



Full Year Results 30 June 2011

Michael Hill International Limited



The Year in Review  
THE LEGAL IN KENIA

# The Year in Review



- ❑ MH Brand takes on new direction
- ❑ New diamond ranges released
- ❑ MH watch brand expanded
- ❑ 11 new stores opened
- ❑ Professional Care Plans released

# The Year in Review



- ❑ Same store sales up 9.2%
- ❑ EBIT up 28.4% on previous year to \$45.638m
- ❑ Dividend up 12.5% to 4.5 cents per share
- ❑ Balance sheet in good shape with a 60.9% equity ratio

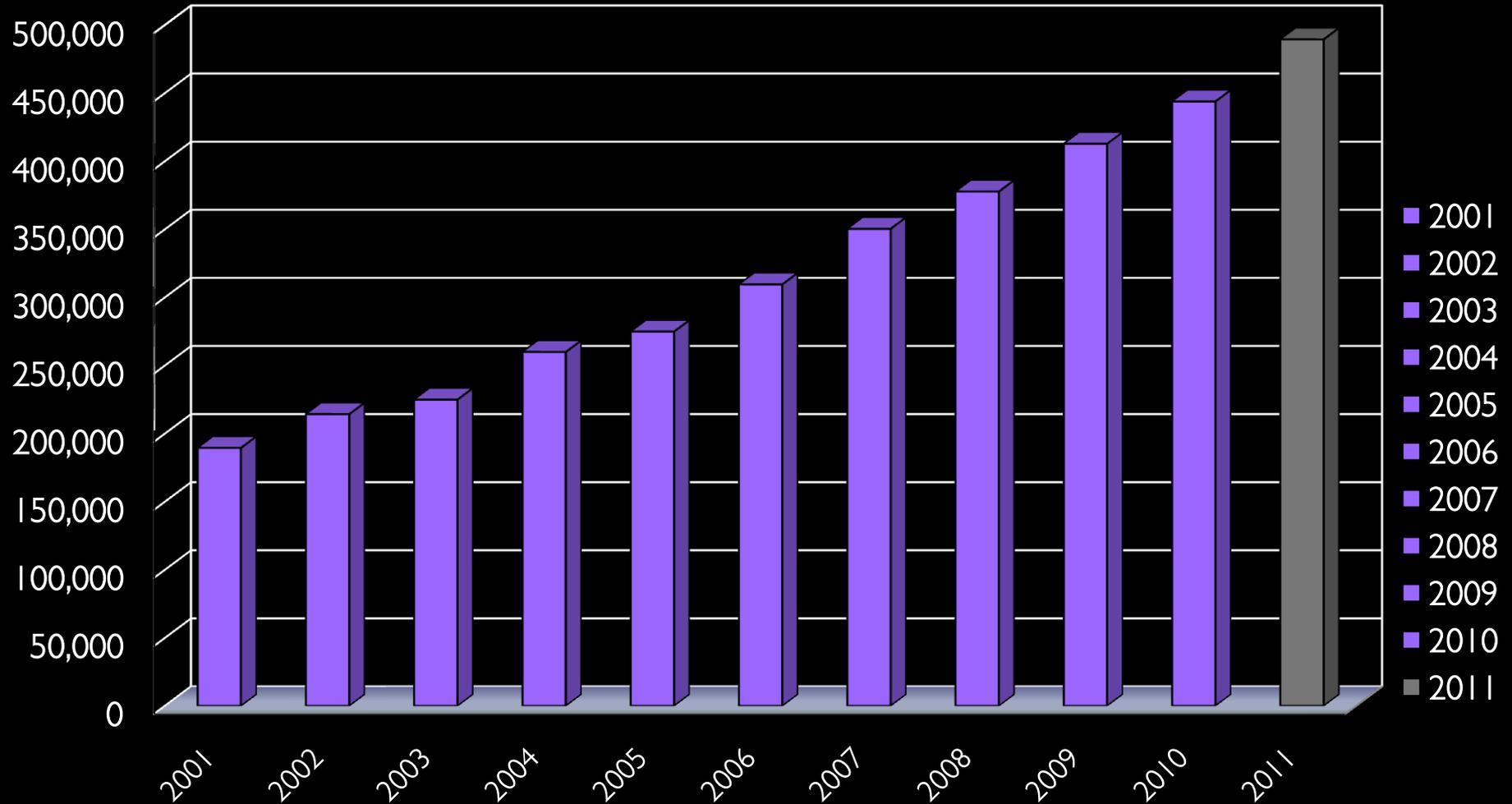




	\$000's	\$000's	
12 months ended	30/6/11	30/6/10	%
Group Revenue	489,330	443,710	10.3%
EBITDA	57,091	46,320	23.3%
EBIT	45,638	35,534	28.4%
NPBT	39,985	30,208	32.4%
NPAT	34,499	26,015	32.6%

# Group Revenue to 30 June

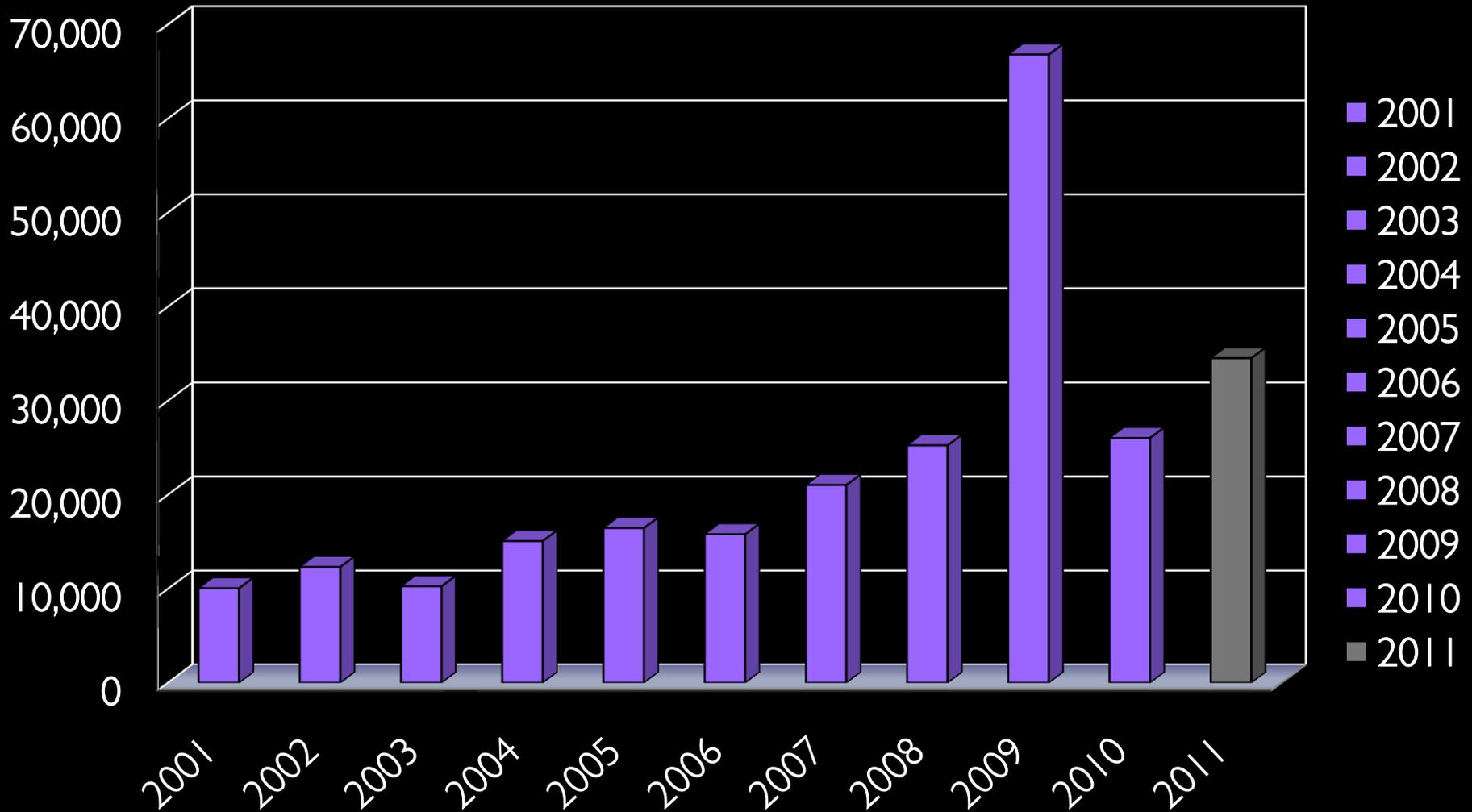
## NZ\$000's



NZ GAAP prior to 2004-2005

# Net Profit after tax to 30 June

## NZ\$000's



NZ GAAP prior to 2004/05

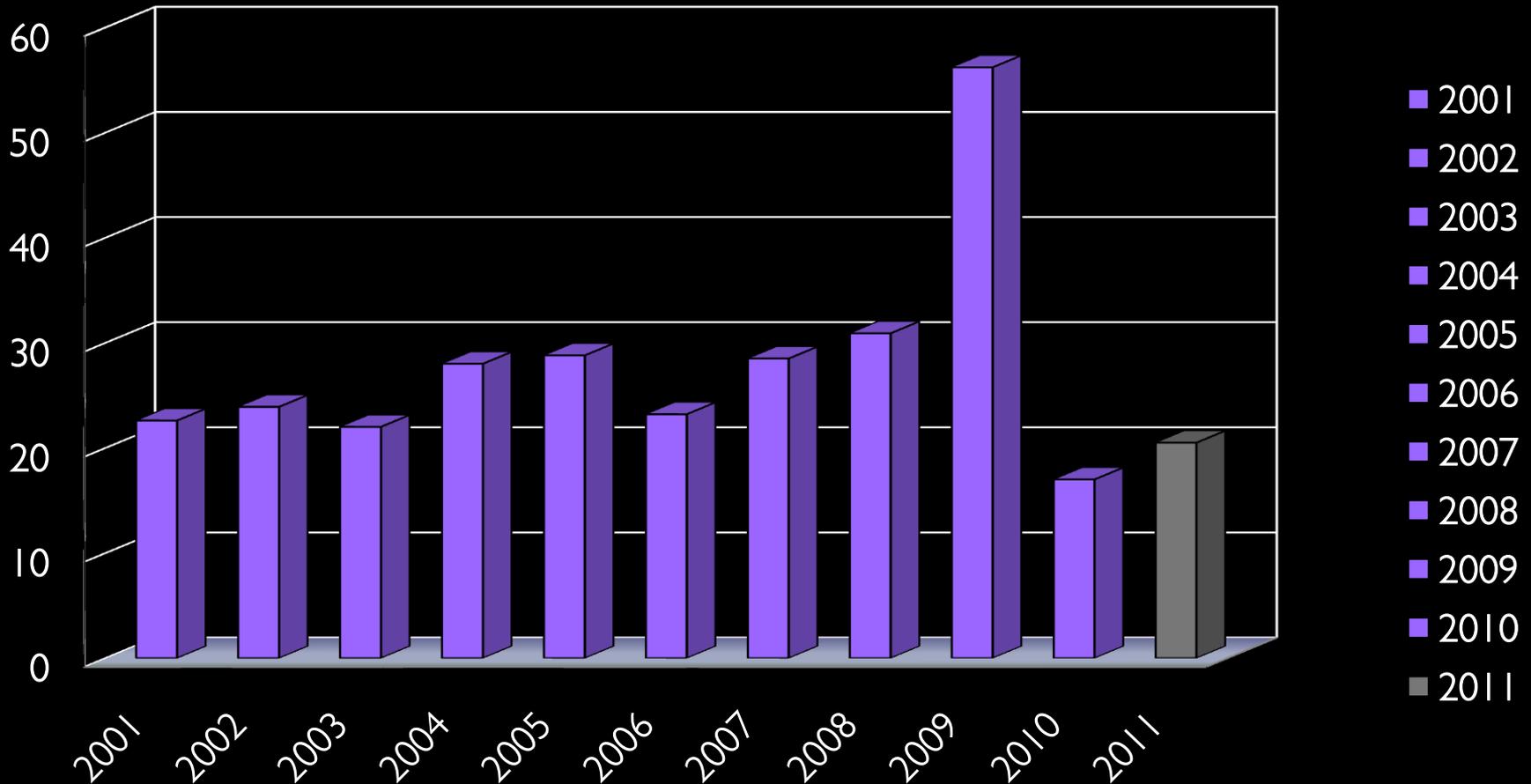
Deferred tax credit of \$50.1m booked in 08/09

# More Highlights

<u>12 months ended</u>	<u>30/6/11</u>	<u>30/6/10</u>	<u>%</u>
Net Operating Cash Flows	43,319	12,872	236.5%
Net Investing Cash Flows	(13,853)	(10,194)	
Net Financing Cash Flows	(27,150)	(19,772)	
Net Debt \$000's	36,873	45,437	-18.8%
Equity Ratio	60.9%	61.4%	
Return on Shareholders Funds	20.5%	17.0%	
Earnings per share	9.02c	6.80c	32.65%
Total dividend per share	4.50c	4.00c	+12.5%

# Return on Average Shareholders Funds

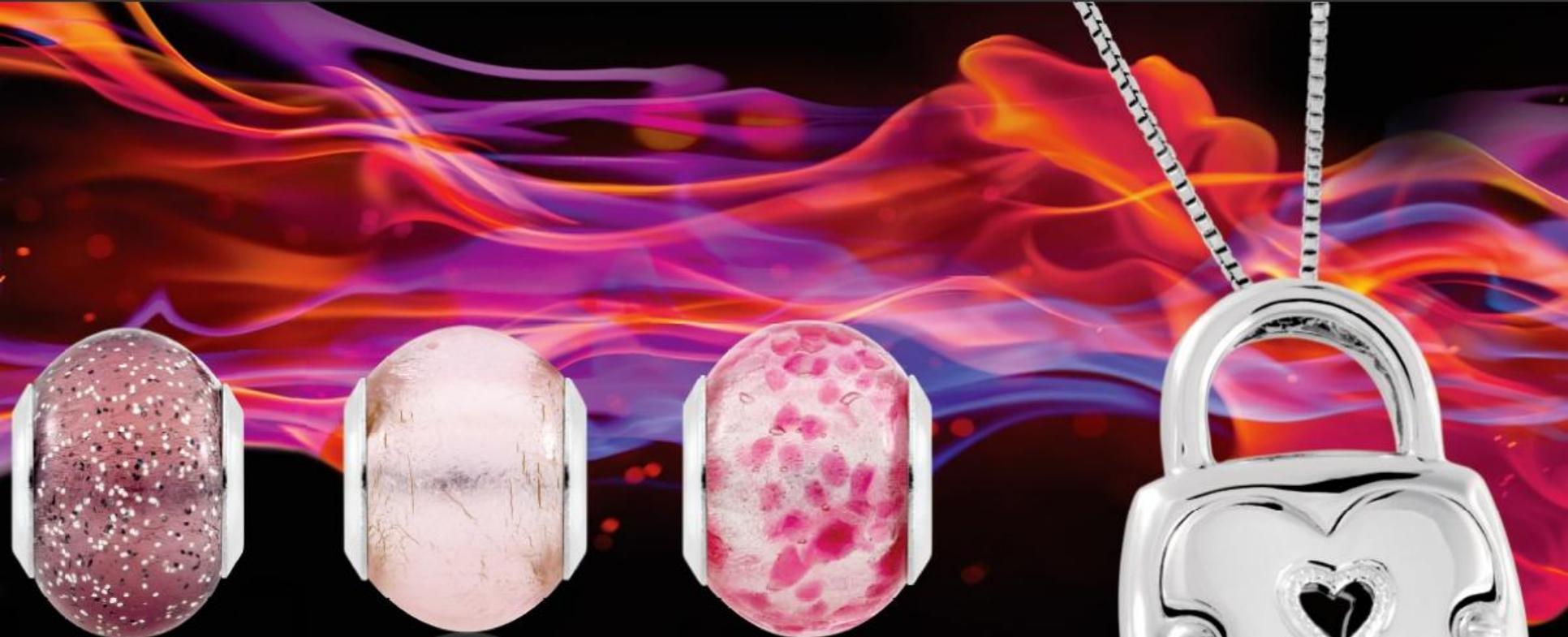
RETURN %



2009 to 2011 returns impacted by deferred tax credit of \$50.1m booked in 08/09



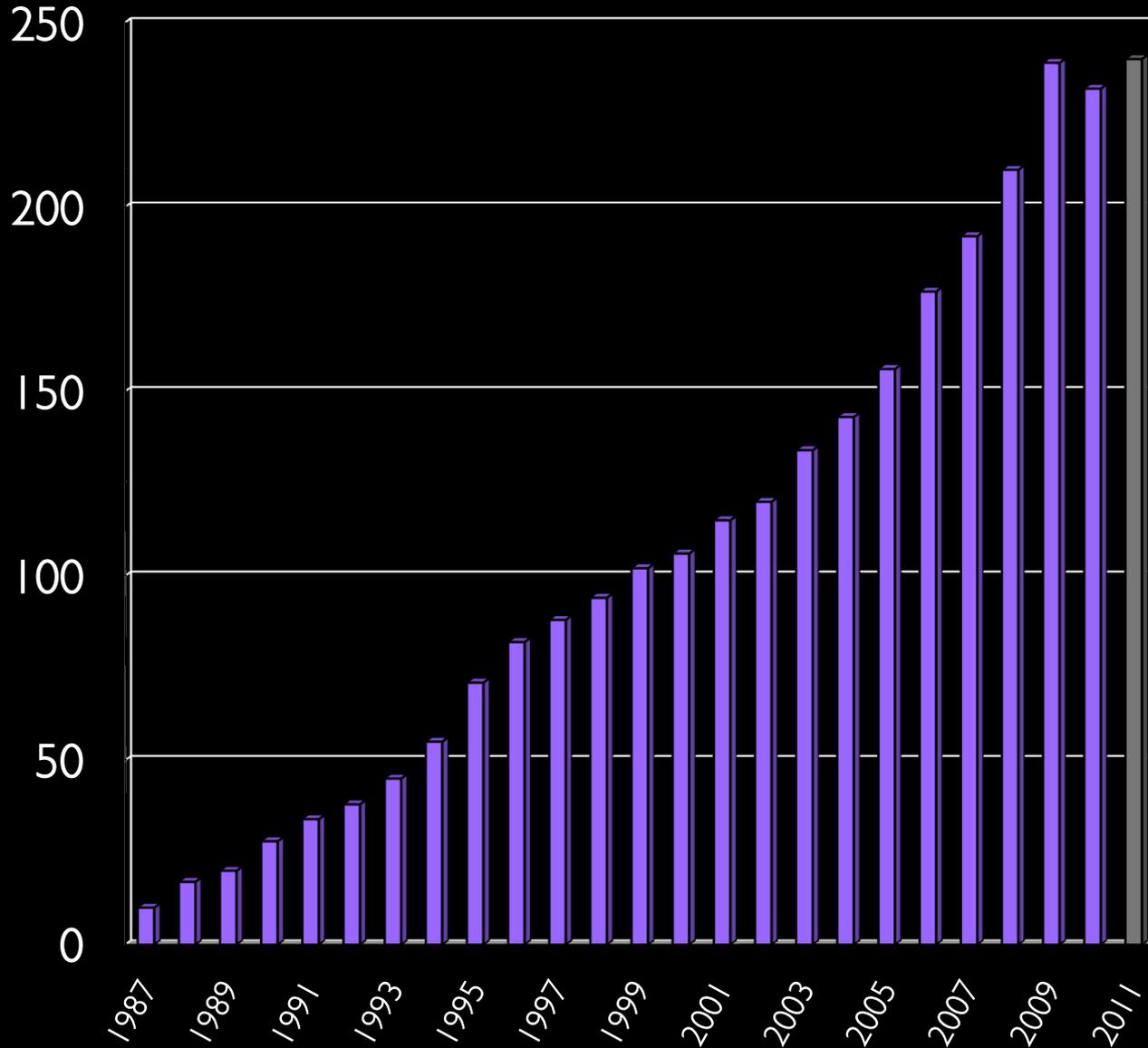
Store Expansion



# Growth Philosophy

Controlled Profitable Growth  
with an emphasis on improving  
existing operations

# Total Jewellery Stores



## Stores Numbers

- 1997 - 88 +6
- 1998 - 94 +6
- 1999 - 102 +8
- 2000 - 106 +4
- 2001 - 115 +9
- 2002 - 120 +5
- 2003 - 134 +14
- 2004 - 143 +9
- 2005 - 156 +13
- 2006 - 177 +21
- 2007 - 192 +15
- 2008 - 210 +18
- 2009 - 239 +29
- 2010 - 232 -7
- 2011 - 240 +8

<u>12 months ended</u>	<u>30/6/11</u>	<u>30/6/10</u>
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## New Stores Opened

Australia	6	2
New Zealand	1	0
Canada	4	3
USA	0	0
Total Opened	11	5

Stores closed during year	3	1
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12 months ended

30/6/11

30/6/10

## Total Stores Operating

Australia	146	141
New Zealand	52	53
Canada	33	29
USA	9	9
Total	240	232



# Australasian Expansion

# NZ Expansion



Stores Operating	30/6/11	52
Planned for 11/12	1 store	53
Planned for 12/13	1 store	54
Planned for 13/14	1 store	55

# Australian Expansion



Stores operating	30/6/11	146
Planned for 11/12	9 stores	155
Planned for 12/13	10 stores	165
Planned for 13/14	10 stores	175

180 store locations have been identified as suitable locations



# North American Expansion

# Canadian Expansion



• Stores Operating	30/6/11	33
• Planned for 11/12	10 stores	43
• Planned for 12/13	10 stores	53
• Planned for 13/14	10 stores	63

100 store locations have been identified as suitable locations

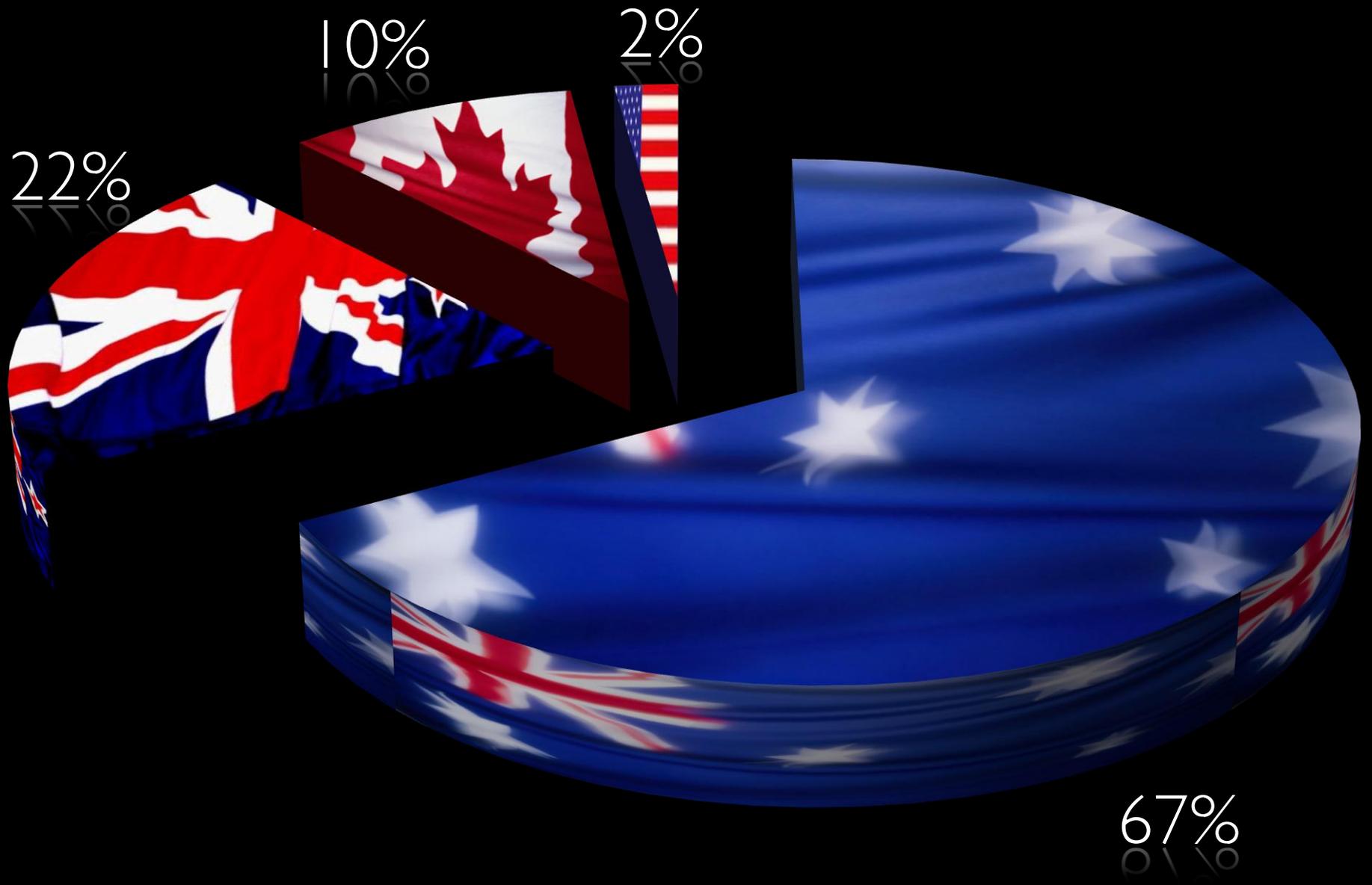


# Store Refurbishment Plans

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Segment Revenue  
26&WGU1 KEAGUNG





# Segment Results

Australasia

Australasia



NZ \$000's

	2011	2010	%
Revenue	326,805	292,985	11.5%
EBIT	50,833	47,246	7.6%
As a % of Revenue	15.6%	16.1%	



NZ \$000's

	2011	2010	%
Revenue	101,742	95,811	6.2%
EBIT	18,577	16,050	15.7%
As a % of Revenue	18.3%	16.8%	



# Segment Results

North America





NZ \$000's

	2011	2010	%
Revenue	48,144	39,398	22.2%
EBIT	(215)	(1,629)	86.8%
As a % of Revenue	(0.4%)	(4.1%)	



NZ \$000's

	2011	2010	%
Revenue	10,630	14,768	(28%)
EBIT	(4,477)	(8,734)	48.7%
As a % of Revenue	(42.1%)	(59.1%)	



Sales 2010-2011

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# 12 Months Sales to 30 June 2011

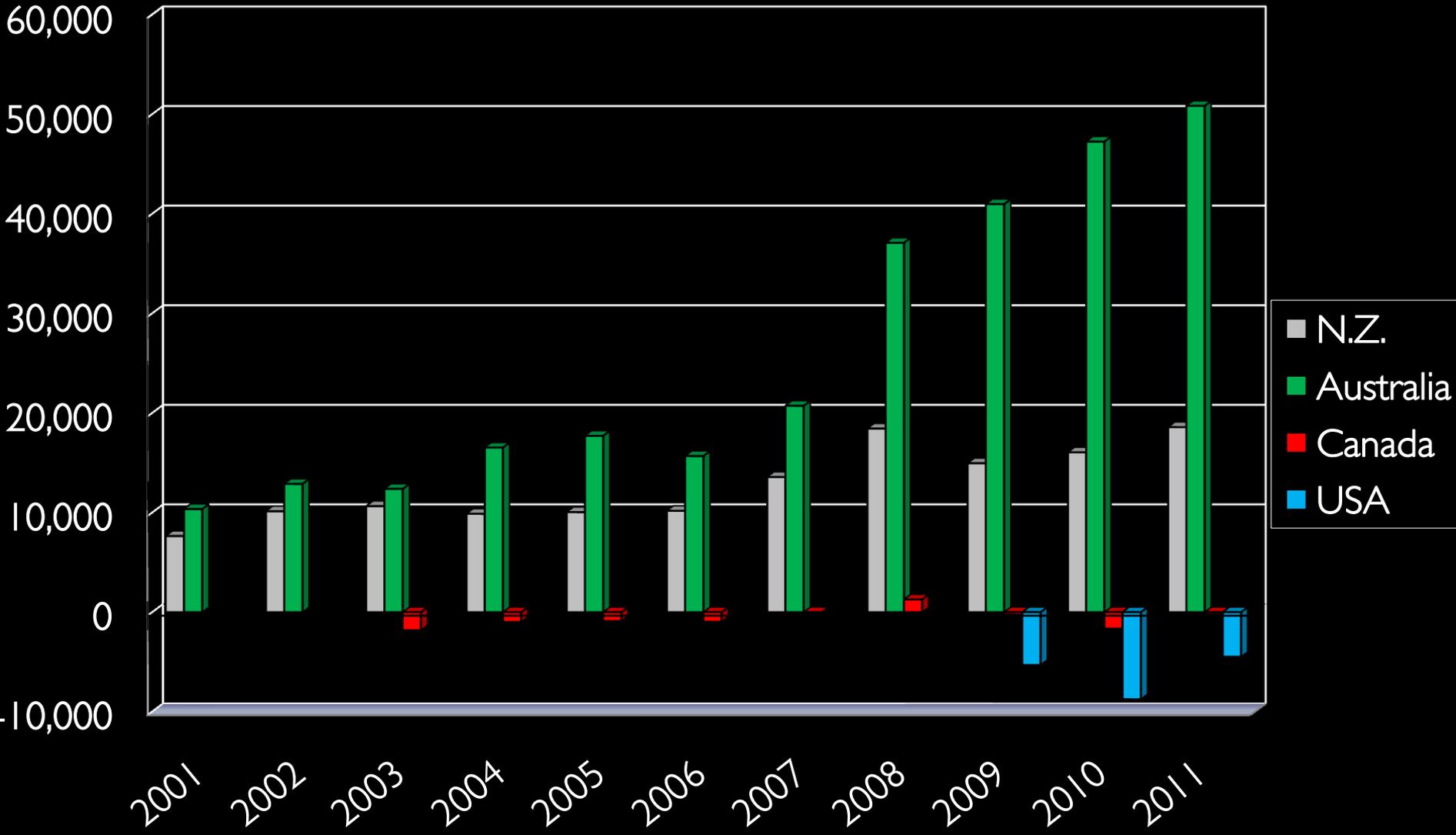
All figures in Local Currency

Country	2010	2011	+/-
AUS same Stores	\$232.431m	\$243.459m	4.7%
NZ same Stores	\$94.803m	\$99.901m	5.4%
CAN same stores	\$27.186m	\$30.466m	12.1%
US stores	\$6.769m	\$8.145m	20.3%
AUS all stores	\$236.314m	\$251.016m	6.2%
NZ all stores	\$95.811m	\$101.742m	6.2%
CAN all stores	\$29.998m	\$36.818m	22.7%
US all stores	\$10.574m	\$8.105m	-23.3%



EBIT Contributions  
EBIT CONTRIBUTIONS

# EBIT Contributions NZ\$000's

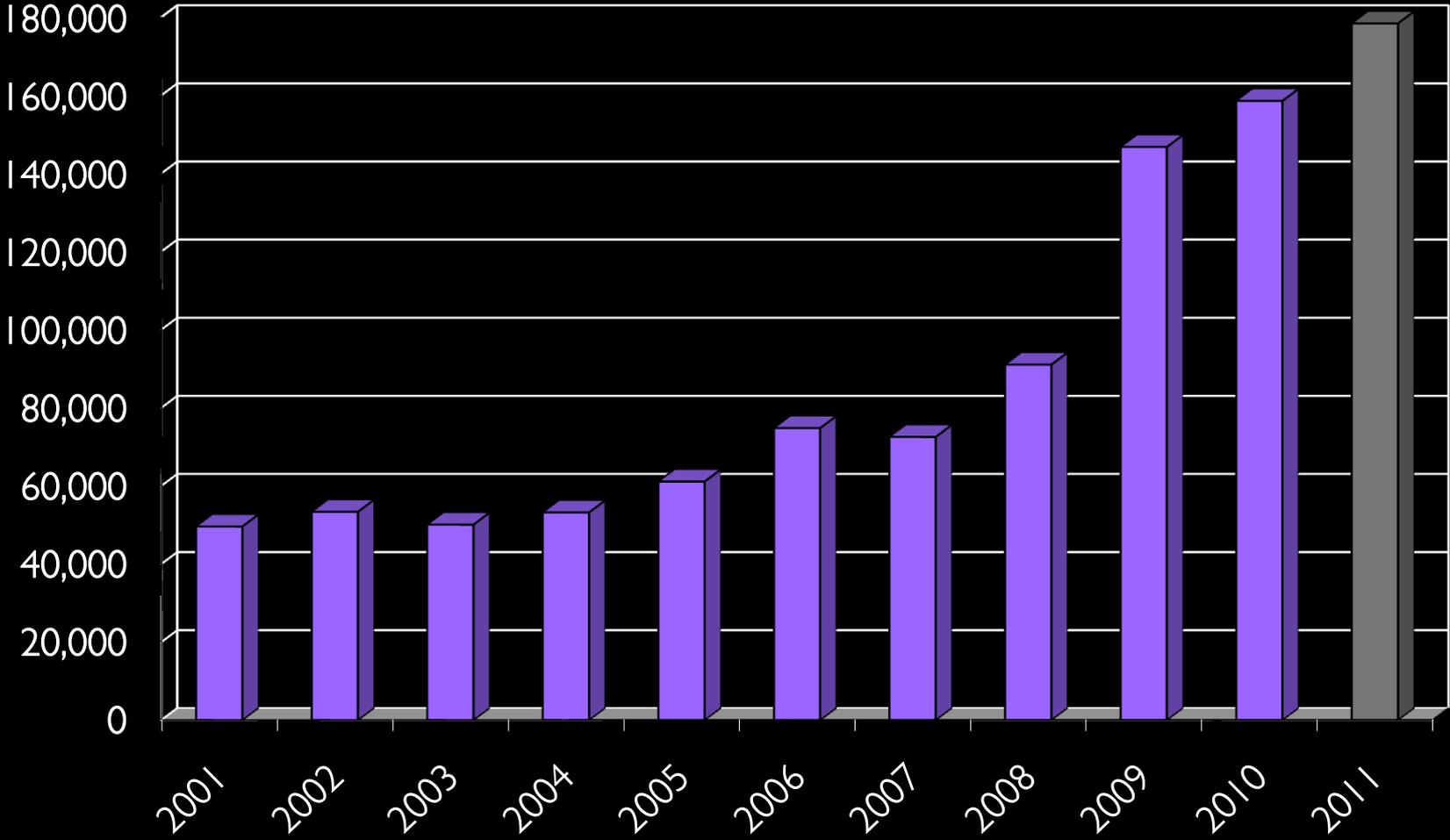




# Shareholder Funds

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# Shareholders' Funds NZ\$000's



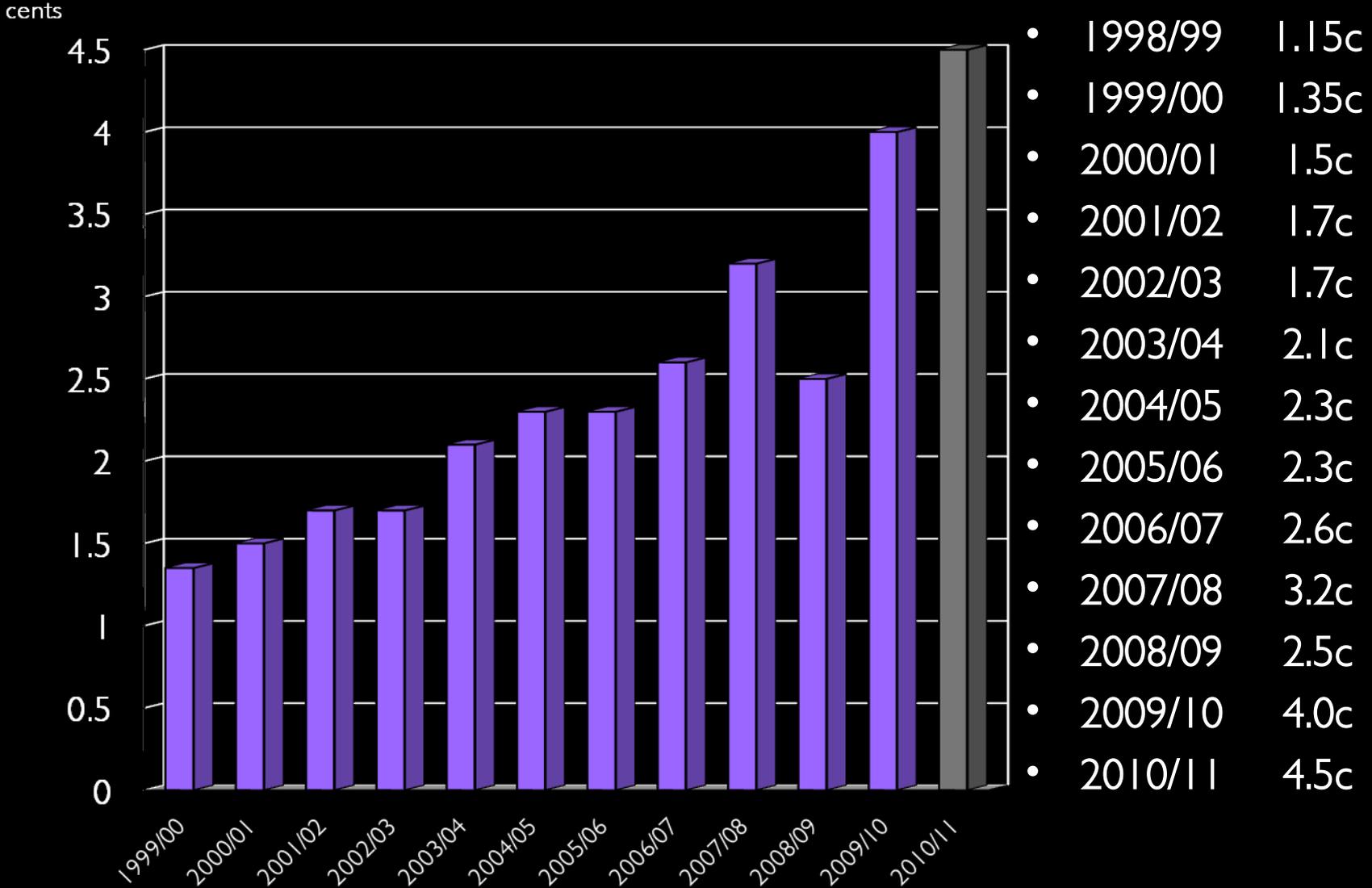
NZ GAAP prior to 2004-05



# Dividends

DIVIDENDS

# Full Year Dividend Trend (Not including Special Dividend)



Note: due to the share split in 2007, prior years have also been divided by 10 for comparative purposes



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