na
FHL : 80%

Tutu ni Veika Vakailavo.

A rawata na Merchant Finance na tubu ni musuki na i vakacavacava e \$8.947 na milioni, tubu ena 88 % baleta na 2008 ena so na fika e veisau, me baleta na yabaki vakailavo ka cava ena 30 ni Jiune 2009. A yaco qo ena lutu ni sau





EARLY SUCCESSES IN THIS AREA HAVE BEEN IN THE GROWING CONCRETE BLOCKS, CONCRETE PIPES AND AGGREGATES EXPORTS TO VARIOUS PACIFIC ISLAND COUNTRIES.

increase on restated figures for 2008, for the financial year ended 30th June 2009. This was primarily attributed to lower cost of borrowings and lower expenses for credit impairments compared with the previous year, which was partially offset by the slightly lower income and higher operating expenses.

Total Dividend of \$4.000m was declared of which \$2.000m was already paid as at the balance date. Total Dividend for the previous year was \$2.500m.

The past financial year brought about an unprecedented set of challenges for MFIL as it responded to the significant economic downturn, now affecting our local economy, and at the same time managing the emerging risk exposures relating to its portfolios.

The second half of the financial year witnessed a generally increasing trend in 'Past Due' accounts and tightening liquidity environment. This, coupled with closer monitoring and scrutiny of liquidity by RBF, posed new challenges for the Board and Senior Management to respond with some careful strategies to improve liquidity and credit conditions and at the same time ensure that sustainable profitability and Balance Sheet quality is preserved.

According to industry statistics the motor vehicle industry, which is the key market for MFIL, had suffered approx 25-40% downturn in sales. Redundancies, downsizing and job cuts had somewhat affected collections and still remains a major challenge for the company. However, with firm policies and concentrated efforts on asset quality the overall level of impaired assets have been well maintained.

Company had engaged a consulting firm to undertake a detailed review of all its key risk exposures and implement a robust enterprise risk

ni kere i lavo kei na lutu ni sau ni dinau ca ni raici vata kei na yabaki yani i liu ni a veibokoci vakatikina kei na lailai ni lavo e curu mai kei na sau levu ni cicivaki bisinisi.

Levu ni lutu ni lavo taucoko me wasei e \$4 na milioni ka \$2 na milioni ni lavo qo sa saumi oti ena siga e sogo kina nai i vola. Na levu taucoko ni tubu me wasei me baleta na yabaki yani e liu e \$2.500 na milioni.

E kauta mai na yabaki vakailavo e liu eso na bolebole levu kina MFIL ena nona vorata na lutu ni bula ka sa mai tara sara na bula vakailavo eke na gauna vata e sa walia tiko na vei leqa e votu mai baleta na bisinisi.

Nai karua ni veimama ni yabaki vakailavo a sotavi kina e dua na i vakarau sega ni bau sotavi e liu, oya na levu ni veikaude ni lavo se bera ni saumi kei na bula ni lailai ni lavo e tu me rawa ni dinautaki. Sota talega kei na kena dikevi matua na i lavo e bula ka sega tu ni vakayagataki mai na RBF, solia e so na bolebole kina Matabose kei ira na Veiliutaki Torocake me ra walia ena so na kena i wali vinaka me vinaka kina na i lavo bula me vakayagataki kei na i tutu ni dinau kei na kena maroroi tiko na tubu kei na i tukutuku vakailavo.

Vakaraitaka na i tukutuku vaka fika ni vanua ni cakacaka ni motoka kei na lori, na makete e bibi ni MFIL a sotava e dua na lutu ni volivolitaki ena 25 - 40% . Ra vakasukai na tamata cakacaka vakalailaitaki na levu ni cakcaka me qaravi sa vakaleqa na kena laki tauri mai nai sau ni dinau, qo sa dua na bolebole kina kabani. Ia na dei ni vakatulewa kei na qaravi ni yaubula taukeni kei na i tutu malumalumu ni yaubula era sa tovolei me ra maroroi vinaka.

Sa vakaitavitaka na kabani e dua tale na kabani dauveivakasalataki me dikeva vakamatailailai na veitikina e ririkotaka ka me vakayacora e dua na sasaga me vakaduria e dua na tabana me

management framework with adequate policies & procedures for effective monitoring and management of its inherent risks. This project is expected to be completed and fully implemented in the first quarter of the new financial year that will include review of all risk policies & processes.

A special Project Team had been mobilized by the Board to review the existing IT and communications/network environment of the company aimed at enhancing service delivery, improve network & communication capabilities, and timely MIS and back up for DRP.

In line with escalating complexities of risks associated with financial institutions and increasing regulator and statutory demands for compliance, MFIL is committed to training and development of its staff to ensure its employees meet the fit & proper requirements of their jobs.

Company also introduced 7 new Graduate Trainees to its workforce as a backup and succession to supervisory and middle-management roles within the company. Clear Succession Plan for all senior management roles is the main focus for the first quarter of the new financial year. The current performance management system is also under review to improve efficiency and productivity against firm KPIs.

Company has adopted a revised Strategic Plan for 2010-2012 that was approved by the Board in May 2009. As part of the planning process the Vision, Mission & Corporate Values has been reviewed to align with the business objectives of the next 3 years.

The theme of the plan is “Consolidate Diversify Grow” with the key objectives being: Accelerate customer value proposition, Optimise shareholder wealth, Improve human resource

walia na ririko e na so na lewa kei na i tuvatuva me vakadikeva na qarava na ririko e votu mai. Sa nanumi me oti na vakadidike ka cakacakataki sara ena i matai ni vula tolu ni yabaki vou vakailavo ka na oka tiko kina na raici lesu ni vakarau ni wali ni ririko.

E dua na tini ni cakacaka sa lesia na Matabose me raica tale na i tutu ni qaravi ni misini (IT) ni cakacaka kei na i tutu ni veiqaravi ni kabani ka kena i naki me vukea na veiqaravi ni kabani kei na vakavinakatakai na vakau i tukutuku na veivuke ni MIS kei na DRP.

Salavata kei na tosocake ni vereveea ni ririko ka vauca na vanua ni qaravi i lavo kei na toso ni veilavo ka vakaroti mai me muri, sa goleva na MFIL na nodra vakavulici kei na tuberi na nodratou i vakalesilesi me rawa ni ra sotava na veika e vinakata na nodra i tutu.

Sa vakacuruma tale ga e lewe 7 na tamata vuli cakacaka me baleta na veiqaravi me veisosomitaki kina i tutu vakadauveiliutaki enai vakatagedegede e loma ena kabani. Sa na golevi vakabibi e na i matai ni vula 4 ni yabaki vou vakailavo na kena tuvani na i tutu ni veisosomitaki e na i tutu ni veiliutaki e na veta i cake sara. Sa dikevi tiko ena gauna qo na i vakarau ni raici ni nodra qarava nodra cakacaka na dauveiliutaki me vukea na nona rawata na kabani na veika e nuitaki kina ena vukea na KPI's.

Sa vakayagataka na kabani na kabani na I Tuvatuva ni Cakacaka baleta na 2010 -2012 ka a veisautaki ka vakaduria na Matabose ena Me 2009. Me tiki ni tuvatuva ni cakacaka na Rai ki Liu, na Yalayala me Vakavatukanataki kei na veika bibi e Vakaliuca na FHL era sa raici tale me sota kei na veika e gadreva na bisinisi ena yabaki 3 ka tarava.

Na uto ni tuvatuva na “Vakadeitaki na Tubu ni Veitabana “ ka kenai naki : Me vakariritaki na veikau e Vakaliuca o koya e qaravi , Vakalevutaki na nona i yau

management practices, and Strengthen risk management capabilities. In addition to diversification of products and services the company aims to improve its branch representations with particular emphasis on Pacific presence.

Overall, the current financial year has been a tough year on any measure. Liquidity environment is expected to ease in the new financial year with reported high levels of liquidity in the financial system. However, business forecast for next 12 months remains subdued at the backdrop of higher inflation and further decline in GDP as reported by RBF.

FIJI INDUSTRIES LTD

Fijian Holdings Shareholding: 51.00%

The financial year ending June 2009 was a very challenging year for Fiji Industries from the effects of Oil prices and follow on effects of the devaluation of the Fiji dollar in April 2009. Our major raw materials are imported and movement in the exchange rates has a direct effect to our operating cost in a big way.

Fiji Industries result for the year was \$4.9m, which is a 5.8% lower than the \$5.2m budgeted profit and 12% lower than the previous year result. The result showed the tight business environment that currently exists. Our sales volume for the year was down by 6% compared to budget and down by 4.4% compared to last year. These statistics indicates the slump in the construction industry as cement volume is normally taken as a good indicator of the behavior in the Industry and to some extent the economy as a whole.

Our strategy to soften the effect of the slump in the local construction industry was to vigorously push exports into the neighboring Pacific islands. Even though there were several competitors in the market, our hard work and regular visits has enabled us to capture a reasonable portion of the export market. This year we targeted 35,000tons and we achieved

na i taukei ni sea, Vakavinakataka na i vakarau ni qaravi ni tamata Cakacaka kei na Vaqacacotaki na i wali ni ririko. Kena i kuri na vakarabailevutaki ni i voli kei na qaravi ni kabani. Na sasaga ni kabani me vakavinakataka na nodra matataki na veitabana kei ira mai na Pasifika.

Sa bau dua na yabaki dredre vakailavo na kena eda donuya tiko. Sa na dodonu me vnaka na levu ni lavo me vakayagataki ena yabaki vakailavo ka tarava ka ni levu tu na i lavo ena vanua ni lavo. Ia e vakaraitaka na bisinisi baleta na vula 12 ka tu mai ni na se malumalumu ka na tubu na i sau ni yaya ka lutu tikoga na i lavo e rawa e Viti vaka ka vakaraitaka na RBF.

FIJI INDUSTRIES LTD

Wase ni sea ena kabani qo ka taukena na FHL : 51%

Na yabaki vakailavo ka cava ena Jiune 2009 sa yabaki ka bolea na Fiji Industries ena tubu ni veika e tara na i sau ni waiwai kei na tatara ni lutu ni kaukauwa ni dola ni Viti ena Epereli 2009. Keitou volia mai vanua tani na gacagaca levu ni yaya me vakayagataki kei na i vakacavacava ni lavo ni volivoli e tara sara ga na i sau ni cicivaki ni bisinisi.

Na i lavo e rawata na Fiji Industries ena loma ni yabaki e \$4.9 na milioni, e lutu sobu ena 5.8% mai na \$5.2 na milioni na nakiti taumada me tubu ka na lutu ena 12% ena yabaki yani i liu. Vakaraitaka na ka a rawa na tadre ni bula vakabisinisi ka tu ena gauna qo . A lutu na levu ni ka e volitaki ena loma ni yabaki ena 6% me raici vata kei na lalawa taumada e lutu ena 4.4% ni vakatautauvatani kei na yabaki sa oti. Ni matanifika qori e vakaraitaka na gogo ni tabana ni taravale ka levu na simede dau tauri sa i vakaraitaki ni vakarau ni bula ena tabana ni taravale , kei na bula vakailavo talega.

Na neitou i tuvatuva me vakamalumulumutaka na tatara ni lutu ni bisinisi ni tara vale me keitou vakakaukawataki na neitou volivolitaki

38,000 tons. Fiji Industries now export cement to 10 Pacific Island Countries and we are also looking to the Northern Pacific for new opportunities.

In March 2009 Fiji Industries achieved a milestone in its operation by becoming ISO 14,001 accredited in Environment Management. This has been achieved through several years of improvements and upgrading.

Looking forward, Fiji Industries Limited will continue to maintain its export market and prepare for the recovery of the local market. Credit goes to the Management Team and workers for the commitment and the drive in achieving a good result this year despite the tough economic conditions that we faced.

BASIC INDUSTRIES LTD

Fijian Holdings Shareholding: 51.00%

The financial results for FY09 indicate that the recovery strategies put in place following the downturn in the local construction industry 3 years ago are starting to show a positive outcome. The downward trend in annual revenue that began in 2006 has leveled off with a 7% annual growth in revenue recorded at the end of June 2009. Despite difficult business conditions encountered during the year, the management and staff performed extremely well in achieving budgeted profits.

An important component of the company's recovery and growth strategy has been the expansion of the business outside of Fiji. Early successes in this area have been in the growing concrete blocks, concrete pipes and aggregates exports to various Pacific Island countries. In March this year, the Standard Concrete Industries Division established a 9 months aggregate crushing operation in Vanuatu, launching the start of the company's operations outside Fiji. The

ena veiyanyanu ena Paisifika. E dina e tiko eso keitou vei qati vata ena makete, na neitou cakacaka kaukauwa kei na veisiko wasoma sa vukea na neitou rawata e dua na i wase vinaka ni neitou makete ni vakau i voli .

Keitou taketataka ena yabaki qo e 35,000 na tani, ia keitou rawata e 38,000 na tani. Sa vakauta tiko na Fiji Industries na simeke kina 10 na matanitu ena Pasifika, ka keitou sa rai tale tiko ga kina vualiku ni Pasifika me so tale na makete. Ena Maji ni 2009 a tekia kina na Fiji Industries e dua nai sausu ena nona veiqaravi me soli kina vua na ISO 14,001 me dokai kina na neitou dau qarava na vanua keitou tiko kina. E rawa qo ena vuku ni vinaka kei na uasivi ni qaravi ni vanua.

Ni rai ki liu, ena tomana tiko na Fiji Industries Limited na nona veivoli kei na nona vueta cake na makete eke. Vakavinavinaka na timi ni veiliutaki kei ira na cakacaka ena cakacaka dina kei na yalo gu me rawa edua nai sausu vinaka ena yabaki qo, dina ni dredre tu na bula eda sotava.

BASIC INDUSTRIES LIMITED

Wase ni sea ena kabani qo ka taukena na FHL : 51%

Na macala ni veika vakailavo baleta na yabaki vakailavo ni 2009 e vakaraitaka ni tuvatuva ni kena vakalesui tale mai na bula vakailavo ena vuku ni lutu ni tabana ni tara vale ena tolu na yabaki sa oti sa tekivu me laurai na vatukana. Na lutu sobu ni lavo e rawa ena veiyabaki ka tekivu ena 2006 me sa tu vinaka tale e 7% ni tubu e veiyabaki nai lavo e rawa ena vula o Jiune 2009. Dina ni sotavi na bula dredre vakabisinisi ena loma ni yabaki, era cakacaka dina vakaukauwa na veiliutaki kei ira na nodra i vukevuke ena rawa ni tubu ka a lalawataki tu me rawa.

E dua na tiki bibi ni nona rawata na kabani me suka lesu ena tutu ni rawa tubu makawa, oya na kena vakatetei na





RBG WILL CONTINUE TO STRIVE TO ENSURE THAT THE COMPANY IS IN A GOOD POSITION TO TAKE ADVANTAGE OF OPPORTUNITIES AS THEY ARISE.

construction activity in a number of our neighboring Pacific Island countries over the next couple of years is expected to be more buoyant than our local market, strengthening the company's growth aspirations outside Fiji.

BLUE LAGOON CRUISES LTD

Fijian Holdings Shareholding: 70.00%

Blue Lagoon Cruises Holdings Ltd is a wholly owned subsidiary of FHL and owns 70% of Blue Lagoon Cruises Ltd. BLC experienced a challenging year in a difficult environment brought on by the global economic downturn, despite a small increase of visitor arrivals into the country.

Whilst passenger numbers increased slightly to compare to previous year, yield suffered in order to remain competitive and attract clients. Consolidation of the number of cruises operated, along with shrewd and tight expense control, greatly assisted the company to minimise the affect of outside forces and to produce a meagre operating profit rather than the loss budgeted. Fuel costs fluctuated and were volatile on occasion which impacted profit performance.

Revenue levels continued to be maintained above \$7 million while cost escalation fueled by recent devaluation is inevitable. Capital Expenditure was kept to a bare minimum in order to control expenditures with basic and essential maintenance only being carried out. The forecast for 2010 is more positive with an increased focus on sales and marketing with particular efforts being concentrated on the internet to maximise exposure and capture last minute bookings.

FIJIAN PROPERTY TRUST COMPANY LTD

Fijian Holdings Shareholding: 89.10%

FPT owns Ratu Sukuna House and Vanua House and manage part of Fijian Trust Fund investment properties namely the

bisnisi ena taudaku kei Viti. A tekivu vinaka mai na bisnisi qo ena buli buloko, na paipo kei na vuqa na i voli mera vakau kina yanuyanu ena Pasifika . Ena Maji ni yabaki qo, a tauyavutaka na Standard Concrete Industries e dua na i qaqi ni tuki vatu mai Vanuatu ena loma ni vula ono ena taudaku kei Viti. Nanumi tiko ni na cici vinaka na cakacaka ni tara vale ena Pasifika ena loma ni 2 na yabaki ka sega soti ena makete e Viti ka na vukea na vaqaqacotaki ni tubu ni kabani ena taudaku kei Viti.

BLUE LAGOON CRUISES LTD.

Wase ni sea ena kabani qo ka taukena na FHL : 70%

E nona taudua na FHL ka taukena e 70 % ni Blue Lagoon Cruises Ltd. A sotava na BLC e dua na yabaki dredre ena gauna veilecayaki ka kauta mai na lutu sobu ni bula vakailavo e vuravura, dina ni tubu cake vakalailai na i wiliwili ni saravanua era yaco mai kina noda vanua.

Ena gauna e toso cake kina vakalailai na i wiliwili ni pasidia ni raici vata kei na yabaki yani e liu, a lailai na ka e rawata me rawa ni cici tiko kina me dreti ira mai o ira na saravanua. E vakadeitaka tikoga nai wiliwili ni soko e cicivaki kei na qarauni matua ni lavo e vakayagataki kina sa vukea vakalevu na kabani me vakalutuya sobu na tatara ni veiqati mai tuba ka rawa me rawata e dua na tubu lailai ka sega ni lusi mai na ka a tuvai tu. Veilecayaki nai sau ni waiwai ka ca sara ena vica na gauna ka tara na rawa tubu ni kabani.

Tomani tikoga na i tutu ni rawa i lavo ena \$7 na milioni ka sivia, ia nai sau ni veiqaravi e toso cake vakalevu ka vakavu mai na lutu ni kaukauwa ni dola. Qarauni sara vakamatua nai lavo dau vakayagataki ka raici me qaravi walega na cakacaka ka gadrevi sara ga me baleta na qaravi ni bisnisi. Sa kacivaki tu ni na yabaki vinaka na 2010

Great Council of Chiefs Complex and Union Plaza. FPT recorded a Net Profit after tax of \$602,260 for 2009 which was higher than 2008 results. As a result of the higher profit, FPT paid its shareholders a higher dividend of 11 cents compared to 6.5 cents per share in 2008. The two properties remain competitive in the property market due to their strategic location.

With increasing challenges from the oversupply of office space in the property market FPT carried out major renovations to most of its anticipated vacant tenancy a regeneration program to ensure that all structural facilities and systems are compatible enough with new construction designs. This development resulted in the high retention of occupancies in 2009. FPT remains optimistic to achieve its target of 100% occupancy within the next 6 months.

The strategic responsibility for FPT in the immediate future is to maintain tenancy in Ratu Sukuna House and Vanua House. Vacancies are inevitable given the current economic environment, however, affordable rental rates and strategic property location attracts new tenants. While there is some vacancy, no other major tenant is expected to move out within the next few years.

The global and national property market behaviour remains challenged in the near future by external and internal forces. Although we anticipate a challenging year for FPT, we are quite optimistic that strategies proposed for new acquisitions of property and new constructions will allow us to yield a better return for our shareholders.

FIJIAN SECURITIES LIMITED

Fijian Holdings Shareholding: 100%

Despite the challenging operating environment, FHL Securities Limited was able to record a positive operating

ni na levu cake kina na volivolitaki kei na maketetaki ni bisinisi ena "internet" me rawa ni kacivaki kina vakavinaka, kei na so era via sauma talega na nodra tikite.

FIJIAN PROPERTY TRUST COMPANY LTD

Wase ni sea ena kabani qo e taukena na FHL : 89.10%

E taukena na FPT na Ratu Sukuna House kei na Vanua House ka cicivaka e dua nai wase na Fijian Trust Fund investment properties ka yacana na Great Council of Chiefs Complex kei na Union Plaza. A rawata na FPT na tubu ni musuki oti na i vakacavacava e \$602,260 baleta ni yabaki 2009 ka levu cake mai na ka e rawa ena 2008. E na vuku ni tubu levu a rawa, a saumi ira na nodra i taukei ni sea e dua na tubu me wasei e 11% ni vakatautauvatani kei na 6.5% dua na sea ena 2008. Rau sa rawa i lavo tiko vakavinaka na vale e rua ena makete vakavu mai na vanua e rau dabe toka kina.

Ena vuku ni levu ni veiqati ni vuqa na vale ni volavola era sa lala ena kena makete, a vakayacora kina na FPT eso na cakacaka ni kedra vakavinakataki na vale ni volavola era sa lala me rawa ni sota na kedra i tuvaki kei na kedra i tutu me rawa ni tauri kina. Na cakacaka qo e tosoya cake kina nai sau ni rede ena 2009. Nuitaka tiko na FPT ni na rawata na ka e vinakata me tawa taucoko na kena veirumu e na 100% ena loma ni vula 6 mai qo.

Na sasaga levu ni FPT ena gauna totolo me vakadeitaka na kedra tawani tiko na Ratu Sukuna House kei na Vanua House. Ena sega ni tarovi na lala ni vale baleta na leqa vakailavo ka tarai Viti, ia na kedra soli na rede e veirauti kei na uasivi ni vanua e toka kina na vale ena dreti ira yani o ira me ra tawana. Dina ni tu eso na rumu lala, e nuitaki ni ra na sega ni toki tani o ira na kabani levu ena loma ni vica na yabaki ka tu mai.



THE FORECAST FOR 2010
IS MORE POSITIVE WITH
AN INCREASED FOCUS ON
SALES AND MARKETING



result for the 2009 financial year. The company also declared and paid out for the second consecutive year a dividend to FHL its parent company.

The positive results was mainly due to FHLS acting as brokers for the successful crossing of the RB Patel shares and the acquisition of Fosters Group Pacific Limited shares owned by Fijian Holdings Limited by Fosters Australia through the market mechanism of the South Pacific Stock Exchange.

We expect stock market activity to be minimal and with listed stock prices falling in moving forward. The job losses in certain industries and overall the general economic recession will also impact on FHLS operation in the new financial year.

FHLS will expect a more difficult 2010 financial year and will continue to strive for positive result through a coordinated approach on its marketing and awareness together with other FHL subsidiaries.

FIJIAN HOLDINGS PROPERTY TRUST FUND

Fijian Holdings Shareholding: 79.50%

The third full year of operation for Fijian Holdings Property Trust Fund was full of operating challenges. The increasing plethora of vacant office spaces available in Suva Central Business District and the final commissioning of the Kadavu House led to downward pressure on rental rates for all building. In addition there was increasing demand for additional services by tenants and additional compliance requirements for building with the new building construction and OHS legislation. A positive impact to the Fund was the Government announcement on the restoration of tax free status on dividends paid out to the Fund resident unit holders from 1st January 2009.

E bolei tiko vakalevu e vuravura ena gauna qo kei na gauna mai muri ena makete ni volitaki vale na veiqati eso e Viti kei na kena mai taudaku.

Dina ni keitou nanuma tiko ni dua na yabaki dredre vei FPT, keitou nuitaka ni tuvatuva keitou sa tuvana me baleta na neitou voli vale kei na tara vale vou ena solia vei keitou e dua na i lavo vinaka me baleti ira na neitou i taukei ni sea.

FHL SECURITIES LIMITED.

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

Dina ni dredre na cicivaki bisinisi, ia a rawata na FHL Securities Ltd me rawata e dua na i lavo vinaka ni veivoli ena yabaki vakailavo ni 2009. A kacivaka ka sauma na kabani na i karua ni yabaki veitaravi e dua na tubu me wasei kina FHL na tamani kabani.

Na rawa vakavinaka ni lavo e vu mai na nona vakaitavi na FHL ena nona voli ni sea ni RB Patel kei na tauri mai na sea ni FHL kina Fosters Group Pacific Limited kei na Fosters Australia ena makete ni veivoli ni South Pacific Stock Exchange.

Keitou raica ni na sega soti ni lailai na veivoli ena Stock Market ka lutu nai sau ni sea volitaki ena sasaga ni toso i liu. Na lutu ni tamata cakacaka ena so na kabani kei na lutu ni lavo ena gauna qo ena tara talega na bula ni FHL ena yabaki vou. Sa na sotava na FHL edua na yabaki dredre ni bula vakailavo ena 2010, ia na tovolea me uasivi na ka e rawa ena vakaukauwataki ni volitaki ni nona i voli kei na veivakasalataki vata kei ira na kabani cokovata ni FHL.

FIJIAN HOLDINGS PROPERTY TRUST FUND

Wase ni sea ena kabani qo ka taukena na FHL: 79.50%

Na tolu na yabaki ka cici tiko mai kina na Fijian Holdings Property Trust Fund sa sotavi kina e vuqa na bolebole ni

A major impact on dividend performance was the continued decrease on the recorded fair value of the Ra Marama building which has been taken through the Statement of Performance accounts. However, the Fund through its manager continues to manage its operating cash flow performance which was for the third consecutive year substantially higher than the dividend declared. There was a negative growth return of 1.11% due to vacancies in the building which impacted the valuation of property year on year. The total return for the Fund was 2.30%.

The next twelve months would be challenging as new buildings become available for tenancy in Suva especially with the occupation of the new FIRCA office and the GCC complex which are both located at Nasese. The future of the property market in the Suva CBD and rental rate would remain stagnant for a while because of the overall downturn in the economy. The only high rise building that is still under construction is the Tappoo/ FNPF building on Thompson Street. The completion of the MHCC building has also contributed to additional retail space to the market.

The FHTML challenge for FHPT would be to retain our current tenants and strive for 100% occupancy by innovatively meeting their requirements and expectations without negatively impacting returns to FHPT unit holders. The manager will also work towards ensuring the long term commitment of current tenants whilst seeking new tenants to fill the current vacant space in the Fund building, Ra Marama.

CLARITI SOUTH PACIFIC LTD **Fijian Holdings Shareholding: 60.00%**

Clariti South Pacific Ltd has experienced a dismal performance for the current financial year due to various factors. A General Manager

cicivaki bisinisi. Na tubu vakasivia ni vale ni volavola lala ena vanua ni bisinisi e Suva kei na kena tawani taucoko na Kadavu House sa vakavuna na lutu ni sau ni rede ni vale. Kuria na kena tubu cake na veika e ra vinakata na rede kei na veika e gadrevi vakalawa me sotava na i tuvaki ni vale e tara vou kei na lawa e vauca na OHS. E dua na tikina vinaka kina kabani na nona kacivaka na matanitu na vakasukai lesu tale na veivakagalalataki ni vakacavacava ni tubu me wasei ka dau sauma na kabani vei ira nai taukei ni uniti tekivu mai na matai ni Janueri 2009.

Na ka levu ka tara na tubu me wasei na kena lutu tikoga na i sau dodonu ni Ra Marama House ka vakaraitaka na i tukutuku vakailavo ni kabani. Tomana tiko na manidia ni lavo na qaravi ni lavo qaqa ni vakacici bisinisi ka levu na ka a rawa ena loma ni tolu na yabaki veitaravi mai na tubu me wasei ka kacivaki. A lutu na tubu ena 1.11% vu mai na lala ni vale ka vakavuna ni dikevi tale nai sau ni vale ena veiyabaki. Na I lavo taucoko e rawata na Fund e 2.30 %.

Na 12 na vula ka tarava ena dua na dredre ni ra sa na tara oti na veivale vou me ra tawani e Suva vakabibi na kena tawani na vale vou ni FIRCA kei na veivale ni Matabose Levu Vakaturaga e rau tiko mai Nasese. Na i tuvaki ni makete ni tawani kei na volitaki vale ena loma i Suva CBD ena tu vakadua ena dua na gauna baleta na lutu ni tuvaki ni bula vakailavo. Na vale cecere ka se tara tiko ena gauna qo oya na Tapoo kei na vale ni FNPF ena Thompson Street. Na tara oti ni vale ena MHCC sa na vukea na vakalevutaki ni vanua ni volivolitai kina makete.

Na bolebole ni FHTML kina FHPT oya na kedra maroroi o ira na saumi vale vei keitou ka me ratou tovolea me 100% na vakatawani ni vale kei na kedra qaravi me sota kei na i vakarau e vinakati ka me kakua ni vakaleqa na rede kina FHPT kei na saumi ni uniti



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operational excellence, marketplace
and satisfaction of customers
through Microsoft products and services.

Allen P. Webb
Allen P. Webb
Microsoft Office
Director

HP
Partner
Value Partner

Microsoft
Infrastructure Solutions



CLARITI WITH ITS GLOBAL PARTNERS HAS EMBARKED ON AN INITIATIVE TO ESTABLISH FIJI'S FIRST INFORMATION TECHNOLOGY (IT) SKILLS CENTRE.

was recruited in February 2009. The focus of the new management was while being aggressive on the existing line of business, to introduce new processes and a new culture into the business.

Clariti suffered as a direct consequence of the downturn in the global economy and also severely impacted by the 20% devaluation of the Fiji dollar. With most of Fiji's major trading partners experiencing recessions, the exchange rates not working in our favour, customers thinking strategically on the purchase of IT hardware and software, and the increasing competition levels in Fiji's IT market, Clariti has had to re-design our internal processes and approach the market with a new vision and way of doing business.

Clariti with its global partners has embarked on an initiative to establish Fiji's first Information Technology (IT) Skills Centre. In an effort to address the shortage of IT experts in the country, the proposed Skills Centre will engage foreign IT Specialists to work with its employees and customers on projects in order to train and up-skill local IT personnel with hands-on training and the opportunity to upgrade their own IT Skills.

The main focus of the Skills Centre is to provide extra benefits to the customer in the form of local expertise and extra cost. This would also provide the benefits back to the community and the country at large in the retention of IT skills.

Training participants will receive certificates after completion of programs

vei ira na kedra i taukei. Me tovolea tale ga na manidia me rawata e dua na veidinadinati kei ira na saumi rede tiko ka tovolea me ra vakatawani na veirumu era lala tu ena vale ni Fund na Ra Marama.

CLARITI SOUTH PACIFIC LTD.

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

A sotava na Clariti South Pacific Ltd e dua na qaravi bisinisi malumalumu ena yabaki vakailavo ka vu mai na vuqa na ka. E dua na General Manager a digitaki ena Feperueri 2009. Na rai ni veiliutaki vou me sega walega ni gumatua ena cicivaki bisinisi me vakavurea tale mai eso nai walewale me vukea na kedra qaravi me dua kina na i vakarau ni cicivaki bisinisi.

A sotava na leqa na Clariti ena vuku ni lutu ni bula vakailavo e vuravura, ka tarai koya talega na lutu ni kaukauwa ni dola ena 20%. Ena nodra sotava tiko na leqa vakailavo na veikabani lelevu ni veivoli, e sega ni sota na k e da vinakata na i vakacavacava ni veisau i lavo tani, ra nanuma na dauvolivoli me ra volia na misini ni vakau i tukutuku IT, mani veisautaka o Clariti na nona i tuvatuva me goleva na makete e dua nai vakarau vou ni caka bisinisi.

Rau cakacaka vata o Clariti kei ira ena nona dau cakacaka vata mai na veiyasai vuravura me ra vakaduria na i matai ni tikotiko ni Information Technology Skills (IT). Ena kena sagai me wali na lewe lailai ni dauveiqaravi misini ni tukutuku e Viti, nai tikotiko ena tara sa na tuberi ira me ra kenadau me ra cakacaka vata kei ira na nona tamata cakacaka mona dauvolivoli me rawa ni vakavulici ira na laveti cake ni nodra kila ena vuli tara.

offered at the centre. The Skills Centre, which will be housed within Clariti's office premises in Vatuwaqa, will enable Clariti to offer Total IT Solutions to its customers.

Changes have been part and parcel of the Clariti family in the past financial year. The reallocation of the Finance Team to the Corporate Services division of the FHL Group, the movement of the Warranty Team to Vanua Arcade and the WEST TEAM moving to their new office at Eden Plaza, Martintar in Nadi.

With a vision of being the Number ONE IT Solutions Provider in the country by the end of financial year 2012, a new HP Service Centre was opened at the Vanua Arcade in Suva in May 2009. The move was part of the strategy to improve customer service, and convenience for customers who now have the opportunity to walk in and be served by a HP Certified Technician who is able to assist in the diagnosis and repair of their HP Equipment.

While progressing on these initiatives, the management team recognised and the importance of boosting the existing business and the need to offer Fiji's corporate sector with the total solution. Clariti Management has also started building its capacity with highly skilled professionals and a dynamic sales team to engage with larger organizations.

Na i naki ni Skills Centre me vukei ira na dauvolivoli na kila ka ra sega ni sauma. E na kila na yaga ni kila oqo na lewenivanua kei na vanua qo me rawa ni tiko ga eke na kila ni IT qo.

Ena soli vei ira era vuli na nodra sitivikiti ni sa oti na nodra vulica na nodra porokaramu ka solia na koronivuli. E na tiko tale ga na "Centre" ena loma ni vanua ni cakacaka ni Clariti e Vatuwaqa. Qo ena vukea na Clariti me solia na i wali taucoko ni qaravi misini vei ira taucoko era volivoli e kea.

E dua na tiki ni bula ni vuvale na Clariti oya na 'veisau' ena yabaki vakailavo sa oti. Na kena tokitoki na Finance Team kina tabana ni Corporate Services Division ni FHL Group, na toso ni Warranty Team kina nodratou valenivolavola vou ena Eden Plaza, Martintar, Nadi.

Me vaka na nodratou sasaga ni rai ki liu, oya me ratou I matai (Number One IT) ni dausolia nai wali ni IT e Viti ni na cava na yabaki vakailavo ni 2012. A dua na HP Service Centre a sa dola ena Vanua Arcade ena Me 2009. Na toso qo a sa dua na tiki ni sasaga me vakavinakataki kina na nodra qaravi o ira era qaravi kei na nodra vakacegui ena nodra curu yani ka lai qaravi mai vua e dua sa vakasitivikiti ena qaravi ni HP ni sa rawa ni raica na uto ni leqa ka vakavinakataka sara ena i yaya ni HP.

Ena nodratou tosoya tiko na nodratou sasaga, eratou sa vakila talega na veiliutaki na bibi ni kena laveti cake na bisinisi ni tiko vei ratou na dau solia na I wali ni leqa. Sa tovolea talega na veiliutaki me ratou vakalevutaka na nodra veiqaravi mai vei ira na vakaivola ni cakacaka kei ira na timi ni dauvolivolitaki me veitaratara kei ira na veikabani lelevu.

OPERATIONAL REPORT OF ASSOCIATE COMPANIES AND OTHER INVESTMENT KEDRA I TUKUTUKU NA KABANI VEIWEKANI

GOODMAN FIELDER FIJI LTD

**Fijian Holdings' Share holding :
10% Ordinary, 50% Preference**

Goodman Fielder (Fiji) Limited comprises known brands of Crest Chicken, Tuckers Ice Cream, Twisties & Yumo's snacks, Meadowlea margarine, MeadowFresh Milk and many other well known consumer food brand names in Fiji and other Pacific Islands. Sales for the year were down 5% on the previous year and earnings before interest and tax dropped by 18%.

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 our poultry related commodity prices were at high levels, especially for wheat, and 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, contributes over 20% of the total Crest chicken requirements.

Rooster Poultry provided strong competition throughout the year and have been building up their market base. We had an increase in the duty for importation of frozen chicken from 15% to 32% in November, but a corresponding weakening of the New Zealand dollar nullified the impact of this to some extent. The recent Fijian dollar devaluation has forced the prices up on most food items and this has had led to stronger chicken

GOODMAN FIELDER FIJI LTD.

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

Era okati ena Goodman Fielder (Fiji) Ltd na veiyaca ni kakana na Crest Chicken, Tuckers Ice Cream, Twisties , Meadowlea Magarine kei na vuqa tale na yaca ni kakana kilai e Viti kei na Pasifika. Lutu sobu na volivoli ena loma ni yabaki ena 5% ena yabaki yani e liu kei na i lavo a rawa ni bera ni musu nai vakacavacava e lutu sobu ena 18%.

A rawata na Goodman Fielder ena loma ni yabaki me sotava na veika e gadreva na makete me bau kina na gauna ni osooso ni veivoli ni Siganisucu. Toso tikoga na gauna ni susu manumanu ena loma taucoko ni yabaki, ia a toso cake nai tuvaki ni sau ni kedra kakana na toa vakabibi na witi,ka raici ni bolei na neitou vakadeitaka tiko na i lavo keitou vakayagataka ena volivoli ka me kakua kina ni lutu nai tuvaki ni neitou i voli. Era tomana tiko na dau susu toa lalai na nodra vakaitavi me ra susuga na toa me baleta na kabani, ka na dau susuga e sivia e 20% me nodra cau ki na kabani.

E kaukauwa na nona veiqati na Rooster Poultry ena loma ni yabaki taucoko, ka sa bulia cake e dua na yavu ni nona makete ni veivoli . Toso cake nai vakacavacava ni toa voli mai vanua tani mai na 15% kina 32% ena Noveba, ia a veisotari kei na malumalumu ni kaukauwa ni dola ni Niusiladi ka sega ni mani vakilai kina na kena ca. Na kena lutu sobu na kaukauwa ni dola ni Viti sa toroya cake

volumes as our price held fixed under price control. There is continued strong competition in ice cream, snacks and food line categories. Our continued focus on exports has resulted in good sales growth in this area.

The company continues to focus on production continuity by regularly upgrading and maintaining all existing assets. Capital expenditure spent for the F09 period was approximately \$1.4m, a reduction on the previous year. A similar spend is planned for the F10 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, particularly from the devaluation.

World commodity costs have seen-sawed through the year with wheat on the rise again. The devaluation has step-changed our cost of raw materials, packaging, fuel and spare parts, and the ability to take commensurate price increases in our price controlled products of chicken, ice cream and feed, is as vital as ever. Rising costs and inability to take price rises has eroded margins and this is reflected in our declining profit. While economic conditions remain tight, and commodity prices are rising, there will remain a strong focus on reducing cost within 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.

sara nai sau ni vuqa na mataqali kakana, ka sa vakavuna qo me yaco mai e levu na kakana kedra na toa baleta ni tu vaka veiyalayalati nai lavo keitou volivoli kina. Tomani tikoga na rai ni kabani ena buli ni kakana e volitaki ena kena vakavinavinakataki tikoga kei na maroroi ni yaubula ni taukei . Lavo e vakayagataki ena veicakacaka eso ena loma ni yabaki vakailavo ni 2009 e taura \$1.4 na milioni, e lutu na ka e rawa ena yabaki yani i liu. E dua nai lavo vata va oya sa nanumi tiko me baleta na yabaki vakailavo ni 2010, ia na tosoti tale ni vakatubu i lavo kei na vakarabailevutaki ni cakacaka ena raici vakavinaka ni bera ni dua tale na vakayagataki i lavo e vakayacori ena gauna dredre ni bula vakailavo oqo vakabibi ena tubu sivia ni sau ni i yau kei na sau levu ni qaravi bisinisi vakuasivi ena gauna ni lutu ni kaukauwa ni dola ni Viti.

E veitubuyaki na i sau ni yaya e vuravura ena loma ni yabaki vakabibi na tubu tale ni sau ni witi. Veisautaka vakalevu na lutu ni kaukauwa ni dola ni Viti nai sau ni yaya ra se bera ni buli vakaoti mai vanua tani , kedra tawa i paketetaki , na waiwai ni idini, gacagaca ni motoka kei na kena sagai me veiraurau na tubu ni sau ena neitou voli ka virikotori vakalawa na kedra i sau me vaka na toa , na ice cream, kei na kedra kakana na toa. Tubu ni sau ni buli yaya kei na dredre ni noda veisotari rau vata kei na tubu ni sau ni yaya sa toroya sobu na tubu. Tadre na bula vakailavo, ia e tubu cake ga na i sau ni yaya, dei tikoga na sasaga me vakalutuki sobu nai sau ni cicivaki bisinisi.

Tomani tiko ga na kena qaravi vakamatua nai tuvaki ni kakana me salavata kei na lawa ni OHS, kei na kena raici vakatitobu na kena cicivaki vakavinaka na veiqaravi ena i vakatagedegede e cake. Torocake na vakamuri ni OHS ena loma ni yabaki ka vakavatukana ena sega ni vakacalaka ena vanua ni cakacaka, kei na HACCP kei na kedrau vakamuri.

MINJESK INVESTMENTS COMPANY LTD

Fijian Holdings' Share holding : 17%

This financial year has been a challenging year for Suva Private Hospital given the difficult economic climate on the domestic and international front.

Despite this backdrop Suva Private Hospital managed to hold its own, achieving a reasonable level of performance. This performance has been attributed to the commitment of staff and conducting good business processes to achieve the most cost effective and efficient outcomes.

Our Medical Centre continues to care for good client numbers on a daily basis. This has been attributed to significant client demand to be treated in a clean and professional environment. We introduced a triaging area at the Medical Centre to deal with urgent acute cases in our bid to increase efficiency and impact service delivery in critical moments. Suva Private Hospital consistently experiences a regular demand for diagnostics, specialist consults, wards, and theatre services.

We have tapped into some Pacific Island countries that normally utilize New Zealand and Australia for medical treatment. By providing an alternative we are optimistic we will acquire further market share.

Diagnostics department continue to progress well despite a very competitive environment. Suva Private Hospital remains market leader in terms of service delivery and on par with international quality standards. Dr Jonetani Kama (Radiologist) joined our team as Consultant Radiologist taking over from the late Dr Taka. Dr Kama has expanded SPH's radiology

MINJESK INVESTMENTS COMPANY LTD.

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

Na yabaki vakailavo sa dua na yabaki dredre kina Suva Private Hospital ni raici na gauna dredre ni bula vakailavo kina noda vanua kei veiyasai vuravura .

Dina ni vaka tu oya na bula e da sotava, e rawati koya tiko vakavinaka na Suva Private Hospital, ka totoka na veika e rawata tiko. Na vinaka ni ka e rawa e vakavu mai na vua ni nodra cakacaka dina na vakalesilesi ka rawa kina me tauca na ka e gadreva ni raici vata kei na i lavo e vakayagataka.

E tomana tiko na neitou valenibula na nodra raici nai wiliwili levu ni tauvimate e veisiga. E vakavu qo mai na nodra gadreva na tauvi mate me ra qaravi ena vanua ni veiqaravi savasava ka totoka kina na cakacaka. Keitou sa tekivutaka ena dua na vanua ena vale ni bula me ra dau qaravi kina na kisi bibi ka keitou nanuma ni na vukea cake na vinaka ni veiqaravi ena gauna dredre eso.

Sa sotava tiko na Suva Private Hospital na levu ni kena gadreva me raici na tauvi mate, na nodra veiqaravi na i tini ni veimate eso, rumu ni vale ni bula kei na vanua ni veisele.

Keitou sa veitaratara oti kei na so na yanuyanu ena Pasifika ka ra dau vakayagataka Niusiladi kei Ositerelia baleta na veiqaravi vakavuniwai. Ena neitou vakaraitaka vei ira na vale ni bula qo me kedrau i sosomi, keitou na rawata mai kina eso na sea ni makete.

E toso vakavinaka tiko na tabana ni vakadikevi ni mate dina ga ni sotavi tiko eso na dredre. E dei na Suva Private Hospital ena uasivi ni nona veiqaravi ka tautauvata kei na uasivi ni nodra veiqaravi mai vavalagi. Sa mai curu ena timi ni neitou veiqaravi o Dr Jonetani Kama (Dauniveilovi

services with more interventional work, something not done by his predecessor.

In terms of future expansion to the west, Suva Private Hospital is initially looking at developing the Western office to include regular provision of Specialist Services and the possible establishment of a satellite diagnostic unit to facilitate basic blood testing. Depending on the overall economy Suva Private Hospital may still decide to venture into medical tourism, an area of great potential.

APCO COATINGS (SOUTH PACIFIC) LTD

Fijian Holdings' Share holding : 8.9%

Asian Paints (SP) Limited is a market leader in paints in Fiji and in the other south pacific countries of Vanuatu, Tonga, Solomon Islands and Samoa. Asian Paints is present in the paint market through two brands: APCO and Taubmans. The new APCO brand was launched in 2007 along with a whole range of new products with extended warranty periods – the first of their kind in the Fiji paint market.

Asian Paints (SP) Limited registered a value growth of 9% over the year 2007 with consolidated net sales of 18 million FJD. The net profit after tax stood at FJD 0.45 million down by 60% as compared to 2007.

The economy staged some sort of recovery in 2008, resulting in increased demand for paints. However the last two quarters of 2008, witnessed the oil prices skyrocketing and the FJD plummeting against its various trading partners. This resulted in the raw material input costs going up significantly which has to be partially absorbed by the company resulting in lower net profits.

) me sa kena dau ena tabana oya ka sosomitaki Dr Taka. Sa vakarabailevutaki na tabana ni Xray ena SPH kei na vakamacala taumada ni so na mate. Qo na cakacaka ka a sega ni dau qaravi tu mai.

Sa nanuma tiko na Suva Private Hospital me tosoya na nona veiqaravi kina yasayasa vakara, ka sa nanumi me okati kina na nodra veiqaravi o ira na i tini ni qaravi mate eso kei na vakaduri ni dua na misini mei dau dikevi kina na dra. Sa nanuma na Suva Private Hospital me tosoya yani na nona veiqaravi kina tabana ni saravanua, ka na vakatau qo kina i tuvaki ni bula vakailavo.

APCO COATINGS (SOUTH PACIFIC) LTD.

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

Na Asian Paints (SP) Limited e dua na makete liu ni volitaki boro i Viti kei na so na yanuyanu ena Pasifika vakataki Vanuatu, Tonga, Solomoni, kei Samoa. E kilai na Asian Paints ena makete ena rua na yaca : APCO kei na Taubmans. Ena 2007 e tauyavu kina na i boro na APCO kei na vuqa na i voli vou kei na kedra vakadeitaki vakalawa na veivoli na waraniti nai matai ni kena me vakayagataki ena makete ni boro e Viti. A rawata na Asian Paints (SP) Limited na bula vakailavo e 9 % mai na yabaki 2007 kei na levu taucoko ni veika e volitaki e \$18 na milioni na dola . Na levu ni tubu me wasei ni musu oti nai vakacavacava e \$0.45 na milioni mai na 60% ni raici vata kei na 2007.

A tubu cake na bula vakailavo ena 2008 e na kena vinakati vakalevu nai boro. A laurai e nai karua ni ono na vula ena 2008 na tubu sivia ni sau ni waiwai ka lutu na dola ni Viti ni raici vata kei na kabani dauveivoli vata. Qo ena vakavuna na tubu cake ni sau ni yaya me mai vakayagataki ka lutu tale ga na tubu me wasei.

The unprecedented floods at the beginning of the year of 2009 do not augur well for the economy. Along with the global economic slowdown hitting the shores of Fiji, there is a fear of the economy contracting in 2009. The company looks to consolidate and secure its operational efficiencies in 2009 considering that the paint market would slow down in 2009.

SUN FIJI LTD

Fijian Holdings' Share holding : 100% Preference

The position of publisher/chief executive officer was localised with the appointment of Peter Lomas to this role. Fiji Sun veteran Leone Cabenatabua assumed responsibility as the company's senior editor. The advertising market remains difficult because of the global economic downturn. The management team is positioning the Fiji Sun for viable growth in the new financial year despite this. Additional revenue is being developed through printing, including printing and distributing the Government's new fortnightly newspaper, New Dawn.

West and North managers have been appointed for the first time. Their role includes ensuring revenue growth by the Nadi and Labasa offices. Changes have been made in imported newsprint supplies which will lead to longterm cost savings and a more environmentally friendly impact. New production technologies are being evaluated to help enhance printing quality and further reduce costs. The emphasis going forward is containing costs, improving the product and developing sustainable advertising and circulation growth.

MARSH LTD

Fijian Holdings' Share holding : 25%

Na veitaravi ni waluvu ena i tekivu ni 2009 a sega ni vukea na bula vakailavo. Ena kena tarai Viti talega na leqa ni bula vakailavo, sa nanumi ni na lutu na bula vakailavo ena 2009. Sa na tovolea na kabani me vakadeitaka na vinaka ni nona qarava na bisinisi ena 2009, ni sa nanumi ni na toso vakamalua na makete ni boro ena 2009.

SUN FIJI LTD.

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

Sa soli na i tutu vaka Publisher kei na Chief Executive Officer kina dua na lewenivanua e Viti ka digitaki ko Peter Lomas ena i tutu oya. Sa taura ko Leone Cabenatabua e dua sa dede e keya na i tutu ni Senior editor ni kabani. Viavia tadre na cakacaka ni tukutuku tabaki vakabisinisi baleta na leqa vakailavo e tarai vuravura ena gauna qo. Ratou sa biuta na dau veiliutaki ena Fiji Sun kina dua nai tutu me rawata kina na bula vakailavo qo. So tale na i lavo bula e sa rawa mai na tabaki kei na veisoliyaki ni Tukutuku ni Matanitu e tabaki ena veimacawa rua, na New Dawn.

Rau sa digitaki na manidia ena i matai ni gauna mai na Vualiku kei na yasayasa Vakara. Na nodrau i tavi me rau vakadeitaka na tubu vakailavo mai na vei vale ni volavola mai Nadi kei Labasa. Vakayacori na veisau ena pepa ni tabaivola vakau mai vanua tani, ka na vukea na maroro ni lavo dau sau ni yaya kei na vukei ni vanua eda bula kina.

Sa vakadikevi tiko vakavoleka na i vakarau vou ni taba i vola me vakavinakataka na totoka ni tabaivola kei na musuki sobu ni i sau ni cakacaka. Keitou vakabibitaka ena neitou sasaga ni toso ki liu oya na musuki sobu ni sau ni cakacaka, vakavinakataka ni ka e

Marsh Fiji 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. Marsh Fiji is much more than just a transactional insurance broker and also provides risk management advice to many of its clients. The role of being a 'strategic risk advisor' is particularly true for their larger clients and prospects, who view insurance solutions as part of a broader risk management approach, in which insurance premiums are viewed as a portion of their total cost of risk.

Despite the challenges brought about by the soft insurance market conditions, a slowing global economy, the current political environment in Fiji, reduced construction activity, and increased competition, Marsh remains optimistic that its current revenue levels in Fiji will be maintained. This goal will be achieved by continuing to focus on maximizing Marsh's already strong market share and ensuring that their existing client base is maintained.

Marsh Fiji celebrates their 40th anniversary this year having first opened for business in Fiji in 1969 under the name of Bowring & Burgess (Pacific) Ltd. This is a milestone achievement and will be celebrated at their annual Business house Golf Tournament to be held at Denarau in October.

Whilst the ongoing financial crisis both globally and locally will continue to affect us for some time to come, Marsh is committed to investing in the quality of its people which has been a key differentiator. The value of its human capital and intellectual property has long been the cornerstone of Marsh's growth in Fiji and strong investment in this area, will ensure that Marsh maintains its position as the leading risk consulting and insurance broking firm in Fiji.

tabaki,vakadeitaki ni tabaki ni tukutuku, saumi kei na tubu cake ni wiliwili ni volivolitaki.

MARSH LTD

Wase ni sea ena kabani qo e 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 vakaitavi kina e sivia e 26,000 na tamata cakacaka ena loma ni 100 vakacaca na matanitu. E sega ni qarava taudua na Marsh Fiji na cakacaka ni inisua, e solia talega na veivakasalataki ena qarauni ni virikotori ni veika eso vei ira ka qaravi ira. Na i tavi ni dua e dau ni vakasalataki e dua vei ira na kabani lelevu ka keitou qarava, qo o ira era raica na i wali ka solia na inisua , me dua na tiki ni veiqaravi raraba ni kena saumi na inisua me dua na tiki ni qaravi ni ririko.

Dina ni tu na bolebole ka kauta mai na lawa e vaca na makete ni inisua, na toso malua ni bula vakailavo, na i tutu ni bula ni veiliutaki e Viti, lutu ni cakacaka ni tara vale kei na torocake ni veiqati e na cakacaka, e dei tiko o Marsh ni na dei tiko ga na i tutu ni bula vakailavo e Viti. Na sasaga nei Marsh e tosoya tiko na nona vakalevutaka na nona makete ni sea ka raica me ra vakadeitaki tu o ira e qaravi ira.

Sa marautaka o Marsh Fiji na nona sa yabaki 40 ena yabaki qo mai na kena tauyavu e Viti ena 1969 ena yaca na Bowring & Burgers (Pacific) Ltd. Qo e dua na cavu kalawa vakaitamera ka na marautaki ena nodra sotasota na kena veitabana ena qito na golf ka na vakayacori mai Denarau ena Okotova. Ena gauna ka tarai keda kina na leqa vakailavo e vuravura bau kina eke, ena tarai keda tiko na kena revurevu ena loma ni gauna qo, e dei tu na Marsh ena nona rawa ka mai na nodra daucakacaka ena yalo dina o ira era cakacaka vua – oya na tikina bibi taudua. Na kilai ni tamata kei na nodra

NEWWORLD LIMITED**Fijian Holdings' Share holding : 15%**

In the financial year ended August 2008, Newworld surpassed the target in turnover with a moderate growth in net earnings. Performance to date in the current year indicates promising results with significant growth over the previous year in both sales and profitability. In the wake of global economic downturn and the stiff competition locally, the Company considers the results achieved to be very encouraging.

Complementing the traditional grocery business, Newworld seeks to expand its presence in the variety goods market of the country. In that respect, it added two variety stores under the banner of 'Pots & Things' in 2008, one in Savusavu and another Namaka. Newworld is pleased with the accomplishments to date of both locations which show signs of greater potential. Building on such successes, it plans to establish more stores at other locations in the near future.

Newworld believes in professionalism in doing business. The Company is in the process of strengthening the organization structure with experienced professionals that should eventually translate into increased productivity and higher benefits. Newworld also continually explores the technological developments that take place in the retail arena worldwide with a view to bringing the same into Fiji environment as it strives to 'do it right'.

GOOD LUCK INVESTMENTS LTD**Fijian Holdings' Share holding : 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

kila vakavinaka sai vakadei ni tubu nei Marsh e Viti ka sa na tosoya tiko ga na nona i tutu cecere ni veiqaravi me dua na kabani ni inisua ni veivakasalataki e Viti.

NEW WORLD LIMITED.**Wase ni sea ena kabani oqo ka taukena na FHL: 15%**

Ena yabaki vakailavo ka mai cava ena Okosita 2008 a rawata ka sivia na Newworld nai lavo a nanuma me rawata taumada ena dua na tubu vinaka. Na veika vakailavo esa rawata me yacova na gauna qo , ena loma ni yabaki qo, e rawata e dua nai sausau vinaka ena tubu mai na kena ena yabaki sa oti ena volivolitaki kei na tubu e rawa me wasei. E na loma ni kena lutu sobu nai lavo kei na veiqati vakabisini e Viti, e nanuma na kabani ni uasivi sara na veika e rawata.

Me salavata kei na volitaki kakana a sa tomana na Newworld na nona bisinisi ena so tale na mataqali i voli. A dolava tale e rua na nona sitoa ni volivolitaki ka kilai ena yaca "Pots and Things" ena 2008 mai Savusavu kei Namaka. A marautaka na Newworld na veika rau rawata ena veivanua e rau dabe toka kina ka vakaraitaka na levu ni ka ena rawa oya sa nanumi me vuqa tale na sitoa ena vanua tale eso me ra tara.

Duavata na Newworld ena cicivaki bisinisi ena kena i vakarau dodonu. Sa nanuma tiko na kabani me vakaqacotaka nai tuvatuva ni nona veiliutaki ena nona tauri ira eso na kenadau me ra vukea na rawa ka vakavinaka kei na tubu me wasei.

Tomana tale tiko ga na Newworld me vakasaqara na kila ni veivakatorocaketaki ka ra yaco tu ena veiyasai vuravura ena tabana ni volivolitaki ka me ra kau mai Viti me rawa ni qai "qaravi kina vakadodonu" na nona veivoli.

GOOD LUCK INVESTMENTS LTD.**Wase ni sea ena kabani qo e taukena na FHL : 50%**

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 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.

Mercure Nadi is a three and half star rated property situated in the centre of the Martintar business district. The dominant guest market segments are the Inbound and Local Wholesalers for “pre” and “post” holiday tourists, supported by small but growing Corporate and Public segments. The hotel is a very presentable and affordable option for visitors to the Nadi area. The “Rokete” restaurant serves house guests and also attracts external guests due to its location in the increasingly popular café, restaurant and bar precinct of Martintar.

Novotel Nadi is a four Star rated property situated near Nadi International Airport and near the Namaka shopping district. The hotel’s markets are Inbound and Local Wholesalers for “pre” and “post” holiday tourists; Air Crew, Conference Groups, as well as the Corporate and Public segments. The property is an iconic property in the country and with the refurbishment, is now the market leader in the four Star category in the Nadi area.

Both hotels are reputed socially responsible businesses, having achieved Green Globe accreditation. In the first six months of 2009, both hotels managed to achieve results consistent with same period last year and the management team is positive about continuing this trend for the six months ahead.

Na Good Luck Investments Ltd (GIL) e dua na nodrau kabani cokovata na FHL kei na Tappoo Group me baleta na nodrau vakatubu i lavo ena bisinisi ni saravanua. GIL kei na CP Group mai NZ e taukena na Upfront Investments Ltd (UIL) na kabani ka taukena na Mercure Hotel mai Nadi. E taukena talega na UIL na Novotel Hotel, Nadi kei na dua na tabana ni Cravensville Ltd. Na otela ruarua qo e cicivaka na Accor – dua na kabani cokovata ka dua vei rau na kabani levu ni liutaki otela e vuravura. Rau sa vakavinakataki oti ruarua na otela me rawa ni sota na kedrau i tuvaki kei na ACCOR brand standards (Mercure / Novotel) ni bera ni taura na Upfront Group.

Na otela na Mercure e Nadi e Otela tolu veimama (3 ½ Star) na kena kalokalo ka tiko ena loma ni vanua ni bisinisi e Martintar. E ra dau vakayagataka na otela qo o ira na dau qaravi ira na saravanua mai vanua tani kei Viti, o ira e sa qai tadu mai kei ira era sa vakarau lesu ki nodra vanua ka tokoni mai vei ira eso na taukei ni bisinisi cokovata. E otela tuvaki matau ka sau vinaka vei ira na saravanua ena vanua vaka Nadi. E qaravi ira na tiko kina na vale ni kana na “Rokete” ka ra lakova tale ga yani o ira mai tuba baleta ni tiko vakarawarawa ena vanua era tu kina na vale ni ti, na vale ni kana kei na vanua ni gunu.

Na Novotel e Nadi e otela va na kalokalo (4 star), e toka volekata na Nadi International Airport ena vanua ni volivoli mai Namaka. E ra tawana vakalevu o ira na na dau veiqaravi ena saravanua mai vavalagi ka bau kina e Viti. Bau talega eke o ira na veiqaravi ena loma ni waqavuka, na i lala era dau mai bose, dau ni bisinisi kei ira na lewe ni vanua. Ia ni sa veisautaki e so na kena i tuvaki, sa qai liutaki ira na veiotela 4 na kedra kalokalo e Nadi.

Rau otela vakairogorogo ruarua ka rau sa vakaicocovi ena Green Globe. E nai matai ni ono na vula ena 2009, rau rawata ruarua na otela qo na tubu vakailavo ka tautauvata kei na kena e rawa ena

GOLDEN MANUFACTURING LTD

Fijian Holdings' Share holding : 30%

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 and global financial meltdown has affected general sales in all areas of the market, especially locally, resulted in a drop in 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 2009.

FIJIAN HOLDINGS UNIT TRUST

Fijian Holdings' Share holding : 13.60%

FHUT recorded a dividend return of 4.83% and a capital growth return of 1.54%, resulting in a total return of 6.37%. This positive result was achieved despite the challenging economic conditions, political uncertainty and difficult operating environment. A positive for the whole unit trust industry was the Government decision to restore the tax concessions on dividends to resident unit holders from 1st January 2009.

FHUT funds under management as at 30 June 2009 was \$28.3 million, a decrease of 5.4% from 2008. The decrease in value was caused by

gauna vata ena yabaki sa oti, ka ratou vakabauta nai liuliu ni na tomani tiko ga nai sausau oya ena vula ono ka tarava.

GOLDEN MANUFACTURING LTD.

Wase ni sea ena kabani qo ka taukena na na FHL : 30 %

E tomana tiko ga na Golden Manufacturers Limited na nona i tutu ni liu ni dau volitaki kateni buli ena ceva ni Pasifika. E dei vinaka tu na nodratou i tutu baleta na kena vakadewataki tiko na nodratou veimaliwai kei na nodratou dauvolivoli e Viti kei na uasivi ni veika ratou volitaka kei na totoka ni veiqaravi. E ra taleitaka na nodratou dauvolivoli ka sega ni duidui kei na vakatagedegede e vuravura.

E dei tu na nodratou i tutu ena vuku ni kena vakaqacotaki tiko na nodra veimaliwai na dauvolivoli e loma kei ira mai tautuba ka vukea na uasivi ni kateni kei na nodra qarava na nodra cakacaka ka sivia na ka era nanuma na dauvolivoli ena vuku ni kena i tuvaki, ka sota na kena uasivi kei na vakatagedegede e vuravura.

Na i tuvaki ni bula vakapolitiki e tara tu na noda vanua sa tara vakaca na noda volivolitaki ena veitabana taucoko ni makete, vakabibi e Viti ka lutu kina na volivolitaki. E laurai ni tarai ira taucoko na daubuliyaya e na vanua o Viti. E na vuku ni leqa oqo sa tuvalaka tale kina vakamatau na Golden Manufacturers Ltd na nona i yau kei na veiqaravi me rawa ni koto dei ka rawata kina na veika sa lalawataka me baleta na 2009

FIJIAN HOLDINGS UNIT TRUST

Wase ni sea ena kabani qo ka taukena na FHL : 13.60%

A taura na FHUT na tubu me wasei e 4.83% kei na tubu cake ni tubu ni kabani e 1.54% rawa kina na tubu e 6.37%. A rawa vinaka na tubu, dina ga ni veibolei

negative net unit sales though there was an increase in value of unlisted equity stocks held by the Trust.

The major challenges facing FHUT and also other players in the unit trust industry moving forward is the decreasing disposable income available to the members of the public hence impacting funds available for investment by them. Institutional investors will also continue to adopt a very conservative stance in regards to any investments into the industry. FHTML the fund manager is working closely with its stakeholders to implement effective strategies for FHUT to allow it to grow in terms of positive unit sales and also capital growth in its portfolio despite the continued softening of the investment market.

FIJI TELEVISION LTD

Fijian Holdings' Share holding : 5.3%

Fiji Television continues to strive towards its vision "We will be THE communications business for Pacific communities".

Through our Sky Pacific network platform, we now distribute our services to 13 Other Pacific Islands Nations, excluding Fiji. This year has been a challenging year for Fiji TV and her subsidiaries. At the end of December, 2008, Fiji TV Group posted an approximate loss of FJ\$404,000. With the subsequent devaluation of our Fiji dollar and the global financial crisis, the company has continues to face challenges. We continue to enhance our relationship with our suppliers in ensuring that compelling content is king.

We have successfully signed up for the second series of the M.I.C show, a local music program showcasing some of Fiji's young and talented

na i tutu ni bula vakailavo, veilecayaki na bula vakapolitiki kei na dredre ni qaravi bisinisi. A marautaka na Unit Trust na lewa ni matanitu me vakasukai lesu mai na musuki ni vakacavacava ni tubu me wasei vei ira nai taukei ni uniti me vakatekivu mai na i matai ni Janueri 2009.

Na i lavo e tu ena veiliutaki ni FHUT ena ka 30 ni Jiune 2009 e \$28.3 na milioni, e lutu sobu ena 5.4% mai na 2008. Na lutu ni kena i sau vakavu mai na i sau ni uniti e volitaki, dina ni tubu cake na kena levu ni yau ka maroroya tu na Trust.

Na bolebole levu na sotava tiko na FHUT kei ira tale eso ka ra qito ena Unit Trust industry me ra toso ki liu sai koya na lailai ni lavo e tu vei ira na lewena me ra vakayagataka ena vakatubuilavo vakailawalawa na nodra sega soti ni gu yani me ra vakatubuilavo kina dua na kabani ni cakacaka.

Sa cakacaka tiko vakavoleka na manidia ni lavo ni FHTML kei ira na sea kina ena nodra vakacuruma eso nai tuvatuva me vukea na FHUT me tubu mai na volitaki ni uniti kei na tubu vakailavo ni kabani dina ga ni gogo tiko na makete ni vakatubuilavo.

FIJI TELEVISION LTD

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

Tomana tiko ga na nona sasaga na Fiji Television me vakavotukanataka na nona tadra " Keitou na Bisinisi ni Vakau I Tukutuku baleta na lewenivanua ena Pasifika."

Ena kena vakayagataki na veitabana ni Sky Pacific, keitou sa wasea na neitou veiqaravi vei ira e 13 na matanitu ena Pasifika ka sega ni oka kina o Viti. Qo na yabaki ni bolebole kina Fiji TV kei ira na kabani ka vakarorogo kina. Ni mai cava na Tiseba 2008 a vakaraitaka na Fiji TV na lusi e rauta e FJ\$404, 000.

musicians. In line with our long term agreement with Fiji Secondary Schools Athletics Association, we brought to the homes of our viewers in the Pacific communities, the 'live' coverage of the Coca Cola 2009 Games. We also aired live the Fiji Fact soccer, Season 2 of the IQ Active and the first season of Spell Well – a local spelling competition, catering for the needs of our young primary school students in Fiji. We continue to explore the creation of more local content in order to manage our major costs.

We paid dividends out of retained earnings and expect to close the year on a more positive note.

Our Media Niugini Limited company, operating as EMTV continues to perform extremely well. The PNG economy is strong and we are satisfied

with our investment in PNG. We are upgrading our facilities, changing them from analogue to digital to the tune of US\$1.5m.

We continue to face challenges with our Compac business. We anticipate drawing more clients for our Compac business from our Pacific communities for the next financial year.

Fiji TV Ltd congratulates Fijian Holdings Limited on its 25th birthday anniversary. FHL holds 5.31% shares in Fiji TV.

Na kena mai lutu na kena kaukauwa ni dola ni Viti kei na leqa vakailavo ka tarai vuravura, sa sotava tiko ga na bolebole na kabani. Keitou tomama tiko na neitou vakaqacacotaka na neitou veiwekani kei ira era volitaki yaya vei keitou me rawa ni cecere na vatuka ni neitou vei qaravi.

Keitou sa baci rawata na neitou sainitaka na i karua ni porokaramu ni lagasere na MIC Show ka vakaraitaki e so na taledi ni laga sere ka tu vei ira nai taba gone. E na vuku ni neitou veidinadinati kei na Fiji Secondary Schools Athletic Association, keitou a vakaraitaka kina nomuni veivale na i yaloyalo no qito mo ni sarava bau kina o ira ena Pasifika, oya na Coco Cola 2009. Keitou vakaraitaka mo ni sarava tale ga na Fiji Fact Soccer, Season 2 ni IQ Active kei na Season 1 ni Spell Well e dua na porokaramu ni veisivisivi spelling me baleti ira na noda gone era vuli ena Primary Schools e Viti. Keitou sasaga me keitou vakasaqara eso tale na porokaramu caka e Viti me lewe ni neitou i lalakai me rawa ni qarauni na kena i sau.

Na neitou kabani na Media Niugini Limited ka yacana tiko na EMTV sa vei qaravi tiko vakavinaka. E kaukauwa vinaka tu na bula vakailavo mai PNG ka keitou marautaka na neitou vakatubuilavo e PNG. Keitou sa vakavinavinakataka e na gauna qo na neitou i yaya ni cakacaka, ka keitou sa veisau qo mai na i yaya ni vesu i yaloyalo e macawa kina disi vaka na Sky Pacific kei na kenai sau e US\$1.5 na milioni.

Keitou sotava na dredre ena bisinisi ni Compac. Keitou raica ni keitou rawata mai e vuqa na neitou dau vakatubu bisinisi ena neitou Compac mai vei ira na matanitu ena Pasifika ena yabaki vakailavo ka tarava.

Sa vakavinavinaka na Fiji TV Ltd kina Fijian Holdings Limited ena nona yacova mai na i ka 25 ni nona siganisucu.

FINANCIAL STATEMENTS

DIRECTORS REPORT	50
STATEMENT BY DIRECTORS	53
INDEPENDENT AUDITOR'S REPORT	54
INCOME STATEMENTS	56
BALANCE SHEETS	57
CASH FLOW STATEMENTS	58
STATEMENT OF CHANGES IN EQUITY	59
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	60
SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS	94
BOARD MEETING DATES RECORD	95

DIRECTORS' REPORT

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 2009, and the related statements of income, 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:

I Kaloumaira – Chairman	M Makasiale	– from 2 July 2008
A Mohammed – Deputy Chairman	I Naiveli	– from 4 August 2008
S Qoro	S Lutu	– from 1 September 2008
P Lala	R Qereqeretabua	– from 5 August 2008 to 6 August 2009
U Baya		

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, 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.

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 2009 was \$43.502 million (2008: \$9.273 million) and for the holding company was \$39.039 million (2008: \$7.366 million).

4. RESERVES

The directors recommend that no amounts be transferred to reserves.

5. DIVIDENDS

The company paid an interim dividend of \$1.047 million (2008:\$1.047 million) for "A" class shareholders and \$1 million (2008:\$1 million) for "B" class shareholders during the year. The directors recommended the payment of a final dividend of \$1.046 million (2008:\$ 1.046 million) for "A" class shareholders and \$1 million (2008:\$1 million) for "B" class shareholders from the profits for the year ended 30 June 2009.

The directors also recommended an extra one-off dividend of \$1.047 million for "A" class shareholders and \$2 million for "B" class shareholders from the profits for the year ended 30 June 2009. Total dividends paid and proposed for the year ended 30 June 2009 amounted to \$7.140 million (2008: \$4.093 million).

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.

DIRECTORS' REPORT - Continued

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

On 18 December 2008, the company, together with its subsidiary FHL Energy Limited, entered into a Sale and Purchase Agreement ("SPA") with BP Plc and BP Australia Pty Ltd, to acquire the 100% shares in BP South-West Pacific Limited (BPSWP). On 21 July 2009, BP Plc advised the company that the conditions in the SPA and the addendum agreement dated 29 May 2009 had lapsed and gave notice that the agreement has been terminated. BP Plc also advised that the company will be refunded the deposits paid on 2 January and 15 June 2009 of US\$10 million and US\$2.3 million, respectively. The total deposits of \$25.003 million were refunded and received by the company on 29 July 2009.

The company together with FHL Energy Limited had also entered into a Management Agreement with Hindustan Petroleum Corporation Limited ("HPCL"). That agreement has since been terminated following the termination of the SPA for BPSWP. Cost incurred by the company under this agreement amounted to \$0.531 million and is included in the total cost mentioned below.

The total costs associated with the BPSWP deal incurred by the company amounted to \$3.720 million. The exchange gain arising from the foreign currency deposits mentioned above amounted to \$2.435 million. These amounts have been included in the current year's income statement.

According to the directors, no further liabilities are expected to arise from the termination of the SPA with BP Plc and BP Australia Pty Ltd and the Management Agreement with HPCL.

The group divested its shares in Minjesk Investment Company Limited on 14 August 2009.

9. BASIS OF ACCOUNTING

The Directors believe that the basis of preparation of accounts is appropriate and the group 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.

DIRECTORS' REPORT - Continued

13. SIGNIFICANT EVENTS

In 2009, the group divested its shares in Fosters Group Pacific Ltd with cash consideration of \$40.012 million.

Following the Fiji Court of Appeal decision relating to certain acts of the President pursuant to the events of 5 December 2006, the President on 10 April 2009, announced that he had abrogated the constitution.

On 15 April 2009, the Fiji dollar was devalued by 20%.

As at the date of this report, the directors are not aware of any significant impact following these events other than those already included in the financial statements.

14. 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 August 2009.


Chairperson

STATEMENT BY DIRECTORS

In the opinion of the directors:

- (a) 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 2009,
- (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 at 30 June 2009,
- (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 2009, 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 2009,
- (e) at the date of this statement, there are reasonable grounds to believe that the company and the subsidiaries will be able to pay their debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the company and the group.

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

Dated this 21st day of August 2009.



Director



Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fijian Holdings Limited

We have audited the accompanying financial statements of Fijian Holdings Limited (the "Company") and its subsidiaries (the "group") which comprise the balance sheets as of 30 June 2009 and the income statements, statements of changes in equity and cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 7 to 45.

Directors' and Management's Responsibility for the Financial Statements

Directors and Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Fiji Companies Act, 1983. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

This report is made solely to the Company's shareholders, as a body, in accordance with Section 165(1) of the Fiji Companies Act 1983. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entities' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities' internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors and management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 International Financial Reporting 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 2009 and of their financial performance, changes in equity, and their cash flows 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 purposes of our audit.

21 August 2009
Suva, Fiji


PricewaterhouseCoopers
Chartered Accountants

	Notes	Group		Holding Company	
		Restated		2009	2008
		2009 \$'000	2008 \$'000	\$'000	\$'000
Income					
Operating		169,305	106,733	11,059	10,025
Other		43,782	4,702	39,397	307
		213,087	111,435	50,456	10,332
Expenses					
Changes in inventories of finished goods and work in progress		(67,679)	(16,327)	-	-
Raw materials and consumables used		(31,522)	(28,350)	-	-
Staff costs		(15,781)	(11,474)	(1,505)	(1,253)
Depreciation and amortisation		(5,980)	(5,610)	(164)	(226)
Fair value gains on trading investments		15	30	-	-
Provision for diminution in value of investments		(2,279)	-	(2,962)	-
Other operating expenses		(28,693)	(30,434)	(4,664)	(950)
		(151,919)	(92,165)	(9,295)	(2,429)
Operating profit		61,168	19,270	41,161	7,903
Finance costs		(6,107)	(5,390)	(1,942)	(722)
Profit before income tax	4	55,061	13,880	39,219	7,181
Income tax expense	5(a)	(8,136)	(5,945)	(180)	185
Profit after income tax		46,925	7,935	39,039	7,366
Share of profit in associates	19	2,763	5,007	-	-
Profit for the year		\$ 49,688	\$ 12,942	\$ 39,039	\$ 7,366
Attributable to:					
Equity holders of the company		43,502	9,273		
Minority interest		6,186	3,669		
		\$ 49,688	\$ 12,942		
Basic and diluted earnings per share	27	\$ 1.43	\$ 0.30		

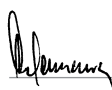
The notes on pages 60 to 93 are an integral part of these financial statements.

	Notes	Group		Holding Company	
		Restated			
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	7	19,331	21,346	14,571	1,720
Deposits	33	25,003	-	25,003	-
Trading investments	8	193	179	-	-
Loans, advances and receivables	10	59,868	63,316	3,296	4,018
Inventories	12	25,037	22,281	-	-
		129,432	107,122	42,870	5,738
Non-current assets					
Investment securities	9	8,518	5,530	2,504	2,504
Loans, advances and receivables	10	29,397	20,741	-	-
Available-for-sale financial assets	17	21,396	22,912	142,118	173,708
Investments in associates	19	16,189	12,294	-	-
Investment properties	15	13,706	6,947	-	-
Property, plant and equipment	13	65,435	68,236	538	352
Assets held for sale	14	1,987	3,173	-	-
Intangibles	16	13,840	13,840	-	-
		170,468	153,673	145,160	176,564
Total assets		299,900	260,795	188,030	182,302
LIABILITIES					
Current liabilities					
Payables	20	15,631	14,962	867	294
Borrowings	23	89,027	86,092	25,866	30,238
Provisions	22	1,931	2,214	229	155
Employee entitlements	21	748	495	295	12
Current tax liability	5(b)	5,627	5,964	-	-
		112,964	109,727	27,257	30,699
Non-current liabilities					
Borrowings	23	19,002	31,425	-	-
Deposits		89	38	-	-
Employee entitlements	21	59	31	-	-
Deferred tax liabilities	5(c)	952	721	-	-
		20,102	32,215	-	-
Total liabilities		133,066	141,942	27,257	30,699
Net assets		\$ 166,834	\$ 118,853	\$ 160,773	\$ 151,603
SHAREHOLDERS EQUITY					
Share capital	25	30,465	30,465	30,465	30,465
Reserves	24	(4,682)	(14,928)	61,664	87,421
Proposed dividends		5,093	2,099	5,093	2,065
Retained earnings		101,056	66,949	63,551	31,652
Attributable to members of the holding company		131,932	84,585	160,773	151,603
Minority interest		34,902	34,268	-	-
Total shareholders' equity		\$ 166,834	\$ 118,853	\$ 160,773	\$ 151,603

The notes on pages 60 to 93 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

Dated this 21st day of August 2009

	Notes	Group		Holding Company	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash flows from operating activities:					
Receipts from customers		155,182	83,034	-	-
Payment to suppliers and employees		(143,995)	(67,753)	(7,277)	(3,126)
Cash generated from/(used in) operations		11,187	15,281	(7,277)	(3,126)
Dividends received		3,225	4,571	12,123	9,560
Net customer loans granted		(7,569)	6,099	-	-
Net decrease in deposits		(9,786)	(6,406)	-	-
Interest received		15,798	16,414	-	-
Finance costs paid		(6,361)	(5,390)	(1,942)	(722)
Income taxes paid		(8,239)	(5,556)	-	-
Net cash (used in)/generated from operating activities		(1,745)	25,013	2,904	5,712
Cash flows from investing activities:					
Acquisition of property, plant and equipment		(10,046)	(29,921)	(350)	(15)
Acquisition of subsidiary		(234)	(19,864)	-	(20,157)
Proceeds from disposal of available-for sale investments		40,012	-	40,012	-
Proceeds from disposal of property plant and equipment and assets held for sale		1,044	2,915	-	-
Term investment		(68)	-	-	-
Net movement in cyclone reserve		(36)	-	-	-
Deposits		(22,568)	-	(22,568)	-
Advances to subsidiaries		-	-	(729)	-
Net cash generated from/(used in) investing activities		8,104	(46,870)	16,365	(20,172)
Cash flows from financing activities:					
Dividends paid to the holding company's shareholders		(2,046)	(2,046)	(2,046)	(4,093)
Dividends paid to minority interests		(16,786)	(3,938)	-	-
Investment securities		(2,988)	-	-	-
Short term bills, notes placements and deposits		12,500	-	-	-
Net loans received/(paid)		4,488	(7,944)	(4,372)	18,368
Net cash (used in)/ generated from financing activities		(4,832)	(13,928)	(6,418)	14,275
Net increase/(decrease) in cash and cash equivalents		1,527	(35,785)	12,851	(185)
Cash and cash equivalents at the beginning of the year		(22,850)	12,935	1,720	1,905
Cash and cash equivalents at the end of the year	7(a)	(\$ 21,323)	(\$ 22,850)	\$ 14,571	\$ 1,720

The notes on pages 60 to 93 are an integral part of these financial statements.

Group	Notes	Attributable to the members of the Holding Company						Total Equity \$'000
		Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000	Minority Interest \$'000		
Balance at 30 June 2007		30,465	3,072	63,815	2,160	26,388	125,900	
Dividend paid		-	-	(2,046)	-	-	(2,046)	
Restated balance at 30 June 2007		30,465	3,072	61,769	2,160	26,388	123,854	
Acquisition of subsidiary		-	-	-	-	8,149	8,149	
Profit for the year		-	-	9,273	-	3,669	12,942	
Fair value movements		-	(18,000)	-	-	-	(18,000)	
Dividends paid/payable		-	-	(4,093)	(61)	(3,938)	(8,092)	
Restated balance at 30 June 2008		30,465	(14,928)	66,949	2,099	34,268	118,853	
Profit for the year		-	-	43,502	-	6,186	49,688	
Fair value movements	24	-	4,252	-	-	-	4,252	
Changes in associates equity	24	-	3,739	-	-	-	3,739	
Credit loss reserve	24	-	2,255	(2,255)	-	-	-	
Decrease in non-controlling interest	16	-	-	-	-	(92)	(92)	
Proposed dividends	6	-	-	(5,093)	2,994	-	(2,099)	
Dividends paid	6	-	-	(2,047)	-	(5,460)	(7,507)	
Balance at 30 June 2009		\$ 30,465	(\$ 4,682)	\$ 101,056	\$ 5,093	\$ 34,902	\$ 166,834	
Holding Company								
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		-	(15,840)	-	-	-	(15,840)	
Dividends paid/payable		-	-	(4,093)	-	-	(4,093)	
Balance at 30 June 2008		30,465	87,421	31,652	2,065	-	151,603	
Profit for the year		-	-	39,039	-	-	39,039	
Fair value movements		-	(25,757)	-	-	-	(25,757)	
Proposed dividends	6	-	-	(5,093)	3,028	-	(2,065)	
Dividends paid	6	-	-	(2,047)	-	-	(2,047)	
Balance at 30 June 2009		\$ 30,465	\$ 61,664	\$ 63,551	\$ 5,093	\$ -	\$ 160,773	

The notes on pages 60 to 93 are an integral part of these financial statements.

1. GENERAL INFORMATION

Fijian Holdings Limited (“the company”) and its subsidiaries (together “the group”) is 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 activity of the 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

The company is listed on the South Pacific Stock Exchange.

These group consolidated financial statements were authorised for issue by the Board of Directors on 21 August 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of accounting

The financial statements of the group have been drawn up in accordance with the provisions of the Companies Act 1983 and International Financial Reporting Standards (“IFRS”). 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.

Standards, amendments and interpretations issued but not yet effective

The following standards, amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning on or after 1 January 2009 or later periods, but the company has not early adopted them. Adoption of these standards and interpretations will not have any significant impact on the group’s financial statements.

- IAS 1 Revised - Presentation of financial statements (effective 1 January 2009)
- IAS 23 Revised - Borrowing costs (effective 1 January 2009)
- IAS 27 Amendment - Consolidated and separate financial statements (effective 1 July 2009)
- IAS 32 and IAS 1 Amendment, ‘Puttable financial instruments and obligations arising on liquidation (effective 1 January 2009)
- IAS 39, Financial instruments - Recognition and measurement – Amendments for eligible hedged items (effective 1 July 2009)
- IFRS 1 and IAS 27 Amendment - Cost of an investment on first-time adoption (effective 1 January 2009)
- IFRS 2 Amendment - Vesting conditions and cancellations (effective 1 January 2009)
- IFRS 3 Amendment - Business combinations and consequential amendments (effective 1 July 2009)
- IFRS 8 - Operating segments (effective 1 January 2009)
- IFRIC 15 - Agreements for the construction of real estate (effective 1 January 2009)

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its 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 2.8 – Allowance for doubtful debts

Note 2.8 – Fair value of equity investments

Note 2.9 – Property, plant and equipment impairment

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2.3 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. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

(ii) *Transactions and minority interests*

The group applies a policy of treating transactions with minority interests as transactions with parties external to the group. Disposals to minority interests result in gains and losses for the group and are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(iii) *Associates*

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. See note 2.14 for the accounting policy on impairment of non-financial assets including goodwill.

The group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

2.4 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

2.5 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.

2.6 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.

2.7 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 reorganisation, 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.

2.8 Financial assets

2.8.1 Classification

Financial assets 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 financial assets 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.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

(b) 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.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or 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.

(d) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The group's loans and receivables comprise 'loans, advances and receivables' in the balance sheet.

2.8.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

2.8 Financial assets - Continued

2.8.2 Recognition and measurement - Continued

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'fair value (losses)/gains' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of income when the group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The group assesses at each 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 as an indicator that the securities are impaired. If any 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.

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 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 a 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.

2.9 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.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

2.9 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 repairs and maintenance are charged to the income statement during the financial period in which they are 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%

2.10 Investment properties

Investment property is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Rental income from investment property is accounted for as described in accounting policy 2.19.

Investment property includes both land and building. Buildings are depreciated on a straight-line basis at an annual rate of 1.25%. Freehold land is not depreciated. Leasehold land is amortised in accordance with term of lease.

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.

2.11 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.

2.12 Inventories

Inventories are stated 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. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2.13 Intangibles

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's 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. Impairment losses on goodwill are not reversed.

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

2.14 Impairment of non-financial 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.

2.15 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.

2.16 Current and deferred 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 if 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 only 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 the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.17 Employee entitlements

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.

2.18 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

2.18 Leases - Continued

A group company is the lessee - Continued

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.

2.19 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.

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.

2.20 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. For Merchant Finance & Investment Company Limited, dividends distribution is subject to approval from Reserve Bank of Fiji.

2.21 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.

2.22 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.

2.23 Reporting currency

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

2.24 Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. Refer to Note 32.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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 & Audit Division (GFAD) and also the directors of subsidiaries. The subsidiary, Merchant Finance and Investment Company Limited (MFICL), is a credit institution and has extensive risk management policies due to the nature of its business and regulatory requirements. Its policies are separately disclosed below.

(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 group's 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 on risk.

The principal tool used to measure and control market risk exposure within MFICL's investments and lending portfolios is a sensitivity analysis that measures the potential impact of either an instantaneous increase or decrease of 0.5 – 1.0% (50 – 100 basis points) in market interest with all other variables remaining constant on the following:

- Replacement costs of maturing borrowings
- New business on maturing loan book with ceiling imposed on weighted average lending rates benchmarked to levels as at December 2008 by the regulator
- Interest rates on replacement of held to maturity instruments

The impact on MFICL income based on the balances at balance date is estimated to be as follows:

	+50 Basis Points \$	+100 Basis Points \$	-50 Basis Points \$	-100 Basis Points \$
Cost of replacement borrowings	-250,638	-411,276	+250,638	+411,276
Cost of replacement new business	+380,083	+760,166	-380,083	-760,166
Cost of replacement held-to-maturity Investments	+25,231	+50,462	-25,231	-50,462

(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. Major foreign exchange transactions relate to importation of goods and services of which settlement is based on spot rates.

(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.

3. FINANCIAL RISK MANAGEMENT - Continued

3.1 Financial risk factors - Continued

(iii) Interest rate risk-continued

In MFICL, the management of interest rate risk against interest rate gap limits is supplemented by management's regular monitoring of the sensitivity of the company's financial assets and liabilities to various standard interest scenarios. The flat interest rate ceiling set by the Reserve Bank of Fiji is used which is benchmarked to the December 2008 level.

Below is a range of interest rates for loans and advances:

Industry	Avg.	2009	2008
	%	%	%
Agriculture	14.17	13 – 30	18 – 28
Building and construction	13.11	9 – 28	18 – 28
Manufacturing	13.88	20 – 28	18 – 28
Mining and quarrying	-	17 – 27	22 – 27
Private individuals	21.34	11 – 28	18 – 28
Professional and business services	12.25	15 – 28	18 – 28
Transport, communication and storage	14.45	14 – 31	18 – 28
Wholesale, retail, hotels and restaurants	13.38	10 – 28	18 – 28
Others	10.91	10 – 28	18 – 28

(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 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, MFICL closely monitors existing customers in ensuring a debt service ratio of 1.5:1, loanable value ratio of 80%, ensure that all new customers go through a comprehensive credit screening including Data Bureau check. Furthermore, customer accounts are graded internally and all existing customers are categorised as excellent, good, satisfactory or limited. Further the individual accounts/customer groups are classified as Standard, Special Mention, Sub Standard, Doubtful and Loss for credit risk management purposes. All loans and advances are secured by collateral.

	Group 2009 \$'000	Restated Group 2008 \$'000
Neither past due nor impaired	95,668	86,653
Past due but not impaired	5,484	1,161
Individually impaired	10,133	11,575
Gross loans and receivables	111,285	99,389
Less: unearned revenue	28,130	25,124
Less: allowance for impairment	12,035	10,670
Net loans and receivables	71,120	63,595

The details of impairment provision for loans and receivables are provided for in Notes 10 and 11.

3. FINANCIAL RISK MANAGEMENT - Continued

3.1 Financial risk factors - Continued

Credit risk concentration

The credit risk concentration for the subsidiary, MFICL is as follows:

Industry	2009		2008	
	Loans and advances (%)	Impairment allowance (%)	Loans and advances (%)	Impairment allowance (%)
Agriculture	7.63	6.46	7.06	6.37
Building and construction	21.62	0.93	17.31	26.02
Manufacturing	2.10	0.68	4.88	8.00
Mining and quarrying	0.20	26.12	0.09	-
Private individuals	12.07	1.65	12.46	2.02
Professional and business services	1.72	1.62	3.17	4.77
Transport, communication and storage	31.50	32.88	36.79	49.07
Wholesale, retail, hotels and restaurants	14.52	18.50	8.78	1.98
Others	8.64	11.16	9.54	1.77
Total	100.0	100.0	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 group's ongoing financial obligations.

In order to comply with the Reserve Bank's requirement and the Banking Act 1995, MFICL must hold as liquid deposits an amount equivalent to 10% of its total borrowed funds. The MFICL ensures that the investment standalone is sufficient to meet the ULAR requirements which are covered entirely by long term bonds.

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

A summary of the maturity analysis of the group's borrowing and liabilities as at 30 June is set out below on an undiscounted basis:

As at 30 June 2009	Up to 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Over 5 Years \$'000	Total \$'000
Borrowings	89,027	2,423	10,426	6,153	108,029
Creditors & accruals	15,631	-	-	-	15,631
Total	104,658	2,423	10,426	6,153	123,660
As at 30 June 2008					
Borrowings	86,092	6,389	21,717	3,319	117,517
Creditors & accruals	14,962	-	-	-	14,962
Total	101,054	6,389	21,717	3,319	132,479

3. FINANCIAL RISK MANAGEMENT - Continued

3.2 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.

Specifically for MFICL, the objectives in 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 MFICL'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 MFICL 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%. MFICL complied with these requirements during the year.

4. PROFIT	Group		Holding Company	
	2009 \$'000	Restated 2008 \$'000	2009 \$'000	2008 \$'000
The profit before income tax has been determined after:				
(a) Crediting as revenue				
Dividends received				
- subsidiary companies	-	-	7,847	5,464
- other companies	3,225	4,571	3,212	4,561
Brokerage income	163	150	-	-
Interest income				
- other companies	15,692	16,424	-	-
Capital gain on sale of investment	36,341	-	36,341	-
Foreign exchange gain	2,876	26	2,534	-
Gain on disposal of property, plant and equipment	140	2,253	-	-
(b) Charging as expense				
Auditors' remuneration:				
- audit fees	147	130	15	15
- other auditors of controlled entities	114	94	-	-
Bad debts	355	691	-	-
Directors' emoluments				
- for services as directors	528	515	200	178
- for other services	35	10	32	10
Interest	6,107	5,390	1,942	722
Write-down of inventories	12	9	-	-
Allowance for doubtful debts	1,790	5,618	-	-
Consultancy fees	1,860	33	1,836	64

5. INCOME TAX

(a) Income tax expense

The amount of income tax attributable to the financial year differs from the amount prima facie payable on the profit.
The difference is reconciled as follows:

	Group		Holding Company	
	2009 \$'000	Restated 2008 \$'000	2009 \$'000	2008 \$'000
Profit before tax	55,061	13,880	39,219	7,181
Prima facie tax payable at 31%	19,619	6,978	12,158	2,226
Add/(deduct):				
Dividends received	(3,436)	(1,426)	(3,428)	(3,108)
Capital gains	(11,381)	-	(11,266)	-
Under provision in prior year	(159)	(42)	-	-
Effect of changes in tax rate	14	-	-	-
Tax effect of tax losses and temporary differences not brought to account	3,314	351	2,470	-
Other	165	84	246	697
Income tax expense attributable to profit	\$ 8,136	\$ 5,945	\$ 180	(\$ 185)

Total income tax expense is made up of:

Current income tax expense	7,983	5,746	180	(5)
Deferred tax	231	387	-	-
Over provision in prior years	(78)	(188)	-	(180)
Income tax expense attributable to profit	\$ 8,136	\$ 5,945	\$ 180	(\$ 185)

(b) Current tax liability

Movements during the year were as follows:

Balance at beginning of year	5,964	4,643	-	-
Income tax paid	(8,239)	(5,556)	-	-
Current year's income tax expense	7,983	5,746	-	-
Under/(over) provision in prior years	(81)	1,131	-	-
Balance at end of year	\$ 5,627	\$ 5,964	\$ -	\$ -

The income tax rate for companies was reduced from 31% to 29% effective 1 January 2009 but will be applicable to the group in the next financial year. Deferred tax balances however have been adjusted accordingly.

5. INCOME TAX - Continued

(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		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<u>Deferred tax assets</u>				
Annual leave	116	99	-	-
Doubtful debts	4,103	3,985	-	-
Write down of inventories	312	311	-	-
Unrealised foreign exchange gain	58	8	-	-
Tax losses	349	875	-	-
	4,938	5,278	-	-
<u>Deferred tax liabilities</u>				
Property, plant & equipment	(5,890)	(5,999)	-	-
Deferred tax liabilities (net)	(\$ 952)	(\$ 721)	\$ -	\$ -

Deferred income tax assets are recognised for tax losses carried-forward 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 \$1.241 million (2008: \$0.794 million) attributable to tax losses of \$4.279 million (2008: \$2.563 million) that can be carried forward against future taxable income.

6. DIVIDENDS PROPOSED OR PAID

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Ordinary - A class				
Interim dividend paid at 10%	1,047	1,047	1,047	1,047
Proposed final dividend at 20%	2,093	1,046	2,093	1,046
	3,140	2,093	3,140	2,093
Ordinary - B class				
Interim dividend paid at 5%	1,000	1,000	1,000	1,000
Proposed final dividend 15%	3,000	1,000	3,000	1,000
	4,000	2,000	4,000	2,000
	\$ 7,140	\$ 4,093	\$ 7,140	\$ 4,093

7. CASH AND CASH EQUIVALENTS

- a) For the purposes of the cash flow statements, cash and cash equivalents comprise the following:

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash on hand and at bank	19,331	7,307	14,571	1,720
Short term deposits	-	14,039	-	-
	19,331	21,346	14,571	1,720
Bank overdrafts (Note 23)	(40,654)	(44,196)	-	-
	(\$ 21,323)	(\$ 22,850)	\$ 14,571	\$ 1,720

Non-cash investing activities

Acquisition of plant and equipment through credit finance is Nil (2008: \$0.132 million).

b) Financing facilities

Facilities available to the group are bank overdrafts and revolving term loan. Firmly committed financing facilities of \$41.8 million were available to the group as at 30 June 2009 (2008: \$56.4 million). An amount of \$40.654 million (2008: \$44.196 million) was utilised.

8. 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 2.8 of the group's accounting policy.

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Listed equity investments at market value				
Amalgamated Telecom Holdings Limited	151	137	-	-
Pacific Green Industries Limited	42	42	-	-
	\$ 193	\$ 179	\$ -	\$ -

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
9. INVESTMENT SECURITIES				
Non-current				
Securities				
- Government securities	6,000	3,000	-	-
Add: Unamortised premium	14	26	-	-
	6,014	3,026	-	-
Preference shares				
- Sun (Fiji) Limited	500	500	500	500
- Goodman Fielder Limited	2,004	2,004	2,004	2,004
	\$ 8,518	\$ 5,530	\$ 2,504	\$ 2,504

Investment securities are classified as held-to-maturity financial assets and are valued in accordance with Note 2.8 of the group's accounting policy.

10. LOANS, ADVANCES AND RECEIVABLES

	Group		Holding Company	
	2009 \$'000	Restated 2008 \$'000	2009 \$'000	2008 \$'000
Current				
Trade receivables	17,302	18,817	-	-
Allowance for doubtful debts	(2,168)	(2,063)	-	-
	15,134	16,754	-	-
Loans and advances (Note 11)	41,751	42,874	-	-
Owing by subsidiary companies	-	-	2,321	1,893
Owing by other companies	34	1,589	-	1,588
Other receivables	2,949	2,099	975	537
	\$ 59,868	\$ 63,316	\$ 3,296	\$ 4,018
Non-current				
Other receivables	28	20	-	-
Loans and advances (Note 11)	29,369	20,721	-	-
	\$ 29,397	\$ 20,741	\$ -	\$ -

11. LOANS AND ADVANCES

	Group		Holding Company	
	2009 \$'000	Restated 2008 \$'000	2009 \$'000	2008 \$'000
Gross term receivables	111,285	99,389	-	-
Unearned income	(28,130)	(25,124)	-	-
	83,155	74,265	-	-
Individually assessed allowance	(7,172)	(8,170)	-	-
Collective allowance	(4,863)	(2,500)	-	-
	\$ 71,120	\$ 63,595	\$ -	\$ -

	Group		Holding Company	
	2009 \$'000	Restated 2008 \$'000	2009 \$'000	2008 \$'000
11. LOANS AND ADVANCES - continued				
<u>Maturity analysis</u>				
Not longer than 3 months	11,087	10,599	-	-
Longer than 3 and not longer than 12 months	30,664	32,275	-	-
Current (Note 10)	41,751	42,874	-	-
Longer than 1 and not longer than 5 years	69,534	55,804	-	-
Longer than 5 years	-	711	-	-
	69,534	56,515	-	-
Unearned income	(28,130)	(25,124)	-	-
Individually assessed allowance	(7,172)	(8,170)	-	-
Collective allowance	(4,863)	(2,500)	-	-
Non-current (Note 10)	29,369	20,721	-	-
	\$ 71,120	\$ 63,595	\$ -	\$ -

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
12. INVENTORIES				
Raw materials, spares, stores and supplies	12,708	11,206	-	-
Finished goods	3,206	1,774	-	-
Other trading	9,123	9,301	-	-
	\$ 25,037	\$ 22,281	\$ -	\$ -

13. PROPERTY, PLANT AND EQUIPMENT

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

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Freehold land and buildings				
- at deemed cost	7,821	9,209	-	-
Accumulated depreciation	-	(111)	-	-
	7,821	9,098	-	-
Leasehold land, improvements and building				
- at deemed cost	28,538	29,421	-	-
Accumulated amortisation	(3,912)	(3,396)	-	-
	24,626	26,025	-	-
Plant and equipment				
- at deemed cost	75,482	71,918	1,469	1,213
Accumulated depreciation	(44,226)	(39,463)	(931)	(908)
	31,256	32,455	538	305
Capital work in progress - at cost	1,732	658	-	47
	\$ 65,435	\$ 68,236	\$ 538	\$ 352

(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 buildings \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 1 July 2008	9,098	26,025	32,455	658	68,236
Additions	892	3,856	3,588	1,710	10,046
Disposals	-	-	(221)	(27)	(248)
Assets transfer to investment property (2,169)	(2,169)	(4,738)	-	-	(6,907)
Transfer of capital works in progress	-	-	609	(609)	-
Depreciation/amortisation expense	-	(517)	(5,175)	-	(5,692)
Carrying amount at 30 June 2009	\$ 7,821	\$ 24,626	\$ 31,256	\$ 1,732	\$ 65,435

13. PROPERTY, PLANT AND EQUIPMENT - Continued

(b) Reconciliation of property, plant and equipment - continued

Holding Company	Freehold land and buildings \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 1 July 2008	-	-	305	47	352
Additions	-	-	350	-	350
Disposals	-	-	-	-	-
Transfers	-	-	47	(47)	-
Depreciation	-	-	(164)	-	(164)
Carrying amount at 30 June 2009	\$ -	\$ -	\$ 538	\$ -	\$ 538

Group	Freehold land and buildings \$'000	Leasehold 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 buildings \$'000	Leasehold 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 2.9.

14. 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 land, building and cruise vessels held by Blue Lagoon Cruises Limited.

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Assets held for sale	\$ 1,987	\$ 3,173	\$ -	\$ -

15. INVESTMENT PROPERTIES

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cost				
Opening balance	7,718	7,718	-	-
Acquisitions	6,907	-	-	-
Closing balance	14,625	7,718	-	-
Accumulated depreciation				
Opening balance	771	653	-	-
Depreciation charge for the year	148	118	-	-
Closing balance	919	771	-	-
Carrying amount				
Opening balance	\$ 6,947	\$ 7,065	\$ -	\$ -
Closing balance	\$ 13,706	\$ 6,947	\$ -	\$ -

As at 30 June 2009, the fair value of the investment properties was \$22.550 million.

16. INTANGIBLES

Goodwill on consolidation	12,689	12,689	-	-
F1 Audio Visual Copyright	1,151	1,151	-	-
Total intangibles	\$ 13,840	\$ 13,840	\$ -	\$ -

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 on intangibles is set out in Note 2.13.

Opening net book amount	13,840	1,729	-	-
Additions	-	12,111	-	-
Amortisation charge	-	-	-	-
Closing net book amount	\$ 13,840	\$ 13,840	\$ -	\$ -

16. INTANGIBLES - continued

Impairment test for goodwill

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

The recoverable amount of a CGU 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 is extrapolated using the estimated growth rates. 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.

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 Fiji, in the retailing and wholesaling industry.

	2008
	\$'000
Details of net assets acquired and goodwill are as follows:	
Purchase consideration:	
- Cash paid	19,578
- Direct costs relating to acquisition	286
Net purchase consideration	\$ 19,864
Net assets acquired	7,753
Goodwill	\$ 12,111

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

	\$
	\$'000
Cash and cash equivalents	99
Trade and other receivables	1,206
Inventories	8,466
Non current assets held for sale	751
Financial assets	7
Property, plant and equipment	25,410
Deferred tax assets	10
Trade and other payables	(9,515)
Tax payables	(1,129)
Provisions	(20)
Interest bearing borrowings	(8,602)
Deferred tax liabilities	(1,209)
Deposits	(30)
Net assets	\$ 15,444
Net assets	15,444
Minority interest (49.8%)	7,691
Net assets acquired	\$ 7,753

16. INTANGIBLES - continued

On 20 March 2009, the group acquired a further 0.55% of the shares of RBG. Detail of net assets acquired and goodwill are as follow:

	2009
	\$'000
Purchase consideration:	
- Cash paid	229
- Direct cost relating to acquisition	4
Total purchase consideration	233
Net assets acquired	92
Goodwill in respect to the increase of ownership interest	141

The above goodwill amount was adjusted during the year as an adjustment to the equity holders of the subsidiary in its "Statement of Changes in Equity".

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are valued in accordance with Note 2.8 of the financial statements.

	Group		Holding Company	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
(a) Listed/quoted securities				
- Amalgamated Telecom Holdings Limited	1,150	1,010	1,150	1,010
- Fiji Sugar Corporation Limited	993	1,337	993	1,337
- Fiji Television Limited	1,833	1,839	1,833	1,839
- Fijian Holdings Unit Trust	3,841	3,900	3,841	3,900
- Fijian Holdings Property Trust Fund	5,635	8,699	5,630	8,694
- Fosters Group Pacific Limited	-	-	-	39,522
- Flour Mills of Fiji Limited	264	532	264	532
	13,716	17,317	13,711	56,834
(b) Unlisted securities				
Shares in subsidiary companies				
- Basic Industries Limited	-	-	13,015	13,355
- Blue Lagoon Cruises Holdings Limited	-	-	21,286	9,539
- Clariti (South Pacific) Limited	-	-	-	202
- FHL Retailing Limited	-	-	22,227	19,864
- FHL Securities Limited	-	-	552	504
- Fiji Industries Limited	-	-	14,550	15,158
- Fijian Holdings Trust Management Limited	-	-	635	1,991
- Fijian Property Trust Company Limited	-	-	6,890	3,827
- Merchant Finance & Investment Company Limited	-	-	25,873	27,944
	-	-	105,028	92,384
Shares in other companies				
- Goodman Fielder International (Fiji) Ltd	1,764	1,764	2,164	2,164
- Goodluck Investments Limited	1,148	648	1,148	648
- Golden Manufacturers Limited	-	-	11,197	13,017
- Marsh Limited	-	-	4,124	5,500
- Minjesk Investment Co Limited	-	-	-	-
- New World Limited	3,889	2,110	3,889	2,110
- South Pacific Stock Exchange	15	15	-	-
- Asian Paints (South Pacific) Limited	857	1,051	857	1,051
	7,673	5,588	23,379	24,490
- Other	7	7	-	-
Total investments	\$ 21,396	\$ 22,912	\$ 142,118	\$ 173,708

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS – continued

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

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Opening balance	22,912	27,078	173,708	169,392
Acquisitions	500	7	729	19,864
Disposals	-	-	(39,522)	-
Revaluation surplus – transfer to available-for-sale reserve	(2,016)	(4,173)	7,203	(15,548)
Total investments (at fair value)	\$ 21,396	\$ 22,912	\$ 142,118	\$ 173,708

18. DETAILS OF INVESTMENTS

Name of company	Place of incorporation	Ownership 2009 %	interest 2008 %	Dividends received by Holding Company	
				2009 \$'000	2008 \$'000
(a) Listed/quoted securities					
Amalgamated Telecom Holdings Ltd	Fiji	0.2	0.2	90	70
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	169	173
Fijian Holdings Property Trust Fund	Fiji	79.52	79.52	356	329
Fosters Group Pacific Limited	Fiji	-	28.9	754	1,358
Flour Mills of Fiji Limited	Fiji	4.3	4.3	-	26
				1,468	2,055
(b) Unlisted securities Subsidiary companies					
Basic Industries Limited	Fiji	51.1	51.1	885	1,224
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	100.0	1,600	-
FHL Securities Limited	Fiji	100.0	100.0	60	29
Fiji Industries Limited	Fiji	50.1	50.1	1,716	1,872
Fijian Holdings Trust Management Ltd	Fiji	100.0	100.0	100	170
Fijian Property Trust Company Limited	Fiji	89.7	89.7	286	169
Merchant Finance & Investment Company Limited	Fiji	80.0	80.0	3,200	2,000
				7,847	5,464

18. DETAILS OF INVESTMENTS - continued

Name of company	Place of incorporation	Ownership interest		Dividends received by Holding Company	
		2009 %	2008 %	2009 \$'000	2008 \$'000
(c) Other companies					
Asian Paints (South Pacific) Ltd	Fiji	8.9	8.9	13	-
Goodman Fielder International (Fiji) Limited	Fiji	(Pref)	(Pref)	240	240
Goodman Fielder International (Fiji) Limited	Fiji	10.0	10.0	176	176
Golden Manufacturers Limited	Fiji	30.0	30.0	502	1,110
Marsh Limited	Fiji	25.0	25.0	475	700
Minjesk Investment Company Limited	Fiji	17.0	20.0	-	-
New World Limited	Fiji	15.0	15.0	338	255
Sun (Fiji) Limited	Fiji	(Pref)	(Pref)	-	25
				1,744	2,506
				\$ 11,059	\$ 10,025
(d) Dividends received by subsidiary company					

FHL Securities Limited received dividend income of \$12,358 (2008: \$9,884) from its equity investments.

19. INVESTMENT IN ASSOCIATES

The Group's share of after tax profit in its equity accounted investees for the year was \$2.763 million (2008:\$ 5.007 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 \$'000
2009				
Golden Manufacturers Ltd	30.0	23,643	7,284	7,955
Marsh Ltd	25.0	9,890	8,090	1,509
		33,533	15,374	9,464
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

In 2009, the group divested its shares in Fosters Group Pacific Ltd with cash consideration of \$40.012 million.

In 2008, Minjesk Investment Company Limited was not accounted for as an associate as the group's percentage of ownership was diluted to below 20% subsequent to balance sheet date.

19. INVESTMENTS IN ASSOCIATES - Continued

Reconciliation of the carrying value of investment in associates:

	Group 2009 \$'000	Group 2008 \$'000
Opening balance	12,294	23,991
Equity accounted earnings of associates	2,763	5,007
Dividends from associates	(1,732)	(3,168)
Fair value adjustments	6,535	(13,536)
Disposal of shares in equity	(3,671)	-
Closing balance	<u>\$ 16,189</u>	<u>\$ 12,294</u>

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
20. PAYABLES				
Trade creditors and accruals	13,933	8,906	-	-
Owing to subsidiary	-	-	39	49
Owing to related companies	21	21	-	-
Other creditors	1,677	6,035	828	245
	<u>\$ 15,631</u>	<u>\$ 14,962</u>	<u>\$ 867</u>	<u>\$ 294</u>

21. EMPLOYEE ENTITLEMENTS

Current

Annual leave	503	495	50	12
Bonus and gratuity	245	-	245	-
	<u>748</u>	<u>495</u>	<u>295</u>	<u>12</u>

Non-current

Long service leave	59	31	-	-
	<u>\$ 807</u>	<u>\$ 526</u>	<u>\$ 295</u>	<u>\$ 12</u>

22. PROVISIONS

Dividends	1,931	2,046	229	155
Others	-	168	-	-
	<u>\$ 1,931</u>	<u>\$ 2,214</u>	<u>\$ 229</u>	<u>\$ 155</u>

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
23. BORROWINGS				
Current				
Bank overdrafts Secured (Note 7)	40,654	44,196	-	-
Term loans Secured	4,666	4,801	23,266	30,238
Fixed term deposits and short term borrowings Unsecured	43,707	37,095	2,600	-
	\$ 89,027	\$ 86,092	\$ 25,866	\$ 30,238
Non-current				
Term loans Secured	14,484	11,469	-	-
Fixed term deposits and short term borrowings Unsecured	4,518	19,956	-	-
	\$ 19,002	\$ 31,425	\$ -	\$ -
TOTAL	\$ 108,029	\$ 117,517	\$ 25,866	\$ 30,238

- (a) The bank overdraft and stand by 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: \$0.509 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: \$4.78 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 ANZ loan is secured by a first registered mortgage debenture over all the company's assets and undertakings.
 - (v) Basic Industries Limited: \$1.179 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.
 - (vi) FHL Retailing Limited: \$10.880 million – the loan with ANZ Bank is secured by first registered mortgage debenture over all its assets and undertakings including its uncalled and unpaid capital, first registered mortgages over CT 234000, CT 7082, CL 5310 and CT 34330.
- (c) Fixed term deposits and short term borrowings relate to customer deposits with Merchant Finance & Investment Company Limited.

24. OTHER RESERVES

	Other Reserves \$'000	Available for Sale Reserve \$'000	Changes in Associates Equity \$'000	Total \$'000
(a) Group				
Balance at 30 June 2007	-	6,824	(3,752)	3,072
Fair value movements	-	(18,000)	-	(18,000)
Restated balance at 30 June 2008	-	(11,176)	(3,752)	(14,928)
Credit loss reserve	2,255	-	-	2,255
Changes in associates equity	-	-	3,739	3,739
Fair value movements	-	4,252	-	4,252
Balance at 30 June 2009	\$ 2,255	(\$ 6,924)	(\$ 13)	(\$ 4,682)
(b) Holding Company				
Balance at 30 June 2007	-	103,261	-	103,261
Fair value movements	-	(15,840)	-	(15,840)
Restated balance at 30 June 2008	-	87,421	-	87,421
Fair value movements	-	(25,757)	-	(25,757)
Balance at 30 June 2009	\$ -	\$ 61,664	\$ -	\$ 61,664

24. OTHER RESERVES - Continued

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.

An amount of \$2.255 million was transferred to the Credit Loss Reserve from retained earnings of Merchant Finance & Investment Company Limited in accordance with the requirements of the Reserve Bank of Fiji.

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

Associate	Reserve		Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Marsh Limited						
Fosters Group Pacific Limited						
Balance as the beginning of the year	(3,752)	(3,752)	-	-	-	-
Decrease during the year	3,739	-	-	-	-	-
Balance at the end of the year	(\$ 13)	(\$ 3,752)	\$ -	\$ -	\$ -	\$ -

The decrease relates to the divestment of shares in Fosters Group Pacific Limited.

25. SHARE CAPITAL

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 Fijians Trust Fund each hold 10 million of the company's "B" class ordinary shares of \$1 each.

26. 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		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Not later than 1 year	649	483	159	159
Later than 1 year but not later than 5 years	1,172	648	158	317
Later than 5 years	2,436	-	-	-
	\$ 4,257	\$ 1,131	\$ 317	\$ 476

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		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Not later than 1 year	2,446	1,972	-	-
Later than 1 year but not later than 5 years	3,854	4,058	-	-
Later than 5 years	1,907	1,832	-	-
	\$ 8,207	\$ 7,862	\$ -	\$ -

27. EARNINGS PER SHARE

	Group 2009 ('000)	Restated 2008 ('000)
Profit after income tax attributable to members of the holding company	\$ 43,502	\$ 9,273
Weighted average number of shares outstanding	30,465	30,465
Basic and diluted earnings per share	\$ 1.43	\$ 0.30

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
28. CONTINGENT LIABILITIES				
Non performance guarantees given by the bank on behalf of subsidiary companies	2,982	2,128	-	-
Limited guarantees provided by the holding company to the bank on behalf of:				
- related party	-	1,875	-	1,875

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

29. CAPITAL COMMITMENTS

	Group		Holding Company	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Commitments for capital expenditure not provided for in the financial statements are as follows:				
Approved but not contracted	808	18,233	-	-
Approved and contracted	5,602	837	-	-

30. 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:

I Kaloumaira – Chairman	M Makasiale – from 2 July 2008
A Mohammed – Deputy Chairman	I Naiveli – from 4 August 2008
S Qoro	S Lutu – from 1 September 2008
P Lala	R Qereqeretabua – from 5 August 2008 to 6 August 2009
U Baya	

Amounts paid to the directors during the year are disclosed in Note 4(b).

Loans to directors

As at 30 June 2009, \$0.010 million (2008: \$Nil) was owing by a director. These advances were made in the ordinary course of the company's business, and were on normal commercial terms and conditions no more favourable than those which would have been adopted if dealing with the related parties at arms length in the same circumstances.

30. RELATED PARTY INFORMATION - Continued

Ownership interests in related parties

All material ownership interests in related parties are disclosed in Note 18 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 10 and 20 to the financial statements.

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:

Holding company

Name	Current title
Sereana Qoro	Managing Director
Aiyaz Musa	Chief Financial Officer
Tomasi Radakua	Human Resource Manager
Mariana Saumadu	Manager Internal Audit & Company Secretary
Nouzab Fareed	General Manager Investments & Strategy
Napolioni Batimala	Manager Finance, Investments & Strategy
Tevita Gonelevu	Manager Financial Markets

The aggregate compensation of the key management personnel of holding company comprises only short-term benefits amounted to \$ 1.649 million (2008: \$ 1.410 million).

31. SEGMENT INFORMATION

Primary Reporting - Business Segments

	Construction \$'000	Property \$'000	Finance \$'000	Tourism \$'000	Other \$'000	Inter Segment \$'000	2009 TOTAL GROUP \$'000
External operating revenue	68,202	2,082	14,425	7,097	138,556	(17,275)	\$ 213,087
Result							
Profit/(loss) before income tax	9,533	834	8,947	(1,254)	45,227	(8,226)	\$ 55,061
Depreciation and amortisation expenses	3,163	254	241	1,200	1,122	-	\$ 5,980
Acquisition of property, plant and equipment	3,475	11	200	86	6,274	-	\$ 10,046
Total Assets	52,216	8,281	85,934	21,676	247,567	(115,774)	\$ 299,900
Total Liabilities	17,121	1,542	58,837	10,876	56,480	(11,790)	\$ 133,066

Notes to and forming part of the
Financial Statements - Continued
Year Ended 30 June 2009

Fijian Holdings Limited
and Subsidiary Companies

31. SEGMENT INFORMATION - Continued

Primary Reporting - Business Segments

	Construction \$'000	Property \$'000	Finance \$'000	Tourism \$'000	Other \$'000	Inter Segment \$'000	2008 (restated) TOTAL GROUP \$'000
External operating revenue	53,806	1,989	18,165	9,972	36,780	(9,277)	\$ 111,435
Result							
Profit/(loss) before income tax	9,239	866	4,767	(848)	8,288	(8,432)	\$ 13,880
Depreciation and amortisation expenses	2,665	255	317	1,754	619	-	\$ 5,610
Acquisition of property, plant and equipment	1,243	136	324	613	27,605	-	\$ 29,921
Total Assets	51,506	8,324	86,807	23,409	96,262	(5,513)	\$ 260,795
Total Liabilities	15,893	1,858	61,853	11,319	53,083	(2,064)	\$ 141,942

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.

32. COMPARATIVES

The IFRS transition adjustments to the doubtful debts provision in the 2008 consolidated financial statements were incorrectly adjusted against unearned revenue. The comparatives in these financial statements have been restated to correct this error. The effect of the restatement to the comparatives is an increase in unearned revenue of \$2.595 million and its corresponding increase in doubtful debts of the same amount. There is no impact to this year's result.

33. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

- (a) On 18 December 2008, the company, together with its subsidiary FHL Energy Limited, entered into a Sale and Purchase Agreement ("SPA") with BP Plc and BP Australia Pty Ltd, to acquire the 100% shares in BP South-West Pacific Limited (BPSWP). On 21 July 2009, BP Plc advised the company that the conditions in the SPA and the addendum agreement dated 29 May 2009 had lapsed and gave notice that the agreement has been terminated. BP Plc also advised that the company will be refunded the deposits paid on 2 January and 15 June 2009 of US\$10 million and US\$2.3 million, respectively. The total deposits of \$25.003 million were refunded and received by the company on 29 July 2009.

The company together with FHL Energy Limited had also entered into a Management Agreement with Hindustan Petroleum Corporation Limited ("HPCL"). That agreement has since been terminated following the termination of the SPA for BPSWP. Cost incurred by the company under this agreement amounted to \$0.531 million and is included in the total cost mentioned below.

The total costs associated with the BPSWP deal incurred by the company amounted to \$3.720 million. The exchange gain arising from the foreign currency deposits mentioned above amounted to \$2.435 million. These amounts have been included in the current year's income statement.

According to the directors, no further liabilities are expected to arise from the termination of the SPA with BP Plc and BP Australia Pty Ltd and the Management Agreement with HPCL.

- (b) The regulator Reserve Bank of Fiji issued certain directives in a letter dated 20 July 2009 to a subsidiary, Merchant Finance & Investment Company Limited. Compliance of these directives is mandatory under the Banking Act 1995. In the opinion of the subsidiary's directors, the subsidiary will be able to abide by these directives and continue to comply with requirements of the regulator. The preparation of the subsidiary's financial statements on a going concern basis is appropriate in these circumstances.
- (c) The group divested its shares in Minjesk Investment Company Limited on 14 August 2009.

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 2009 is nil (2008: NIL)**

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	1,889	163	38,330	26,580	12,983
Other income	193	67	2,858	434	1,442
	2,082	230	41,188	27,014	14,425
Depreciation	(254)	(5)	(2,273)	(890)	(241)
Other expenses	(995)	(121)	(34,287)	(21,220)	(5,238)
Income tax expense	(231)	(1)	(1,447)	(1,542)	(2,803)
	(1,480)	(127)	(38,007)	(23,652)	(8,282)
Profit after tax	\$ 602	\$ 103	\$ 3,181	\$ 3,362	\$ 6,143

	Fijian Holdings Trust Management Limited \$'000	Clariti (South Pacific) Limited \$'000	Blue Lagoon Cruises Holdings Limited \$'000	FHL Retailing Limited \$'000
Turnover	656	3,065	7,091	82,989
Other income	32	179	7	959
	688	3,244	7,098	83,948
Depreciation	(45)	(121)	(1,500)	(787)
Other expenses	(573)	(3,866)	(6,852)	(76,585)
Income tax expense	(26)	(30)	(36)	(1,838)
	(644)	(4,017)	(8,388)	(79,210)
Profit/(loss) after tax	\$ 44	(\$ 773)	(\$ 1,290)	\$ 4,738

Board meeting dates and attendance record

MEETING DATES	31-Jul 2008	28-Aug 2008	8-Oct 2008	29-Jan 2009	26-Feb 2009	23-Apr 2009	5-Jun 2009	25-Jun 2009
I Kaloumaira	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
A Mohammed	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
P Lala	PRESENT	APOLOGIES	PRESENT	PRESENT	PRESENT	APOLOGIES	APOLOGIES	PRESENT
U Baya	PRESENT	APOLOGIES	APOLOGIES	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
M Makasiale	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
S Qoro	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	APOLOGIES	PRESENT
I Naiveli	NOT APPLICABLE	APOLOGIES	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
R Qereqeretabua	NOT APPLICABLE	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	APOLOGIES	PRESENT
S Lutu	NOT APPLICABLE	NOT APPLICABLE	PRESENT	PRESENT	APOLOGIES	PRESENT	PRESENT	PRESENT

- PRESENT
- APOLOGIES
- NOT APPLICABLE

Fijian Holdings Ltd - Subsidiaries

Veikabani Cokovata

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

Fijian Holdings Ltd – Other Investments

Kabani Veiwekani

Goodman Fielder (Fiji) Limited
Golden Manufacturing Limited
Fijian Holdings Property Trust Fund
Fijian Holdings Unit Trust
Asian Paints (South Pacific) Limited
Marsh Ltd
New World Ltd
Goodluck Investments Ltd
Sun Fiji Ltd
Fiji Television Limited
Fiji Sugar Corporation Limited
Flour Mill of Fiji Ltd

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Lawyer

Neil Shivam Lawyers

Bankers

Australia & New Zealand
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