



Full Year Results to 30
June 2001

Michael Hill International

Highlights

	NZ \$000's		
	<u>2000</u>	<u>2001</u>	<u>%</u>
Group Revenue	182,256	189,363	+ 4
Group Profit	9,939	10,039	+ 1
Earnings per share	25.8 c	26.03 c	+ 1
New Stores opened	4	9	
No. of Stores 30 June			
Australia	66	74	
New Zealand	<u>40</u>	<u>41</u>	
Total Stores	106	115	

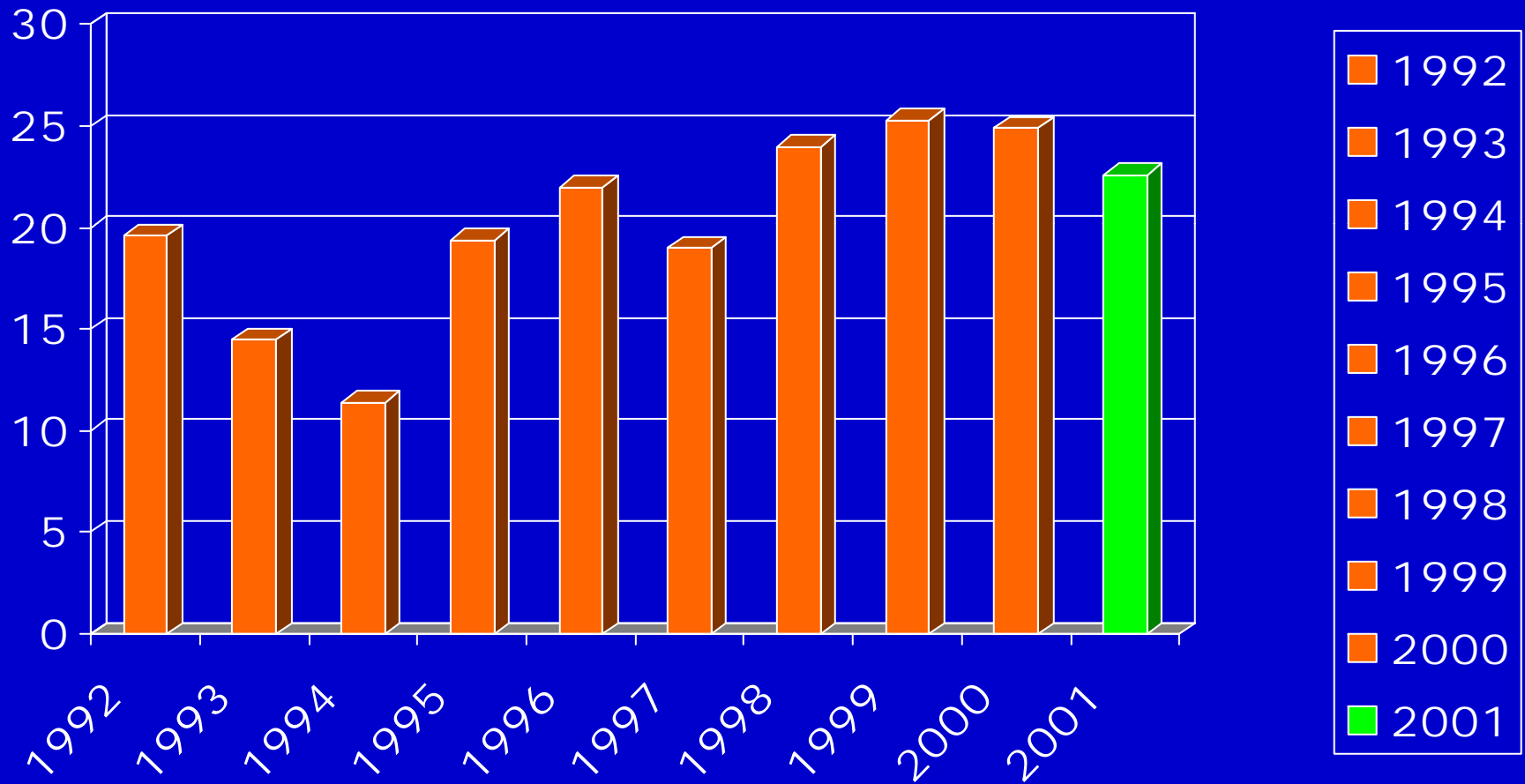


More Highlights

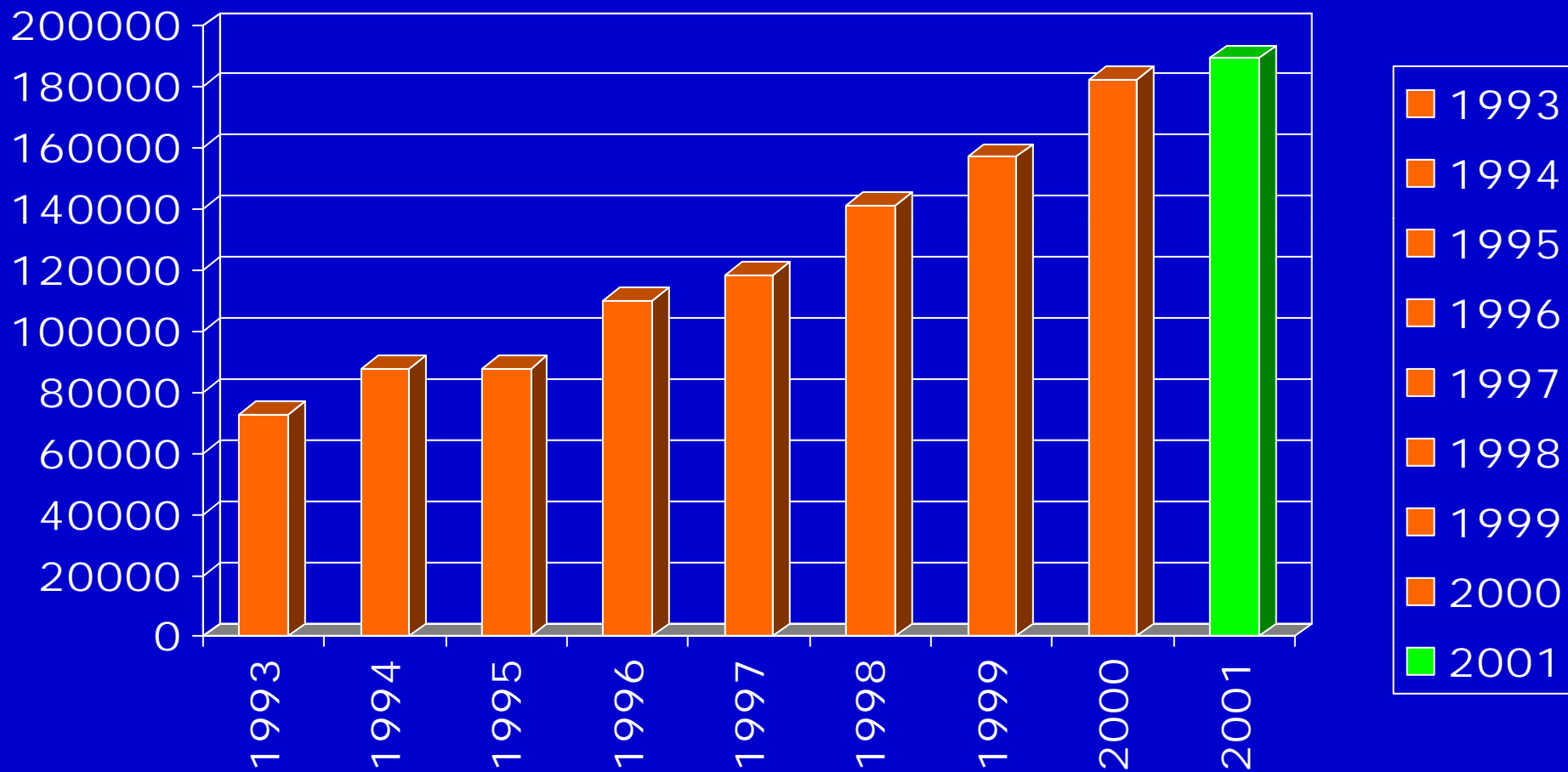
- * Same Store Sales up **2.9%** in New Zealand for the 12 months
- * Same Store Sales up **3.5%** in Australia for the 12 mths (adj. GST)

<u>Return on Shareholders Funds</u>	<u>2000</u>	<u>2001</u>
	24.9%	22.6 %

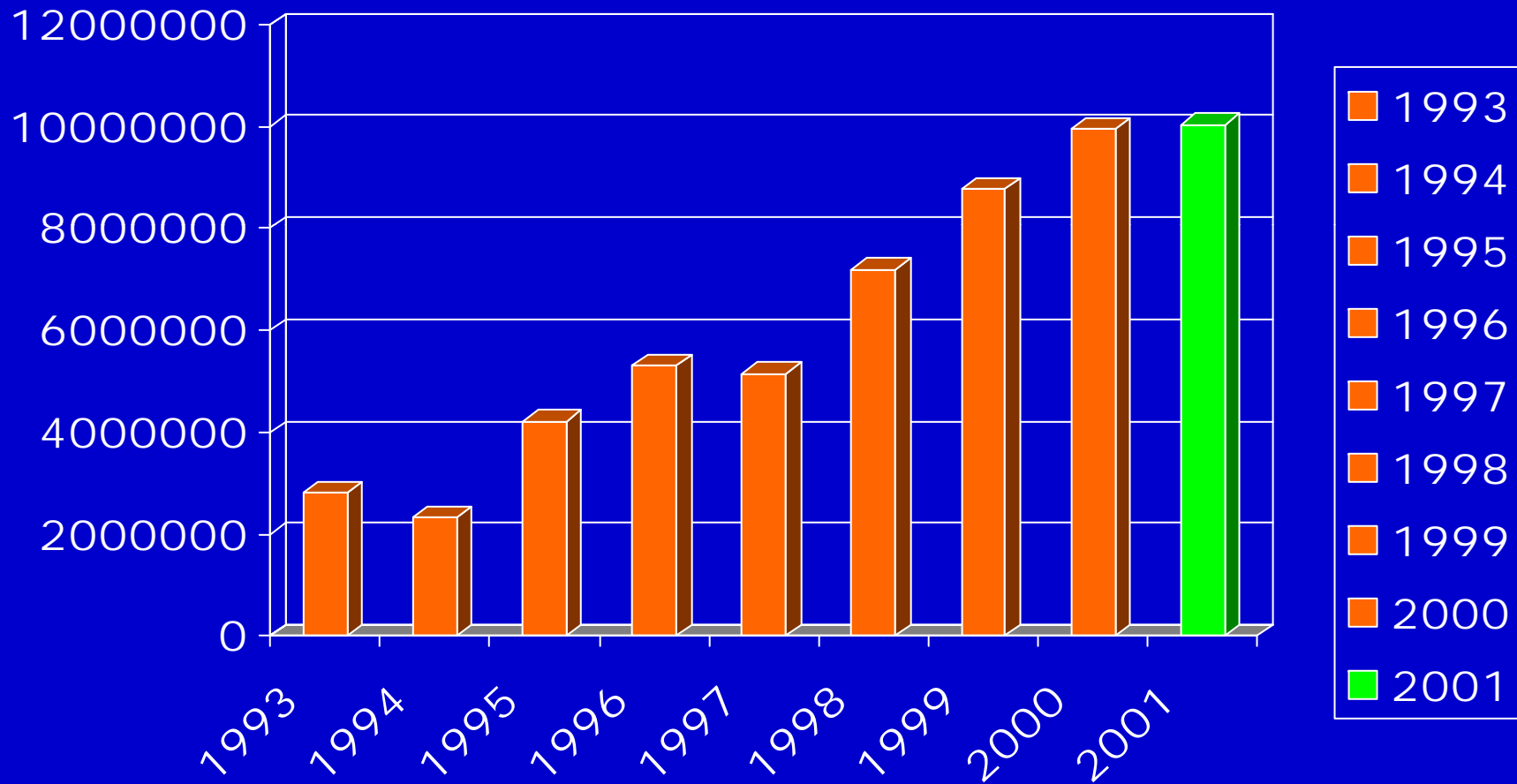
Return on Average Shareholders Funds



Group Revenue to 30 June 2001



Net Profit after tax to 30 June



Divisional Results in NZ \$000's

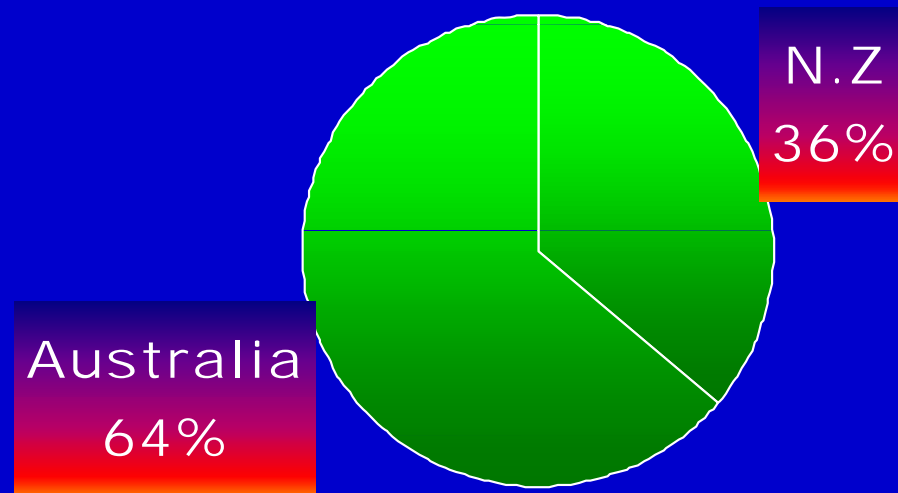
Australia

	<u>2000</u>	<u>2001</u>	<u>% Inc</u>
Revenue	118,878	120,854	1.6%
EBIT	10,678	10,354	-3.0%
As a % of Revenue	9.0%	8.6%	

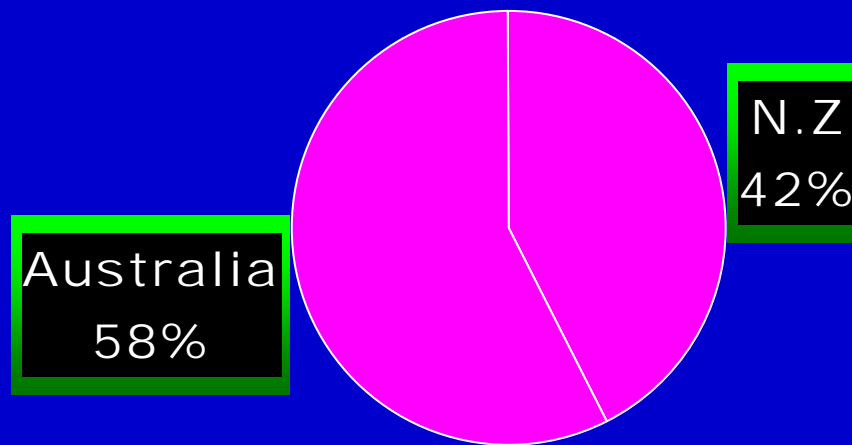
New Zealand

Revenue	63,105	68,314	8.3%
EBIT	7120	7,643	7.3%
As a % of Revenue	11.3%	11.2%	

Divisional Revenue to 30 June 2001

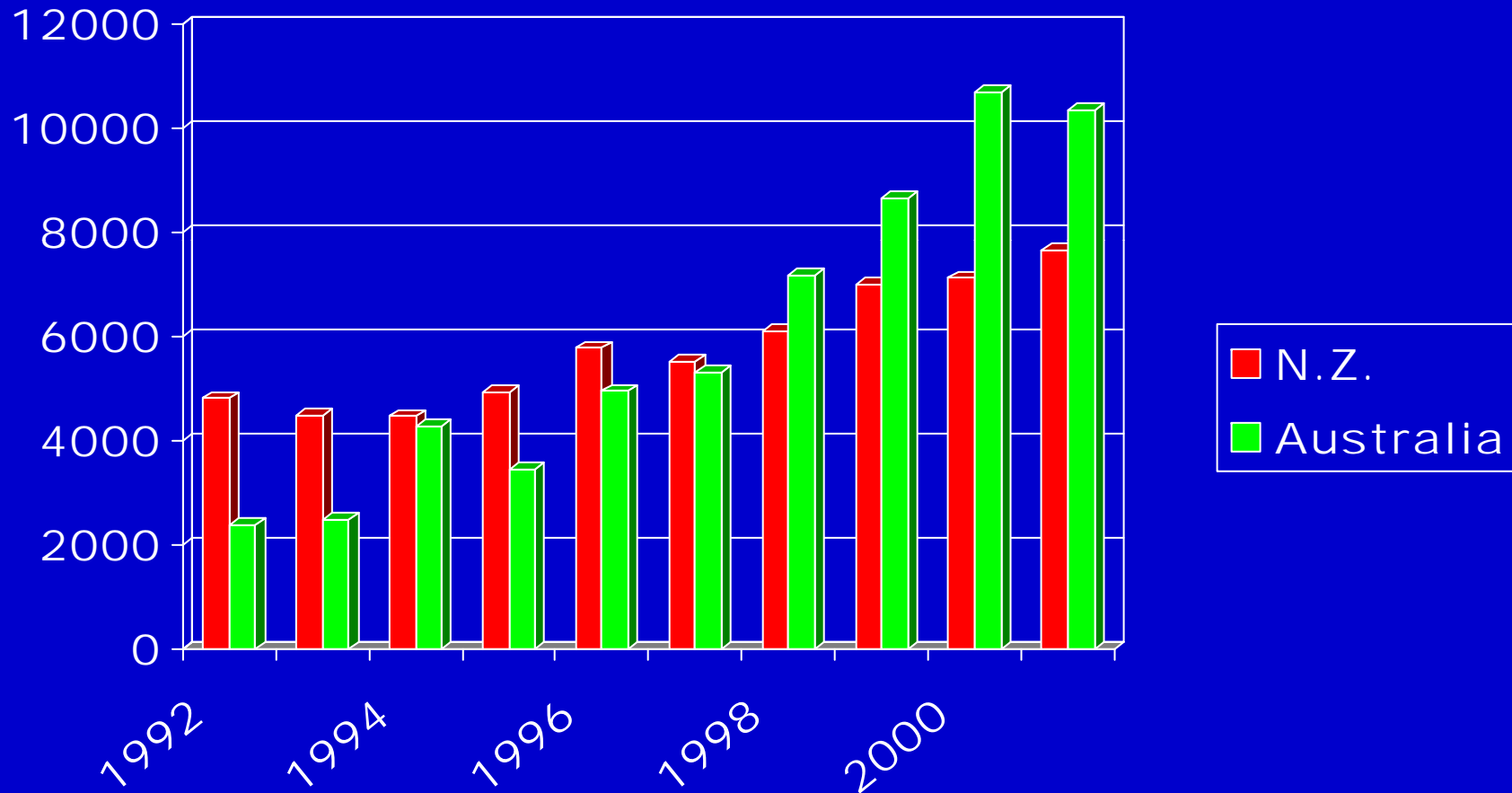


Divisional EBIT to 30 June 2001

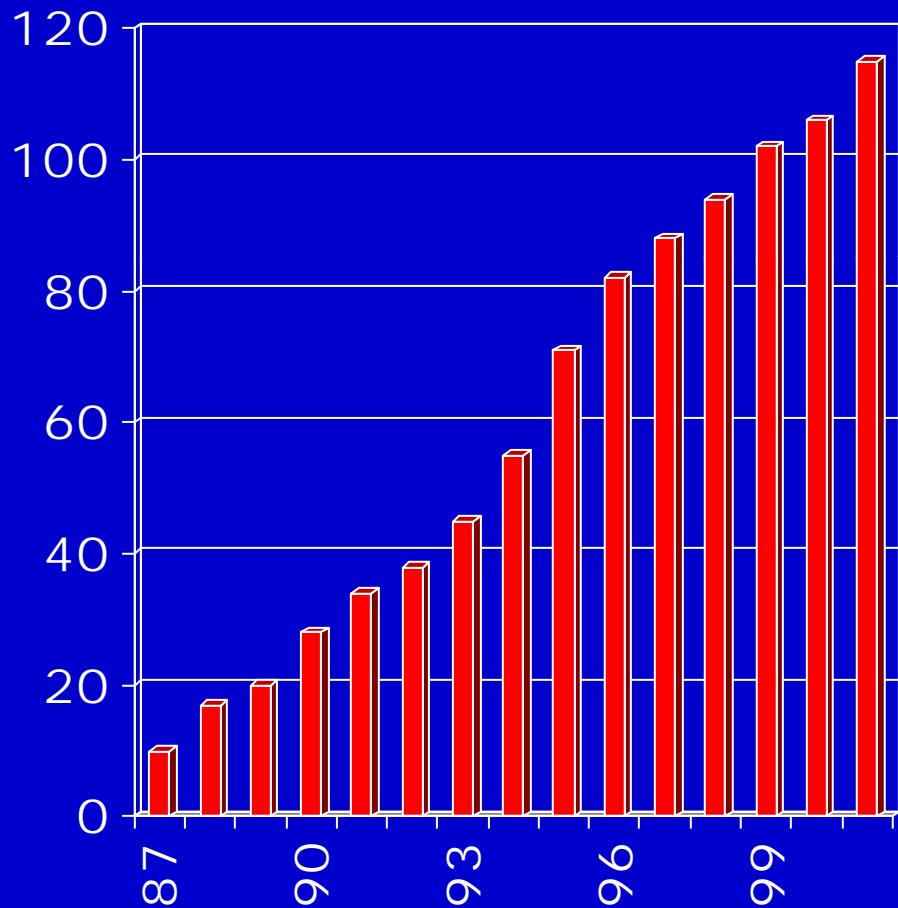


EBIT CONTRIBUTIONS

NZ\$000's



Total Jewellery Stores



- 1990 - 28
- 1991 - 34 +6
- 1992 - 38 +4
- 1993 - 45 +7
- 1994 - 55 +10
- 1995 - 71 +16
- 1996 - 82 +11
- 1997 - 88 +6
- 1998 - 94 +6
- 1999 - 102 +8
- 2000 - 106 +4
- 2001 - 115 +9

Balance Sheet 30/06/01

	<u>30/06/00</u>	<u>30/6/01</u>
Equity	42,588	49,568
Non Current Liabilities	21,868	27,525
Current Liabilities	<u>17,939</u>	<u>14,238</u>
	<u>82,395</u>	<u>91,331</u>
Non Current Assets	20,260	23,157
Current Assets		
Inventories	54,548	58,767
Cash On Hand		637
Other	<u>7,587</u>	<u>8,770</u>
	<u>82,395</u>	<u>91,331</u>

Balance Sheet Features

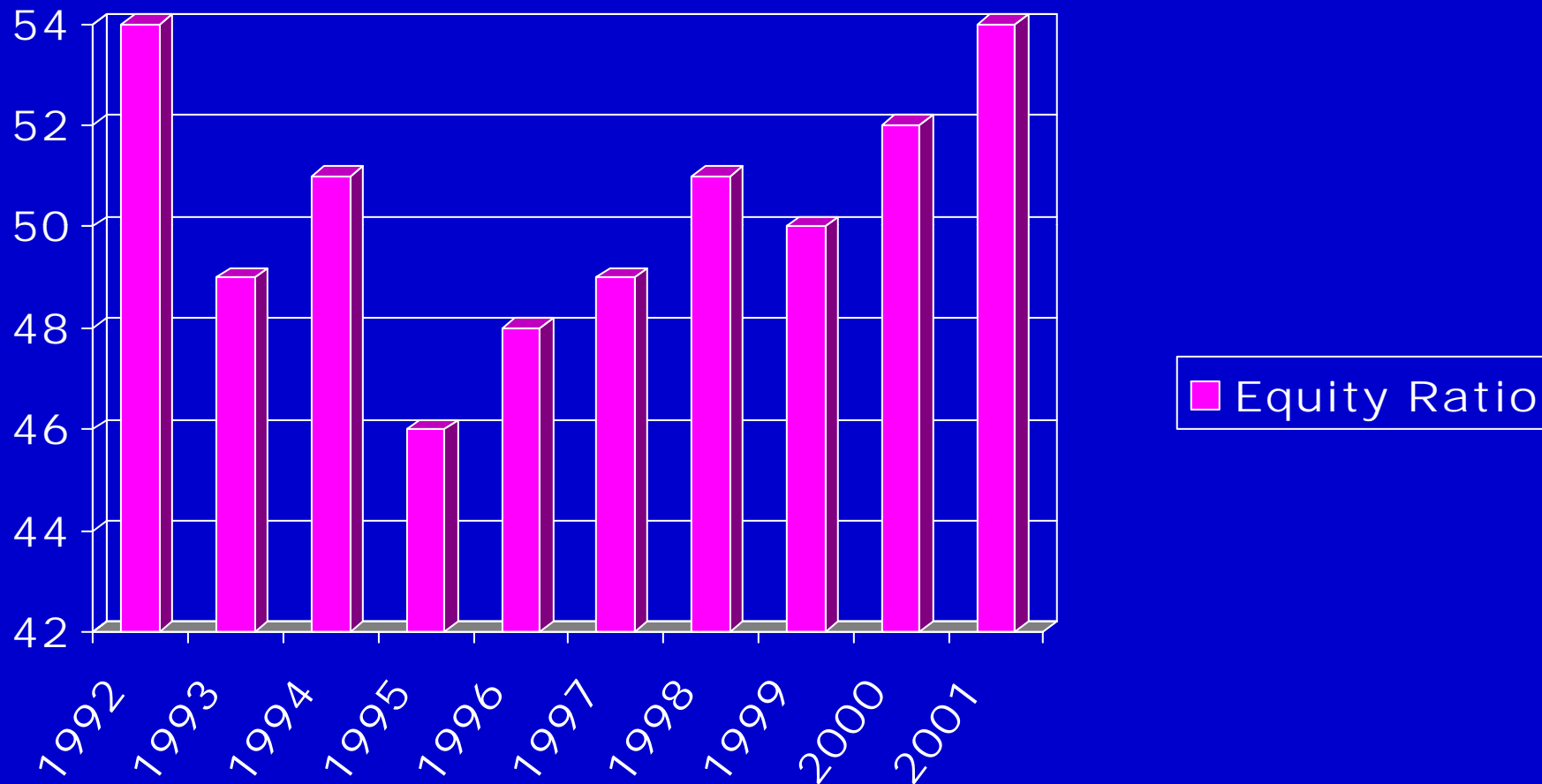
	<u>30/06/00</u>	<u>30/06/01</u>	
Equity Ratio	52%	54%	(51.9%)
Current Ratio	3.5:1	4.1:1	(3.9: 1)

All long term debt held by Australian Company

Interest rate 6.0% on average

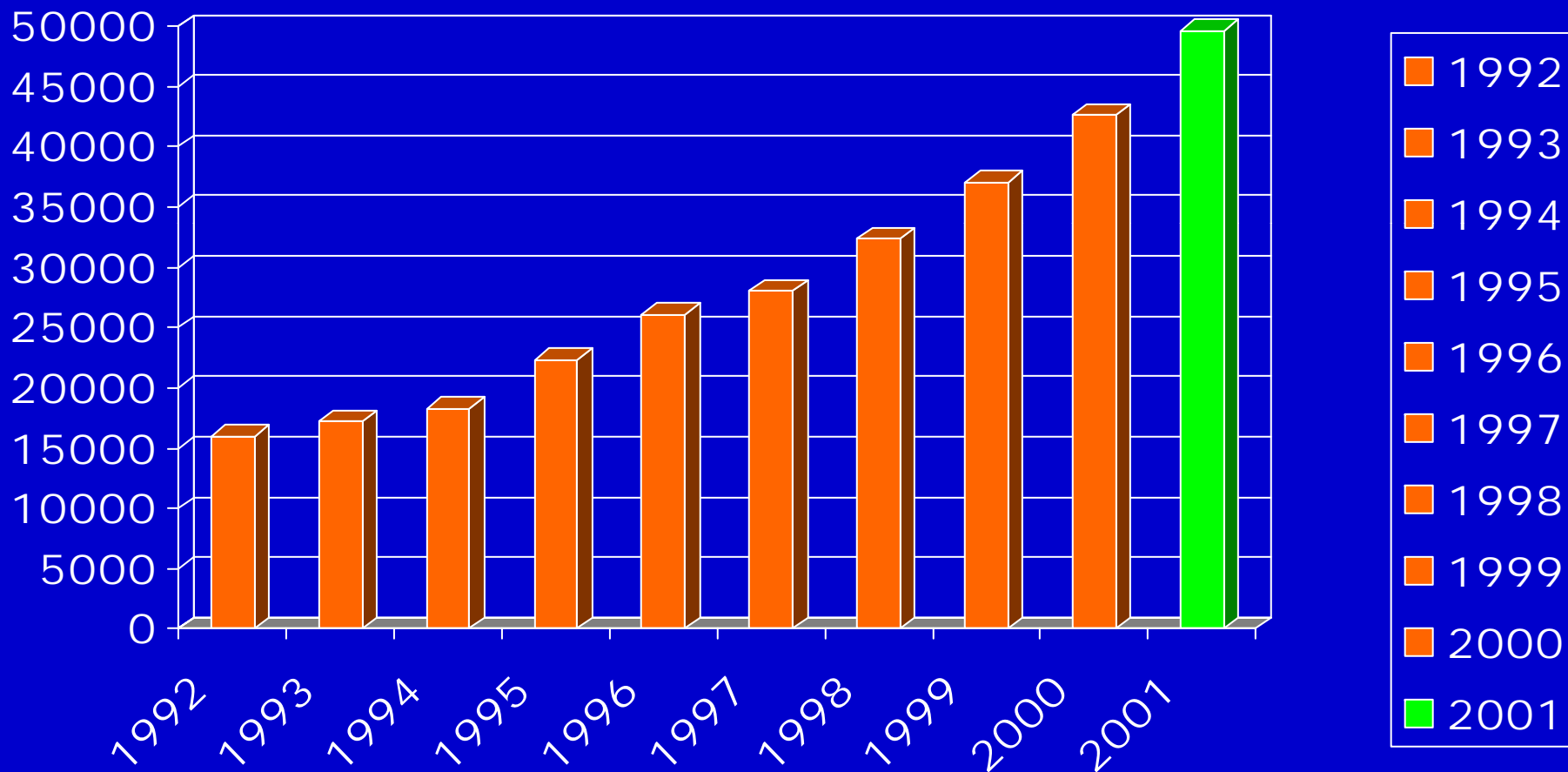
Interest Cover	10.6 times	8.1 times
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EQUITY RATIO



Shareholders' Funds

NZ\$000's





Cash Flows

	<u>2000</u>	<u>2001</u>	<u>+-%</u>
Net Operating Cash Flows	14,214,000	7,887,000	-44
Net Investing Cash Flows	(9,015,000)	(7,850,000)	
Net Financing Cash Flows	(4,638,000)	840,000	
Net Increase in Cash Held	561,000	877,000	
Effect of exchange rate change	9	(21)	
Add opening cash b/f	(789,000)	(219)	
Ending Cash carried forward	(219,000)	637,000	



Final Dividend

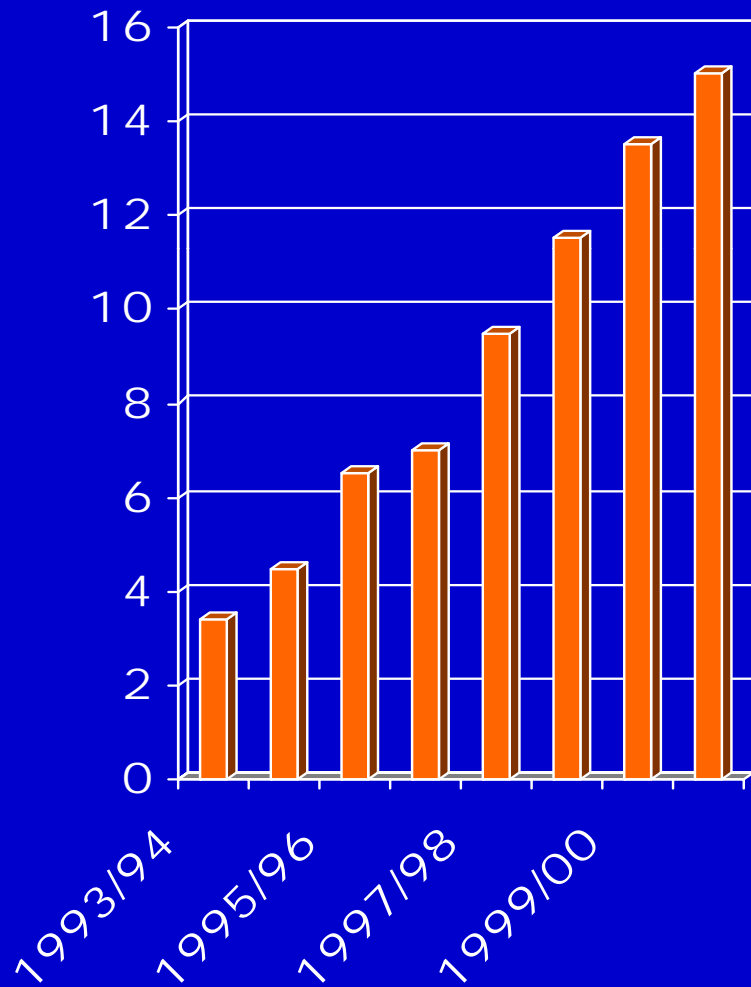
- 1996/97 3.5 cents per share
- 1997/98 5.0 cents per share
- 1998/99 6.0 cents per share
- 1999/00 7.5 cents per share
- 2000/01 8.5 cents per share
- Payable 29th October
- Dividend fully imputed



Full Year Dividend

- 1996/97 7.0 cents per share
- 1997/98 9.5 cents per share
- 1998/99 11.5 cents per share
- 1999/00 13.5 cents per share
- 2000/01 15.0 cents per share
- 11% increase for year

Full Year Dividend Growth



- 1993/94 3.4c
- 1994/95 4.5c
- 1995/96 6.5c
- 1996/97 7.0c
- 1997/98 9.5c
- 1998/99 11.5c
- 1999/00 13.5c
- 2000/01 15.0c



Growth Philosophy

Controlled Profitable Growth

Emphasis on improving existing stores



Australian 2000/01 Growth

Australia - 8 stores opened in year to 30/6/01 giving 74 stores trading

- Dandenong, Melbourne**
- Forest Hill, Melbourne**
- Burwood, Sydney**
- Chatswood, Sydney**
- Albury, NSW**
- Crown Central, Wollongong**
- Galleria, Perth**
- Hornsby, Sydney**



2000/01 Growth - NZ

- NZ
- 1 new store opened at Botany, Auckland , May 01.
 - Rotorua large format store opened Sept 00.
 - Conventional store in Rotorua closed.

NZ Expansion 2000 onwards

30 June 2001

41Stores

2001/02

1

Bayfair, Tauranga

1

Other possibility

2002/03

2

45



Australian Expansion

<u>Year</u>	<u>No. of Stores</u>	<u>Regions</u>
2001/02	4 - 6	NSW, VIC, WA
2002/03	4 - 8	NSW, VIC, WA
2003/04	4 - 8	VIC, WA, SA, TAS
2004/05	4 - 8	VIC, WA, SA, TAS
2005/06	4 - 8	VIC, WA, SA, TAS

Australia - Potential Stores

<u>State</u>	<u>Current Stores</u>	<u>Potential as seen now</u>
Northern Territory	1	1
Queensland	26	28
New South Wales	33	35
ACT	3	3
Victoria	10	20
West Australia	1	10
South Australia	0	7
Tasmania	<u>0</u>	<u>2</u>
TOTAL	<u>74</u>	<u>106</u>



Australian Growth

With planned shopping centre refurbishments, extensions and new shopping centre constructions, this potential number of sites may increase to 130 stores across Australia by the year 2006.



Other Positives for the Group

- Corporate tax cuts in Australia .
 - Cut from 34% to 30% for year ended 30/6/02.



Sale of Buildings

- Whangarei Head Office Building sold Sept 2001 \$1.5 million
- Brisbane Head Office Building being listed - expected to realise AUD \$4.8 million, for stage 1 and additional AUD\$2.0 million stage 2



Michael Hill International

The End