

michael hill™

I N T E R N A T I O N A L L T D

Michael Hill International Limited
Full Year Results 30 June 2010





Financial Highlights

	\$000's	\$000's	
12 months ended	30/6/10	30/6/09	%
Sales Revenue	443,331	411,999	7.6%
EBIT	36,240	26,193	38.4%
Profit after tax \$000's	26,509	66,788	-60.3%

Note that a deferred tax credit of \$50.1m was included in the 2009 profit after tax figure.

More Highlights

<u>12 months ended</u>	<u>30/6/10</u>	<u>30/6/09</u>	<u>%</u>
Return on Shareholders Funds	17.3%	56.2%	
Operating Cash Flow \$000's	12,751	47,643	-73.2%
Net Debt \$000's	45,437	36,958	22.9%
Earnings per share	6.93 c	17.46 c	-60.3%



More Highlights

12 months ended

30/6/10

30/6/09

New Stores Opened

Australia	2	8
New Zealand	0	1
Canada	3	4
USA	0	17
Total Opened	5	30
Stores closed during year	12	1

Total Stores Operating

Australia	141	143
New Zealand	53	53
Canada	29	26
USA	9	17
Total	232	239

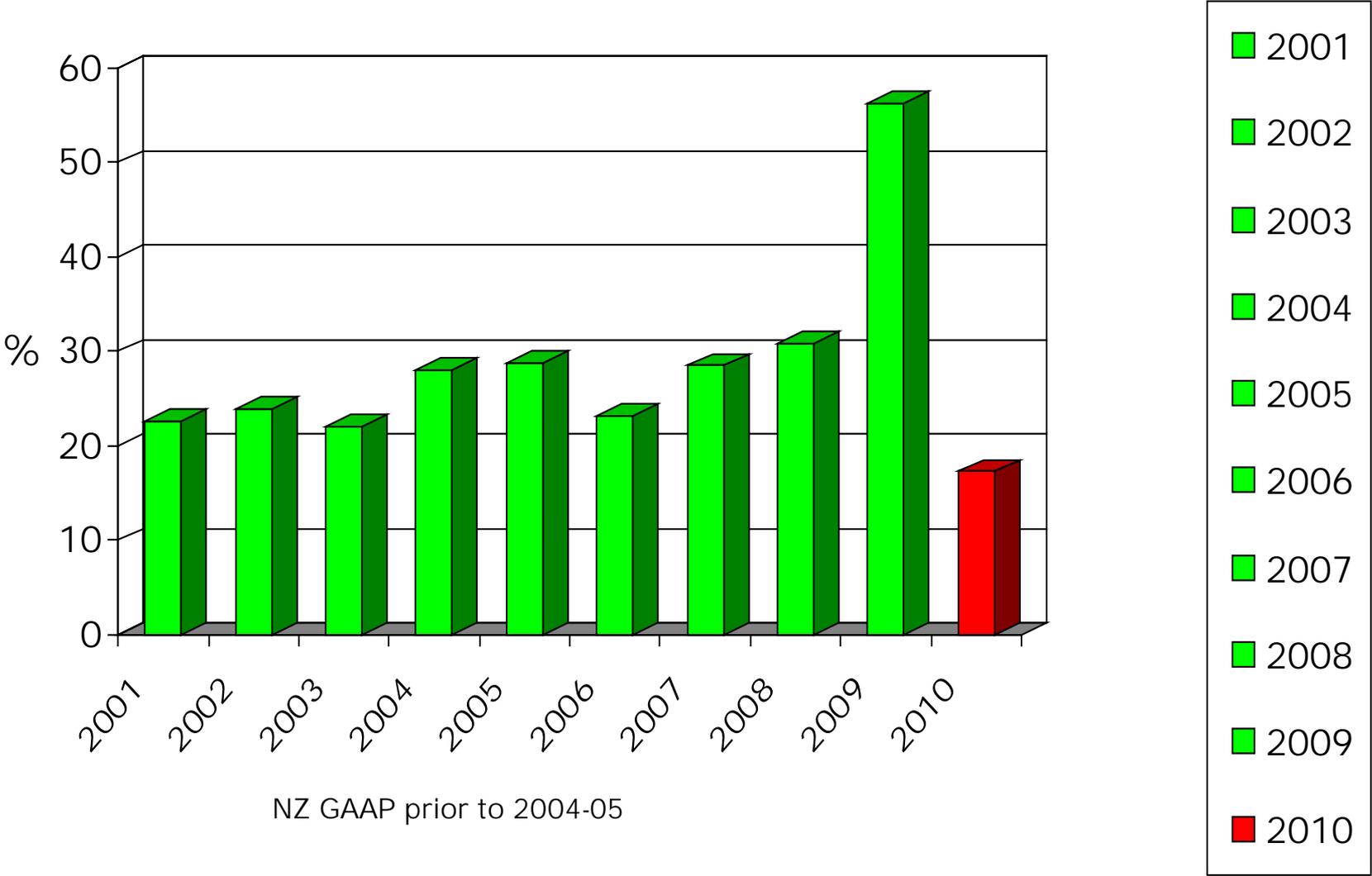


Same Store Sales Increases

<u>12 Months ended</u>	<u>30/6/10</u>	<u>30/6/09</u>
Australia (A\$)	4.9%	0.3%
New Zealand	6.1%	-8.2%
Canada (C\$)	-3.2%	-9.8%

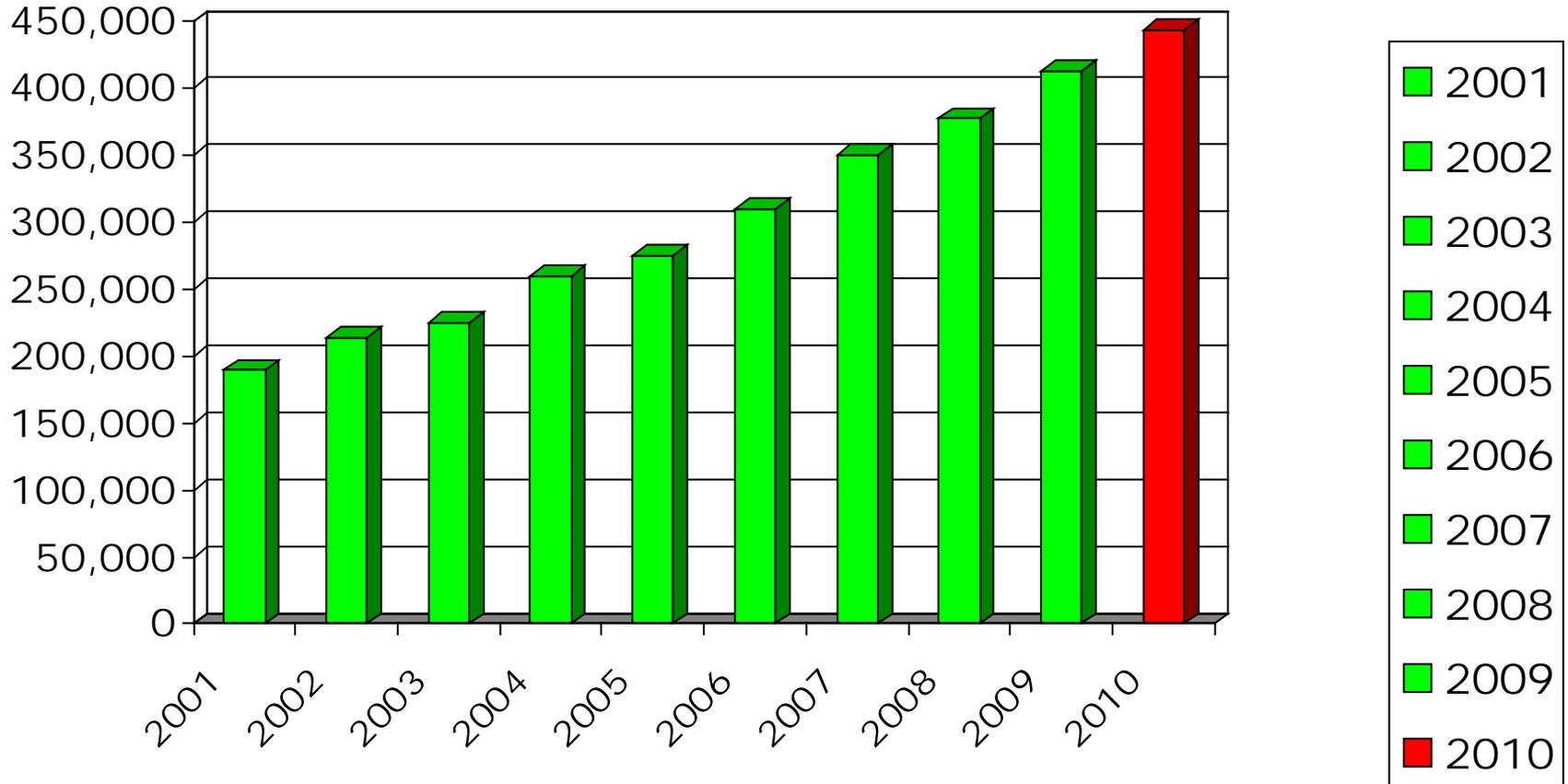


Return on Average Shareholders Funds



Group Revenue to 30 June

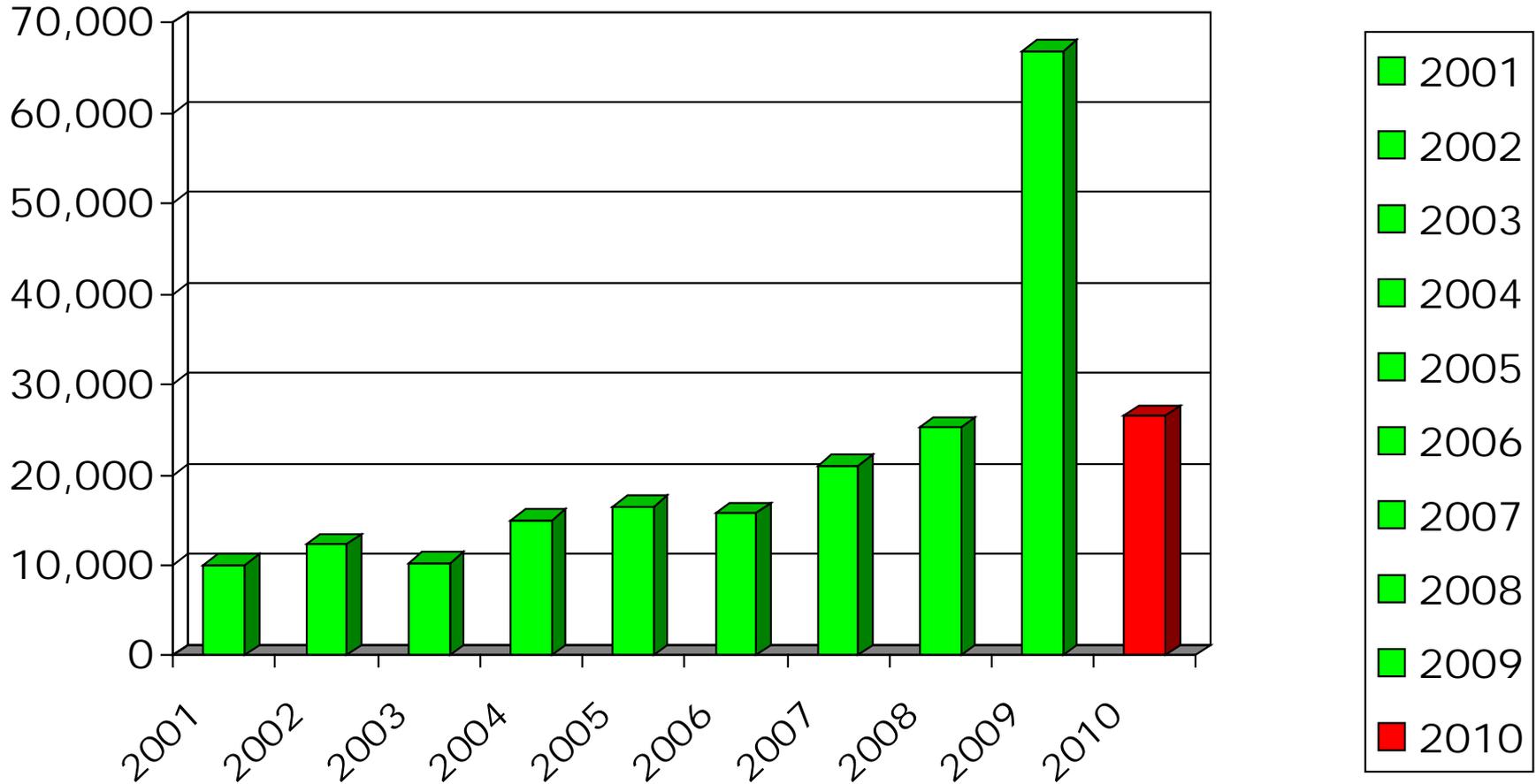
NZ\$000's



NZ GAAP prior to 2004-05

Net Profit after tax to 30 June

\$000's



NZ GAAP prior to 2004-05

Segment Results in NZ \$000's

<u>Australia</u>	<u>2010</u>	<u>2009</u>	<u>%</u>
Revenue	292,985	269,088	8.9%
EBIT	47,701	40,968	16.4%
As a % of Revenue	16.3%	15.2%	

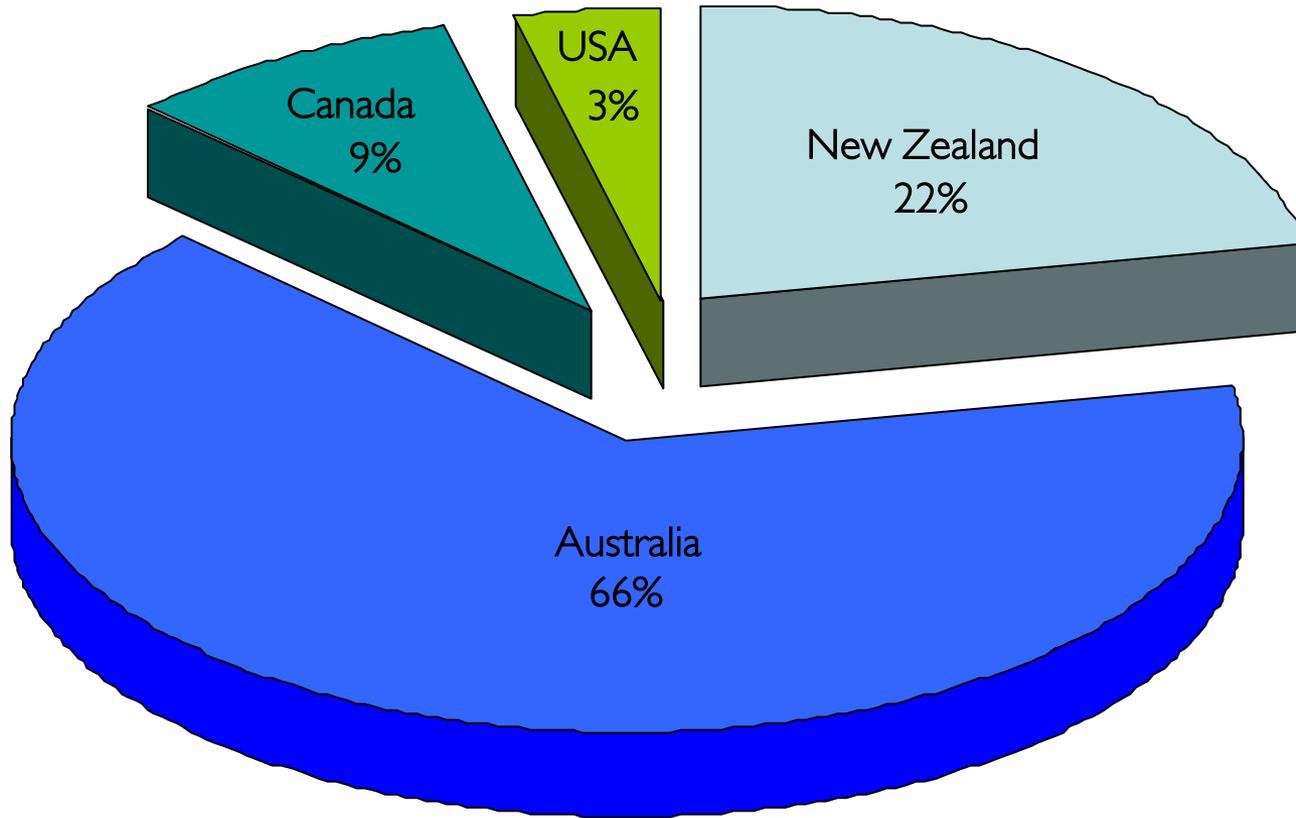
New Zealand

Revenue	95,811	90,393	6.0%
EBIT	16,204	14,954	8.4%
As a % of Revenue	16.9%	16.5%	

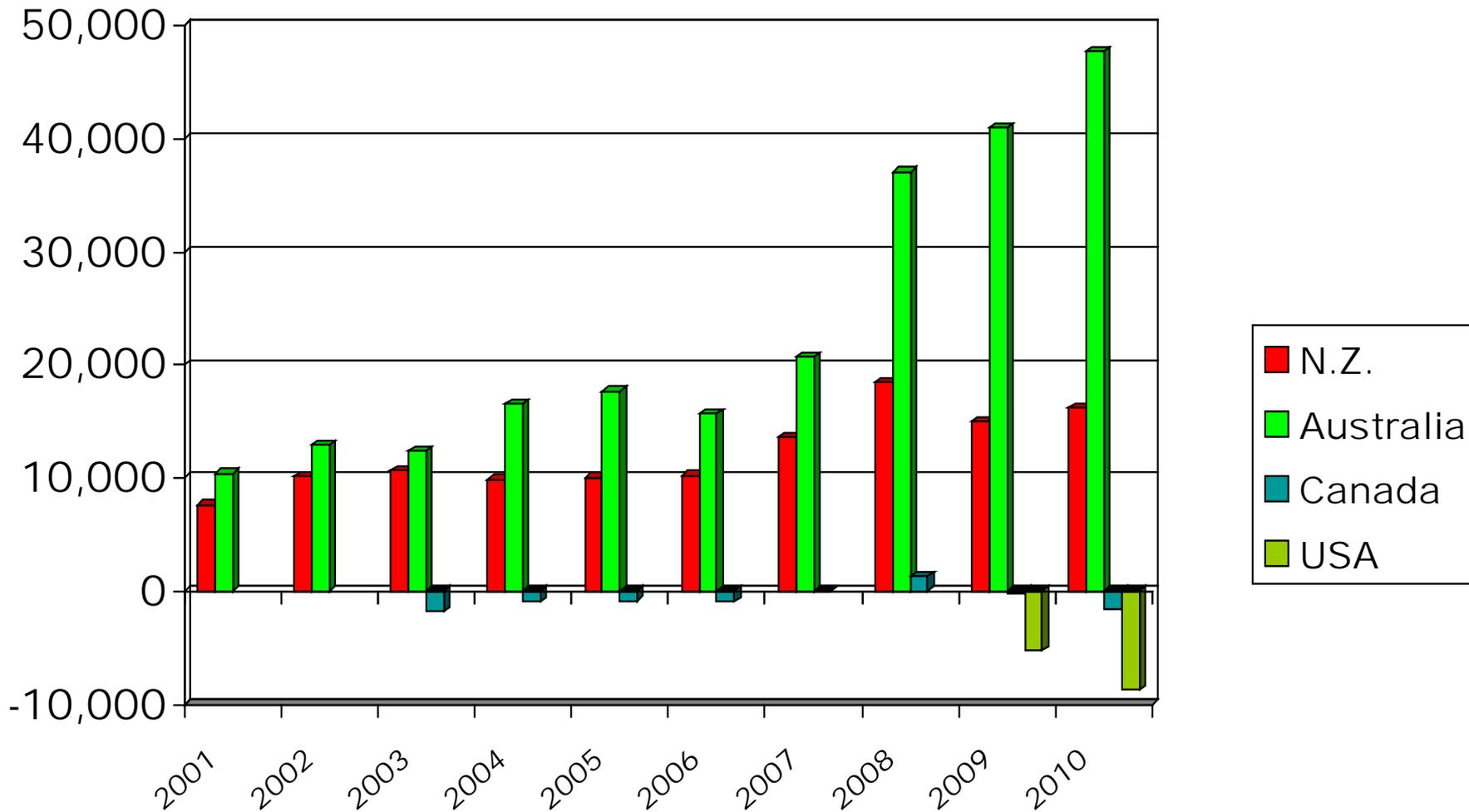
Segment Results in NZ \$000's

<u>Canada</u>	<u>2010</u>	<u>2009</u>	<u>%</u>
Revenue	39,398	36,438	8.1%
EBIT	(1,553)	(245)	(533.9%)
As a % of Revenue	-3.9%	-0.7%	
<u>USA</u>	<u>2010</u>	<u>2009</u>	<u>%</u>
Revenue	14,768	15,646	(5.6%)
EBIT	(8,713)	(5,292)	(64.6%)
As a % of Revenue	-59.0%	-33.8%	

Segment Revenue to 30 June 2010

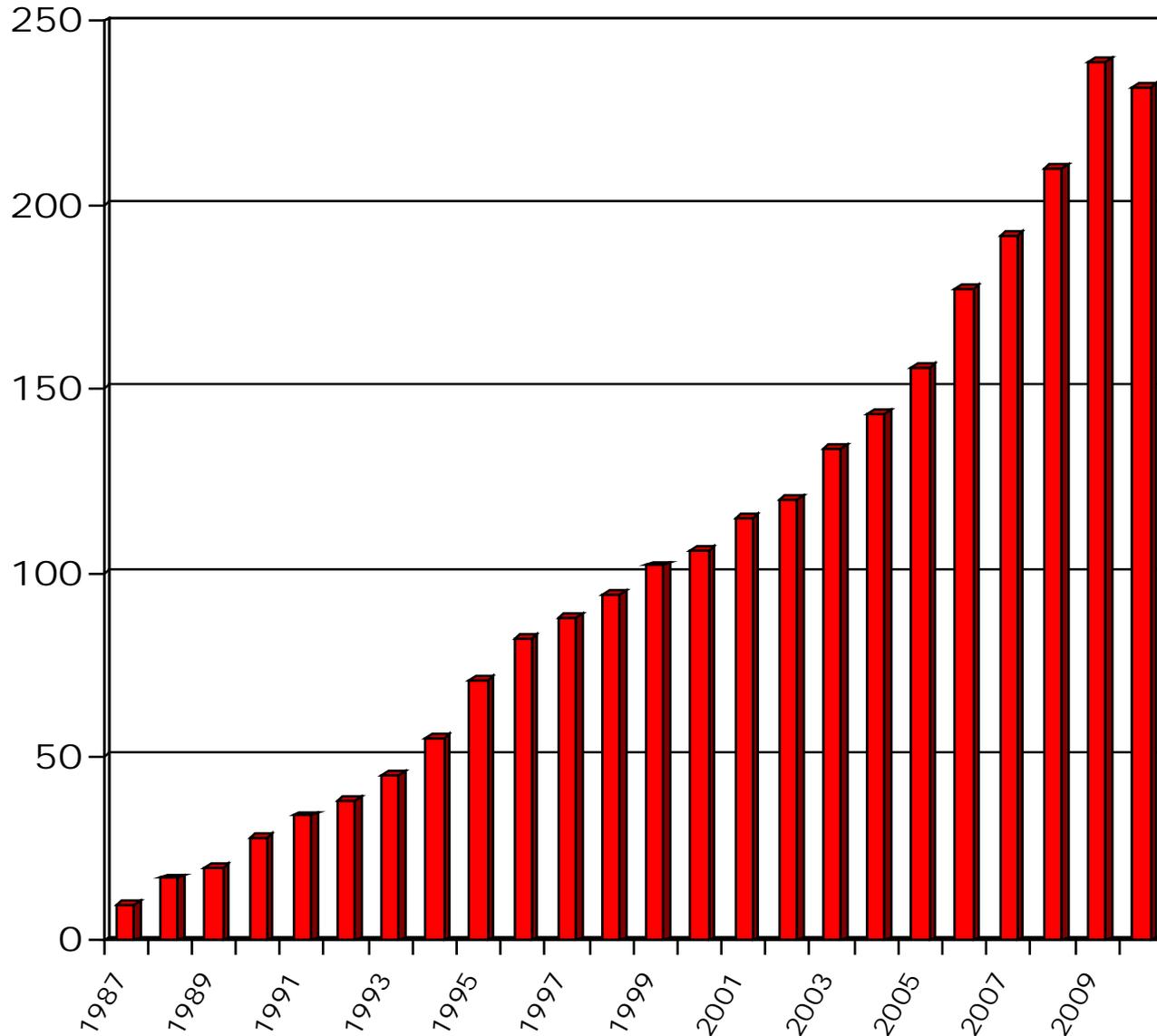


EBIT CONTRIBUTIONS NZ\$000's



NZ GAAP prior to 2004-05

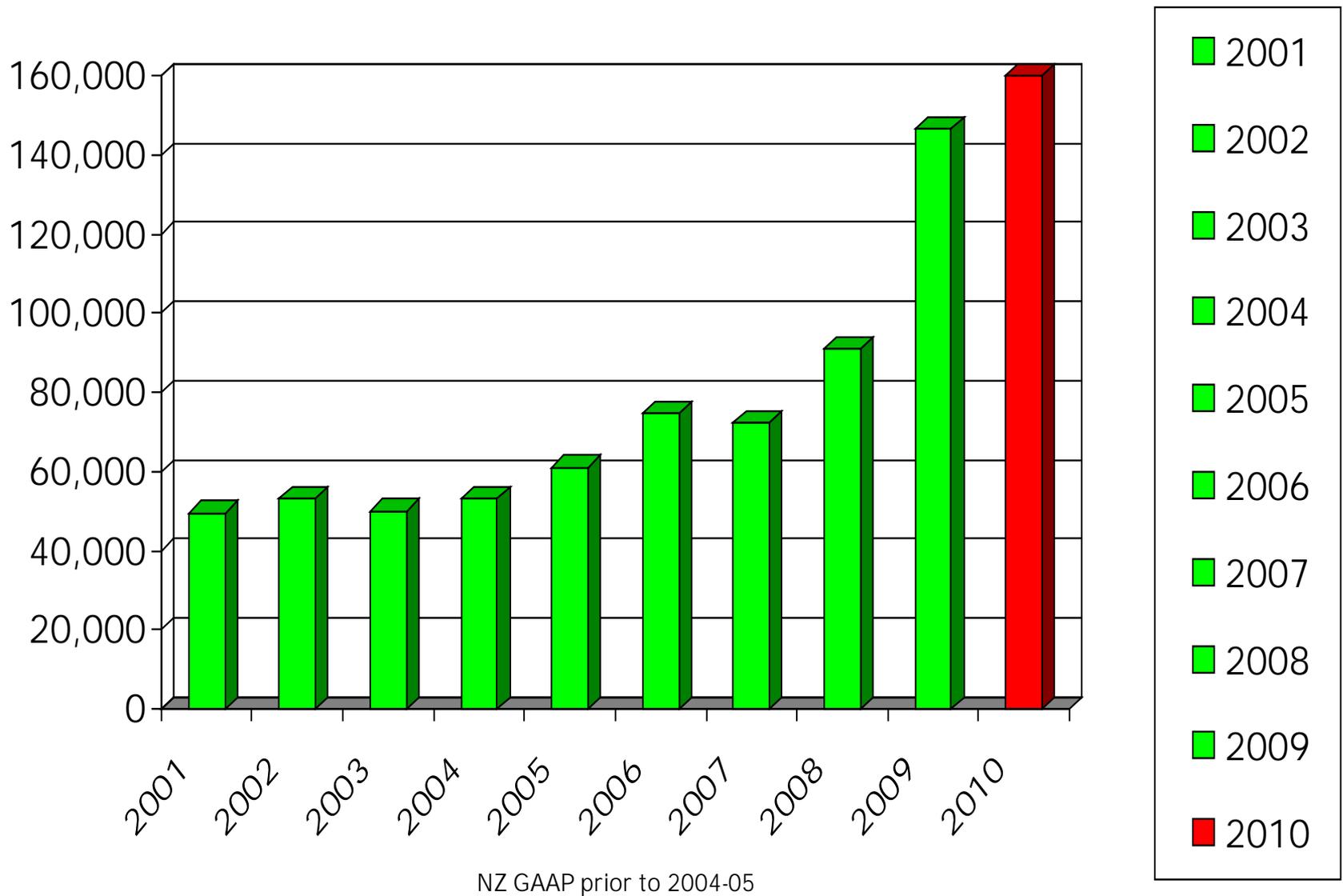
Total Jewellery Stores



Stores Numbers

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

Shareholders' Funds NZ\$000's





Cash Flows

<u>Year Ending 30th June</u>	<u>2010</u>	<u>2009</u>
	\$000's	\$000's
Net Operating Cash Flows	12,751	47,643
Net Investing Cash Flows	(10,073)	(10,328)
Net Financing Cash Flows	(19,772)	(23,079)

Final Dividend

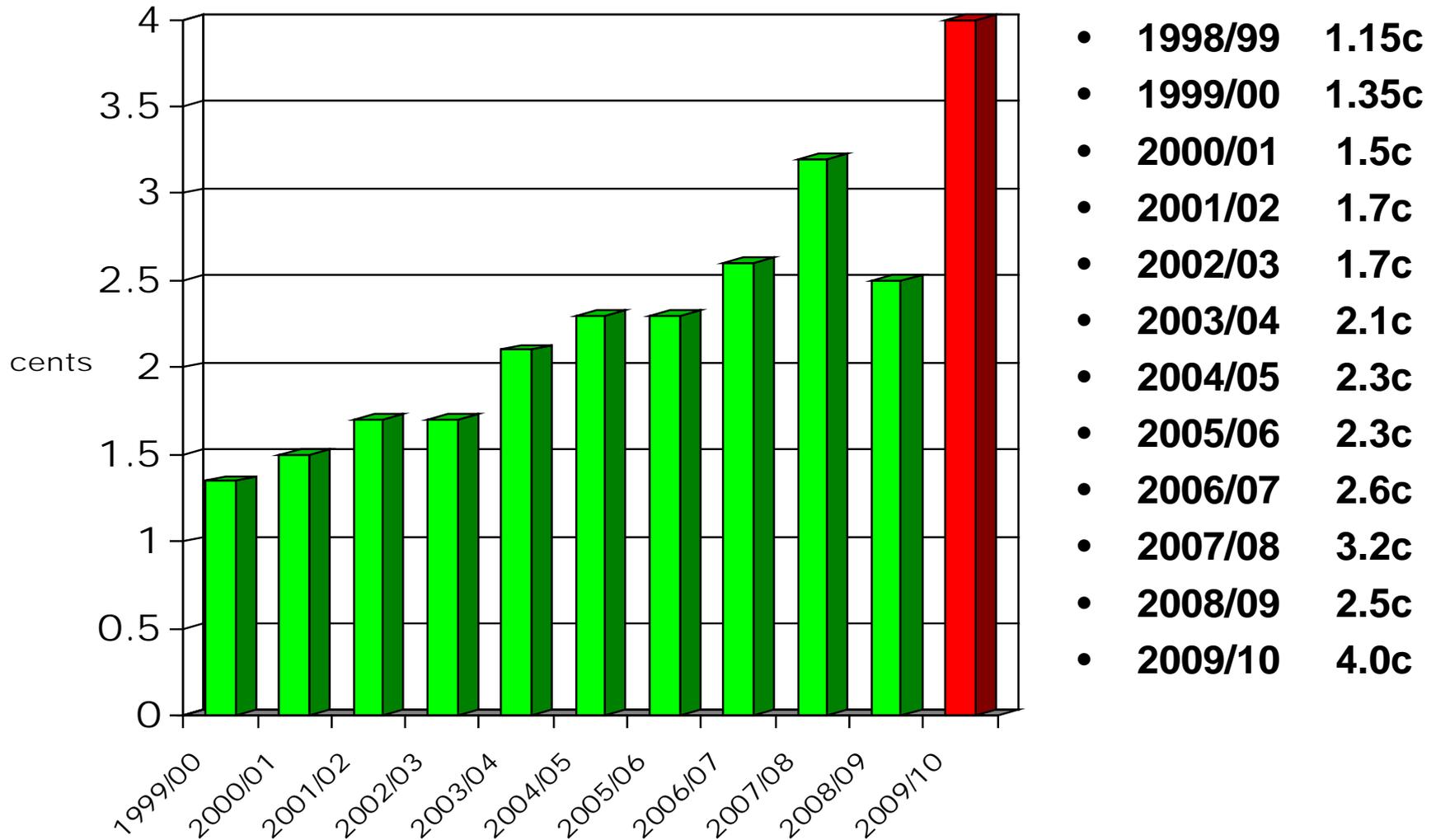
- 2000/01 8.5 cents per share
- 2001/02 10.0 cents per share
- 2002/03 10.0 cents per share
- 2003/04 13.0 cents per share
- 2004/05 14.0 cents per share
- 2005/06 14.0 cents per share
- 2006/07 16.0 cents per share
- 2007/08 2.0 cents per share (note 1:10 split in 2007)
- 2008/09 1.5 cents per share
- 2009/10 2.5 cents per share
- To be paid 11th October 2010
- Dividend not imputed for NZ shareholders
- Franking credits for Australian shareholders

Full Year Dividend per share

- 2000/01 15.0 cents +18.5%
- 2001/02 17.0 cents +13.3%
- 2002/03 17.0 cents plus 20 cent special div Oct 02
- 2003/04 21.0 cents +23.5%
- 2004/05 23.0 cents +9.5%
- 2005/06 23.0 cents no change
- 2006/07 26.0 cents +13.0%
- 2007/08 3.2 cents +23.1%
- 2008/09 2.5 cents -21.9 %
- 2009/10 4.0 cents +60.0%

Note the 1:10 share split in Nov 2007 adjusted for comparative purposes

Full Year Dividend Trend (Not including Special Dividend)



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



Growth Philosophy

Controlled Profitable Growth
with an emphasis on improving
existing operations

Australian 2009/10 Growth

2 stores opened in year to 30/6/10
and 4 closed giving
141 stores trading at year end

- Top Ryde, NSW
- Northland, Victoria



Australian Expansion



Stores operating	30/6/10	141
Planned	10/11	6
Planned	11/12	12
Planned	12/13	12

180 store locations have been identified as suitable locations

NZ Expansion



Stores Operating	30/6/10	53
Planned	10/11	1
Planned	11/12	1
Planned	12/13	1

Canadian 2009/10 Growth



3 stores opened during year giving
29 stores operating at 30/6/10

- CrossIrons, Alberta
- Bower Place, Alberta
- Park Royal, Columbia

Canadian Expansion

- Stores Operating 30/6/10 29
- Planned 10/11 6
- Planned 11/12 12
- Planned 12/13 12

100 store locations have been identified as suitable locations



thank you . . .



michael hill™

I N T E R N A T I O N A L L T D