

Michael Hill International Limited

12 months trading update to 30 June 2012

Note that these figures represent 11 months accounting adjusted sales results plus June preliminary sales figures prior to final accounting adjustments and are unaudited. Revenue figures stated below include the current portion of Professional Care Plan (PCP) revenues.

Revenue from sale of goods for the financial year to 30 June 2012:

The following figures are in NZ Dollars

	Last Year	This Year	% Var
Australia same stores	320,031,117	309,725,029	(3.2%)
New Zealand same stores	99,103,285	106,328,264	7.3%
Canada same stores	44,911,181	45,211,273	0.7%
United States same stores	10,716,914	11,969,804	11.7%
Total same stores	\$474,762,497	\$473,234,370	(0.3%)
Australia all stores	327,166,924	333,930,031	2.1%
New Zealand all stores	101,842,951	109,151,081	7.2%
Canada all stores	48,228,284	55,172,168	14.4%
United States all stores	10,663,279	11,996,017	12.5%
Total all stores	\$487,901,438	\$510,249,297	4.6%

Exchange rates used for the 12 months:

Australia	0.77	0.78
Canada	0.76	0.80
USA	0.76	0.80

The following figures are in local currency

		Last Year	This Year	% Var
Australia same stores	AUD	245,859,034	240,807,454	(2.1%)
New Zealand same stores	NZD	99,103,285	106,328,264	7.3%
Canada same stores	CAD	34,343,661	36,306,867	5.7%
United States same stores	USD	8,172,329	9,553,810	16.9%
Australia all stores	AUD	251,277,309	259,619,855	3.3%
New Zealand all stores	NZD	101,842,951	109,151,081	7.2%
Canada all stores	CAD	36,885,057	44,303,583	20.1%
United States all stores	USD	8,132,649	9,574,627	17.7%

Sales growth continued to be difficult to achieve during the fourth quarter with New Zealand and Canada flat for the quarter, Australia slightly down and the United States well up for the quarter. This has resulted in flat "same store" sales for the 12 months for the Group with Australia down 2.1% for the year, Canada up 5.7%, New Zealand up 7.3% and the United States up 16.9%.

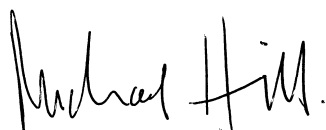
While the past 12 months has had its challenges, especially in our largest market in Australia, the directors are satisfied with the overall performance of the group and in particular the growth achieved in New Zealand, Canada and the United States.

Professional Care Plan sales continue to contribute positively to the company's cash flow. The revenue from these plans is carried on the balance sheet as deferred revenue and is then brought to income over the life of the plans (3 Year and Life Time).

The following figures are in NZ Dollars

		Last Year	This Year	% Var
PCP Revenue collected for the 12 months	NZD	11,672,271	26,955,284	131%
PCP Revenue brought to income for the 12 months	NZD	559,779	6,025,417	976%

The full year results for the 12 months ending 30 June 2012 are due for release to the NZX on the 17th August, 2012.



Sir Michael Hill 10 July 2012
Chairman

All enquiries should be made to Mike Parsell CEO phone +61 403 246655