

what's inside

The Directors are pleased to present the Annual Report of Michael Hill International for the year ended 30 June 2005.



R.M. Hill
Chairman of Directors
Dated 18 August 2005



M.R. Parsell
Chief Executive Officer/Director
Dated 18 August 2005

"Michael Hill International

has achieved another record tax paid profit of \$16,510,000 for the year ended 30 June 2005, up 9.6% on the previous year. The profit achieved represents an excellent 26.8% return on average shareholders' funds for the year. Over the past 7 years, our after tax return on funds employed has averaged 24.67%, which has created great returns for shareholders over this time." Michael Hill's review of the 2004/05 year



1 COMPANY PROFILE AND OUR CORPORATE GOALS

An introduction to the company, our goals and our corporate values.

4 PERFORMANCE SUMMARY FOR THE YEAR ENDED 30/6/05

A snapshot of all the key results and data for the year.

6 CHAIRMAN'S REVIEW

Michael Hill comments on the group's overall performance for the year.

8 CHIEF EXECUTIVE OFFICER'S REPORT

Mike Parsell reviews the years operations and discusses the plans and priorities for the future.

14 FINANCIAL REVIEW

A review of the key financial data.

15 TREND STATEMENT

A table of our historical performance over the past seven years.

16 PEOPLE FOCUSED PERFORMANCE

Our people celebrating success.

18 MICHAEL HILL - BECAUSE WE CARE

Our Company's involvement in the communities we do business in.

20 CORPORATE GOVERNANCE

The policies and procedures applied by the Directors and management to provide for ethical and prudent management of the company.

25 RISK MANAGEMENT

The procedures used to control risk in Michael Hill International.

26 CORPORATE CODE OF ETHICS

The guidelines under which the company deals with its employees, customers, suppliers and outside agencies.

28 BOARD MEMBER PROFILES

30 STATUTORY REPORT BY DIRECTORS

32 AUDITORS REPORT

33 FINANCIAL STATEMENTS

48 SHARE PRICE PERFORMANCE

48 SHAREHOLDER INFORMATION AND SHAREHOLDERS' CALENDAR

Information relevant to shareholders' administration of their shares and details of key reporting and dividend dates for 2005-06.

49 ANALYSIS OF SHAREHOLDING

50 STORE OUTLETS

54 NOTICE OF ANNUAL MEETING

55 CORPORATE DIRECTORY

56 INDEX



company profile

Michael Hill International operates Michael Hill Jeweller - a retail jewellery chain catering principally for the middle section of the jewellery market, with 156 stores between Australia, New Zealand and Canada as at 30 June 2005. The Company also specialises in higher priced diamond jewellery. The Company had its origins in 1979 when Michael Hill opened the first store in the New Zealand town of Whangarei, some 160 kilometres north of Auckland.

A unique retail jewellery formula that included dramatically different store designs, a product range devoted exclusively to jewellery and almost saturation levels of high impact advertising

elevated the Company to national prominence and record sales.

The Company grew rapidly, expanding to 10 stores by 1987 - the same year it was listed on the New Zealand stock exchange. 1987 also saw expansion into Australia, opening the first store in August, in the Brisbane suburb of Indooroopilly. In 2002 the Company started expansion in Canada, opening its first 4 stores in Vancouver.

Today the group employs over 1,650 full and part time staff in retailing, manufacturing and administration. It has approximately 3,200 shareholders and remains the most profitable publicly listed retail jeweller in Australia/New Zealand.



our overall strategic goal

TO GROW SHAREHOLDER WEALTH OVER TIME THROUGH OUR PHILOSOPHY OF CONTROLLED PROFITABLE GROWTH.

LEFT: 9CT GOLD CROSSOVER WIRE NECKLACE 10037539 (MATCHING BRACELET ALSO AVAILABLE 10037560) RIGHT: 9CT GOLD WIRE NECKLACE 10037515



our values & guiding principles

CUSTOMER SATISFACTION IS OUR PASSION, OUR LOVE AND OUR LIFE

- Care for every customer, as you would like to be cared for yourself.
- Exceed their expectations - whatever it takes!
- Remember it's not a sale. It's a celebration!
- We are all living advertisements for our brand. We create the magic.
- Create lifetime customers through the highest standards in customer service.
- Customer complaints are an opportunity to win a customer for life.

OUR PEOPLE MAKE OUR COMPANY

- Employ exceptional people for the gifts they bring us - energy, passion, willingness, intelligence and enthusiasm.
- Develop, coach and empower them to achieve their full potential.
- Create an environment that encourages excitement, fun, and open communication.
- Celebrate and reward success.
- Endeavour to promote from within.
- Our team's success ensures the company's success.

ENCOURAGE INNOVATION AND USE COMMON SENSE

- Push the limits - if there is a better way, find it!

- Keep our systems relevant and simple.
- Challenge bureaucracy and red tape.
- Innovation is often born from our mistakes and the lessons learned - have a go!
- Embrace change - it brings opportunities.
- Speak up! Constructive questioning of our methods, policies, and thinking is healthy.

TAKE OWNERSHIP OF YOUR BUSINESS

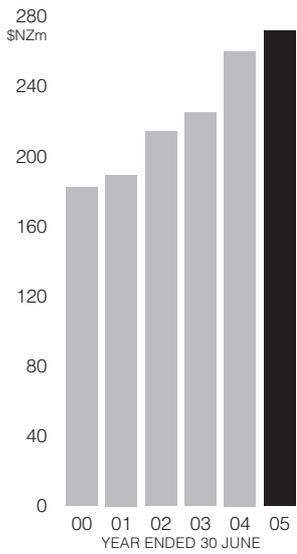
- Act and think as if this was your own business.
- Make decisions in the best interests of your customers and your team.
- Be responsible for the company's profitability and growth.
- Search for great ideas and share them across the company.
- Our systems provide the platform for successful growth so follow them strictly.

BE HONEST AND ETHICAL

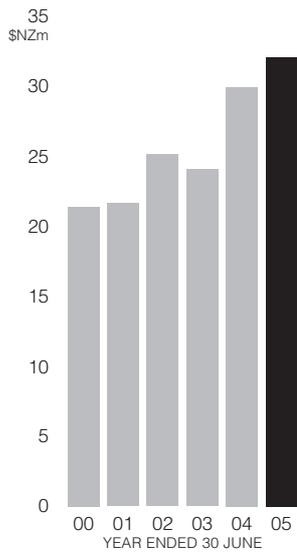
- Always act honestly and ethically displaying the upmost integrity.
- Protect and enhance our brands integrity.
- Show mutual respect in all dealings with people in and outside the company.
- Compete fairly and professionally at all times.

our mission

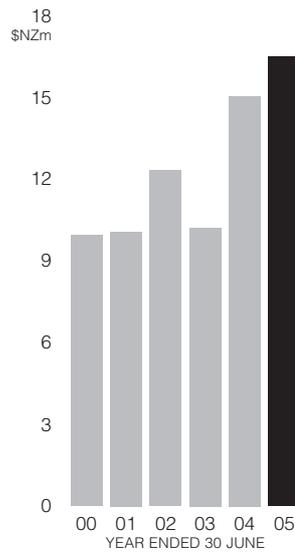
OUR MISSION IS TO BE THE MOST PEOPLE FOCUSED JEWELLER IN THE WORLD.



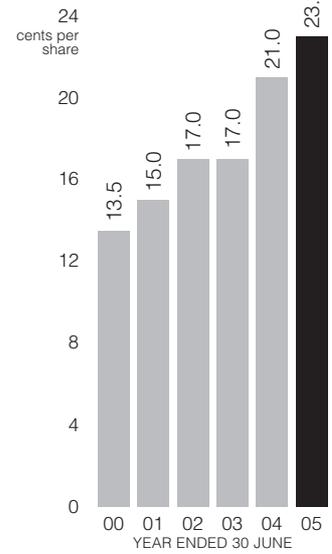
SALES REVENUE UP 4.5%



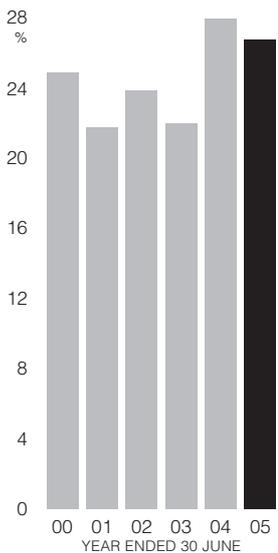
SURPLUS BEFORE DEPRECIATION, AMORTISATION AND INTEREST (EBITDA) UP 6.7%



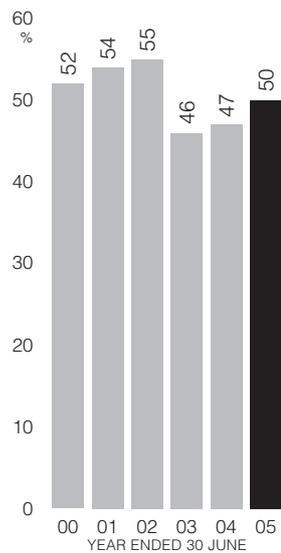
NET SURPLUS AFTER TAX UP 9.6% (BEFORE ABNORMALS)



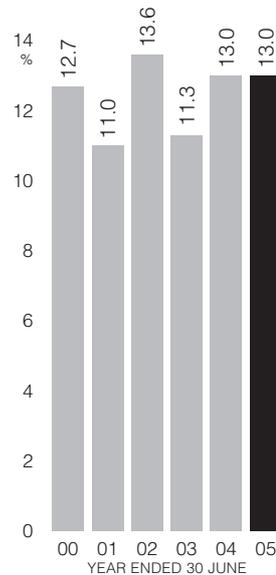
ORDINARY DIVIDEND UP 9.5%



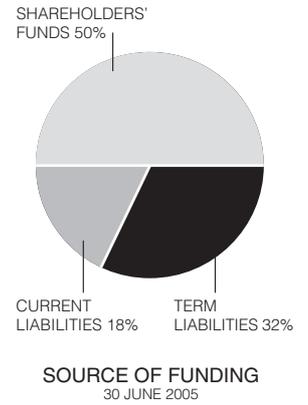
RETURN ON AVERAGE SHAREHOLDERS' FUNDS 26.8%



EQUITY RATIO 50%



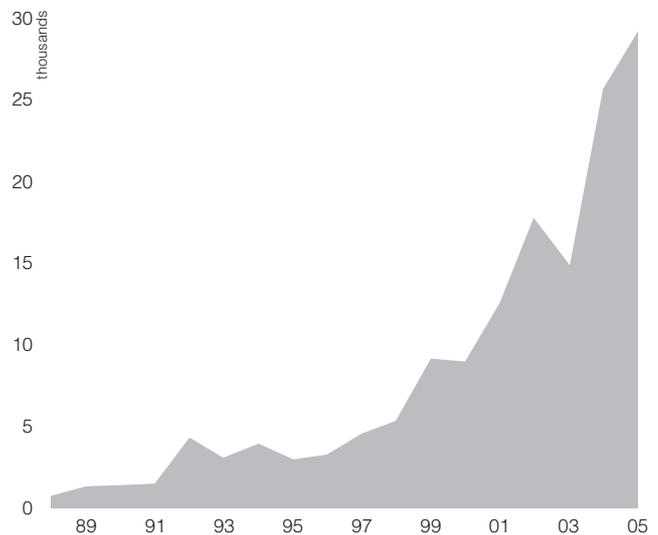
RETURN ON AVERAGE ASSETS 13%



SOURCE OF FUNDING 30 JUNE 2005



SHARE PRICE PERFORMANCE - LAST 7 YEARS AS AT 30 JUNE



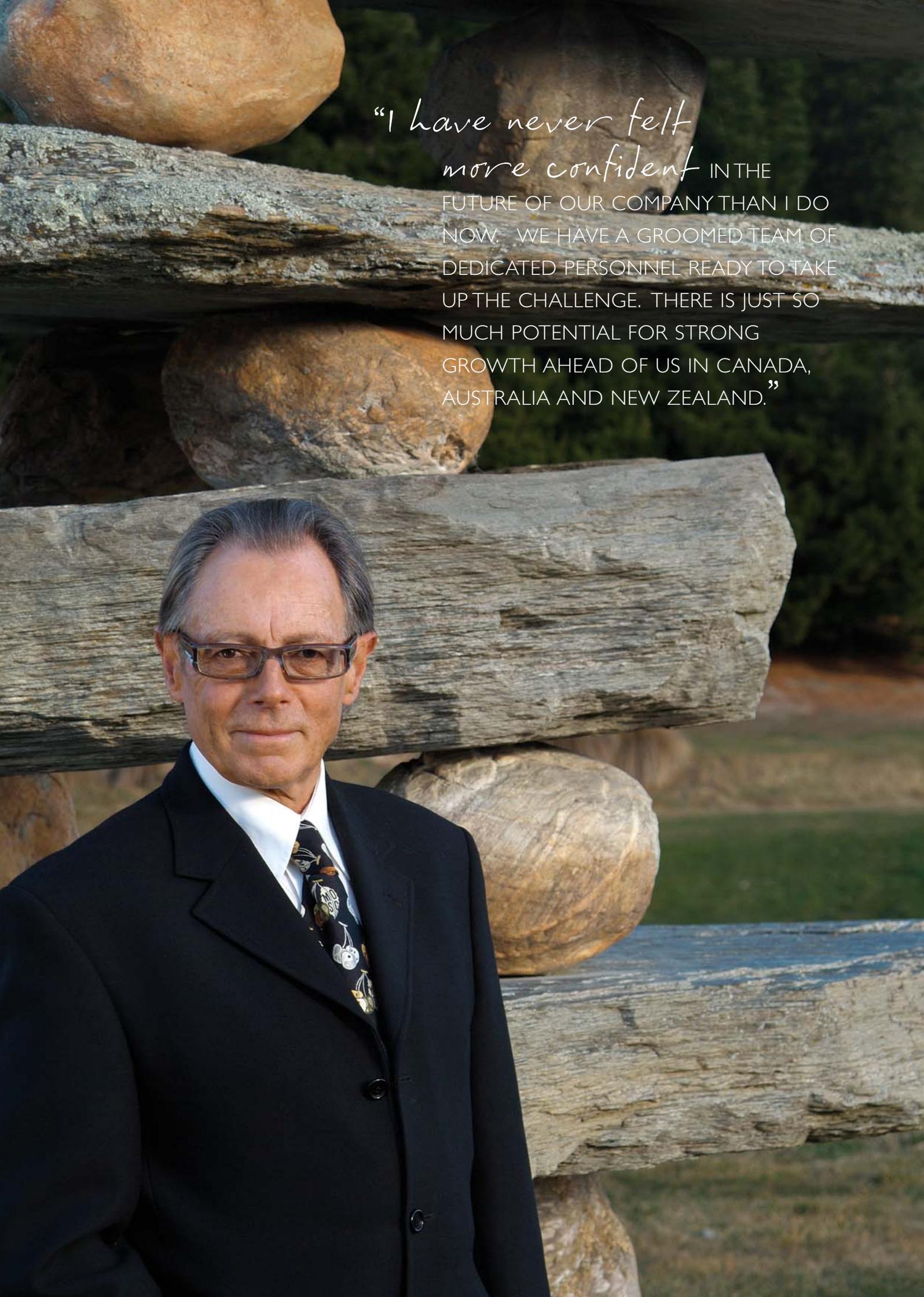
VALUE OF \$1000 ON LISTING ASSUMES ALL DIVIDENDS REINVESTED. COMPOUND ANNUAL GROWTH RATE OF 20.7%. NZ\$1000 INVESTED IN JULY 1987 WORTH \$29,394 AS AT 30 AUGUST 2005.

performance highlights

- Group revenue up 4.5% to \$271,573,000
- Group Surplus after tax up 9.6% to \$16,510,000
- 26.8% return on average Shareholders' funds
- Dividend for year up 9.5% to 23 cents per share
- 14 new stores opened groupwide (9 in previous year)
- Good progress being made in Canada

key facts

YEAR ENDED 30 JUNE, NZ\$000's UNLESS STATED	2005	2004	% change
TRADING RESULTS			
• Group revenue	271,573	259,777	+4.5%
• Earnings before interest and tax			
and unallocated expenses (before abnormals)	25,918	23,793	+8.9%
• Group surplus after tax	16,510	15,060	+9.6%
- First half	12,182	10,912	+11.6%
- Second half	4,328	4,148	+4.3%
• Net cash from operating activities	10,089	24,779	-59.3%
FINANCIAL POSITION AT YEAR END			
• Issued and paid up capital, 38,708,600 ordinary shares	8,261	8,078	+2.3%
• Total shareholders' funds	65,389	57,607	+13.5%
• Total assets	130,421	122,831	+6.2%
• Net debt	32,929	26,587	+23.8%
• Capital expenditure - cash	9,153	6,409	+42.8%
NUMBER OF STORES 30 JUNE			
• New Zealand	47	46	
• Australia	102	93	
• Canada	7	4	
Total	156	143	
DISTRIBUTION TO SHAREHOLDERS			
• Dividends - including final dividend			
- Per ordinary share	23.0¢	21.0¢	+9.5%
- Times covered by surplus after tax	1.86	1.86	
SHARE PRICE			
30 June	\$7.60	\$6.00	
KEY DATA PER SHARE			
• Basic earnings per share	42.8¢	39.1¢	
• Diluted earnings per share	41.9¢	38.2¢	
KEY MEASURES			
• Same store sales up			
- Australia	+1.6%	+9.8%	
- New Zealand	-1.0%	+1.2%	
- Canada	+5.1%	+45%	
• Return on average shareholders' funds	26.8%	28%	
• Interest cover (times)	16.5	13.7	
• Equity Ratio	50.1%	46.9%	
• Current ratio	4.5:1	4.3:1	

A man with grey hair and glasses, wearing a dark suit, white shirt, and patterned tie, stands in front of a rustic stone wall. The wall is constructed from large, rounded stones and horizontal wooden logs. The background shows a blurred green landscape under bright, natural light.

*"I have never felt
more confident* IN THE
FUTURE OF OUR COMPANY THAN I DO
NOW. WE HAVE A GROOMED TEAM OF
DEDICATED PERSONNEL READY TO TAKE
UP THE CHALLENGE. THERE IS JUST SO
MUCH POTENTIAL FOR STRONG
GROWTH AHEAD OF US IN CANADA,
AUSTRALIA AND NEW ZEALAND."

chairman's review

Dear Shareholders,

Michael Hill International has achieved another record tax paid profit of \$16,510,000 for the year ended 30 June 2005, up 9.6% on the previous year. This profit was achieved on a 4.5% increase in revenue of \$271,573,000.

The profit achieved represents an excellent 26.8% return on average shareholders' funds for the year. Over the past 7 years, our after tax return on funds employed has averaged 24.67%, which has created great returns for shareholders over this time.

The strengthening of the NZ dollar against the Australian dollar this year resulted in a reduction in profit compared to last year of approximately NZ \$400,000.

The value of the company has again been reflected in the change in the share price, which has increased 26.6% to \$7.60 in the 12 months ended 30 June 2005. Our dividend payout for the year of 23 cents per share for the year was up 9.5% on the previous year and in line with our profit increase.

This past year we have concentrated on positioning ourselves for future expansion.

- The Human Resources Department has been re-aligned and our in house Retail Training system is now recognized by the Australian Government.
- We continued to upgrade all IT communications to better serve a global market.
- Store design has been refined, enabling us to build and refit our distinctive stores in under two weeks.
- Merchandising has been streamlined to make better use of our buying power in all jewellery categories.
- The Brisbane manufacturing division has expanded. Producing our own product is the key to quality control and to creating distinctive designs exclusive to Michael Hill Jeweller.

We opened 14 new stores throughout the group (10 in Australia, 3 in Canada and 1 in New Zealand) and the contributions from these

stores will benefit us in the coming years. In the 2005/06 year, our plan is to open approximately 20 new stores spread over the three countries, depending on availability of sites.

Our fundamental philosophy of controlled profitable growth will underlie all our growth strategies. The Group's balance sheet is strong with an equity ratio of 50.1% (2004 - 46.9%) and this continues to provide us with a very solid platform for our growth plans.

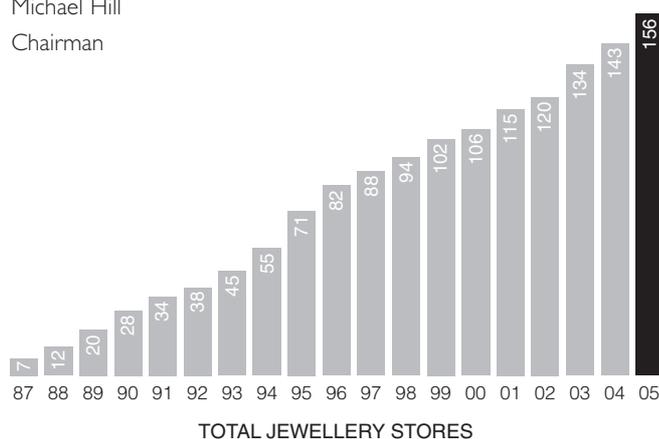
I have never felt more confident in the future of our company than I do now. We have a groomed team of dedicated personnel ready to take up the challenge. There is just so much potential for strong growth ahead of us in Canada, Australia and New Zealand.

I would like to thank the board for a year of great contributions and for visualizing the exciting years ahead. In this year's report we have listed all 1,650 of our company colleagues. I congratulate every one of them on the year's achievement. It is your passion, enthusiasm and commitment which drives the success of Michael Hill Jeweller.

Thank you



Michael Hill
Chairman



chief executive officer's review of operations

A REVIEW OF THE PRIORITIES FROM LAST YEAR

PRIORITIES	RESULTS
To open another fifteen stores across all markets.	Fourteen new stores were opened during the year.
To continue to grow the Canadian business towards a breakeven position by June 2006.	Total revenue improved 59.5% and same store sales increased 5.1%. EBIT loss improved from C\$823,000 to C\$744,720. Breakeven has been revised to 2006/2007 year.
To achieve further same store sales and EBIT growth through a strong focus on our customers, our people, and our brand.	Same store sales in each country (in local currency) were as follows; an increase of 5.1% in Canada, 1.6% in Australia, and down 1% in New Zealand.
To finalise the reorganisation of our supply chain and merchandising systems to support international growth.	The NZ and Australian warehouses were consolidated in Brisbane during the year. A new multi-currency version of our inventory management system was also developed to replace the separate inventory data bases for Australian and NZ stock within our Brisbane warehouse. These will be merged in September 05. Company's systems are now capable of supporting an international business model.
To deliver an average return on shareholders funds in excess of 25%.	The result represented a return on average shareholder funds of 26.8%.



OVERVIEW OF THE FINANCIAL YEAR'S RESULTS

We are pleased to be able to report another record result this year. This result was achieved despite difficult retail trading conditions encountered in the second half of the year and the stronger NZ dollar which also impacted negatively on translation of the Australian component of the result.

During the year the company focused on finalising and consolidating the centralisation changes made to the support functions of the business during the previous year. The main objective of this change was to create a simpler business model going forward to allow better growth and control of the business.

We are also pleased to report that we have realised savings of approx \$500,000 before interest and tax this year as the benefits of centralisation

began to wash through. These savings were achieved even though we incurred a number of additional costs and overheads associated with gearing up resources in Australia to handle the extra workload and further store expansion.

During the year the NZ warehouse was relocated to Brisbane. This was a significant achievement and now allows the replenishment of all merchandise sold in the New Zealand and Australian stores, directly from our warehouse in Brisbane. This will help deliver many benefits in the future including more effective ordering and sourcing of product from international suppliers and more effective inventory management within one warehouse.

Initially this centralisation was achieved leaving the New Zealand and Australian inventory on separate data bases; however from September 2005, both countries will merge onto a new multi-country, multi-currency version of our inventory management system. This achievement marks the completion of the long process of internationalising the company's inventory management systems.

With the centralisation of the Australasian businesses now completed, we intend to focus our attention on Canada in the coming year. Our main priority in Canada to date has been to establish and fine tune our retail model, and to ensure it is viable in the market. As our confidence in our retail business gets stronger, it is important to now investigate whether we fully integrate our supply chain and other support functions to support more rapid growth in Canada.

In addition to this, we opened fourteen new stores across all three countries. These new stores are all trading to our expectations. We also refurbished a further 23 stores at a total cost of \$2,268,000. This is inline with our strategy of lifting the brand experience for our customers. Across the group most stores are now operating in our most current design with a further 26 stores to be refurbished over the next 3 years as their leases are renewed.

This year a lot of work has also been undertaken in the human resources area. The major priority worked on during the year is to

ensure we have enough people resources to meet our future growth. The result is a new talent development program for all levels of management called "Talent 2022".

This exciting new initiative formalises the continual identification, development and monitoring of future management talent at all levels of the organization.

We have also strengthened our training resources during the year with additional personnel, and have commenced bringing identified talent from all countries into centralised assessment and development centres. This initiative will allow us to monitor the consistency of our training and development and provide a better line of sight through the different levels of our future management and their readiness. We have also recently appointed a dedicated Talent Manager in addition to our other Training and development personnel to focus entirely on this area.

SEGMENT RESULTS

This year, the company has redefined its geographical reporting segments to better reflect the financial performance of each segment. The segments now reported on reflect the performance of the company's retail operations in each segment and exclude non-core retail activities such as manufacturing, wholesale and distribution, and other general corporate expenses. The Directors believe this change will better inform the readers of the financial performance of our geographic segments. In the segment tables on the following two pages, the operating surplus numbers for 2001-2003 have not been restated to the new method of calculation.



CEO's review of operations cont.

AUSTRALIA CONTINUES GROWTH

OPERATING RESULTS

AUSTRALIA (NZ \$'000)	2005	2004	2003	2002	2001
Revenue	175,876	166,872	138,710	133,462	120,854
Operating surplus	17,792	16,530	12,377	12,879	10,354
As a % of revenue	10.1%	9.9%	8.9%	9.6%	8.6%
Average assets employed	70,430	65,414	69,346	64,064	56,589
Return on assets	25.3%	25.3%	17.8%	20.1%	18.3%
Number of stores	102	93	84	77	74
Exchange rate for profit translation	0.92	0.88	0.89	0.82	0.79

Our Australian operation continued its strong growth trend and built even further on what was an outstanding year in 2003/04. In Australian dollars, total sales increased 10.2% to A\$161,806,000 and same store sales lifted 1.6%. The operating surplus increased 12.5% to A\$16,368,000 and represented 10.1% of sales. (2004 -9.9% of sales adjusted for new segment reporting)

Ten new stores were opened in Australia during the year. These stores were in the following areas:

- Bunbury Forum in Western Australia
- Casula Mall in Sydney
- Bay Village in New South Wales
- Maryborough in Queensland
- Bateman's Bay in New South Wales
- Grand Central Toowoomba in Queensland
- Parkmore in Melbourne
- Raymond Terrace in New South Wales
- Mirrabooka Square in Perth
- The Pines in Melbourne.

One store was closed during the year in Canberra. In total there were 102 stores trading as at June 30 in Australia.

The company still has significant expansion opportunities left in Australia, particularly in New South Wales, Victoria, and Western Australia. Further to these, we are still to enter the South Australian market.

We feel confident that at least forty more stores can still be opened in Australia which provides the group with excellent growth prospects in the future.

NEW ZEALAND'S PERFORMANCE STEADY

OPERATING RESULTS

NEW ZEALAND (NZ \$'000)	2005	2004	2003	2002	2001
Revenue	86,459	86,322	83,784	80,643	68,314
Operation surplus	9,854	9,879	10,644	10,134	7,643
As a % of revenue	11.4%	11.4%	12.7%	12.6%	11.2%
Average assets employed	33,049	33,682	29,404	28,935	29,818
Return on assets	29.8%	29.3%	36.2%	35.0%	25.6%
Number of stores	47	46	46	43	41

New Zealand faced a challenging year with total sales increasing 0.2% to \$86,459,000. The Operating surplus was down slightly from \$9,879,000 to \$9,854,000. The surplus as a percentage of sales was even with last year at 11.4%.

One new store opened in New Zealand during the year at Glenfield Mall in Auckland. This store opened in November and is trading above expectations.

Our focus in New Zealand going forward this year is to continue to work on lifting the performance of the existing store base. We will do this through continued concentration on the basics which drive our business. This will involve increased training and development of our people and a sharper focus on customer service, sales management and coaching.

We also plan to open a further two stores during the financial year.



Canada takes shape

TOTAL SALES IN CANADIAN DOLLARS GREW BY 59.5% TO C\$7,847,000. SAME STORE SALES INCREASED BY 5.1%. THE FOUR STORES THAT TRADED FOR THE FULL YEAR REACHED AVERAGE SALES OF C\$1,294,000 PER STORE, WHICH IS VERY ENCOURAGING.

MIKE PARSELL, CEO

PHOTO, VANCOUVER, B.C. - HOME TO 7 MICHAEL HILL JEWELLER STORES AT AUGUST 2005

CANADA TAKES SHAPE

OPERATING RESULTS

CANADA (NZ \$'000)	2005	2004	2003
Revenue	9,020	5,859	2,308
Operation surplus	-856	-980	-1,802
As a % of revenue	-9.5%	-16.7%	-
Average assets employed	5,031	4,351	5,195
Number of stores	7	4	4

Total Sales in Canadian dollars grew by 59.5% to C\$7,847,000. Same store sales increased by 5.1%. The four stores that traded for the full year reached average sales of C\$1,294,000 per store, which is very encouraging. The operating loss in Canada improved from C\$823,000 to C\$744,720.

During the year we continued to invest in establishing the brand by spending a further one million dollars in advertising. Our brand awareness is growing with this level of expenditure and we see it as vital in creating and lifting the brand's presence for the future. As we grow, this level of advertising will amortise across a larger store base and reduce as a percentage of sales.

This year we also moved to strengthen our management resources in Canada with the appointment and relocation of an experienced Regional Manager from our Australian operation. This appointment to our Canadian structure is important to support the growth of the store base in the future.

During the year we opened a further three new stores in Vancouver. These were in the following centres:

- Couquitlam Centre
- Guildford Town Centre
- Willobrook Shopping Centre.

All three stores are in large well established shopping malls and are trading well.

In the current financial year we plan to open a further six new stores in British Columbia. These will be in the Vancouver, Vancouver Island and Okanagan Valley Regions.

Although we are still progressing cautiously, we believe Canada has an exciting future. This year we will invest in organising our support functions including distribution and our supply chain so that we can source more appropriate product at more competitive prices.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

Michael Hill International Ltd intends to adopt these standards early and report for the first time under these standards for the year ended 30 June 2006.

Upon adoption of NZ IFRS, comparative information presented in the financial statements will be restated to conform to the requirements of the new standards, and the financial impact of that adoption will be disclosed.

The consolidated entity has established a project team to manage the transition to NZ IFRS, including training of staff and system and internal control changes necessary to gather all the required financial information. The project team is chaired by the Chief Financial Officer, and reports to the Audit Committee.

To date, the project team has identified a number of accounting policy changes that will be required although some of these are subject to interpretation and further review before the impact on the group is fully understood.

Key differences in accounting policies identified to date include:

a) Accounting for Taxation

Under IFRS, deferred tax will be calculated using a "balance sheet" approach which recognizes deferred tax assets and liabilities by reference to differences between the accounting and tax values of balance sheet items rather than the accounting and tax values recognized in the Statement of Financial Performance. As a result, some timing differences previously not recognized as deferred tax may require recognition.

CEO's review of operations cont.

b) Share-based remuneration

The group issues share options to senior management personnel as a form of equity-based compensation. The group's current accounting policy does not recognize an expense in respect of these share options.

The group also issues shares to employees under their Employee Share Ownership Plan ("the plan"). The shares are usually offered to employees at a discount of 10% of the average market price over the two weeks prior to the invitation to purchase.

On adoption of IFRS the group will be required to determine the fair value of all share-based remuneration, including the discount on share issued by the plan, and amortise the expenses over the relevant vesting periods.

c) Accounting for derivatives

Under IFRS, derivatives must be valued and recognized on the balance sheet. Movements in the value of such instruments must be recorded either through the income statement or equity in accordance with the standard. This will result in a change to the existing accounting policy which does not currently classify financial instruments. Current measurement is at amortised cost, with certain derivative financial instruments not recognized as assets or liabilities.

The above differences from current accounting policy have not been quantified as, at this stage, the group is unable to reliably quantify the effects. Most adjustments required on transition to NZ IFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

OUR PRIORITIES

Our main priorities for the next financial year are as follows.

- To open a further 20 stores spread over the three countries.
- To increase our same store sales and EBIT across all three markets.
- To implement the appropriate support structure and systems for Canada, and to continue growing the business towards a breakeven position by June 2007.
- To deliver an average return on shareholders funds in excess of 26%.

THANKS TO AN INCREDIBLE TEAM

I would like to thank each one of our dedicated team, now totalling 1,649 people. All of you share our vision passionately and certainly bring it to life each and every day. Congratulations on meeting the challenges we have faced head on and thank you for your contribution to another record result.



Mike Parsell
Chief Executive Officer



*the Brisbane manufacturing
division has expanded.*

PRODUCING OUR OWN PRODUCT IS THE KEY TO
QUALITY CONTROL AND TO CREATING DISTINCTIVE
DESIGNS EXCLUSIVE TO MICHAEL HILL JEWELLER

financial review

- discussion and analysis

SURPLUS AFTER TAX

The Group's surplus after tax was \$16,510,000 a 9.6% increase on last year's surplus. Total sales went up from \$259.777m to \$271.573m, a 4.5% increase. The Australian retail segment again performed strongly with an increase in operating profit of NZ\$1.262m over the previous year.

The operating loss in Canada reduced from NZ\$980,000 to NZ\$856,000 in its second full year of operation. The directors are satisfied with this result and more stores are planned in Canada for 05/06.

Occupancy costs for the group represented 7.0% of sales this year compared to 6.7% last year.

Depreciation for the group was \$5.903m down from \$6.025m last year.

CASH FLOW

Net cash flow from operating activities was \$10.089mm compared to \$24.779m last year.

Key drivers were:

- an increase in payments to suppliers of \$19.073m an 8.3% increase on last year due mainly to the stocking of 14 new stores during the year.
- an increase in income tax paid of \$2.977m an increase of 62%.

Net cash outflow relating to investing activities was up by \$2.588m to \$8.712m.

Key driver was:

- purchase of new assets increased to \$9.153m up from \$6.409m also due to the investment in 14 new store fitouts.

Net cash outflow from financing activities was \$8.107m compared to \$6.487m last year due mainly to:

- Dividends paid increased to \$8.496m from \$6.944m 03/04.

BALANCE SHEET

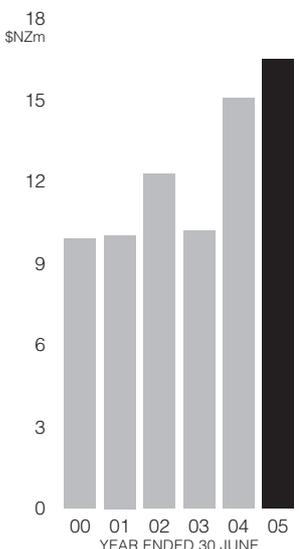
Net assets increased from \$57.607m at the end of 03/04 to \$65.389m this year. Long term borrowings decreased slightly to \$40.163m from \$40.604m last year. The net debt to debt plus equity ratio decreased to 33.5% from 31.6% last year. The equity ratio at year end was 50.1% compared to 46.9% at the same time last year. Total assets went up from \$122.831m to \$130.421m due principally to inventories increasing by \$9.5m. The working capital ratio increased from 4.3:1.0 to 4.5:1.0.

Events after balance date

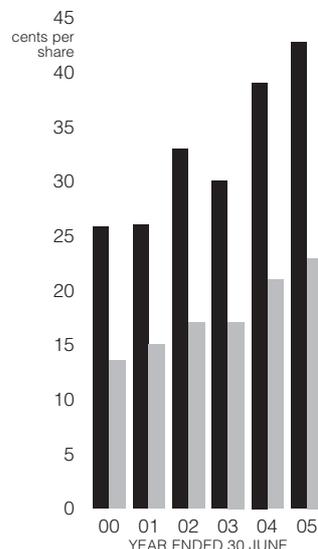
There were no events after balance date requiring disclosure.

Shareholders' returns

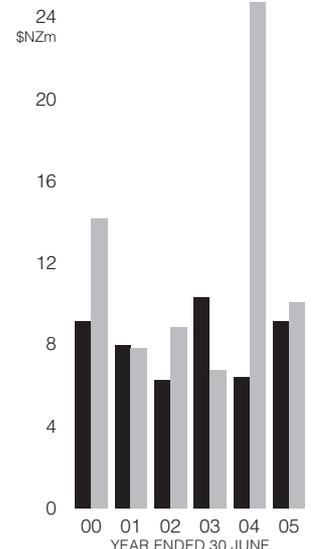
- Declared dividends total 23 cents per share compared to 21 cents for 03/04.
- Shares traded between \$5.89 and \$8.40 ending at \$7.60 at 30 June 2005.
- Average return on equity was 26.8% compared to 28% last year.
- Average return on total assets was 13.0% compared to 13.0% last year.



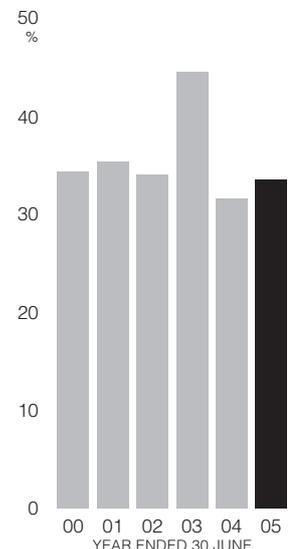
SURPLUS BEFORE ABNORMALS AFTER TAX



EARNINGS AND ORDINARY DIVIDENDS
■ EARNINGS ■ DIVIDENDS



CAPITAL EXPENDITURE AND NET OPERATING CASH FLOW
■ CAPEX ■ CASH FLOW



NET DEBT TO NET DEBT PLUS EQUITY

trend statement

FINANCIAL PERFORMANCE

	2005 \$000	2004 \$000	2003 \$000	2002 \$000	2001 \$000	2000 \$000	1999 \$000
Group Sales	271,573	259,777	224,802	214,105	189,168	181,983	156,940
Profit before depreciation, amortisation & interest (EBITDA)	31,896	29,892	24,022	25,623	21,590	21,348	18,059
Depreciation and amortisation	5,978	6,100	5,165	4,965	4,406	4,397	3,072
Profit before interest and Tax	25,918	23,792	18,857	20,658	17,184	16,951	14,987
Net interest	1,567	1,729	2,220	1,960	2,054	1,434	1,438
Profit before taxation	24,351	22,063	16,637	18,698	15,130	15,517	13,549
Income tax expense	7,841	7,003	5,067	5,992	5,091	5,578	4,775
Operating profit after tax attributable to members	16,510	15,060	11,570	12,706	10,039	9,939	8,774
Net operating cash flow	10,089	24,779	6,789	8,871	7,887	14,214	2,781
Ordinary dividends per share paid out	8,496	6,944	14,266*	5,978	2,518	5,216	4,444

* includes a special dividend of 7,710.

FINANCIAL POSITION

	2005 \$000	2004 \$000	2003 \$000	2002 \$000	2001 \$000	2000 \$000	1999 \$000
Cash	7,234	14,017	2,294	685	637	0	0
Other Current Assets	96,215	84,973	83,161	77,825	67,537	62,134	59,082
Other non-current assets	23,632	21,394	21,877	16,449	22,235	19,635	14,583
Future income benefits	3,193	2,225	1,598	1,061	417	0	0
Total tangible assets	130,274	122,609	108,930	96,020	90,826	81,769	73,665
Intangible assets	147	222	298	393	505	625	756
Total Assets	130,421	122,831	109,228	96,413	91,331	82,394	74,421
Current interest bearing debt	0	0	172	174	225	192	185
Other liabilities	23,194	23,133	15,530	13,917	13,031	17,747	15,336
Total current liabilities	23,194	23,133	15,702	14,091	13,256	17,939	15,521
Term borrowings	40,163	40,604	42,299	27,965	27,525	21,859	21,049
Deferred taxation	0	0	0	0	0	9	800
Other long term liabilities	1,675	1,487	1,179	1,029	978	0	0
Total liabilities	65,032	65,224	59,180	43,085	41,759	39,807	37,370
Net assets	65,389	57,607	50,048	53,328	49,572	42,587	37,051
Reserves and retained profits	57,495	50,124	43,036	46,031	41,860	34,875	29,339
Paid up capital	8,261	8,078	7,712	7,712	7,712	7,712	7,712
Treasury Stock	(367)	(595)	(700)	(415)	0	-	-
Total shareholder equity	65,389	57,607	50,048	53,328	49,572	42,587	37,051
Per ordinary share							
Basic earnings per share before abnormals	42.8¢	39.1¢	26.6¢	32.0¢	26.03¢	25.8¢	22.8¢
Basic earnings per share after abnormals	-	-	30.0¢	33.0¢	-	-	-
Diluted earnings per share	41.9¢	38.2¢	29.3¢	32.2¢	-	-	-
Dividends declared per share - Interim	9¢	8¢	7¢	7¢	6.5¢	6.0¢	5.5¢
- Final	14¢	13¢	30¢†	10¢	8.5¢	7.5¢	6.0¢
Net Tangible asset backing	\$ 1.69	\$1.49	\$1.29	\$1.37	\$1.27	\$1.09	\$0.95

ANALYTICAL INFORMATION

	2005	2004	2003	2002	2001	2000	1999
EBITDA to sales	11.7%	11.5%	10.7%	12.0%	11.4%	11.7%	11.5%
EBIT to sales	9.5%	9.2%	8.4%	9.6%	9.1%	9.3%	9.5%
Profit after tax to sales	6%	6%	5%	6%	5%	5%	6%
EBIT to total Assets	19.9%	19.4%	17.3%	21.4%	18.8%	20.6%	20.1%
Return on Average Shareholders funds	26.8%	28.0%	22.0%	23.9%	21.8%	24.9%	25.3%
Current assets to current liabilities	4.5	4.3	5.4	5.6	5.1	3.5	3.8
EBIT interest cover	16.5	13.8	8.5	10.5	8.4	11.8	10.4
Effective tax rate	32.2	31.7%	30.5%	32.0%	33.6%	35.9%	35.2%

Gearing

Net borrowings to equity	50.4%	46.2%	80.3%	51.5%	54.7%	51.8%	57.3%
--------------------------	--------------	-------	-------	-------	-------	-------	-------

Other

Shares issued at year end	38,617,164	38,537,512	38,419,162	38,471,352	38,558,600	38,558,600	38,558,600
Treasury stock at year end	91,436	121,088	139,438	87,248	0	0	0
Jewellery stores at year end	156	143	134	120	115	106	102
Exchange rate for translating Australian results	0.92	0.88	0.89	0.82	0.79	0.8	0.84
Exchange rate for translating Canadian results	0.87	0.84	0.8	-	-	-	-

† Includes 20¢ special dividend.

group executive team

FROM LEFT TO RIGHT:

Emma Hill RETAIL GENERAL MANAGER – CANADA
Adrian Murphy GROUP SUPPLY CHAIN EXECUTIVE
Mike Parsell CHIEF EXECUTIVE OFFICER
Darcy Harkins RETAIL GENERAL MANAGER - NEW ZEALAND
Ross McKinnon CHIEF INFORMATION OFFICER
Phil Taylor CHIEF FINANCIAL OFFICER
Kevin Stock RETAIL GENERAL MANAGER - AUSTRALIA
Tina Radford GROUP HUMAN RESOURCES EXECUTIVE



THE MANAGEMENT TEAM

Scott Covington
NEW SOUTH WALES REGIONAL
MANAGER

Carson Webb
NEW SOUTH WALES REGIONAL
MANAGER

Simon Coutts-Bain
NEW SOUTH WALES REGIONAL
MANAGER

Judy Robison
QUEENSLAND REGIONAL MANAGER

Suean Buckley
QUEENSLAND REGIONAL MANAGER

Greg Nel
VICTORIA/TASMANIA REGIONAL
MANAGER

Kathleen Kelly
VICTORIA REGIONAL MANAGER

Brett Halliday
WESTERN AUSTRALIA REGIONAL
MANAGER

Tracy Dunn
SOUTH AUSTRALIA REGIONAL
MANAGER

Shane Dance
NORTHERN REGIONAL MANAGER - NZ

Greg Smith
CENTRAL REGIONAL MANAGER - NZ

Nadine Cameron
SOUTHERN REGIONAL MANAGER - NZ

Brenda Watson
REGIONAL MANAGER - CANADA

Sue Szylvester
GROUP ADVERTISING MANAGER

Lisa Marland
GROUP RETAIL HUMAN RESOURCES
MANAGER

Susan Morrison
GROUP TALENT DEVELOPMENT
MANAGER

Tony Lum
TRAINING & COMMUNICATIONS
MANAGER

Cliff Mason
GROUP DISTRIBUTION MANAGER

Joe De Aizpurua
DIVISIONAL MANUFACTURING
MANAGER

Jane Sheehy
SOFTWARE DEVELOPMENT MANAGER

Craig Bowen
IT SUPPORT MANAGER – AUSTRALIA

Tony Springfield
IT SUPPORT MANAGER – NEW
ZEALAND

Bruce Brennan
CHIEF FINANCIAL ACCOUNTANT

Paul Little
FINANCIAL CONTROLLER

Sarah Barnes
FINANCIAL CONTROLLER – CANADA

Kandi Govender
GROUP INTERNAL AUDIT MANAGER

Tom Lima
NEW STORES/REFIT MANAGER

celebrate you

GOLD CLUB

This year witnessed the introduction of a combined Australia/New Zealand Gold Signature Club celebration, held at the Novotel Hotel in Brisbane, Queensland. 143 of our top sales professionals attended the event and the festivities ranged from a welcome barbeque on the pool deck to an extravagant display of colourful costumes at the 'Mouline Rouge' themed awards ceremony. Once again Gold Signature Club 2004 went off with a bang, providing all of our top achievers with the opportunity to celebrate their success.

Lorraine Duckworth, Shirley Daly, Helene Shepherd, Kushmilla Mansel, Suzanne McGrath and Judy Robison, our Regional Manager for QLD South, all had the pleasure of attending this year's Platinum Club celebrations in Las Vegas. The girls made a stop over in Vancouver to visit our Canadian stores before continuing on to visit the jewellery fair in Las Angeles. The group gained a wealth of knowledge from networking with suppliers and also enjoyed sharing their secrets on how to become one of the Top 5 Sales Professionals in the Company.

MICHAEL HILL JEWELLER MANAGER'S CONFERENCE

The beautiful Rydges Hotel in Christchurch, New Zealand was the host of our Conference this year and in this remarkable winter wonderland, 182 of our managers came together to celebrate how great it is to work for Michael Hill Jeweller. Evolution, the theme for this year's conference encouraged a focus on the Company achievements over the past 25 years and created excitement in the vision for future growth. With a host of activities ranging from wine and chocolate tasting at the de Spa Chocolatier to mountain biking through the Bottle Lake forest, this year's celebrations were sure to please.

The awards night held at the Christchurch Art Gallery was opened by an outstanding musical performance by Michael Hill and recognised Athena Flavell-Birch and the team at the Whangarei store in New Zealand as the best overall financial performers for the year. Peta McClure from Liverpool, Australia and Sally Every from Albany, New Zealand followed consecutively in second and third place. For Excellence in Service at the Support Centre, IT were awarded first place, with Human Resources runners up in 2nd place and Manufacturing and Accounts tying for 3rd. This year we inducted two stores into the new Hall of Fame category - Manukau, New Zealand

and Penrith, Australia. The Hall of Fame recognises truly outstanding long term performance. Once again, 2004 proved to be an extremely successful year in terms of financial performance and the annual manager's conference provided our employees with an opportunity to celebrate their achievement.

Last year the Human Resources Department conducted 35 formal training workshops across Australia, New Zealand and Canada for 500 Sales Professionals, Managers in Training, Store Managers and Regional Managers.

AHRI AWARDS FOR EXCELLENCE IN PEOPLE MANAGEMENT

In August 2004, the Michael Hill Jeweller Human Resources Team attended the annual Australian Human Resources Institute (AHRI) Excellence in People Management Awards state finals, at the Sheraton Hotel in Brisbane. Following our written application for the awards and an intensive half day site visit, we made the nominations for best Large Private enterprise in Queensland. We waited in anticipation for many weeks, in the hopes that our exclusive Performance Management system would prove to be the best in the State. Our hard work was rewarded when Michael Hill Jeweller was announced as the winner in our category. We were also awarded runners up at the National Awards held in Sydney in October.



STRATEGIC DIRECTIONS

As a result of the Company's growth strategy, the Human Resources Department's focus on 'people development' continues to be a critical factor to our success. The key 'people' strategies for the coming 12 months are as follows:

- Talent Management - the introduction of a new global talent development programme aimed at developing our future leaders to support expansion plans.
- Trainee Manager Assessment - the launch of a new centralised 'assessment centre' allowing us to measure, benchmark and quality control our up and coming Store Managers.
- Traineeships - the introduction of Traineeships in Australia will be an important initiative resulting in significant government funding for Michael Hill Jeweller which will be invested in the further development of the Retail Management Team.
- Organisation Culture - a survey of our employee's attitudes and aspirations to ensure the company remains 'people focused' in everything we do.

because we care...

MICHAEL HILL INTERNATIONAL VIOLIN COMPETITION '05

Queenstown and Auckland became the centre stage for the semi-finals and finals of the third Michael Hill International Violin Competition. Eighteen semi finalists were chosen out of 200 applicants representing 27 different countries to compete for the prestigious honour of winning. The first prize consisted of a cash donation of NZ\$40,000, a jade and diamond pendant, compact disc recording on the Naxos label for worldwide distribution, winners' tour in 2006 under the management of the Auckland Philharmonia and a Rado Superjuble watch.

The Michael Hill International Violin Competition aims to recognise and encourage excellence and musical artistry, to expand performance opportunities and to promote young violinists from all over the world who are on the brink of launching their professional solo careers and are aspiring to establish themselves on the world stage.

This year Feng Ning of China was the winner of the third competition. Twenty four year old Feng was elated as he received his prizes and congratulations from the Prime Minister Helen Clark. The fourth Michael Hill International Violin Competition is scheduled to begin at Queens birthday weekend 2007.

OCTOBER IS PINK AGAIN

October is commonly known as International Breast Cancer Awareness month throughout Australia and New Zealand. Once again Michael Hill Jeweller was proud to support this cause and produced a beautiful pink strapped Michael Hill watch. \$20 from every sale throughout the month of October went to The National Breast Cancer Foundations in both countries, with a total of NZ\$21,718 being raised.

This year will see the production of another MH watch complete with pink and white leather straps and mother of pearl drop earrings to match. Again, \$20 from the sale of these items will go to the foundations. Pink ribbons will also be available in every store.



PAUL WILLIAMS - TRIBUTE

In April we mourned the loss of one of our most respected employees, Paul Williams, who passed away after a long battle with leukemia. Paul had been with MHJ for 18 years, starting as a sales professional aged 21 and working his way up through the ranks to become our Supply Chain Executive for the whole group. His gifted contribution to our company will be sadly missed.

WORLD'S GREATEST SHAVE

This year the entire staff at Michael Hill Jeweller dug deep to raise NZ\$12,973.40 for the Leukemia Foundation of Queensland. Bidding started at \$1,000 to shave the heads of 11 staff members at the Support Centre with the goal being \$10,000 to shave the head of the C.E.O. The World's Greatest Shave is an annual event that happens in March and Michael Hill Jeweller will continue to support the Foundation with the 'shave a head'.

COMMUNITY NEWS

On top of our global support to charities, the retail stores throughout the company also support a variety of local communities, schools and hospitals with donations. In excess of NZ\$16,000 has been donated with either product or gift vouchers.





CLOCKWISE, FROM TOP LEFT: 1 MICHAEL HILL JEWELLER MANAGER'S CONFERENCE: AWARDS NIGHT HELD AT THE CHRISTCHURCH ART GALLERY. 2 MANAGER'S CONFERENCE: CHRISTINE, MICHAEL AND MIKE WITH THE BEST FINANCIAL PERFORMERS FOR THE YEAR, SALLY EVERY, ALTHENA FLAVELL-BIRCH & PETA MCCLURE. 3 WINNER OF THE 2005 MICHAEL HILL INTERNATIONAL VIOLIN COMPETITION, FENG NING OF CHINA, PERFORMING WITH THE AUCKLAND PHILHARMONIA. 4 CHRISTINE AND MICHAEL HILL WITH THE 3 VIOLIN COMPETITION FINALISTS: YVONNE LAM, FENG NING & BARTOSZ WOROCH. 5 STAFF MEMBERS AT THE BRISBANE SUPPORT CENTRE RAISING MONEY FOR THE LEUKEMIA FOUNDATION. 6 OUR TOP SALES PROFESSIONALS, THE GOLD SIGNATURE CLUB AT THE 'MOULINE ROUGE' THEMED AWARDS CEREMONY.

corporate governance

The Board acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all Directors and employees of Michael Hill International Limited and its subsidiaries.

The Board endorses the overall principles embodied in the New Zealand Institute of Directors' "Code of Proper Practice for Directors".

The Board believes that its corporate governance policies and procedures do not materially differ from those detailed in the NZX Best Practice Code.

THE BOARD IS ACCOUNTABLE FOR THE PERFORMANCE OF THE GROUP

The Board is responsible to shareholders for charting the direction of the Group by participation in the setting of objectives, strategy and key policy areas. It is then responsible for monitoring management's running of the business to ensure implementation is in accordance with the agreed framework. The Board delegates the conduct of the day-to-day affairs of the Company to the Chief Executive Officer within this framework.

The workings of the Board and its code of conduct are governed by the Company's constitution and a Board Operations Manual, committed to by all Directors. This manual sets out all the functions and operating procedures of the Board, including charters for each sub-committee. The Board Operations Manual also clearly sets out those matters that only the Board can make decisions on. These include dividend payments, solvency certificates, raising new capital, major borrowings, approval of the annual accounts, provision of information to shareholders, major capital expenditure, and acquisitions.

Each year, the company produces a five year plan and an operating budget which are both reviewed and approved by the Board. Financial statements are prepared monthly and reviewed by the Board progressively through the year to monitor management's performance against the budget and five year plan.

BOARD MEMBERSHIP

The Constitution currently sets the size of the Board at a minimum of three and a maximum of eight and at least two Directors must be resident in New Zealand. The Board currently comprises six Directors, comprising an Executive Chairman, a Chief Executive Officer, and four non-executive Directors. The Board met on five occasions in the financial year ended 30 June 2005. Profiles of the current Directors appear on page 29 of this Report. Under the Company's constitution, one third of all Directors must retire every year, but can be re-elected at an annual meeting if eligible. Newly appointed Directors must seek re-election at the first annual meeting of shareholders following their appointment.

The Company has no requirement for Directors to hold shares in the company but actively encourages them to do so and all current Directors have a substantial holding in the company.

INDEPENDENT DIRECTORS

Under the new NZX rules, the Company is obliged to have at least two independent directors. An independent Director has been defined in the NZX rules as a "Director who is not an executive of the Issuer and who has no Disqualifying Relationship."

A Disqualifying Relationship means any direct or indirect interest or relationship that could reasonably influence, in a material way, the Director's decisions in relation to the Issuer.

The Company has determined that Gary Gwynne and Murray Doyle are independent Directors under the NZX rules.

DIRECTORS' SHAREHOLDINGS - See Page 49.

DIRECTORS' MEETINGS

The number of meetings held throughout the past year is detailed next page. The agenda for meetings is prepared by the Company Secretary in conjunction with the Chairman and the Chief Executive Officer. Any member of the Board may request the addition of an item to the agenda. Board papers are circulated to Directors a week in advance of meetings.

The following table sets out the Board and sub-committee meetings attended by Directors during the course of the Financial Year:

	Board of Directors		Audit Committee		Remuneration Committee	
	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended
R.M. Hill	5	5			2	2
M.R. Parsell	5	5				
L.W. Peters	5	5	2	2	2	2
G.J. Gwynne	5	5	2	2	2	2
M.R. Doyle	5	5	2	2	2	2
A.C. Hill	5	5			2	2

THE WORK OF DIRECTORS

Non-executive directors normally spend around 22 days per year on board and sub-committee meetings. The length of meetings varies between one to two days. Board meetings are held in different locations in Australia and New Zealand.

BOARD REVIEW

During the course of the last financial year, the Chairman reviewed the performance of the Directors and the workings of the Board. There were no other substantial changes made to any of the Board's processes as a result of this review.

CHIEF EXECUTIVE OFFICE PERFORMANCE REVIEW

The Board regularly reviews the performance of the Chief Executive Officer. This evaluation is based on the performance of the business, the accomplishment of strategic and operational objectives and other non quantitative measures.

BOARD COMMITTEES

The Board has established a number of sub-committees to guide and assist the Board with overseeing certain aspects of corporate governance - the audit process, determination of compensation issues and the structure of the Board itself. Each sub-committee is

empowered to seek any information it requires from employees in pursuing its duties and to obtain independent legal or other professional advice. The provision of such advice, if required, would be arranged in consultation with the Chairman. In circumstances where a Director was to obtain separate advice from that obtained on behalf of the Group, that advice would normally be provided to all Directors.

AUDIT SUB-COMMITTEE

The Audit sub-committee, which is chaired by Murray Doyle and consists of Messrs Doyle, Peters and Gwynne, met twice during the year. The function of the Audit sub-committee is to assist the Board in carrying out its responsibilities under the Companies Act 1993 and the Financial Reporting Act 1993, regarding management's accountancy practices, policies and controls relative to the Group's financial position and to review and make appropriate inquiry into the audits of the Group's financial statements by both internal and external auditors. This responsibility includes advising on the appointment of the external auditor and reviewing the scope and quality of the audit. The audit sub-committee has the responsibility of monitoring the Group's Risk Management practices and procedures to ensure that policies and processes exist to effectively identify, manage and monitor principle business risks. The Group's auditors, both internal and external, along with other relevant senior executives, attend all meetings and may discuss any matters in connection to audits, the Group's risk and control environment or any other matters relating to the Group's financial and non-financial affairs.

This committee also approves any non audit work carried out by the Company's auditors, and ensures that the lead partner in the audit firm is rotated every five years. The committee will also approve all major accounting policy changes.

At least once a year, the Chairman and non-executive Directors on this Committee meet with the external auditors privately without the presence of Company executives.

corporate governance cont.

REMUNERATION SUB-COMMITTEE

This sub-committee, chaired by Wayne Peters, comprises all Directors except Mike Parsell. The function of the Remuneration sub-committee is to determine the Chief Executive's and Senior Management's remuneration. This role also includes responsibility for share option schemes, incentive performance packages, and fringe benefit policies. The sub-committee also advises on proposals for significant company wide remuneration policies and programs. In carrying out this role, the sub-committee operates independently of Senior Management of the Company, and obtains independent advice on the appropriateness of the remuneration packages. The committee met on two occasions during the year.

This sub-committee also has the responsibility to review the performance of the Chief Executive Officer on an annual basis.

The committee has continued to structure Senior Management bonuses around a return on capital employed basis, to emphasise efficient use of capital.

NOMINATIONS SUB-COMMITTEE

This sub-committee, chaired by Michael Hill, consists of the non-executive Directors and Michael Hill. The function of the sub-committee is to make recommendations to the Board regarding the most appropriate Board structure. It also advises on the appointment of additional Directors. Board membership is reviewed periodically to ensure the Board has an appropriate mix of qualifications, skills and experience. External advisors may be used to assist this process.

Any person who is to be considered as a Director of the Company must attend three Board meetings in the capacity of a Consultant before being eligible for appointment as a Director.

SHARE TRADING BY DIRECTORS

The Directors named below have disclosed to the Board under Section 148 of the Companies Act 1993, particulars of the following

acquisitions or dispositions of relevant interests in the ordinary shares of the company during the year. The relevant interest acquired or disposed of includes beneficial ownership.

	No. of shares acquired or (disposed of)	Consideration paid or (received)	Date of acquisition or (disposal)
L.W. Peters	800,500	\$6,147,518	22/04/05
	50,000	\$369,000	29/06/05*
G.J. Gwynne	14,000	\$104,313	22/04/05
M.R.Parsell	119,900	\$923,254	22/04/05

*transaction between "insiders"

NON-EXECUTIVE DIRECTORS' FEES

Fees for non-executive directors are based on the nature of their work and their responsibilities. Over the past three years the company has become a truly global company with 70% of the Group's stores in Australia and Canada. Shareholders at the Annual Meeting in November 2004 approved a maximum amount of \$250,000 to be paid to Directors. Each NZ resident Director is currently paid \$60,000 per annum and our Australian resident Director A\$60,000 per annum.

No equity incentives are offered to non-executive Directors.

Under the Company's new constitution adopted in November 2004, shareholders will now be required to approve all retirement benefits for directors other than for directors who were in office on or before 1 May 2004 and who have continued to hold office. It is not the intention to pay any such retirement allowances.

SHARE PURCHASE SCHEME

The Company has a Share Purchase Scheme for Management in operation. The scheme was designed to encourage Store Managers, Regional Managers and other senior employees of the Company to purchase shares in the Company. In order to provide a pool of shares for eligible employees to purchase, the Company from time to time will buy Michael Hill International shares on the New Zealand Stock Exchange.



On the 29th of March 2005, the Company sold 29,652 shares to 30 employees of the company. The rules of the scheme provide for the Company to on sell shares to purchasing employees at a 10% discount to the weighted average price for the ordinary shares during the 10 working day period ending 2 working days immediately prior to the date on which the Company offers shares to the employees. The discount is deemed to be "financial assistance" under the Companies Act 1993. The total discount relating to the issue of shares was \$30,838. After taking the discount into account, the purchasing employees paid \$206,356 for the shares which was equivalent to an average acquisition price of \$6.96 per share.

The Trustees of the scheme hold the shares for a restrictive period of one year, which is to promote the concept of encouraging long-term investing in the Company. The company holds a further 91,436 shares which are held as "Treasury Stock" and will be used for the next issue of shares under the scheme in February 2006.

SHARE OPTIONS

There were no new options issued to staff during the year. 50,000 options were exercised during the year. Further information on options outstanding to employees are included in note 6 to the Financial Statements on page 41.

COMMUNICATION WITH SHAREHOLDERS

Michael Hill International places high importance on communication with shareholders.

A half year and annual report is published each year and posted on the MHI website. Announcements to the New Zealand Stock Exchange and the media are also posted on the website as are copies of presentations to Analysts which are done once a year in conjunction with the release of the annual results for the year.

The Company Secretary takes primary responsibility for communications with the New Zealand Stock Exchange in relation to listing rule obligations and disclosure obligations.

Shareholders may raise matters for discussion at Annual meetings and have the ultimate control in corporate governance by voting Directors on or off the Board.

CONTINUOUS DISCLOSURE POLICY

With the introduction of the new NZX continuous disclosure rules from December 2002, the Board has adopted the following procedure:

1. At each Board meeting, a standard agenda item is now considered - " Does the Company have anything to disclose?" The Board considers the information in its possession and decides appropriately whether any information needs to be disclosed to the market.
2. Between Board meetings, management will bring to the attention of the Directors any information they believe should be disclosed to the market for their consideration.
3. The Company now discloses revenue figures for the group to the market for the first and third quarters in advance of the earnings announcement. For the second and fourth quarters, sales figures are released with the earnings results. In the all important Christmas trading period, an announcement on sales alone for the second quarter without reference to profitability could result in misinterpretation by the market. The Board considers it sensible to combine the sales and earnings release for the second and fourth quarters in order that the market understands how sales translated into earnings.
4. In the 12 months ended June 2005, the Company has made the following disclosures to NZX under the continuous disclosure rules:

4 August 2004	Announcement to NZX re Director nominations.
20 August 2004	Preliminary full year revenue and profit announcement to NZX for 12 months to 30/6/04.
30 Sept 2004	Annual Report released to NZX and shareholders.

corporate governance cont.

11 October 2004	Release of revenue figures for 3 months ended 30 September 2004.
16 February 2005	Preliminary half year profit announcement to NZX and interim dividend announcement.
11 March 2005	Issue of interim report to shareholders.
30 March 2005	Notice of issue of 29,652 shares under the staff share purchase scheme.
8 April 2005	Release of sales figures for 9 months ended 31 March 2005.
21 April 2005	Notice of intention to buy back up to 100,000 shares for staff share scheme - purchase period to 24 April 2006.
23 June 2005	Notice of exercise of 50,000 options.

The Company believes it has complied with the NZX Continuous disclosure rules.

EXTERNAL AUDIT INDEPENDENCE POLICY

The Group has adopted the following policy to ensure that audit independence is maintained, both in fact and appearance, such that Michael Hill International's external financial reporting is viewed as being highly reliable and credible.

The policy covers the following areas:

- Provision of non audit services by the external auditors
- Fees and billings by the auditors
- Hiring of staff from the audit firm

PROVISION OF NON AUDIT SERVICES BY THE EXTERNAL AUDITING FIRM

Our external auditing firm should not undertake any role not permitted under IFAC (International Federation of Accountants) regulations regarding independence of auditors. Under the IFAC guidelines, the table below sets out the type of non audit work that Michael Hill International will allow its external auditing firm to perform.

BOOKKEEPING

Prohibited, other than in emergency situations. Managerial decision making prohibited.

VALUATIONS

Prohibited.

TAX SERVICES

Permitted, as not seen to threaten independence.

PROVISION OF IT SYSTEMS

Design and implementation of financial IT systems prohibited.

STAFF SECONDMENT FROM AUDITORS

These are permitted with safeguards. No management decision making. Signing agreements or discretionary authority to commit MHI is not allowed.

LITIGATION SUPPORT SERVICES

Permitted with safeguards.

LEGAL SERVICES

Permitted where immaterial to the financial statements.

EXECUTIVE SEARCH AND SELECTION

Permitted with safeguards. Making selection for MHI prohibited.

CORPORATE FINANCE

Permitted with safeguards. Promoting, dealing in or underwriting MHI Securities prohibited.

The safeguards put in place will be specific to the circumstances of each case. The general rule to be applied is whether an independent third party would consider the safeguards reasonable.

FEES AND BILLINGS

All audit and non audit fees to be reported to the Audit committee annually. Non audit fees greater than \$25,000 should be reviewed by the Chief Financial Officer and reported to the Audit committee for approval. (For the 2004/05 financial year audit fees amounting to \$184,000 and fees for other professional services amounting to \$531,000 were paid to PricewaterhouseCoopers.)

HIRING OF STAFF FROM THE EXTERNAL AUDITING FIRM

The hiring by Michael Hill Jeweller of any partner or audit manager must first be approved by the Chairman of the Audit committee. There are no other restrictions on the hiring of staff from the audit firm.



risk management report

Michael Hill International Limited is committed to the management of risk throughout its operations in order to protect our employees, assets, earnings and reputation.

RISK MANAGEMENT PROCESS

The Board of Directors are responsible for Risk Management which starts each year with the development, review and approval of a strategic plan incorporating assessment of opportunities and risks associated with these opportunities.

These strategic plans are reviewed and discussed at each board meeting to ensure risks associated with the approved plans and projects are reviewed and managed.

A formal risk management workshop by the group executives is planned each year to update the risk register which is included in the Audit Sub-Committee agenda at every Board Sub-Committee meeting.

BUSINESS CONTINUITY PLAN

The Group has an existing Business Continuity Plan which will be reviewed in the coming year and updated accordingly.

INSURANCE PROGRAM

The Group has a comprehensive global insurance program which supports the risk management process. This program is reviewed annually to ensure it reflects the groups' exposures and risk profile.

INTERNAL AUDIT

The Group has an Internal Audit function that is responsible for developing a comprehensive continuous audit program and for performing internal audit reviews which support the Groups Risk Management process. The internal auditors have a direct communication line to the Board Audit Sub-Committee should they deem it necessary to report any matter to the Sub-Committee. The Internal Audit Manager attends the twice-a-year Audit Sub-Committee meetings and presents their report.

CODE OF ETHICS

Our Board of Directors believes that good risk management is supported by the highest standards of corporate behavior towards our employees, customers and other stakeholders. The Code of Ethics is a guide to help our Directors and employees live up to high ethical standards and responsibilities towards our fellow employees, customers and other stakeholders.

corporate code of ethics

Michael Hill International believes that outstanding business performance must be supported by the highest standards of corporate behaviour towards our employees, customers and other stakeholders. This code of ethics is a guide to help our Directors and employees live up to our high ethical standards.

Our Corporate Code of Ethics is supported by written policies and procedures on each of these standards, by providing training to employees on the details and importance of these standards, and by formal communication systems to ensure these standards are observed, discussed and reinforced. Our Directors and Management team will lead by example, demonstrating their commitment to this Code of Ethics at all times through their personal behaviour and through the guidance they provide to our staff.

In general, all Directors and employees are expected to act honestly in all their business dealings and to act in the best interests of the Company at all times.

OUR EMPLOYEES

- Respect, fairness, honesty, courtesy, and good faith will guide all relations with employees.
- Opportunity without bias will be afforded each employee in relation to demonstrated ability, initiative, and potential.
- We will strive to create and maintain a work environment that fosters honesty, personal growth, teamwork, open communications, and dedication to our vision and values.
- We will strive to provide a safe workplace that at a minimum meets all health and safety laws and regulations.
- The privacy of an individual's records will be respected and will not be disclosed without proper authority unless there is a legal obligation to do so.

OUR CUSTOMERS

- We support and uphold at all times the tradition and integrity of the jewellery industry, and conduct our business in such a manner that will reflect credit on our industry and us.

- All our marketing and advertising will be accurate and truthful.
- We are committed to providing the highest quality, service, and value to our customers. We provide a five year Guarantee for all our jewellery which contains a diamond, and a 12-month Guarantee for any jewellery item not containing a diamond. It is a guarantee of quality of workmanship and materials. We provide a 30-day Change of Mind policy that is a money back guarantee on all purchases if for any reason the customer is not completely satisfied.
- We will protect customer information that is sensitive, private, or confidential just as carefully as our own.

OUR BUSINESS PARTNERS

- Suppliers win our business based on product or service suitability, price, delivery, and quality. We also expect suppliers to have high ethical standards in their business practices.

OUR SHAREHOLDERS

- We require honest and accurate recording and reporting of any and all information in order to make responsible business decisions.
- All financial records and accounts will accurately reflect transactions and events, and conform both to required accounting principles and to our Company's system of internal controls. No false or artificial information will be tolerated.
- We will safeguard all sensitive information. We will not disclose inside information that has not been reported publicly.

OUR COMMUNITIES

- We wish to be good corporate citizens and wish to build positive relationships with communities where we have a presence. Our efforts focus on the arts, local schools and charities, through periodic donations, including jewellery, to good causes.

COMPANY PROPERTY AND ASSETS

- Our Directors and Employees will properly use company assets and safeguard and protect any company property under their care.

GOVERNMENTS

- In conducting business with due skill, care, and diligence, we seek always to comply with both the letter and spirit of relevant laws, rules, regulations, codes, and standards of good market practice in the countries we do business in.
- Our Company does not make political contributions and has no political affiliations.

SHARE TRADING BY DIRECTORS AND OFFICERS IN MHI SHARES

- The Company does not condone any form of insider trading by Directors or officers.
- The Board Operations manual sets out a procedure which must be followed by Directors when trading in Michael Hill International shares. Directors must notify and obtain the approval of the Company before trading in MHI shares and are only permitted to trade in two window periods. The window periods commence at the time half yearly or yearly results are announced and expire five months after the end of the financial year or four months after the end of the half yearly accounting period of the company, as the case may be. The NZX must also be notified within 5 days of any trading taking place.
- From the 3rd May 2004, all Officers of the Company (as defined by the Securities Amendment Act 2003) must also disclose to the company and to the NZX within 5 days, any dealings in MHI shares. They are also subject to the same "trading windows" as Directors as defined above.

CONFLICTS OF INTERESTS

- Employees will not accept anything of value from a customer, vendor, or business associate which would impair or be presumed to impair their judgment in business matters.
- The acceptance of gifts and gratuities is discouraged and any over \$50 must be entered in the Gifts Register held by the Financial

Controllers. We may accept meals/hospitality that are not lavish and are reasonable in the context of doing business. Guidelines to use for the acceptance of any gift are: Will this influence my decision making? Does it place me in obligation? Could it be seen as an inducement? How would this look if reported by the media?

- Our employees will avoid any conflict of interest professionally and personally which might prevail or appear to prevail over the interests of the Company.
- Directors' conflicts of interests are dealt with in the Board Operations Manual. At all times, a Director must be able to act in the interests of the organization as a whole. The interests of associates, individual shareholders and the personal interests of the Director and his family must not be allowed to prevail over those of the Company and its shareholders generally.

SPEAKING UP

- Employees who know, or have genuine suspicions of any breaches of our Code of Conduct, Policies & Procedures, or any legal violation in relation to work related issues should report such matters promptly to their manager. If the employee does not feel comfortable discussing the issue with their manager, they should talk to another member of management, the Internal Auditors, or Human Resources.
- Employees will not be blamed for speaking up. The Company will make proper efforts to protect the confidentiality of employees who do raise concerns. Any attempt to deter employees raising proper concerns will be treated as a serious disciplinary action.

Failure to abide by the Code of Ethics and the law will lead to disciplinary measures appropriate to the violation.



TOP: WAYNE BUTLER, MIKE PARSELL, WAYNE PETERS
BOTTOM: GARY GWYNNE, MURRAY DOYLE, CHRISTINE HILL, MICHAEL HILL

board member profiles

MICHAEL HILL

The founder of Michael Hill Jeweller in 1979. He is Chairman of the Board. He has more than 45 years of experience in the jewellery industry, including 10 years of management experience before establishing his own business. He was appointed to the Board in 1987. Member of the Remuneration and Nominations sub-committees.

MIKE PARSELL

Chief Executive Officer of the Group. Mike spearheaded the Company's move into Australia in 1987. He has had extensive experience in the jewellery industry since 1976. Mike joined the Company in 1981 and was appointed to the Board in 1989, made joint Managing Director in 1995 and CEO in 2000.

GARY GWYNNE

Non Executive & Independent Director. Gary has an extensive background in marketing, retailing and property development. He is currently a Director of Prime Retail Management, the operators of Dress Smart Factory Shopping Centres and a Director of Overland Footwear Company. He was appointed to the Board in February 1998. Member of the Audit, Remuneration and Nominations sub-committees.

WAYNE PETERS

Non Executive Director. Wayne, who is based in Australia, has 27 years of retailing and investment management experience. He is Chairman and Chief Investment Officer of Peters MacGregor Capital Management Pty Ltd and Chairman of ASX listed Peters MacGregor Investments Ltd. Member of the Audit and Nominations sub-committees and Chairman of the Remuneration sub-committee, Wayne joined the board in February 1999.

MURRAY DOYLE

Non Executive & Independent Director. Murray is a Director of Hirequip Limited and Wellington department store Kirkcaldie and Stains Limited. His previous experience was in the finance industry until 1998, when his stockbroking firm was purchased by Bankers Trust now Deutsche Bank. He is a member of the remuneration sub-committee and Chairman of the Audit sub-committee.

CHRISTINE HILL

Non Executive Director. Christine has been associated with the Company since its formation in 1979 and has been closely involved with the artistic direction of the Group's store design and interior layouts over the years. Christine is a member of the Remuneration sub-committee, and joined the Board in 2001.

Company Secretary,

WAYNE BUTLER

Wayne has a financial background and has worked for the Company for 19 years. He has been Secretary of the Board since 1987.



statutory report of the directors

The Directors have pleasure in submitting to shareholders the 18th Annual Report and audited accounts of the Company for the year ended 30 June 2005.

BUSINESS ACTIVITIES

The group's sole business activities during the 2004/05 financial year continued to be jewellery retailing and manufacturing.

CONSOLIDATED FINANCIAL RESULTS

The Group has recorded a tax paid surplus of \$16,510,000 for the year ended 30 June 2005 (2004 - \$15,060,000). This surplus was achieved on a turnover of \$271,573,000 (2004 - \$259,777,000).

The accounts for the year ended 30 June 2005 have been presented in accordance with the accounting principles and policies detailed on pages 38 and 39 of this report.

	2005 \$000	2004 \$000
Group Turnover	271,573	259,777
Surplus before tax	24,351	22,063
Taxation	(7,841)	(7,003)
Surplus after tax	16,510	15,060
Dividends paid	(8,496)	(6,944)
Net surplus retained	8,014	8,116

SHAREHOLDERS' FUNDS/RESERVES

Total Shareholders' Funds of the Group now stand at \$65,389,000 - an increase of \$7,782,000 over the previous year.

The Group's reserves at 30 June 2005 totalled \$57,495,000.

	\$000
The Group's reserves at 30 June 2004 were	50,124
To which was added:	
Operating surplus after tax for the year	16,510
From which was deducted:	
Foreign currency translation reserve movement	(621)
Ordinary Dividends paid	(8,496)
Discount on sale of Treasury Stock	(22)
Leaving Reserves at 30 June 2005 at	\$ 57,495
These comprise:	
Retained earnings	57,919
Other reserves	(424)
	\$ 57,495

ACCOUNTING POLICIES

There have been no changes in accounting policies during the year.

DIVIDENDS

Your Directors paid an interim dividend of 9 cents per share, with full imputation credits and franking credits attached on the 29th March 2005. Overseas shareholders were also paid a supplementary dividend. On the 18th August 2005, your Directors declared a final dividend of 14 cents per share payable on the 17th October 2005. The share register will close at 5:00pm on the 7th October 2005 for the purpose of determining entitlement to the final dividend. Overseas shareholders will also be entitled to a supplementary payment on the final dividend.

The total ordinary dividend for the year was 23 cents (fully imputed), a 9.5% increase over last year. The payout represents 53.8% of the tax paid profit of the group.

DIRECTORS

L.W. Peters and A.C. Hill retire by rotation and being eligible offer themselves for re-election.

DIRECTORS' REMUNERATION

Directors remuneration and all other benefits received, or due and receivable during the year was as follows:-

	2005 \$000	2004 \$000
Parent Company		
R.M. Hill *	\$144	\$144
M.R. Parsell *	A\$633	A\$626
G.J. Gwynne	\$60	\$50
L.W. Peters	A\$60	A\$50
M.R. Doyle	\$60	\$50
A.C. Hill	\$60	\$50

*Note - Executive Directors do not receive Director's fees. Executive remuneration includes salary, superannuation, bonus payments, retirement allowances and provision of a vehicle received in their capacity as employees.

REMUNERATION OF EMPLOYEES

The number of employees (not including Directors) whose remuneration exceeded \$100,000 is as follows:-

\$000	2005	2004
100-110	6	17
110-120	8	9
120-130	7	10
130-140	5	3
140-150	3	5
150-160	5	4
160-170	2	1
170-180	2	2
180-190	4	0
190-200	0	1
200-210	2	2
210-220	1	0
220-230	2	0
230-240	1	2
240-250	0	1
250-260	1	1
270-280	1	0
280-290	2	0
300-310	1	0
360-370	0	1
390-400	1	0

Australian remuneration has been converted into New Zealand dollars at the exchange rate used for translating the Australian profits into New Zealand dollars, 0.92 (2004 - 0.88). Canadian remuneration on the same basis at 0.87 (2004 - 0.84).

INFORMATION ON DIRECTORS

The qualifications and experience of the Directors are shown on page 29.

The Directors are responsible for the preparation of the financial statements and other information included in this Annual Report. The financial statements have been prepared in conformity with generally accepted accounting principles to give a true and fair view of the financial position of the Company and Group and the results of their operations and cash flows.



The Company appoints independent chartered accountants to audit the Financial Statements prepared by the Directors and to express an opinion on these Financial Statements. The independent auditor's report, which sets out their opinion and the basis of that opinion is set out on page 32 of this report.

DONATIONS

The total of donations made during the year amounted to \$38,311.

ANNUAL REPORT AWARDS

The Company was delighted to receive a number of awards for its 2004 Annual Report.

In the Annual Report Awards competition conducted by the New Zealand Institute of Chartered Accountants, the Company won the top award in the "small to medium sized Companies" category. MHI has won this division for six out of the last seven years with a commendation being received in 2002. The company was also a finalist in the special award categories of "Corporate Governance reporting". In commenting on the MHI report, the Judges stated "This report was a clear winner in this category, taking the award for the third straight year. It was a well-presented report that provided the reader with a good overview of where the company was at in a short space of time."

In addition, the Company was also awarded a silver medal for the third consecutive year in the prestigious Australasian Reporting Awards, which covers all companies in both Australia and New Zealand.

The Board again extends its congratulations to the dedicated team who compiled and designed last year's report.

On behalf of the Directors,


R.M. Hill


M.R. Parsell

PricewaterhouseCoopers
 ABN 52 780 433 757
 Waterfront Place
 1 Eagle Street
 Brisbane Qld 4000
 GPO Box 150
 Brisbane Qld 4001
 DX 77 Brisbane
 Australia
www.pwc.com/au
 Telephone +61 7 3257 5000
 Facsimile +61 7 3257 5999

AUDITORS' REPORT TO THE SHAREHOLDERS OF MICHAEL HILL INTERNATIONAL LIMITED

We have audited the financial statements on pages 34 to 47. The financial statements provide information about the past financial performance and cash flows of the Company and Group for the year ended 30 June 2005 and their financial position as at that date. This information is stated in accordance with the accounting policies set out on pages 38 and 39.

DIRECTORS' RESPONSIBILITIES

The Company's Directors are responsible for the preparation and presentation of the financial statements which give a true and fair view of the financial position of the Company and Group as at 30 June 2005 and their financial performance and cash flows for the year ended on that date.

AUDITORS' RESPONSIBILITIES

We are responsible for expressing an independent opinion on the financial statements presented by the Directors and reporting our opinion to you.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- (a) the significant estimates and judgements made by the Directors in the preparation of the financial statements; and
- (b) whether the accounting policies are appropriate to the circumstances of the Company and Group, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditors and providing taxation and other assurance services.

UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

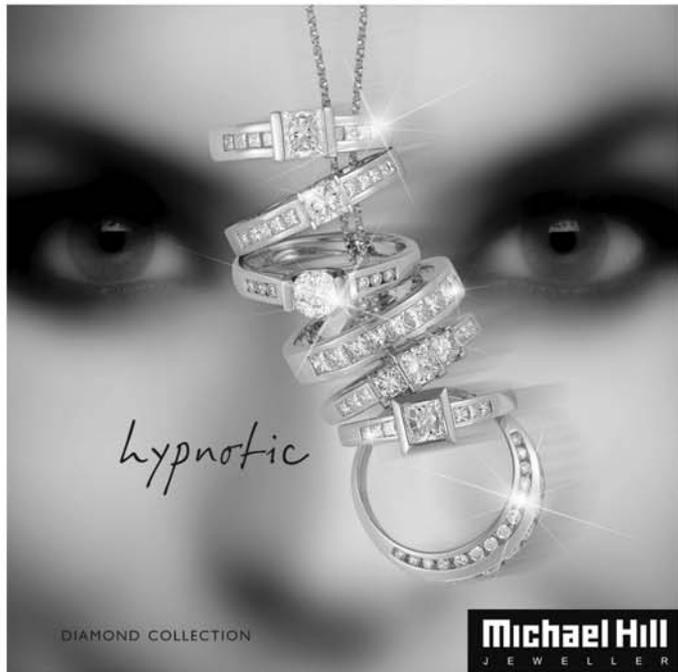
In our opinion:

- (a) proper accounting records have been kept by the Company as far as appears from our examination of those records; and
- (b) the financial statements on pages 34 to 47
 - (i) comply with generally accepted accounting practice in New Zealand; and
 - (ii) give a true and fair view of the financial position of the Company and Group as at 30 June 2005 and their financial performance and cash flows for the year ended on that date.

Our audit was completed on 18 August 2005 and our unqualified opinion is expressed at that date.



Chartered Accountants
 Brisbane



DIAMOND COLLECTION



CHRISTMAS WISH BOOK 2004

The Directors are pleased to present the Financial Statements of Michael Hill International Limited for the year ended 30 June 2005. The Board of Directors of Michael Hill International Limited authorised these Financial Statements for issue on 18 August 2005.

Michael Hill
Chairman of Directors

Mike Parsell
Chief Executive Officer/Director
Dated 18 August 2005

FINANCIAL STATEMENTS

- 34 Statements of Financial Performance
- 34 Statements of Movements in Equity
- 35 Statements of Segmented Results
- 36 Statements of Financial Position
- 37 Statements of Cash Flows
- 38 Notes to the Financial Statements

*statements of
financial performance* for the year ended 30 June 2005

	NOTES	GROUP		PARENT	
		2005 \$000	2004 \$000	2005 \$000	2004 \$000
Revenue	2	272,628	260,895	9,005	7,486
Expenses	3	(248,277)	(238,832)	(1,132)	(859)
Surplus before taxation		24,351	22,063	7,873	6,627
Income tax expense	4	(7,841)	(7,003)	372	280
Surplus for the year		\$ 16,510	\$ 15,060	\$ 8,245	\$ 6,907

*statements of
movements in equity* for the year ended 30 June 2005

	NOTES	GROUP		PARENT	
		2005 \$000	2004 \$000	2005 \$000	2004 \$000
Equity - Balance at beginning of year		57,607	50,048	12,884	12,464
Surplus for the year	9	16,510	15,060	8,245	6,907
Foreign currency translation reserve movement	8	(621)	(1,014)	0	0
Exercise of options		183	366	183	366
Treasury stock movement	6/9	206	91	206	91
Total recognised revenue and expenses for the year		16,278	14,503	8,634	7,364
Dividends paid to shareholders	10	(8,496)	(6,944)	(8,496)	(6,944)
Equity - Balance at end of year		\$ 65,389	\$ 57,607	\$ 13,022	\$ 12,884

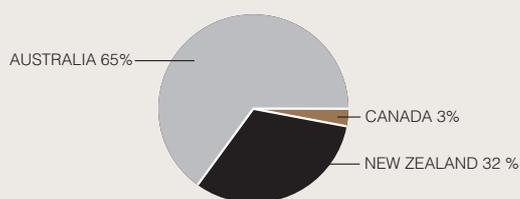
statements of segmented results

for the year ended 30 June 2005

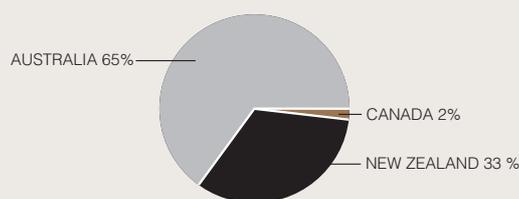
	MHJ NEW ZEALAND			MHJ AUSTRALIA			MHJ CANADA			GROUP		
	2005 \$000	2004 \$000	+/- %	2005 \$000	2004 \$000	+/- %	2005 \$000	2004 \$000	+/- %	2005 \$000	2004 \$000	+/- %
Operating revenue												
Sales to customers	86,459	86,322	0.2%	175,876	166,872	5.4%	9,020	5,859	54.0%	B	259,053	4.7%
Unallocated sales										218	724	
Total revenue	86,459	86,322	0.2%	175,876	166,872	5.4%	9,020	5,859	54.0%	271,573	259,777	4.5%
Segment results												
Operating surplus	9,854	9,879	-0.3%	17,792	16,530	7.6%	(856)	(980)	-12.7%	26,790	25,429	5.4%
As % of revenue	11.4%	11.4%		10.1%	9.9%		-9.5%	-16.7%				
Unallocated expenses										(10,280)	(10,369)	
Surplus for the year										\$ 16,510	\$ 15,060	9.6%
Segment assets	33,848	32,250		75,017	65,844		5,829	4,234		114,694	102,328	
Unallocated assets										15,727	20,503	
Total assets										\$ 130,421	\$ 122,831	6.2%
Segment liabilities	4,999	7,470		57,065	55,852		562	143		62,626	63,465	
Unallocated liabilities										2,406	1,759	
Total liabilities										\$ 65,032	\$ 65,224	-0.3%

- Note:**
- The Company operates in 3 geographical segments; New Zealand, Australia and Canada.
 - Michael Hill International Limited and its controlled entities operate predominantly in one business segment being the sale of jewellery and related services.
 - Inter segment pricing is at arm's length or market value.
 - Changes in disclosure:
 - The definition of the segments used in this disclosure has been altered from previous periods due to the changes that have occurred to the business over the past 12 months. The segment revenues and expenses now relate directly to the activities of the relevant segment.
 - Unallocated expenses include all expenses that do not relate directly to the relevant segment and include; manufacturing activities, warehouse and distribution, interest, company taxation and general corporate expenses.
 - Comparative amounts for prior periods have been restated.

OPERATING REVENUE BY COUNTRY



2004/05



2003/04

statements of financial position

as at 30 June 2005

	NOTES	GROUP		PARENT	
		2005 \$000	2004 \$000	2005 \$000	2004 \$000
Equity					
Share capital	5	8,261	8,078	8,261	8,078
Treasury stock	6	(367)	(595)	(367)	(595)
Reserves	8	(424)	197	3,650	3,650
Retained earnings	9	57,919	49,927	1,478	1,751
Total equity		65,389	57,607	13,022	12,884
Non-current liabilities					
Deferred taxation	12	0	0	1	3
Term liabilities	13	40,163	40,604	0	0
Employee entitlements		1,675	1,487	0	0
Total non-current liabilities		41,838	42,091	1	3
Current liabilities					
Bank overdraft		0	0	13	7
Trade creditors		10,624	9,102	0	0
Accruals and provisions	14	9,974	12,880	68	46
Taxation payable		2,596	1,151	0	0
Total current liabilities		23,194	23,133	81	53
Total equity and liabilities		\$ 130,421	\$ 122,831	\$ 13,104	\$ 12,940
Non-current assets					
Fixed assets	15	23,632	21,394	94	60
Investments	16	0	0	12,813	12,802
Future income tax benefit	12	3,193	2,225	0	0
Expenditure carried forward	17	4	8	0	0
Goodwill on consolidation		143	214	0	0
Total non-current assets		26,972	23,841	12,907	12,862
Current assets					
Cash on hand		7,234	14,017	0	0
Trade debtors	18	17,133	15,868	0	0
Other debtors and prepayments		2,120	1,643	0	0
Inventories	19	76,962	67,462	0	0
Taxation receivable		0	0	197	78
Total current assets		103,449	98,990	197	78
Total assets		\$ 130,421	\$ 122,831	\$ 13,104	\$ 12,940

These statements are to be read in conjunction with the Notes on pages 38 - 47 and the Audit Report on page 32.

statements of cash flows

for the year ended 30 June 2005

NOTES	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers	271,012	261,855	0	0
Dividends received	0	0	9,000	7,486
Interest received	208	176	5	0
Miscellaneous receipts	1	599	0	0
Rent received	4	4	0	0
Cash was applied to:				
Payments to suppliers and employees	(249,150)	(230,077)	(607)	(1,143)
Interest paid - short term	(150)	(153)	(287)	(1)
- long term	(2,561)	(2,796)	0	0
Income tax paid	(7,783)	(4,806)	250	294
Net goods and services tax paid	(1,492)	(23)	0	0
Net cash flow from operating activities	25 \$ 10,089	\$ 24,779	\$ 8,361	\$ 6,636
Cash flows from investing activities				
Cash was provided from:				
Proceeds from sales of fixed assets	309	250	40	0
Lease proceeds	132	35	0	0
Cash was applied to:				
Purchase of fixed assets	(9,153)	(6,409)	(94)	(27)
Net cash used in investing activities	(\$ 8,712)	(\$ 6,124)	(\$ 54)	(\$ 27)
Cash flows from financing activities				
Cash was provided from:				
Proceeds of short term debt	9,783	6,593	0	0
Proceeds from Treasury stock	206	125	0	0
Proceeds from option exercised	183	366	183	366
Cash was applied to:				
Dividends paid	(8,496)	(6,944)	(8,496)	(6,944)
Repayment of short term debt	(9,783)	(6,593)	0	0
Purchase of Treasury stock	0	(34)	0	(34)
Net cash flow used in financing activities	(\$ 8,107)	(\$ 6,487)	(\$ 8,313)	(\$ 6,612)
Net (decrease) / increase in cash held	(6,730)	12,168	(6)	(3)
Effect of exchange rate changes on cash	(53)	(445)	0	0
Add cash at beginning of year	14,017	2,294	(7)	(4)
Cash at end of year	\$ 7,234	\$ 14,017	(\$ 13)	(\$ 7)

These statements are to be read in conjunction with the Notes on pages 38 - 47 and the Audit Report on page 32.

notes to the financial statements

1 STATEMENT OF ACCOUNTING POLICIES

Michael Hill International Limited is a public company registered under the Companies Act 1993 and is listed on the New Zealand Stock Exchange.

The financial statements are those of Michael Hill International Limited and its subsidiaries and are prepared and presented in accordance with the Companies Act 1993 and the Financial reporting Act 1993.

General Accounting Policies

The general accounting policies recognised as appropriate for the measurement and reporting of results, cashflows and the financial position under the historical cost method, as modified by the revaluation of certain assets, have been followed in the preparation of these financial statements.

Accounting Policies

The following accounting policies which significantly affect the measurement of financial performance, financial position and cash flows have been applied:

a) Sales

Sales shown in the Statements of Financial Performance comprises amounts received from retail sales and amounts receivable on layby sales in the ordinary course of business. Sales are stated exclusive of Goods and Services Tax collected from customers.

b) Principles of Consolidation

The consolidated financial statements are prepared from the audited accounts of the Parent Company and its Subsidiaries as at 30 June 2005 using the purchase method. All significant transactions between Group Companies are eliminated on consolidation.

c) Fixed Assets

The cost of purchased fixed assets is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

d) Depreciation

Depreciation is charged on a straight-line basis so as to write off the cost of the fixed assets, to their estimated residual value, over their expected useful lives.

The useful lives of the major classes of assets have been estimated as follows:

Buildings	40-50 years
Plant & Equipment	5-6 years
Motor Vehicles	5-6 years
Furniture & Fittings	6 years
Leasehold Improvements	6-10 years

e) Keymoney

Keymoney paid upon acquisition of shop leases is written off on a straight-line basis over the first term of the lease.

f) Goodwill

Goodwill represents the excess of the acquisition cost of businesses and subsidiary companies over the fair values of the identifiable net assets at the dates of acquisition. Goodwill is amortised to the Statement of Financial Performance on a straight-line basis over the shorter of its estimated useful life or twenty years.

g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is principally determined on a weighted average basis and in the case of manufactured goods includes direct materials, labour and production overheads appropriate to the stage of completion attained. Some inventories are subject to reservation of title.

h) Debtors

Debtors are stated at expected realisable value after providing for an estimate of income on layby sales which may not be realised due to cancellation of layby contracts in subsequent accounting periods. Imputed interest has been deducted from Australian credit sales and will be recognized on a time proportional basis.

i) Tax

The tax expense recognised for the year is based on the accounting surplus, adjusted for permanent differences between accounting and tax rules. The impact of all timing differences between accounting and taxable income is recognised as deferred tax liability or asset. This is the comprehensive basis for the calculation of deferred tax under the liability method.

A deferred tax asset, or the effect of losses carried forward that exceed the deferred tax liability, is recognised in the financial statements only where there is virtual certainty that the benefit of the timing differences, or losses, will be utilised.

j) Statement of Cash Flows

The following are the definition of the terms used in the Statement of Cash Flows:

- i) Cash means coins and notes, demand deposits and other highly liquid investments in which the Group has invested as part of its day-to-day cash management. Cash includes liabilities which are the negative form of the above, such as the bank overdraft. Cash does not include accounts receivable or payable, or any borrowing subject to a term facility.
- ii) Operating activities includes all transactions and other events that are not investing or financing activities.
- iii) Investing activities are those activities relating to the acquisition holding and disposal of fixed assets and of investments. Investments can include securities not falling within the definition of cash.
- iv) Financing activities are those activities which result in changes in the size and composition of the capital structure of the Group. This includes both equity and debt not falling within the definition of cash. Dividends paid in relation to the capital structure are included in financing activities.

k) Foreign Currency Transactions

Transactions in foreign currencies are converted to New Zealand dollars at the rates of exchange ruling on the dates of the transactions. Amounts receivable and payable in foreign currencies are translated to New Zealand dollars at the rates of exchange ruling at

notes to the financial statements

continued

balance date or, where forward exchange cover has been obtained, at the settlement rate. Realised and unrealised gains and losses arising from exchange rate fluctuations in foreign currencies are included in the Statements of Financial Performance.

Revenues and expenses of independent foreign operations are translated to New Zealand dollars at the exchange rates in effect at the time of the transaction, or at rates approximating them. Assets and liabilities are converted to New Zealand dollars at the rates of exchange ruling at balance date.

Exchange differences arising from the translation of independent foreign operations are recognised in the foreign currency translation reserve.

l) Leased Assets

Operating lease payments and revenue are representative of the pattern of benefits derived from leased assets and accordingly are recognised in the Statements of Financial Performance in the periods in which they are incurred.

m) Financial Instruments

Financial Instruments with off-balance sheet risk, have been entered into for the primary purpose of reducing exposure to fluctuation in interest rates. While financial instruments are subject to risk that market rates may change subsequent to acquisition, such changes would generally be offset by opposite effects on the items hedged.

n) International Financial Reporting Standards

In December 2002 The New Zealand Accounting Standards Review Board announced that International Financial Reporting Standards (IFRS) will apply to New Zealand entities for the periods commencing on or after 1 January 2007. Entities also have the option for early adoption of the new standards for periods beginning on or after 1 January 2005.

Since this date, New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS) have been issued. In complying with these, New Zealand entities will be in compliance with IFRS. Michael Hill International Ltd intends to early adopt these standards and report for the first time under these standards for the year ended 30 June 2006. Upon adoption of NZ IFRS, comparative information presented in the financial statements will be restated to conform to the requirements of the new standards, and the financial impact of that adoption will be disclosed. The consolidated entity has established a project team to manage the transition to NZ IFRS, including training of staff and system and internal control changes necessary to gather all the required financial information. The project team is chaired by the Chief Financial Officer, and reports to the Audit Committee. To date, the project team has identified a number of accounting policy changes that will be required although some of these are subject to interpretation and

further review before the impact on the group is fully understood.

Key differences in accounting policies identified to date include:

- i) Accounting for Taxation
Under IFRS, deferred tax will be calculated using a "balance sheet" approach which recognizes deferred tax assets and liabilities by reference to differences between the accounting and tax values of balance sheet items rather than the accounting and tax values recognized in the Statement of Financial Performance. As a result, some timing differences previously not recognized as deferred tax may require recognition.
- ii) Share-based remuneration
The group issues share options to senior management personnel as a form of equity-based compensation. The group's current accounting policy does not recognize an expense in respect of these share options.
The group also issues shares to employees under their Employee Share Ownership Plan ("the plan"). The shares are usually offered to employees at a discount of 10% of the average market price over the two weeks prior to the invitation to purchase. On adoption of IFRS the group will be required to determine the fair value of all share-based remuneration, including the discount on share issued by the plan, and amortise the expenses over the relevant vesting periods.
- iii) Accounting for derivatives
Under IFRS, derivatives must be valued and recognized on the balance sheet. Movements in the value of such instruments must be recorded either through the income statement or equity in accordance with the standard. This will result in a change to the existing accounting policy which does not currently classify financial instruments. Current measurement is at amortised cost, with certain derivative financial instruments not recognized as assets or liabilities.

The above differences from current accounting policy have not been quantified as, at this stage, the group is unable to reliably quantify the effects. Most adjustments required on transition to NZ IFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

Changes in Accounting Policies and Recently Issued Accounting Standards

Certain comparatives have been amended to conform with the current year's presentation. There have been no other changes in accounting policies.

notes to the financial statements

continued

	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
2 OPERATING REVENUE				
Trading revenue	271,573	259,777	0	0
Other income:				
Interest	1,051	1,114	5	0
Rental Income	4	4	0	0
Dividends received from subsidiaries	0	0	9,000	7,486
	272,628	260,895	9,005	7,486

	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
3 OPERATING EXPENSES				
Fees paid to PricewaterhouseCoopers				
Audit fees	184	176	0	0
Other assurance fees	0	0	0	0
Other professional services	531	204	108	0
Depreciation	5,903	6,025	35	31
Plant	327	410	1	1
Equipment	1,495	1,317	2	3
Furniture & fittings	987	1,034	0	0
Motor vehicles	291	297	32	27
Leasehold improvements	2,803	2,967	0	0
Directors' fees	233	201	233	201
Expenditure carried forward written off	4	4	0	0
Goodwill on consolidation written off	71	71	0	0
Interest - Fixed loans	2,573	2,708	0	0
- Other	45	135	1	1
Increase / (decrease) in laybys provision	409	345	0	0
Rental and operating lease costs	18,902	17,419	0	0
Net foreign exchange loss / (gain)	69	(18)	0	0
Donations	38	25	20	25
Loss on sale of fixed assets	220	66	(15)	0

	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
4 INCOME TAX EXPENSE				
The taxation provision has been calculated as follows				
Surplus for the year	\$ 24,351	\$ 22,063	\$ 7,873	\$ 6,627
Taxation on surplus for the year at 33%	8,036	7,281	2,598	2,187
Plus / (less)				
Non-assessable income	0	0	(2,970)	(2,470)
Non-deductible expenditure	36	47	0	0
Under / (over) provision in prior years	19	(8)	0	3
Losses not recognised	89	0	0	0
Effect of difference in Australian tax rate (33% to 30%)	(339)	(317)	0	0
	\$ 7,841	\$ 7,003	(\$ 372)	(\$ 280)
The taxation charge is represented by:				
Tax payable in respect of current year	8,816	7,685	(370)	(282)
Underestimation in prior year	19	(8)	0	3
Deferred taxation	(994)	(674)	(2)	(1)
	\$ 7,841	\$ 7,003	(\$ 372)	(\$ 280)

notes to the financial statements continued

5 SHARE CAPITAL	PARENT	
	2005	2004
	\$000	\$000
Issued and paid in capital - 38,708,600 ordinary shares (2004 - 38,658,600)	\$ 8,261	\$ 8,078

On the 29 June 2005 50,000 (2004 - 100,000) options were exercised at an exercise price of \$3.66 per share. All ordinary shares rank equally with one vote attached to each fully paid ordinary share.

Share Options

On the 9th October 2000, the Directors authorised the issue of 750,000 options to subscribe for Ordinary shares in the Company to five senior management personnel in the Company, including 300,000 to Mike Parsell in his capacity of CEO of the Company. The issue of options for Mike Parsell was subject to approval of the shareholders at the Annual meeting on the 17th November 2000, in accordance with the Company's constitution. The motion to issue options to Mike Parsell was passed at the Annual meeting. The exercise price of \$3.66 for all 750,000 options was set at 15% above the weighted average price of the Company's ordinary shares over the calendar month following the announcement by the Company to the New Zealand Stock Exchange of its results for the year ended 30 June 2000.

The options may be exercised in the period from 1 July 2003 to 30 June 2006 on the following basis:

- 1) In the period 1 July 2003 to 30 June 2004, the option holder may not exercise more than 25% of the entitlement.
- 2) In the period 1 July 2004 to 30 June 2005, the option holder may exercise the aggregate of 25% of their entitlement and any part of their entitlement not exercised in the previous period, so that not more than 50% of the option holder's entitlement is exercised prior to 30 June 2005.
- 3) In the period 1 July 2005 to 30 June 2006, the option holder may exercise such of their entitlement as has not been previously exercised.

The value of the options was calculated using the Black-Scholes Option valuation model and the value of the options at the time of granting was NZ\$36,450 for the options available to Mike Parsell and NZ\$40,800 collectively for the other four option holders.

On the 22nd August 2002, the Directors authorised the issue of a further 200,000 options to two senior management personnel in the company, including 100,000 to Emma Hill in her capacity of General Manager Canada. The issue of options for Emma Hill was subject to the approval of shareholders at the Annual meeting on the 28th November 2002, in accordance with the Company's constitution. The motion to issue options to Emma Hill was passed at the Annual meeting.

The exercise price for these options was set at \$6.15 which was 15% above the weighted average price of the Company's ordinary shares over the calendar month following the announcement by the Company to the New Zealand Stock Exchange of its results for the year ended 30 June 2002.

These options may be exercised in the period 1 July 2005 to 30 June 2008 on the following basis:

- 1) In the period 1 July 2005 to 30 June 2006, the option holder may not exercise more than 25% of the entitlement.
- 2) In the period 1 July 2006 to 30 June 2007, the option holder may exercise the aggregate of the 25% of their entitlement and any part of their entitlement not exercised in the previous period, so that not more than 50% of the option holders' entitlement is exercised prior to 30 June 2005.
- 3) In the period 1 July 2007 to 30 June 2008, the option holder may exercise such of their entitlement as has not previously been exercised.

The value of these options was calculated using the Black-Scholes Option valuation model and the value of the options at the time of granting was NZ\$42,000 collectively for the two option holders.

6 TREASURY STOCK	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
Treasury stock at beginning of year	595	700	595	700
Treasury stock acquired through the year	0	34	0	34
Allocated to employee share ownership plan including discount	(228)	(139)	(228)	(139)
Treasury stock at end of year	\$ 367	\$ 595	\$ 367	\$ 595

Michael Hill International Limited acquired no shares (2004 - 7,745) through on-market purchases on the New Zealand Stock Exchange during the year. The total amount paid to acquire the shares in 2004 was \$34,228, this being an average purchase price of \$4.42 per share.

During the year 29,652 (2004 - 26,095) shares were issued to the Michael Hill Employee Share Ownership Plan at an average price of \$6.96 (2004 - \$4.79).

notes to the financial statements continued

7 EMPLOYEE SHARE OWNERSHIP PLAN

The Plan

The Michael Hill International Limited Employee Share Scheme was established by Michael Hill International Limited in 2001 to assist employees to become shareholders of the Company. Employees are able to purchase shares in MHI at a 10% discount to the average market price over the two weeks prior to the invitation to purchase. The shares will be held by a Trustee for a one year period during which time any dividends derived will be paid to the employee.

Shares held by the Plan

The Plan held the following ordinary shares at the end of the year:	2005	2004
Allocated to employees (fully paid)	29,652	26,095
Not yet allocated to employees	91,436	121,088
	121,088	147,183

Control of the Scheme

The Trustees are Mike Parsell and Murray Doyle, both Directors of Michael Hill International Limited and Wayne Butler, Company Secretary. The Trustees are appointed by the Company's Board of Directors.

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
8 RESERVES				
Balances				
Share premium reserve	3,650	3,650	3,650	3,650
Foreign currency translation reserve	(4,074)	(3,453)	0	0
	(\$ 424)	\$ 197	\$ 3,650	\$ 3,650
Movements in reserves during the year were as follows:				
Share premium reserve				
Opening and closing balance	\$ 3,650	\$ 3,650	\$ 3,650	\$ 3,650
Foreign currency translation reserve				
Balance at beginning of year	(3,453)	(2,439)	0	0
Foreign exchange gain / (loss) on translation of net assets of Australian and Canadian Subsidiaries	(621)	(1,014)	0	0
Balance at end of year	(\$ 4,074)	(\$ 3,453)	\$ 0	\$ 0

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
9 RETAINED EARNINGS				
Balance at beginning of year	49,927	41,825	1,751	1,802
Surplus for the year	16,510	15,060	8,245	6,907
Dividends	(8,496)	(6,944)	(8,496)	(6,944)
Discount on sale of Treasury Stock	(22)	(14)	(22)	(14)
Balance at end of year	\$ 57,919	\$ 49,927	\$ 1,478	\$ 1,751

	GROUP & PARENT COMPANY	
	2005	2004
	\$000	\$000
10 DIVIDENDS PAID AND DECLARED		
Interim: paid on 29 March 2005	3,476	3,087
Final dividend 2004 paid 18 October 2004	5,020	3,857
	\$ 8,496	\$ 6,944

The Directors have declared a final dividend post year end of 14.0 cents per share to be paid for the year ended 30 June 2005 out of tax paid profits, on 17 October 2005. An interim dividend of 9.0 cents per share was paid on 29 March 2005. Full imputation credits attach to both dividends. Non-resident Shareholders also receive supplementary dividends. The company receives a tax credit equal to the amount of these supplementary dividends.

notes to the
financial statements continued

	GROUP & PARENT COMPANY	
	2005	2004
11 IMPUTATION CREDIT ACCOUNT		
Balance at beginning of year	\$000	\$000
Plus - Income tax paid	1,410	1,398
- Imputation credits attached to dividends received	(267)	(385)
Less - Imputation credits attached to dividends paid to shareholders	4,433	3,687
Balance at end of year	(4,041)	(3,290)
	\$ 1,535	\$ 1,410
Imputation credits directly and indirectly available to members as at 30 June 2005		
Parent	1,535	1,410
Subsidiaries	(254)	746
	\$ 1,281	\$ 2,156

	GROUP		PARENT	
	2005	2004	2005	2004
12 FUTURE INCOME TAX BENEFIT / (DEFERRED TAXATION)				
Opening Balance	\$000	\$000	\$000	\$000
Plus / (less) - Movement in current year	2,225	1,598	(3)	(4)
Plus / (less) - Prior period adjustment	994	674	2	1
Plus / (less) - Effect of exchange rate change on Australian opening balance	(7)	9	0	0
	(19)	(56)	0	0
	\$ 3,193	\$ 2,225	(\$ 1)	(\$ 3)

	GROUP		PARENT	
	2005	2004	2005	2004
13 TERM LIABILITIES				
Non-current borrowings				
Secured bank loans	\$ 40,163	\$ 40,604	\$ 0	\$ 0

These advances, together with the bank overdraft, are secured by floating charges over all the Group's assets. The Group utilises bank bills for financing the operations of the business. The ANZ Bank regards this finance as long term, subject to satisfactory annual reviews of the Group's operations. Interest rates applying 2005 - 5.1 % to 6.1 % (2004 - 5.1 % to 7.0%).

	GROUP		PARENT	
	2005	2004	2005	2004
14 ACCRUALS AND PROVISIONS				
Employee entitlements	\$000	\$000	\$000	\$000
Other accruals	6,237	6,449	0	0
	3,737	6,431	68	46
	\$ 9,974	\$ 12,880	\$ 68	\$ 46

notes to the financial statements continued

15 FIXED ASSETS	2005			2004		
	COST \$000	ACCUM DEPREC \$000	BOOK VALUE \$000	COST \$000	ACCUM DEPREC \$000	BOOK VALUE \$000
Group						
Plant	3,295	2,273	1,022	3,378	2,241	1,137
Equipment	12,444	8,224	4,220	12,669	8,913	3,756
Furniture and fittings	10,561	6,635	3,926	10,042	6,124	3,918
Motor vehicles	1,792	513	1,279	1,831	529	1,302
Leasehold improvements	25,825	12,640	13,185	22,963	11,682	11,281
	\$ 53,917	\$ 30,285	\$ 23,632	\$ 50,883	\$ 29,489	\$ 21,394
Parent Company						
Plant	6	5	1	6	4	2
Equipment	21	16	5	16	14	2
Motor vehicles	136	48	88	136	80	56
	\$ 163	\$ 69	\$ 94	\$ 158	\$ 98	\$ 60

The above assets provide a floating security for bank loans, as well as mortgage security over term loans. (Refer note 13)

16 INVESTMENTS IN SUBSIDIARIES	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
Subsidiary companies				
Shares at cost	0	0	2,800	2,800
Plus advance to subsidiaries	0	0	10,013	10,002
	\$ 0	\$ 0	\$ 12,813	\$ 12,802

The subsidiary companies are:

	ACTIVITY	COUNTRY OF INCORPORATION	SHAREHOLDING
Michael Hill Jeweller Limited	Jewellery Retailer and Manufacturer	NZ	100%
Michael & Company Limited (formerly Michael Hill Shoes Limited)	MHJ Brand Company	NZ	100%
Michael Hill Jeweller (Australia) Pty Limited	Jewellery Retailer	Australia	100%
Michael Hill (Wholesale) Pty Limited	Jewellery Wholesaler	Australia	100%
Michael Hill Manufacturing Pty Limited	Jewellery Manufacturer	Australia	100%
Michael Hill Trustee Company Limited	Trustee for staff share purchase scheme	NZ	100%
Michael Hill Jeweller Limited	Jewellery Retailer	Canada	100%

There were no subsidiary companies purchased or sold during the year ended 30 June 2005.

All subsidiaries have a 30 June balance date.

Michael Hill Jeweller Ltd was incorporated in Canada on the 18th April 2002.

17 EXPENDITURE CARRIED FORWARD	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
Key money	\$ 4	\$ 8	\$ 0	\$ 0

notes to the
financial statements continued

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
18 TRADE DEBTORS				
Trade debtors	18,644	16,972	0	0
Less laybys provision	(840)	(294)	0	0
Less provision for unearned income	(671)	(810)	0	0
	\$ 17,133	\$ 15,868	\$ 0	\$ 0

Trade debtors include an amount of \$9,896,812 (2004 - \$6,771,884) which is guaranteed under a financing arrangement by a third party.

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
19 INVENTORIES				
Raw materials	3,611	4,013	0	0
Finished goods	68,699	59,116	0	0
Consumables	4,652	4,333	0	0
	\$ 76,962	\$ 67,462	\$ 0	\$ 0

20 CAPITAL COMMITMENTS

The Group and the Parent Company have no capital commitments at 30 June 2005 (2004 - Nil).

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
21 CONTINGENT LIABILITIES				
Guarantees to bankers and other financial institutions of subsidiary companies overdraft facilities and fixed assets	\$ 43,175	\$ 45,136	\$ 43,121	\$ 45,110

The Group and Parent Company have no other material contingent liabilities as at 30 June 2005 (2004 - nil).

	GROUP		PARENT	
	2005	2004	2005	2004
	\$000	\$000	\$000	\$000
22 OPERATING LEASE OBLIGATIONS				
Obligations payable after balance date on non-cancellable operating leases are as follows:				
Within one year	16,345	14,193	0	0
One to two years	14,940	12,801	0	0
Two to five years	31,850	25,805	0	0
Over five years	8,913	6,318	0	0
	\$ 72,048	\$ 59,117	\$ 0	\$ 0

23 RELATED PARTY TRANSACTIONS

Executive Directors are remunerated in their capacity as full-time employees of the Company. Director's interests in the Company's shares are disclosed on page 49 of the Annual Report. Director's received dividends on their holdings on the same terms as other shareholders. Emma Hill, daughter of Michael and Christine Hill, is remunerated as a full time manager of the company. The parent has received dividends from its subsidiaries as disclosed in note 2. Michael Hill Jeweller Ltd received dividends and interest from its subsidiaries during the year.

notes to the financial statements continued

24 FINANCIAL INSTRUMENTS

(a) Currency and interest rate risk

Nature of activities and management policies with respect to financial instruments.

(i) Currency

The group undertakes transactions denominated in foreign currencies from time to time and resulting from these activities exposures in foreign currency arise.

Foreign currency transactions are settled on the day they fall due at the exchange rate of the day . The Group uses forward exchange contracts to manage these exposures, from time to time.

Contracts outstanding at 30 June 2005 are \$ Nil (2004 - \$ Nil).

(ii) Interest rate

The Group has a long term borrowing facility utilising three to six months bank bills . Forward rate agreements are utilised from time to time to hedge against interest rate fluctuations . The principal amount of Forward Rate Agreements outstanding at balance date was \$ 18,152,174 (2004 - \$ 18,351,468). The cash settlement requirements of Forward Rate Agreements have a market value of \$ 77,056 (2004 - \$ 143,976).

Settlement amounts on maturity of Forward Rate Agreements are amortised over the period of the underlying liability by the financial instrument.

(iii) Repricing analysis

Cash on hand, debtors, expenditure carried forward, creditors and proposed dividends have been excluded in the tables below as they are not interest rate sensitive.

Group repricing maturities - 2005

		\$000	\$000	\$000	\$000	\$000
	EFFECTIVE INTEREST RATES	LESS THAN 6 MONTHS	6 TO 12 MONTHS	1 TO 2 YEARS	2 TO 5 YEARS	TOTAL
Liabilities						
Term liabilities	5.87%	10,109	9,456	0	20,598	40,163
Total liabilities		10,109	9,456	0	20,598	40,163
Off Balance Sheet forward rate agreements		0	0	(18,152)	0	(18,152)
Repricing gap		10,109	9,456	(18,152)	20,598	22,011

Group repricing maturities - 2004

		\$000	\$000	\$000	\$000	\$000
	EFFECTIVE INTEREST RATES	LESS THAN 6 MONTHS	6 TO 12 MONTHS	1 TO 2 YEARS	2 TO 5 YEARS	TOTAL
Liabilities						
Term liabilities	5.85%	11,593	10,659	18,352	0	40,604
Total liabilities		11,593	10,659	18,352	0	40,604
Off Balance Sheet forward rate agreements		0	0	(18,352)	0	(18,352)
Repricing gap		11,593	10,659	0	0	22,252

Parent Company financial assets and liabilities comprise investments, creditors and dividends payable which are not interest rate sensitive. The bank overdraft at 30 June 2005 is \$12,591 (2004 - \$7,021). Commercial bill facilities are currently utilised by the Group on 90 day terms, but are regarded by the bank as long term arrangements.

(iv) Credit

In the normal course of its business the Group incurs credit risk from trade debtors and other institutions. There are no significant concentrations of credit risk. The Group has a credit policy which is used to manage this exposure to credit risk. As part of this policy, limits on exposures have been set and are monitored on a regular basis.

(b) Fair Values

The Group's financial assets and liabilities have estimated fair values equivalent to carrying value, with the exception of forward rate agreements with fair values disclosed in part (a) (ii) of this note.

notes to the
financial statements continued

	GROUP		PARENT	
	2005 \$000	2004 \$000	2005 \$000	2004 \$000
25 RECONCILIATION OF SURPLUS AFTER TAXATION TO CASH FLOW FROM OPERATING ACTIVITIES				
Reported surplus after taxation as per Statement of Financial Performance	16,510	15,060	8,245	6,907
Add / (less) items classified as investing or financial activities				
Loss / (gain) on sale of fixed assets	220	65	(15)	0
Add / (less) non cash items				
Depreciation	5,903	6,025	35	31
Foreign currency movement	(128)	100	0	0
Deferred taxation	(1,497)	170	(2)	1
Amortisation of goodwill	71	71	0	0
Amortisation of expenditure carried forward	4	5	0	0
Add / (less) movements in working capital items				
Taxation payable	1,461	1,978	(119)	(15)
Debtors and prepayments	(1,778)	(366)	0	0
Creditors and accruals	(447)	(5,570)	217	(288)
Inventories	(10,230)	7,241	0	0
Net cash flows from operating activities	\$ 10,089	\$ 24,779	\$ 8,361	\$ 6,636

26 EVENTS OCCURRING AFTER BALANCE DATE

There were no significant events occurring after 30 June 2005.

share price performance

	HIGH	LOW	as at 30/6/05
PRICES FOR SHARES TRADED DURING THE YEAR	\$ 8.40	\$ 5.89	\$ 7.60

	2005	2004	2003	2002	2001	2000	1999	1998
EIGHT YEAR COMPARATIVE REVIEW OF PRICES FOR SHARES AS AT 30 JUNE	\$ 7.60	\$ 6.00	\$ 4.60	\$ 5.00	\$ 3.80	\$ 2.85	\$ 3.00	\$ 1.82

shareholder information

Information specifically for investors and shareholders is featured on our Website www.michaelhill.com. It includes our latest shareprice and historical share prices over the last six years, together with charts of our share price in comparison to the NZX50 over the last 12 months and 3 years. It also includes any announcements and powerpoint presentations made to Analysts and the Press at the time of the release of our half year and annual financial results to the New Zealand Stock Exchange each year. A copy of the Company's Constitution and minutes of the last Annual Meeting are also available on the website.

Any shareholders with queries relating to their shareholding or dividend payments, etc., should direct their enquiries to
Computershare Investor Services Limited
Private Bag 92119
Auckland 1020
Phone 09 488 8777

financial calendar

ANNUAL MEETING:

Friday 4th November 2005
at 2pm
Hilton Hotel
Princess Wharf, Auckland

DIVIDENDS PAYABLE:

Interim - March Final - October

FINANCIAL RESULTS ANNOUNCED:

Half year - February Annual - August

analysis of shareholding

TWENTY LARGEST SHAREHOLDERS AS AT 23 AUGUST 2005

	ORDINARY SHARES	% OF SHARES
R.M. Hill, A.C. Hill, R.M.J. Urlich (as trustees)	10,116,260	26.13
D.W.Hewitt, R.M.J. Urlich (as trustees)	8,446,636	21.82
TEA Custodians Ltd	2,693,835	6.96
NZ Superannuation Fund Nominees Ltd	1,448,209	3.74
Accident Compensation Corporation	765,129	1.98
Peters MacGregor Pty Ltd	736,700	1.90
Forbar Custodians Ltd	460,864	1.19
Peters MacGregor Investments Ltd	405,000	1.05
AMP Investments Strategic Equity Growth Fund	387,291	1.00
GMS Group Nominees Pty Ltd	381,000	0.98
Bond Street Custodians Limited	372,000	0.96
Peters MacGregor Holdings Pty Limited	363,300	0.94
R.M.Hill, A.C.Hill, R.M.J.Urlich (as trustees)	356,630	0.92
R.L.Parsell	356,025	0.92
Votraint No. 1019 Pty Ltd	275,000	0.71
Citibank Nominees (New Zealand) Ltd	227,240	0.59
A.N. Presley/M.S. Dick	220,500	0.57
NZGT Nominees - AIF Equity Fund	215,945	0.56
AMP Life Limited	204,600	0.53
Forbar Custodians Ltd	190,150	0.49
Total	28,622,314	73.94

SHAREHOLDING BY RANGE OF SHARES AS AT 23 AUGUST 2005

	NO. OF HOLDERS	% OF HOLDERS	NO. OF SHARES
1 - 999	1,063	33.79	502,449
1,000 - 4,999	1,638	52.05	3,187,199
5,000 - 9,999	260	8.26	1,614,075
10,000 & over	186	5.9	33,404,877
Total	3,147	100%	38,708,600

SUBSTANTIAL SECURITY HOLDERS

The following shareholders hold 5% or more of the issued capital of the Company and have filed notices with the Company under the Securities Amendment Act 1988 that they are substantial security holders in the Company.

	NO. OF ORDINARY SHARES
R.M.Hill, A.C.Hill, R.M.J. Urlich (as trustees)	10,116,260
D.W.Hewitt, R.M.J. Urlich (as trustees)	8,446,636
Fisher Funds Management Limited	3,748,401
Leslie Wayne Peters	3,700,000

Total number of ordinary shares on issue as at 23 August 2005 is 38,708,600, including 91,436 shares held by MHI as Treasury Stock.

DIRECTORS & ASSOCIATED INTERESTS' SHARE HOLDINGS

The table below sets out the relevant interests in equity securities of Directors and Associated Persons of Directors at 30 June 2005, in terms of Listing Rule 10.5.3 of the New Zealand Exchange Listing Rules.

	RELEVANT INTEREST OF DIRECTOR	RELEVANT INTEREST OF ASSOCIATED PERSON
R.M. Hill & A.C. Hill	18,919,526	81,915
M.R. Parsell	445,989*	370,040
G.J. Gwynne	119,000	
L.W. Peters	3,700,000†	
M.R. Doyle		100,000

* includes 300,000 options.

† includes 2,700,000 ordinary shares held by clients under management.

store outlets



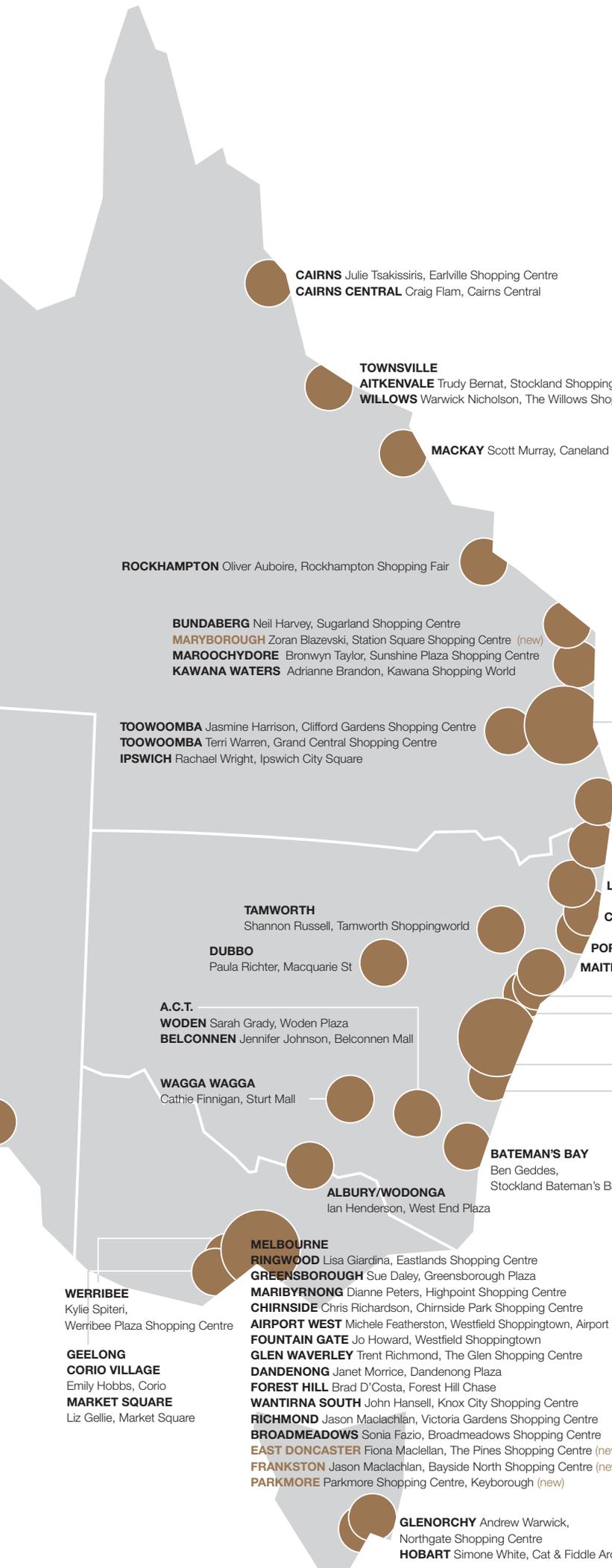
DARWIN
Kate McLean, Casuarina Square Shopping Centre

A U S T R A L I A

PERTH
MORLEY Daniela Ratta, Westfield Shoppingtown Galleria
CANNINGTON Wendy Maben, Westfield Shoppingtown Carousel
BOORAGOON Jamie Silsby, Garden City Shopping Centre
ROCKINGHAM Kathy Vost, Rockingham Shopping Centre
KARRINYUP Joanne Minns, Karrinyup Shopping Centre
WARWICK Tracy Taylor, Warwick Grove Shopping Centre
HILLARY'S Sandra Idel, Whitford City Shopping Centre
INNALOO Fiona Wagner, Westfield Shoppingtown (new)
MIRRABOOKA Dennis Stojkovic, Mirrabooka Square (new)

BUNBURY Rosemary Scott, Bunbury Forum Shopping Centre

ELIZABETH
Johann Brown, Elizabeth Shopping Centre (new)



CAIRNS Julie Tsakissiris, Earlvile Shopping Centre
CAIRNS CENTRAL Craig Flam, Cairns Central

TOWNSVILLE
AITKENVALE Trudy Bernat, Stockland Shopping Centre
WILLOWS Warwick Nicholson, The Willows Shopping Centre

MACKAY Scott Murray, Caneland Central Shopping Centre

ROCKHAMPTON Oliver Auboire, Rockhampton Shopping Fair

BUNDABERG Neil Harvey, Sugarland Shopping Centre
MARYBOROUGH Zoran Blazevski, Station Square Shopping Centre (new)
MAROOCHYDORE Bronwyn Taylor, Sunshine Plaza Shopping Centre
KAWANA WATERS Adrienne Brandon, Kawana Shopping World

TOOWOOMBA Jasmine Harrison, Clifford Gardens Shopping Centre
TOOWOOMBA Terri Warren, Grand Central Shopping Centre
IPSWICH Rachael Wright, Ipswich City Square

TAMWORTH
 Shannon Russell, Tamworth Shoppingworld

DUBBO
 Paula Richter, Macquarie St

A.C.T.
WODEN Sarah Grady, Woden Plaza
BELCONNEN Jennifer Johnson, Belconnen Mall

WAGGA WAGGA
 Cathie Finnigan, Sturt Mall

BATEMAN'S BAY
 Ben Geddes,
 Stockland Bateman's Bay

ALBURY/WODONGA
 Ian Henderson, West End Plaza

WERRIBEE
 Kylie Spiteri,
 Werribee Plaza Shopping Centre

GEELONG
CORIO VILLAGE
 Emily Hobbs, Corio
MARKET SQUARE
 Liz Gellie, Market Square

MELBOURNE
RINGWOOD Lisa Giardina, Eastlands Shopping Centre
GREENSBOROUGH Sue Daley, Greensborough Plaza
MARIBYRNONG Dianna Peters, Highpoint Shopping Centre
CHIRNSIDE Chris Richardson, Chirnside Park Shopping Centre
AIRPORT WEST Michele Featherston, Westfield Shoppingtown, Airport West
FOUNTAIN GATE Jo Howard, Westfield Shoppingtown
GLEN WAVERLEY Trent Richmond, The Glen Shopping Centre
DANDENONG Janet Morrice, Dandenong Plaza
FOREST HILL Brad D'Costa, Forest Hill Chase
WANTIRNA SOUTH John Hansell, Knox City Shopping Centre
RICHMOND Jason Maclachlan, Victoria Gardens Shopping Centre
BROADMEADOWS Sonia Fazio, Broadmeadows Shopping Centre
EAST DONCASTER Fiona Maclellan, The Pines Shopping Centre (new)
FRANKSTON Jason Maclachlan, Bayside North Shopping Centre (new)
PARKMORE Parkmore Shopping Centre, Keyborough (new)

GLENORCHY Andrew Warwick,
 Northgate Shopping Centre
HOBART Simone White, Cat & Fiddle Arcade

BRISBANE
MT OMMANEY Richard Price, Mt Ommaney Shopping Centre
MANGO HILL Paige Brearley, Westfield Shoppingtown Northlakes
BRISBANE CITY Cindy Salmon, Myer Centre, Queen Street Mall
TOOMBUL Kylie Farrell, Westfield Shoppingtown, Nundah
CHERMSIDE Karen Pukulas, Westfield Shoppingtown
UPPER MT GRAVATT Lynne Alexander, Garden City Shopping Centre
INDOOROOPILLY Nerida Hepple, Westfield Shoppingtown
CAPALABA PARK Tracey Phillips, Capalaba Park Shopping Centre
STRATHPINE Kellie Ann Bowman, Westfield Shoppingtown
BROWNS PLAINS Kaylene Grey, Grand Plaza Shopping Centre
MORAYFIELD Sandi Wallace, Morayfield Shopping Centre
BROOKSIDE Kerry Camilleri, Brookside Shopping Centre, Mitchelton
CARINDALE Jim Colley, Westfield Shoppingtown
LOGANHOLME Julie Pickup, Logan Hyperdome
BEENLEIGH James Elliott, Beenleigh Marketplace

GOLD COAST
ROBINA Leanne Ray, Robina Town Centre
SOUTHPORT Mark Walshaw, Australia Fair Shopping Centre
BROADBEACH Gerald Adam, Pacific Fair Shopping Centre
HELENSVALE Jodi Warner, Westfield Shopping Centre (new)

TWEED HEADS Jan Ingham, Tweed City Shopping Centre

LISMORE Kylie Robinson, Lismore Shopping Centre

COFFS HARBOUR Kylie Doekes, Park Beach Plaza

PORT MACQUARIE Penny Rebecchi, Settlement City Shopping Centre

MAITLAND Jo-Anne Nielsen, Green Hills Shopping Centre

CHARLESTOWN Anthony Matthews, Charlestown Square, Newcastle
JESMOND Paul Rooker, Stockland Mall, Newcastle
RAYMOND TERRACE Belinda Fox-Dow, Raymond Terrace Marketplace (new)
GLENDALE Rebecca Hardwick, Stockland Mall (new)

ERINA Adam Cranstone, Erina Fair
TUGGERAH Melissa Stewart, Westfield Shoppingtown, Tuggerah
BATEAU BAY John Hamilton, Stockland Bay Village (new)

SYDNEY
PARRAMATTA Nadine Kolinac, Westfield Shoppingtown
MIRANDA Julie Galway, Westfield Shoppingtown
ROSELANDS Athena Waters, Roselands Shopping Centre
LIVERPOOL Peta McClure, Westfield Shoppingtown
NORTH RYDE Josh Zarb, Macquarie Centre
PENRITH Tim Spreadborough, Penrith Plaza
CASTLE HILL Raj Nair, Castle Towers Shopping Centre
BLACKTOWN Romel Santos, Westpoint Shopping Centre
WARRINGAH Dean Lloyd, Warringah Mall Shopping Centre, Brookvale
CAMPBELLTOWN Jody Cremona, The Mall Queen Street
CAMPBELLTOWN Christina Blachnig, Macarthur Square Shopping Centre
WARRIEWOOD Lauren Kilkelly, Warriewood Shopping Centre
BURWOOD Terese Biermann, Westfield Shoppingtown
CHATSWOOD Beth Rowell, Westfield Shoppingtown
HORNSBY Marilyn Buttsworth, Westfield Shoppingtown Northgate
HURSTVILLE Amanda Bartlett, Westfield Shoppingtown
EASTGARDENS Ahmad Karnib, Westfield Shoppingtown
FAIRFIELD Jamie Kariko, Fairfield Forum Shopping Centre
MT DRUITT Michelle Le Breton, Markettown
BANKSTOWN Damian Orwin, Bankstown Square
CASULA Rose Saunders, Casula Mall (new)
MERRYLANDS Josie Montalto, Stockland Merrylands Shopping Centre (new)
ST IVES Adam Biermann, St Ives Shopping Village (new)
SYLVANIA Grant McKenzie, Southgate Shopping Centre (new)
PLUMPTON Kellie Cadden, Plumpton Market Place (new)
WOLLONGONG
SHELL HARBOUR Kerrie Ann Windle, Shell Harbour Square
WARRAWONG Cheryle Delandre, Westfield Shoppingtown
CROWN CENTRAL Jeanette Underwood, Crown Central

store outlets



CANADA

MAYFAIR

Gina Tanguay, Mayfair Shopping Centre, Victoria, B.C.

LOUGHEED Carla Anderson, Lougheed Town Centre, Burnaby, B.C.

METROTOWN Shannon Brownsdon, Metropolis at Metrotown, Burnaby, B.C.

COQUITLAM Tara Laughlin, Coquitlam Shopping Centre, Coquitlam, B.C. *(new)*

LANGLEY Lorne Campbell, Willowbrook Shopping Centre, Langley, B.C. *(new)*

SURREY Leah Waite, Guildford Town Centre, Surrey, B.C. *(new)*

SEVENOAKS

Audra Parent-Waller, Sevenoaks Shopping Centre, Abbotsford, B.C.

notice of annual meeting

Notice is hereby given that the Annual Meeting of Shareholders of Michael Hill International Limited ("the Company") will be held at the Hilton Hotel, Princes Wharf, Auckland on Friday 4 November 2005 at 2pm.

BUSINESS

The business of the meeting will be:

1 FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report including the Financial Statements and the Auditor's Report for the period ended 30 June 2005.

2 RE-ELECTION OF LESLIE WAYNE PETERS AND ANN CHRISTINE HILL AS DIRECTORS

To consider, and if thought fit, to re-elect Leslie Wayne Peters and Ann Christine Hill as Directors of the Company by passing the following Ordinary Resolutions:

- a. "That Leslie Wayne Peters be re-elected as a Director of the Company;"
- b. "That Ann Christine Hill be re-elected as a Director of the Company;"

See *Explanatory Note*.

3 AUDITORS

To record that the Company's Auditors PriceWaterhouseCoopers are automatically reappointed as auditors pursuant to Section 200 of the Companies Act 1993 and to consider, and if thought fit, to pass the following Ordinary Resolution:

- "That the Directors be authorised to fix the remuneration of the auditors for the ensuing year;"

4 OTHER BUSINESS

To consider any other ordinary business which may be properly brought before the meeting.

PROXIES

Subject to the voting restrictions set out below, all shareholders are entitled to attend and vote at the meeting or to appoint a proxy to

attend and vote in their place. A proxy need not be a shareholder of the Company. Individuals who are disqualified from voting on any resolution are unable to vote on a discretionary proxy.

Enclosed with this Notice of Meeting is a proxy form. For the appointment of a proxy to be valid, the form must be deposited at the registered office of the Company, Third Floor, Michael Hill Building, 25 Rathbone Street, Whangarei, no later than 48 hours before the start of the meeting. Postal voting is not permitted. The Directors offer themselves as proxy to shareholders.

CORPORATE REPRESENTATIVES

A corporation which is a Shareholder may appoint a person to attend the meeting on its behalf in the same manner as that in which it could appoint a proxy.

By order of the Board of Directors



WK Butler
Secretary

1st October 2005

EXPLANATORY NOTES

RESOLUTION 2 – RE-ELECTION OF LESLIE WAYNE PETERS AND ANN CHRISTINE HILL AS DIRECTORS

Leslie Wayne Peters and Ann Christine Hill are currently Directors of the Company and retire by rotation in accordance with NZX Listing rule 3.3.8. Each Director, being eligible, offers himself for re-election.

corporate directory

DIRECTORS

R.M. Hill, C.N.Z.M (Chairman)
 M.R. Parsell (Chief Executive Officer)
 G.J. Gwynne
 L.W. Peters A.D.Bus, M.B.A., A.S.I.A., M.A.I.C.D.
 M.R. Doyle
 A.C. Hill Dip F.A.

COMPANY SECRETARY

W.K. Butler B.Com., C.A., F.C.I.S.

REGISTERED OFFICE

3rd Floor
 Michael Hill Building
 25 Rathbone St
 Whangarei
 (All communications to
 GPO Box 2922, Brisbane, Australia)

AUSTRALIAN HEAD OFFICE

Metroplex on Gateway
 7 Smallwood Place
 Murarie
 GPO Box 2922, Brisbane, Australia
 Telephone (07) 3399 0200
 Fax (07) 617 3399 0270

SHARE REGISTRAR

Computershare Investor Services
 Limited
 Level 2, 159 Hurstmere Rd
 Takapuna
 North Shore City
 Investor Enquiries (09) 488 8777

SOLICITORS

Kensington Swan
 PO Box 10246
 Wellington
 New Zealand

AUDITORS

PricewaterhouseCoopers
 188 Quay Street
 Private Bag 92162
 Auckland
 New Zealand

PricewaterhouseCoopers
 Waterfront Place
 1 Eagle Street
 Brisbane
 Australia

BANKERS

ANZ Banking Group (New Zealand)
 Limited
 Australia and New Zealand Banking
 Group Limited

WEBSITE

www.michaelhill.com



index

SUBJECT	PAGE
Analytical information	15
Annual report awards	31
Audit independence policy	23
Audit report	32
Audit subcommittee	21
Balance sheet	36
Board committees	21
Board member profiles	29
Board membership	20
Cash flow	37
CEO's review	8
Chairman's review	7
Code of ethics	26
Communications with Shareholders	23
Community Support	19
Company Profile	1
Conflict of interest	27
Continuous disclosure	23
Corporate directory	55
Corporate governance	20
Directors' fees	22
Directors' shareholdings	49
Directors' meetings	20
Dividends	30
Exchange rate	15
Financial calendar	48
Financial Review	14
Financial statements	33
Gold Club	17
Group Executive team	16
Human Resources	17
Imputation credit account	43
Independent Directors	20
Interest cover	15
International Financial Reporting Standards	12
Key Facts	5
Managers conference	17
Mission Statement	3
Net debt	5
Net tangible asset backing	15
Nominations subcommittee	22
Notes to the financials	38
Notice of Annual meeting	54
Options	23
People Development	17
Performance highlights	5
Remuneration of employees	31
Remuneration subcommittee	21
Return on funds	15
Risk Management	25
Segment Results	35
Share price performance	48
Share purchase scheme	22
Share trading by Directors	22
Shareholder information	48
Statement of Cash flows	37
Statement of Financial Performance	34
Statement of Financial Position	36
Statement of Movement in Equity	34
Statistics	15
Statutory report	30
Store outlets	50
Substantial security holders	49
Trend statement	15
Values	3
Working capital ratio	15

our people, who make it all happen...



NATALIE AARONS, ODETTA ABERNETHY, VALERIE ABRAHAM, JAMES ABSOLUM, ALICE ACHETRARITEI, BLAIR ACHURCH, ELAINE ACHURCH, BLAKE ADAM, GERALD ADAM, JUDITH ADA, EHCEN ADEBAHR, WENDY AGUILAR, STEVEN AINSCOW, DENISE AITKEN, MADISON AJOC, MANAL ALAMEDDINE, VIRGINIA ALBARRCIN, ZENAIDA DEL ALCAZAR, MICHAEL ALDRED, LYNETTE ALEXANDER, KEITH ALLAN, SHARRON ALLAN, EMMA ALLISON, JIM ALLOT, CAROLINE ALPE, SANDRA ALVES, CRYSTAL AMBELAS, ALANA AMBROGO, JUDITH AMOS, JOSIE ANANIDIS, SANIYE ANAR, ADINA ANASTASIA, AMY ANDERSON, JANINE ANDERSON, WENDY ANDERSON, LESLIE ANDERTON, JASON ANDREWS, EMILIA ANDREWS, ANITA ANNAN, MARNIE ANNAN, IRENA ANSELL, SONIO ANTONINO, RAELENE AOUD, MARIELY APONTE-BABBAGE, VICKY APOSTOLOS, JANE APPERLEY, THERESA APULU, JANA AQUILINA, ZED ARENA, LAWRIE ARENDS, ANTHONY ARGENT, TRINA ARKINSTALL, BRAD ARTRONG, JUDITH ARROW, JOHN-PAUL ARROWSMITH, MANDY ATCHISON, OLIVER AUBOIRE, MAUREEN AUSTIN, SHARON AXIAK, ILHAM AZAD, SALEHA AZMI, MARYANN AZZOPARDI, SANDRA AZZOPARDI, NICOLE BAART, JENNY BABINGTON, LEANN BADOWSKI, NATALIE BADER, JOANNA BAINBRIDGE, KAREN BAINS, SUADA BAJRAMI, LINDA BAJRAMOSKA, JACKIE BAKER, NATARSHA BAKER, KATHLEEN BALTETSCH, SHARON BANKS, RICHARD BARBER, BELINDA BARBERA, KATHRYN BARCHAM, NATALIE BARNES, SARAH BARNES, DONALDA BARR, TONI BARRETT, BELINDA BARRETT, KRISTAL BARRETT, AMANDA BARTLETT, JENNI BASTEN, MEGAN BAWDEN, LANI BEARD, SHERRIE BEARD, KELLY BEHRENS, MALI BEITOLLAHI, JUDITH BELCHER, LOUISA BELL, GEMMA BELL, MARY BELL, SHELLEY BELL, KAREN BELLIS, KIM BEMET, EMMA BENNETT, HAYLEY BENNETT, BARBARA BENNISON, LEANNE BENSTEAD, LESLEY BERE-STREETER, EMMA BERGER, MICHELLE BERGER, KYLIE BERNAT, TRUDY BERNAT, ADAM BERRY, GRAEME BEST, WANDA BETTS, KAREN BHANA, ALEXANDRA BIDDULPH, MARY BILTSOURIS, NATERIA BIRCH, ALTHENA BIRCH, SHANNON BIRCH, SHERRILYN BIRD, VICKI BIRTLES, WILLIAMINA BISKE, CHRISTINA BLACHNIG, MELANDA BLACHNIG, MEG BLACK, BRENDON BLACKETT, LYN BLACKFORD, TYLER BLACKMAN, DEBORAH BLAIR, SHARMAINE BLAIR, JENNI BLAKE, REBECCA BLAKE, JOYCE BLAYDEN, ZORAN BLAZEWSKI, NICOLA BLOXHAM, GILLIAN BOLTON, CAROL BOOCK, CHARLOTTE BOSTIN, SMRUTI BOTADRA, ANNE BOUSTEAD, ELIZABETH BOWE, CRAIG BOWEN, VANESSA BOWEN, KELLIE-ANN BOWMAN, NATALIE BOYS, JOSEPHINE BOZZA, GAYE BRADFORD, TRACEY BRAIN, ADRIANNE BRANDON, PAIGE BREARLEY, BRUCE BRENNAN, GEOFFREY BRENNAN, SUSAN BRIDGEMAN, JOY BRIFFA, MADELAINE BROSNAN, ANDREW BROWN, DEBORAH BROWN, JOHANN BROWN, KAREN BROWN, RENEE BROWN, TRUDY BROWN, KYM BROWNE, SHANNON BROWNSDON, CAMERON BRUCE, REBECCA BRUNDELL, MARIA BRYANT, PAULINE BUCHANAN, DEBORAH BUCKLEY, SUEAN BUCKLEY, SANDRA BUCKNALL, ROBERT BUCKWORTH, ADELE BULL, WAYNE BULLOCK, ANN BUNA, LEISA BURDETTE, SHARON BURKE, RENAE BURNETT, CRAIG BURNS, TANIA BURNS, SHELLEY BURROWS, KRISTI BURT, CHERYL BUTLER, JANET BUTLER, MELLISSA BUTLER, TERESITA BUTLER, WAYNE BUTLER, MARILYN BUTTSWORTH, KELLIE CADDEN, GILLIAN CAITHNESS, DARLENE CALDERONE, GRANT CALDWELL, TERESA CALICE, TRUDI CALLENDER, JANET CALVERLEY, AMANDA CALVERT, CAROL CAMERON, JUDITH CAMERON, NADINE CAMERON, KERRY CAMILLERI, KIRSTY CAMPBELL, KATHERINE CAMPBELL, LORNE CAMPBELL, KEVIN CAMPBELL, MELINDA CAMPBELL, GRACE CAMPPI, JENNIFER CANT, SALLY CANTRELL, TANYA CARDON-SMITH, AMY CARMODY, HARLEY CARNegie, AMANDA CARNOVALE, SANDRA CARNOVALE, TRACEY CARRASCO, ABBIE CARSE, BEN CARSE, DEBBIE CARTER, DOM CARTER, NICHOLETTE CARTHEW, ELYSHA CASS, CHARMAINE CATANZARITI, MARILYN CATANZARO, VICKI CATO, WENDY CAVANAGH, DIANNE CAVE, YVONNE CAVELL, DONNA CERA, ZAHIA CHAABAN, SONYA CHALMERS, TONY CHAND, CYNTHIA CHARLESWORTH, JENNIFER CHASSIE, RENEE CHILD, SATWINDER CHIMA, CALLUM CHOWNS, MARIA CHRISTOFIDELIS, SHARIM CHUA, DANIELLE CHURCH, BEVERLEY CHURCHILL, ROB CLARK, GEORGIE CLARK, MICHELLE CLARK, SUE CLARK, JAMIE CLARKSON, COLLETTE CLATWORTHY, CHRISTINA CLAYSON, AMBER CLINCH, LYNDA COCKRUM, ANGELA COLEMAN, MELISSA COLEMAN, JAMES COLLEY, LISA COLLEY, HANNAH COLLINGS, MELISSA COLLINS, CHRIS COLLINSON, DANE COLSON, KAREN CONGREVE, CAROLE CONNELLY, ELLIOTT CONWAY, MELISSA COOK, LESLEY COOMBE, AMANDA COSTER, CINDY COTTERELL, TRACEY COTTERELL, FIONA COUGAN, MARY COULSTOCK, KATHRYN TERESE COUNSELL, JANET COURT, FIONA COUSENS, TRACY COUSTAS, NATASHA COUTTS, SIMON COUTTS-BAIN, DENISE COVICH, SCOTT COVINGTON, LISA-JEAN COWLES, CATHY COX, LEEANNE COX, JANET CRAIGIEMCONNELL, ADAM CRANSTONE, MELISSA CRAWFORD, PAM CRAWFORD, TRACEY CRAWFORD, LORIENA CRAWLEY, JODY CREMONA, SHERRYL CRETNEY, WENDY CRIDDLE, NICOLE CRIGHTON, SAMANTHA CROFT, PETE CROMARTY, JACQUELINE CROSSINGHAM, DEBORAH CROUCH, WAYNE CROWLEY, HAYLEY CRUMP, MICHELLE CUI, DEBORAH CULLEN, TINA CULPAN, STACEY CULPITT, SHABANA CUMMING, HEIDI CUMMINGS, JULIE CUMMINS, GAIL CURRAN, BRETT CURRIE, HANNAH CURTIS, NARDINE CURTIS, LEANNE CUSINATO, MELONA DA SILVA, REBECCA DA SILVA, SIMONE DAAL, KATHLEEN DADE, VICKY DAHAR, SUSIE DAKIN, LYNN DALE, ROBYNE DALE, SARAH DALE, HELEN DALEY, SUZANNE DALEY, JULIE DALGLEISH, ALICE DALTON, SHIRLEY DALY, JACQUELINE DANCE, SHANE DANCE, DIANNE DANIEL, MICHELLE DANN, JO-ANNE DARLING, MARK DART, JACKI DAVIDSON, BRADLEY DAVIES, VICKI DAVIES, JULIE DAVIES, JILL DAVIS, KIMBERLEY DAVIS, REBECCA DAVIS, WARREN DAVIS, NAOMI DAWICK, JANICE DAY, CLAIRE DAY, NGAIRE DAY, BRADLEY D' COSTA, JOSEPH DE AIZPURUA, CORALIE DE ANDRAD, SALLY DE BEER, LARRAINE DE VINE, TRACY DE WAAYER, CHRISTINE DEANON, DEE DEED, AIMEE DELANDRE, CHERYL DELANDRE, CHARITO DELOS SANTOS, BEVERLEY DENNER, NARELLE DENNER, BRENDON DENNIS, DIANE DENNISTON, CAROL DENT, TRACEY DERBYSHIRE, HOLLY DEVESON, CLAIRE DHYBERG, LUCY DI PIETRO, TRINA DIAKOWSKI, ROSALBA DILIZIO, TENNILLE DOBIE, LAURA DOBSON, GAIL DODD, KAREN DODD, MARIA DODD, KYLIE DOEKS, ERIN DOHERTY, MARIJA DOJCHINOV, SAMANTHA DOKOS, THERESA DOLAN, GAYLE DONALD, AMY DORCICH, HEATHER DORCICH, JADE DORCICH, LISA DOROTHY, LORRAINE DOUDY, CATHERINE DOUGLAS, ERIN DOUGLAS, SHANTELE DOWELL, TRACEY DOWNES, LEONIE DOWNEY, LYNETTE DOWSETT, JANE DOWSING, DALE DOYLE, EMMA DOYLE, JANE DOYLE, MURRAY DOYLE, ANGELA DRESSER, CAROLYN DRING, JUDITH DRINNAN, GAYLE DRIVER, STORM DRIVER, SUSAN DRIVER, LOUISE DRYDEN, LORRAINE DUCKWORTH, AARON DUFF, MATTHEW DUFFELL, ROSEMARY DUFFELL, SARAH DUFFIELD, LORRAINE DUFFY, BEVERLEY DUGGAN, MARGARET DUN, NICOLE DUNBAR, ALISON DUNCAN, JOANN DUNCAN, KERRI DUNCAN, TRACY DUNCAN, KYM DUNKLEY, TRACEY DUNN, LORRAINE DUNNING, VICKI DYER, TONI DYET, SHERRY EASTHOM, KRIS EASTLEY, JEANETTE EDDY, RUTH EDHOUSE, WAYNE EDMONDS, MELISSA EDMONDS, BELINDA EDMONDS, NICOLE EDRIDGE, ANGELA EDWARDS, JACQUIE EDWARDS, MARGARET EDWARDS, MARIA EGONOW, JAMES ELLIOTT, LAUREN ELLIOTT, EUNICE ELWIN, ROXANNE EMERTON, PATTI ENG, SINDY ENSOR, EDITH ERICKSON, DIANNE EVANS, JANNINE EVANS, CLAIRE EVELYN, DIANNE EVERETT, SALLY EVERY, DIANE FABRICATO, CAROLYN FAIRALL, NANCY FALCONER, FRANCES FARAONE, KELLY FARMER, KYLIE FARRELL, JAMIE FAYAD, SONIA FAZIO, CINDY FEAQ, MICHELE FEATHERSTON, VERONIKA FELLOWES, MICHELLE FELTWELL, CHRISTINA FEMIA, SIOBHAN FENNELLY, CHARMAINE FERGUSON, KAREN FERGUSON, LINDA FERN, VERONICA FERNANDES, JACQUELINE FERNANDO, ANN FERRARI, PATRICIA FINDLAY, LYNETTE FINN, CATHERINE FINNIGAN, GAIL FISCHER, ERIN FISHER, JANNE FISHER, MAREE FISHER, WENDY FITZPATRICK-HARTCHER, CRAIG FLAM, KAREN FLANAGAN, PATRICIA FLANAGAN, SHEILA FLAWS, CATE FLETCHER, KRISTY FLETCHER, LYNDA FLETCHER, BEN FLOOD, LYNNIE FLOYD, RAEWYN FOOTE, BARBARA FORBES, DARREN FOREMAN, JACKIE FORSYTH, FELICITA FORTIS, WILLIAM FOTHERBY, TRINA FOTHERINGHAME, ELIZABETH FOWLER, BELINDA FOX-DOW, KEVIN FRANCESCON, BELINDA FRANSDONK, PUTRI FRASER, RACHEL FREDRICKSEN, JO FREEBORN-JONES, SUE FREEMAN, JAMES FREW, GARY FRIEND, CRAIG FROST, FELICITY FROST, DELMA FRYATT, ROSS FRYER, BLANCHE FURNISS-ROE, JODIE-ANNE GABRIEL, TREMAINE GALIBARDY, SUSAN GALLAGHER, ALANA GALWAY, JULIETTE GALWAY, MARIA GAMBINO, RIAN GAMPE, ABIGAIL GARLAND, FIONA GARRETT, NICOLE GEANGE, JUDY GEAR, KYLIE GEBBING, BENJAMIN GEDDES, ELIZABETH GELLIE, SUE GERAGHTY, LEONIE GERICEVICH, SYLVIA GEROYAN, HUSNA GHOUSE, JULIETTE GIANCOLA, LISA GIARDINA, JESSICA GIBBINS, NATASHA GIBBS, AMANDA GIBSON, CHRISTINE GIBSON, SCOTT GIBSON, BRONWYN GILES, HELEN GILL, SUSAN GILL, LEISA GILLET, DANIEL GILLHAM, BLAKE GILLMER, SANDRA GILMOUR, SARAH-ANNE GINSON, EMMA GITSHAM, HORIANA GLASSIE, SHELLEY GLEESON, PETER GLOVER, CLAUDIA GLYNTZOS, ROCHELLE GODFREY, LEE GODING, ELISA GODWIN, HEATHER GOLDSMITH, PETRA GOLIS, HALEY GOODIN, MARK GOODMAN, LAURA GOODWIN, CHARMAINE GOODWIN, HELEN GOODWIN, DIANNE GOOLEY, DAVID GORDON, LYNETTE GORDON, STEPHANIE GORDON, PATRICIA GOULDING, KANDI GOVENDER, SARAH GRADY, TRACY GRAEWE, BRUCE GRAHAM, CLAUDETTE GRAHAM, DEBBIE GRAHAM, EMMA-JAE GRAHAM, JAN GRAHAM, JULIANNE GRAHAM, NICOLA GRAHAM, PAMELA GRAHAM, MIRANDA GRANGE, CHANTELE GRANT, GIOVANNA GRASSO, JAMES GRAY, KAYLENE GRAY, SOPHIE GRAY, KRISTINE GREAT, BARBARA GREEN, REBECCA GREEN, TONY GREEN, ROSANNE GREENWOOD, BRENDAN GREGG, KATE GREGORY, IANNY GREIG, CHRISTIE GRELLI, VALMAI GRIEVE, TANIA GRIFFITH, ADAM GRIFFITHS, CATHERINE GRIFFITHS, EVAN GRIGORIS, SONA GRIMLEY, DEBORAH GROVES, REBECCA GRUBER, CHERYL GRYGIEL, FRANCA GUARINO, JILLIAN GUBB, GARY GWYNNE, HELEN HAGI, LINDA HAINE, LIDA HALAM, CLAIRE HALE, DALE HALFORD, MICHELLE HALICKI, SHARON HALL, LEE HALLIDAY, BRETT HALLIDAY, DIANE HALPENNY, CORAL HAMILTON, JOHN HAMILTON, KRISTI HAMILTON, KRISTI HAMILTON, BIANCA HAMMOND, SARA HAMMUDI, MARETTA HANBURY, NICOLA HANCOCK, CHERYL HAND, ASHLEIGH HANLEY, CAROL HANNAFORD, GERALDINE HANNEY, LEE HANNEY, JOHN HANSELL, KYM HANSEN, MAXINE HANSEN, ARRON HANSHAW, CHRISTINA HANSON, ANGELA HANTZIS, BEN HARDAKER, JOAN HARDAKER, REBECCA HARDWICK, ANGELA HARDY, DARCY HARKINS, LEEANNE HARPUR, SUSAN HARRIS, JASMINE HARRISON, KYLIE HARRISON, LEANDAR HARRISON, LYNNE HARRISON, PAMELA HARRISON, AILEEN HART, LYNNE HARTLEY, JANE HARTUP, NEIL HARVEY, ANNIE HATHERLEY, TAMA HAU, SANDIE HAWKE, MAXINE HAYWARD, VERONICA HAZZAZ, XINYA HE, KIRSTY HEANEY, MARGARET HEATH, DOROTHY HEDISON, EMILY HEFFERNAN, EFFIE HEGGART, DONOVAN HEHIR, MARY HEMPO, KELLY HENARE-FALLOWS, DENISE HENDERSON, IAN HENDERSON, KATE HENDERSON, TERRI HENDERSON, BARBARA HENRY, ROBYN HENRY, NERIDA HEPPLER, VJ HENSEN DAVIDSON, SHARON HEWSON, MICHELE HICKEY, JACKIE HICKEY, SUSAN HICKEY, RICHARD HICKFORD, DIANNE HIGGINS, ROZANNE HIGNETT, CHRISTINE HILL, KIM HILL, EMMA HILL, MICHAEL HILL, VIVIENNE HILL, TERESE HILLARD, CHRIS HINDLE, JOAN HINES, JODIE HINTON, NATALIE HINTON, GALINA HIRTZEL, ADELE HOBBS, EMILY HOBBS, LINDY HOBBS, VICKI HODGE, MICHELLE HODGES, EMMA HODGSON, YVONNE HODSON, JILLIAN HOGAN, SHANE HOHAIA, ALISON HOLLAND, FIONA HOLLAND, LEONIE HOLLAND, MEGAN HOLLAND, ROCHELLE HOLMES, BELINDA HOLROYD, TANYA HOLT, MELISSA HOLTON, LYNETTE HONEYSETT, DES HOPKINS, TIENG HOR, NICOLE HORNE, NICOLE HORNE, DIANNE HORNER, LEANNE HOULAHAN, DONNA HOWARD, JO HOWARD, MARISA HOWARD, BARBARA HOWIE, MARGARET HOWLAND, WENDY ANNE HRSTCH, MAGGIE HU, AMY HUBBARD, RENEE HUDSON, KRISTEENA HUGHES, JANNINE HUMPHREYS, BRENDA HUMPHRIES, DEBORAH HUNT, LINLEY HUNT, YVONNE HUNT, JOHN HUNTER, ALEXANDRA HUNTER, CHARISSE HUNTER, LEAH HURST, BRENT HUTCHINSON, SIMONE HUTCHINSON, NATHALIE HUTCHINSON, NADINE HUTT, ANDREW HUTTON, TRINA HUYNH, TAMARA HUYZLIAK, LINDA HWANG, JOCELYN IACONO, LENA IACOPPI, RITA IANNELLA, ISABEL IBELL, SANDRA IDEL, ANNA IGNATIEVA, TAMARA ILAGAN, VIVIENNE IMARISIO, HAYLEY INCE, SJANNE INGHAM, JAN INGHAM, KRISTY-LEE INGHAM, ANGIE INGRAM, RICKI-LEE INGRAM, ROBYN INGRAM, SHARON INNES, REBECCA INNES-JONES, JOANNE IRELAND, DIANNE IRVINE, KRISTY ISBESTER, TONI IVES, CHANTELE IWIKAU, JOANNE JACKSON, MELISSA JACKSON, ROSALIE JACKSON, SEAN JACOBS, SIAN JACOBS, CARRIE JAMES, COURTNEY JAMES, JOANNE JAMES, LEAH JAMES, LEE JAMES, TINA JAMES, PATRICIA JAMESON, ANNA JAMIESON, JENNIFER JAEK, TAYLOR JAMES, MONIQUE JANISSON, BEN JANKALUS, RAELENE JEFFERY, PATRICIA JEFFS, JOANNA JENKINS, LINDA JENNER, GERARD JENNETT, KIRSTEN JENSEN, AMANDA JERAM, JULIE JESSIMAN, HELEN JOHNSON, HOLLY JOHNSON, JENNIFER JOHNSON, JOSEPH JOHNSON, SARAH JOHNSON, VICKI JOHNSTON, ARLO JONES, JASON JONES, KEREN JONES, KIM JONES, LEANN JONES, KATHERINE JORDAN, MATTHEW JORDAN, MERILYN JORDAN,

EMMA JORGENSEN, LIDIA JOVANOVSKA, AMY JULIAN, JIN JUNG, DELPHY JUNGO, ALICE JURY, HAFIZ KABANI, TRACEY KABERRY, JOANNE KAIWAI, BRENT KALLU, DENISE KALMAN, GWENDA KANOFSKI, JULIA KAPITOURES, KONSTANTINA KARAKITSOS, JAMIE KARIKO, AHMAD KARNIB, NATALIE KAUFMANN, LOUISE KAY, KERRIE KEARNEY, KATHLEEN KELLY, LUCIA KELLY, DEBORAH KELSALL, KATRINA KEMP, DANNI KENNEDY, ANNETTE KENNY, LOREN KENNY, STEPHANIE KERR, MELODY KESHAWARZ-RAHBER, KYLIE KETTLEWELL, DENIS KHOTCHENKO, SAMANTHA KIDMAN, DONNA KILBORN, FATI KILIGASLAN, LAUREN KILKELLY, JESSICA KING, GLENNYS KING, JULIE KING, PAMELA KING, SUSAN KING, ALISON KIRKLAND, JEANINE KNAPTON, KAY KNEEBONE, MATTHEW KNIGHT, MELISSA KNOWLTON, KAREN KNOX, ALKA KOCHAR, NADINE KOLINAC, KIM KONING, DOROTHY KONONEN, ELEFTHERIOS KONTOPoulos, GAIL KORTIKIS, CATHERINE KRAFT, AGNES KUC, REBECCA KUILDER, VIVIEN KUK, USHA KUMAR, VIOLET KUO, ALICE KWOK, FRANCESCA LA SPINA, KIM LACY, CARLOS LAGORIA, ELENI LAGOUTARIS, DAVE LAING, SHARON LAKE, KATRINA LAM, KATHERINE LAMA MEDINA, LORAINNE LAMB, SELINA-MAREELEAMB, SHANNON LAMB, ASHLEIGH LAMBERT, LESLEY LAMBERT, TAMARA LAMBRICK, DEBBIE LAOCK, CHERIE LANDAMORE-HARPER, BELINDA LANFRANCA, DANIELA LANFRANCA, CONNIE LANFRANCA, CHRISTINE ANNE LANG, BRETT LANGE, CINDY LARROSA-JONES, KENDALL LARSEN, MARY-ANNE LARSEN, DANIELLE LASHMAR, TIBOR LASZLO, CINDY LAU, TARA LAUGHLIN, BROOKE LAVERY, LOIS LAW, SHARMAINE LAW, LAUREL LAWRIE, CECILIA LAZ, VALENTINA LAZAREVSKI, MICHELLE LE BRETON, BIC LE, JOYCE LEACH, MANDY LECKIE, ELEANOR LEE, JESSICA LEE, NERISE LEE, RAY LEE, ROBYN LEE, SAMANTHA LEE, ELIZABETH LEES, MEGAN LEVY, CAROL LEWIS, MICHELLE LEWIS, ZHANG LI, GLORIA LI, LI LI LIAM, GREGORY LIDICKY, SARAH LILLEY, LISA LILLINGTON, GREGORY LILLY, THOMAS LIMA, KATHRYN LINDSAY, ELIZABETH LING, BARB LINS, LIANTY LIOE, LAURA LIPPER, PAUL LITTLE, MABLE LIU, DEAN LLOYD, MARANDA LLOYD, RUTH LLOYD, JULIE LONG, KAT LONGSTAFF, GLENNYS LOTTER, ANTONIJA LOUSIN, GLENDA LOVEDAY, MADDY LUDVIGSEN, LEE LUKE, ANTHONY LUM, TIFFANY LUXTON, AMBER LY, JONATHON LYTTLE, WENDY MABEN, MICHELLE MACADAM, DANIELLE MACDONALD, KIRSTEN MACDONALD, PAM MACDONALD, BERNADETTE MACKAY, ROBYN MACKAY, MIRIAM MACKECHE, ZARI MACKENZIE, KAREN MACKRELL, WARWICK MACLACHLAN, FIONA MACLELLAN, WILMA MACPHAIL, WENDY MADDISON, JOSIE MAGNATERRA, JENNIFER MAGNER, RACHAEL MAGOFFIN, HEATHER MAHAFFEY, BERNADETTE MAILLI, SUSAN MAIN, LINA MAIORANA, JO MAISEY, DEBORAH MAKIN, MAARIT MALINEN, KERRY MALLET, AYLEEN MALONEY, SUZANNE MALONEY, HANNAH MAN, LEIGH MANA, ANGE MANA, RENO MANCHANDA, JEAN MANGANO, NICOLE MANGANO, GEORGINA MANN, TIMOTHY MANNERS, KUSHMILA MANSEL, ELIZABETH MANTEIT, JANET MARCOUX, ROCHELLE MARFELL, CHRISTINE MARGARIS, JESSICA MARKRAM, LISA MARLAND, MARGARET MARRIOTT, NERISSA MARSDEN, SANDRA MARSHALL, MARGARET MARSON, ADRIENNE MARTIN, WENDY MARTIN, JULIE MASCI, LEANNE MASLEN, KATRINA MASLUK, CLIFFORD MASON, GLORIA MASSEY, HEATHER MASSEY, SARAH MASSEY, TRUDY MASTALERSKI, KYLIE MASTERSON, BRIELEY MATHESON, ANTHONY MATTHEWS, MAREE MATTHEWS, MIRIAM MATTHEWS, RHIANNON MATTHEWS, LAUREN MATTINSON, CHRISTINE MATTOCK, ROBYN MAVIN, CARMEL MAYNARD, CHRISTINE MAYRSEIDL, JESSICA MAYRSEIDL, JODI MAZZOLA, BROOKE MCALISTER, ELIZABETH MCATEE, COLLEEN MCBROOM, CATHY MCCANN, GENEVIEVE MCCARTHY, TASHA MCCARTHY, JULIE MCCLOSKEY, SHARYN MCCLOUD, PETA-RENE MCCLURE, DARRELL MCCOLLUM, JENNIFER MCCULLOCH, LINDSAY MCCUNE, MARJORIE MCDUGALL, DEBORAH MCDOWALL, JANIS MCGAVAN, KIM MCGEE, CASSANDRA MCGOWAN, JUSTINE-EMMA MCGOWAN, MATTHEW MCGOWAN, SUSAN MCGOWAN, KARYN MCGRATH, SUZANNE MCGRATH, TRACEY MCGREGOR, STEVE MCINNES, TRACEY MCINNES, DAVID MCINTOSH, ALANNA MCIVER, ELAINE MCKEE, HELENE MCKELLAR, AMBER MCKENZIE, DONNA MCKENZIE, GRANT MCKENZIE, JAN MCKENZIE, ROSS MCKINNON, JASON MCMLACHLAN, KATE MCLEAN, ELOISE MCLELLAN, ARNOLDA MCLEOD, SUSAN MCLOCHLAN, BRETT MCMAHON, TARA MCMILLAN, SUSAN MCMILLAN, LAURA MCMILNIE, JESSICA MCMURTRIE, HAYLEY MCNAUGHT, FIONA MCPHERSON, LOUISE MCQUILLAN, GAIL MEADOWS, ANNA MENEGUZZO, JANICE MENZIES, SHIRLEY MEREDITH, TERESA MESEHA, HEIDI MEYS, SUSAN MIDDLEMISS, ELISE MIDDLETON, MAUREEN MIERS, RIANN JANELLE MIHAERE, LENCE MILJEVSKA, ALISON MILHAM, ALICE MILLER, ALISON MILLER, DANIELLE MILLER, MARIANE MILLER, NATALIE MILLS, NICOLE MILLS, MARGARET MILLS, BARBARA MILVAIN, KAREN MINCHINTON, JACQUI MINNIKIN, JOANNE MINNS, MARAL MISAGHIAN, NASTARAN MISAGHIAN, JULIE MITCHELL, SUSAN MITCHELL, VICKI MOFFAT, BARBARA MONAGHAN, SABREEN MONDAIR, NARELLE MONK, KRISTINE MONK, JOSIE MONTALTO, LEIA MONTALTO, STEFANIE MONTALTO, BETTINA MOORE, OLIVIA MOORE, RUTH MOORE, ERISA MOOSA, CHARMAINE MOREN, LAURA MORAN, CHRISTINE MORGAN, IRENE MORGAN, RACHEL MORRALL, JANET MORRICE, KYLIE MORRICE, JOANNE MORRILL, ALICIA MORRIS, KELLY MORRIS, ELIZABETH MORRISON, FRASER MORRISON, KIM MORRISON, SUSAN MORRISON, DIANE MORRIS, KAREN MOY, SAM MUIR, RIMMA MULLIGAN, CLARE MUNRO, PAOLA MURDOCH, EMMA MURPHY, JOANNE MURPHY, JOCELYN MURPHY, TERRI MURRAY, FELICITY MURRAY, HELENA MURRAY, JO-ANNE MURRAY, PAMELA MURRAY, SCOTT MURRAY, TERRY MURRAY, ALAN MURRELL, NATASHA MUTU, KERRY MYERS, JILLIAN MYRTEK, YUVANIA NAIDOO, ANITA NAIDU, ROSELINE NAIDU, RAJ NAIR, DAINA NALDER, KELLY NATHAN, AFRODITI NAUMOVSKI, LAUREN NEAL, GREG NEL, RACHEL NEL, LEE-MARIE NELMES, DAVID NELSON, JACQUELINE NESI, KYLIE NEVILL, ANDRA NEWBY, ROWENA NEWELL, KEVIN NG, ZHIWEI NI, NADI NICESKI, KATE NICHOLLS, NORMAN NICHOLLS, KELLY NICHOLS, FIONA NICHOLSON, LESLEY NICHOLSON, TRAVIS NICHOLSON, WARWICK NICHOLSON, ANGELA NIE, JO-ANNE NIELSEN, KARYN NIELSON, KERRIE LEE NIELSON, REBECCA NIGHTINGALE, KARYN NIKORA, GEORGINA NILAS, MAZIAR NIROOMAND, AMANDA NISBET, LEANNE NOBLE, DEBBIE NOLAN, PATRICIA NORMAN, RACHELLE NORMAN, SUE-ANN NORTON, KELLY NOTARO, SARAH OCKEY, KARLA O'CONNOR, LINDA O'CONNOR, MELISSA O'CONNOR, NINA O'CONNOR, TRACEY O'DAY, SALLY OGLIVIE, SUSAN O'KEEFE, SARAH O'LEARY, LANCE OLLERENSHAW, MELISSA O'LOUGHLIN, JANET ONG, LANA ORECHOW, MARIA OROSA, DAMIAN ORWIN, CAROL OSBORNE, KIM O'SHANASSY, SHAUN O'SHEA, RADEN OSMAN, RENAYE OVERTON, DEBORAH OWEN, BRENDA PAGE, BIANCA PALEZEVIC, DANELLE PAMMENT, ROSLYN PANTER, ROSLYN PAOLA, GILLIAN PAPADAKIS, HARIKIA PAPAIOANNOU, AMY PARATA, AUDRA PARENT-WALLER, ALEXIS PARKER, CHRISTINE PARKER, KIM PARKER, LETIZIA PARLONGO, HEENAL PARMAR, MICHAEL PARSELL, SARAH PARTRIDGE, NICOLE PATAKY, JANE PATERSON, MARILYN PATERSON, MEGAN PATERSON, JASMINE PATTERSON, MANDY PATTERSON, TRACIE PATTERSON, DONNA PATTISON, DORICE PAULIN, CATHERINE PEARSON, DEBORAH PEARSON, MARLENE PEARSON, REBECCA PEDERSEN, HANNANI PEIHOFA, STACEY PENN, JULIE PENNELLS, ELSPEETH PENNY, ROSLYN PEOVA, RUTH PERFECT, LEESA PERKINS, RENA PERRIN, ALAINE PERROTT, DIANNE PETERS, JUSTIN PETERS, LESLIE PETERS, STACEY PETERS, ALYSON PETROWSKI, KAREN PHILLIPS, TRACEY PHILLIPS, URSULA PHILLIPS, KATHI-ANNE PHILP, JULIE PICKUP, MARLINEA PIKE, ANDREW PIRIE, NATALIE PISANO, MELONDY PITHIE, CATHERINE PLUNKETT, CHRISTINE POHL, STEVE-AMBER POLGAR, REBECCA POLLKHEHN, DANIELLE PORTEOUS, CARLA PORTER, INGRID PORTER, LYNETTE PORTER, COREY POTTER, MARLENA POTTS, DOROTHEA POULOPOULOS, ANNA POULTON, JEANNINE POWELL, VICTORIA POWLEY, PAMELA PRANGE, NGAIRIE PREO, AMANDA PRETTY, GINA PRICE, MADELINE PRICE, RICHARD PRICE, TRISH PRIDDIS, BROOKE PRIDGEON, CHRISTINE PRIDGEON, JENNIFER PRINCE, CAROLYN PRINGLE, JENNY PRINTANNIER, SUSAN PROBERT, LINDA PRUJEAN, MARY-ANN PRYOR, KAREN PUKALLUS, JODIE PULEHETOA, LIDIA PUNTIURIERO, SHARON PURDIE, NARELLE PUTLAND-FERRY, HELEN QIU, NINA QUENALT, JACK QUI, JULIE QUINN, GAVIN QUINNEY, TINA RADFORD, SARAH RADLOFF, JANITA RADUNZ, SHAZZA RAE, PATRICIA RAINS, JAMIE RAMM, CINDY RAMPFL, ANDREW RAAY, HALEY RAAY, ANDREA RANDLE, JESSICA RANKIN, MARGAUX RANKINS, SHARLEEN RAPANA, JASON RASBORSEK, MIKE RASCOE, DANIELA RATTA, SHARLENE RAWLINSON, LEANNE RAY, TAMMY RAY, PENNY REBECCHI, VIJAY REDDY, NICOLE REEVES, MARGARET REID, JODIE RENDELL, CLAIRE RENDLE, KYLIE RETALLICK, BRONWEN REVITT, MISS SHELLEY RHODES, CAROLE RHODES, SANDRA RIACH, REBECCA RICHARD, MARIE RICHARDS, CHRISTINA RICHARDSON, EMMA RICHMOND, TRENT RICHMOND, PAULA RICHTER, ANNA RIDER, ROBERT RIGBY, TROY RIGBY, JODI RILEY, KAY RIORDAN, SHARON RITCHE, HELENE RITTER, SARINA RIZZO, CAROLANN ROBERTS, SUSAN ROBERTS, COLLEEN ROBERTSON, JANET ROBERTSON, MARTINE ROBERTSON, TRACY ROBERTSON, CAMERON ROBINSON, KIRK ROBINSON, KYLIE ROBINSON, JUDITH ROBINSON, CASSANDRA ROBSON, NATASHA ROCK, TARNI RODE, NAMKANG RODSAP, KYLIE ROE, JULIE ROEBUCK, DAWN ROGERS, DEB ROGERS, JILL ROGERS, MARILYN ROHAN, SANDRA ROLLINS, NATALIE ROLLO, KRISTINE RONEY, ALLYCIA RONEY, ANN RONSIN, PAUL ROOKER, EALS ROONEY, JASMEEN ROOPRAI, SANDRA ROSE, JUDITH ROSS, PATRICIA ROSS, SHAYNE ROSS, BETH ROWELL, LESLEY ROYAL, EILEEN RUFFIN, GILLIAN RUSSELL, SHANNON RUSSELL, LESLEY RUSSO, RUTH RUTGERS, PAULA RUTIGLIANA, PAULA RUTLAND, AUDREY RYAN, GAILENE RYAN, MARION SABALLA, VIOLETTA SABINADA, CAROLINE SADD, LORRAINE SAINSBURY, SIEW SAI-RAYBOULD, SHAHLA SALEEM, CINDY SALMON, MALCOLM SANDERS, MELISSA SANDERS, MADELEINE SANTOS, ROMEL SANTOS, RONA SANTOS, RITA SARNO, KAREN SATERDAG, ROSE SAUNDERS, PATRICK SAUTER, BERNADETTE SAUZIER, LAURA SCHAEFFER, AMANDA SCHICK, DIANNE SCHILBACH, GIANNI SCHILIRO, JUDITH SCHNUR, NAREEN SCHOFIELD, DEBRA SCHOLZ, KARYN SCHRAFFT, LEANNE SCHULTZ, HELEN SCHUMANN, JACQUELINE SCOTT, KATHRYN SCOTT, MICHELLE SCOTT, ROSEMARY SCOTT, SUZANNE SCOTT, KERRI SCRIHA, LEEONA SEARLE, JOSEPHINE SEYMOUR, ALANA SEYMOUR, DALIDA SEYRAN, BARBARA SHADBOLT, ELISSA SHARP, LINDSAY SHATTE, FELICA SHAW, LYNN SHEA, TANIA SHEATHER, NICOLE SHEEHAN, JANE SHEEHY, HELENE SHEPHERD, DAWN SHEPHERD, JENOVEFE SHEPHERD, TANYA SHEPLEY, JAMES SHEPPARD, TONIA SHERRELL, TRACEY SHERRIFF, MARIKA SHIPTON, JAMES SHUKER, CHRIS SI, RINA SIEBURN, KATHERINE SIECRIS, ALYSSA SIKORU, STACY SILICH, EMMA JANE SILKE, JAMIE SILSBY, ANASTASIA SILVER, MELISSA SIMMONS, KELLYANN SIMON, CATHY SIMONE, LAURA SIMPKINS, ELLIE SIMPSON, ANJINA SINGH, SELENA SINGH, LYNDA SINGLETON, ALAINA SKEWS, LEE SKINNER, JANNICE SLATER, CLAIRE SLATTERY, GLENN-MARIE SLATTERY, ANNETTE SMALLWOOD, BARBARA SMART, VANESSA SMART, KAREN SMIT, NINA SMITH, AILEEN SMITH, DEBBIE SMITH, DOROTHY SMITH, ELIZABETH SMITH, GAYLE SMITH, GREG SMITH, JACQUELINE SMITH, JO-ANNE SMITH, KIM SMITH, LESLEE SMITH, MELISSA SMITH, WENDY SMITH, CHERYL SMYTH, JACQUELYN SMYTH, LILIYA SOBOLEVA, FRANCES SOFOCLEOUS, KYLIE SONNEMAN, DENISE SOUTH, RACHEL SPARKS, MARILYN SPINKS, KYLIE SPITERI, JULIANNE SPREADBOROUGH, TIM SPREADBOROUGH, TONY SPRINGFORD, SUZANNE ST CLAIR, MARIA STALLARD, MEGHAN STANBROOK, MELANIE STANBURY, GREG STANLEY, KAREN STANNARD, TONY STARK, CARMEN STEFANO, SHERRYL STEHN, MARK STEIN, CAROL STEPHENS, SHARYN STEPHSON, TARA STEVENS, MICHELLE STEVENSON, ROBYN STEVENSON, KAREN STEVENSON-RUSSELL, DEBORAH STEWART, ASHLEA STEWART, GRAEME STEWART, MELISSA STEWART, ROSELIE STILES, DONNA STOBIE, KEVIN STOCK, PATRICIA STOCKWELL, DENNIS STOJKOVIC, PETA STOKES, GABRIEL STONE, ROSEANNE STONE, TERESA STONE, GILLIAN STONESTREET, AVRIL STOREY, ALISON STRADA, REBECCA STRAKER, DONNA STRATFORD, AMELIA STUART, JACQUELINE STUNNELL, LAURA STURDY, ANNIE SU, DIANNE SULLIVAN, DORIS SULTANA, MINGZE SUN, ADELE SUN, FEI SUN, NICOLE SUTCZAK, FIONA SUTHERLAND, CHRIS SUTIKNO, TARYN SWAN, JAYNE SWANBROUGH, TANYA SWAYN, DENAH SWEETMAN, SUZANNE SZYLVESTER, STACEY TAGGET, MOREENA TAHAPEEHI-PARKIN, ALBERT TAN, CAU TAN, GINETTE TANGUAY, JOY TARLING, ANTONIETTA TARZIA, MARC TASCHEREAU, DIANE TAVELLA, PHILIP TAYLOR, STUART TAYLOR, BRONWYN TAYLOR, MELINDA TAYLOR, MELISSA TAYLOR, MOANA TAYLOR, TRACY TAYLOR, DENISE TE KARU, TAARA TE PUIA, CHRIS TEAGUE, KARIN TEAGUE, KRISTLE TEE, JASMINE TELJA, COURTENAY TEMM, WINNIE TEO, CHERYLE TESTER, RAYMOND TESTER, ERICA THIRD, CHAD THOMAS, SUE THOMAS, CAROLYN THOMAS, LEIGH THOMAS, MAHA THOMAS, HOLLY THOMPSON, KYLIE THOMPSON, LISA THOMPSON, KAREN THOMPSON, JAN THOEN, MICHELLE THOON, NEIL THOON, STACEY THORBURN, WENDY TIBBO, LISA TIMBS, ZORICA TOLJ, RONA TOMLINSON, COLLEEN TOOHILL, DONNA TOTH, KIRBY TOZER, BOBBY T TRATT, MARGARET TRAVERS, KIM TREW, MARIAN TRIANTAFYLLOV, TERESITA TRIBO, JODI TROOD, LANA TROUNCE, DANIEL TROY, JULIE TSAKISSIRIS, MEESSHA TUCEK, LESLEY TUCKER, LAUREN TUCKER, VICKI TUENA, JANETTE TUKARIRI, SHELLEY TULLETT, BARBARA TULLY, CARLA TULLY, MARILOU TURNBULL, SIMONE TURNBULL, TRUDY TURNBULL, BETH TWEEIDIE, KEIKO UEMURA, HAYLEY UMBERS, JEANETTE UNDERWOOD, JULIE VAN BUUREN, AMY VAN DOORN, KAREN VAN DOORN, LOUISE VAN RENSBURG, PATSY VAN SPANJE, LESLIE VANDENHOOF, SARITA VANHOFF, KERRY VARVARI, POLY VATOS, DEANNA VENTURA, LYNDA VERNAL, ANDREA VERRY, DIANA VERRY, SANDRA VICKERS, JASON VICKERY, NICOLE VIDGEN, DANLEY VINCE, CHRISTINE VINCENT, EVA VIOLA, ANGELINA THUYVO, LYNH VO, KAREN VON TUCHER, KATHY VOST, STACEY VOST, KATHRYN WADE, FIONA WAGNER, NIKKI WAITE, LYDIA WAKELING, DEREK WALDEGRAVE, SHEREE WALDOCK, RAKHI WALECHA, ANNE WALFORD, DOREEN WALFORD, BRIDGET WALKER, COLLEEN WALKER, JANINE WALKER, LEIGH-ANNE WALKER, LIZ WALKER, SARAH WALL, SUSAN WALL, SANDI WALLACE, BREANNA WALLIS, TAMMY WALLIS, MARCELLE WALSH, MARK WALSHAW, JANET WALTER, SANJAY WALTERS, JOYCE WARD, JULIE WARD, HOLLY WARE, JODI WARNER, ANITA WARNES, TERRI WARREN, ANDREW WARWICK, RITA WASWO, AARON WATERS, ATHENA WATERS, KELLY WATSON, BRENDA WATSON, TANIA WATSON, KELLIE WATT, MARGARET WATTS, SAMANTHA WEARNE, CARSON WEBB, JULIE WEBB, LEONE WEBB, PRUE WEBBER, SARAH WEBBER, SUSIE WEBBER, ARZE WEHBE, ALFRED WENDT, INGRID WERNER, PIA WESLEY, KIM THERESE WESTLING, CORALIE WESTON, ANN WHALLEY, MARGARET WHEATLEY, DANA WHETTON, CLIFTON WHITE, MICHELE WHITE, NICOLE WHITE, SIMONE WHITE, SUSAN WHITE, FRANCES WHITELAW, LEON WHITING, SHELDON WHITING, PETRINA WHITTING, DONNA WHITTLE, MARGARET WI REPA, CAROL WICKERT, STACEY WICKERT, MARLENE WICKHAM, JANNICE WICKSEY, SHARON WIEDON, SHEILA WIERDA, TRACEY WILCOCK, KATHY WILLIAMS, STEPHANIE WILLIAMS, TAMARA WILLIAMS, ADAM WILLIAMS, DALE WILLIAMS, JESSICA WILLIAMS, NOELEN WILLIAMS, PHILIPPA WILLIAMS, TANIA WILLIAMS, ANGELA WILLIAON, BRIONY WILLING, DIANNE WILLIS, NATARSHA WILLS, SHELLS WILSHER, ANNE WILSON, HELEN WILSON, SUSAN WILSON, TAHLIA WILSON, KERRIE-ANN WINDLE, JENANE WINIATA, KATHERINE WISNIEWSKI, DEANNA WOLFE, KATRINA WOLFF, LAUREN WOLTER, ANGELINA WONG, KERYN WOOD, SALLIEANNE WOOD, DUNCAN WOODHOUSE, SHARON WOODLEY, TARRYN WOOTTON, BEVERLEY WRIEDT, LIANNE WRIGHT, ALICIA WRIGHT, RACHAEL WRIGHT, SARAH WRIGHT, NICOLE WRITER, SALLY WU, CONNIE WU, HEATHER WYLLIE, HUI XU, GHASSAN YAGOT, MICHELLE YARDLEY, BERENICE YATES, KATHRYN YATES, MIA YENA, SUSAN YONGE-MITCHELL, JULIE ZACCARIA, CHRISTINE ZAICHENKO, DANIELLE ZAMBARA, LORELLA ZANETTI, JOSH ZARB, MARIANNE ZOUTMAN.