

Michael Hill International Limited

12 months trading update to 30 June 2013

Note that the below figures represent 11 months accounting adjusted sales results plus June preliminary sales figures prior to final accounting adjustments. The below figures are unaudited. Same stores and all stores revenue figures stated below include the Professional Care Plan (PCP) revenues brought to income during the period based on an estimated pattern of recognition.

Revenue from sale of goods and services for the 12 months to 30 June 2013:

The following figures are in NZ dollars			
	Last Year	This Year	% Var
Australia same stores	319,731,519	321,273,889	0.5%
New Zealand same stores	108,049,715	109,228,722	1.1%
Canada same stores	52,095,668	51,136,868	(1.8%)
United States same stores	10,826,840	11,044,664	2.0%
Total same stores	\$490,703,742	\$492,684,143	0.4%
Australia all stores	331,018,099	355,100,461	7.3%
New Zealand all stores	109,110,440	110,501,371	1.3%
Canada all stores	55,124,222	63,600,526	15.4%
United States all stores	11,998,659	12,337,271	2.8%
Total all stores	\$507,251,421	\$541,539,629	6.8%

Exchange rates used for the 12 months:

Australia	0.78	0.80
Canada	0.80	0.83
United States	0.80	0.82

The following figures are in local currency		Last Year	This Year	% Var
Australia same stores	AUD	248,592,841	257,140,948	3.4%
New Zealand same stores	NZD	108,049,715	109,228,722	1.1%
Canada same stores	CAD	41,840,248	42,189,547	0.8%
United States same stores	USD	8,638,925	9,094,341	5.3%
Australia all stores	AUD	257,365,032	284,318,778	10.5%
New Zealand all stores	NZD	109,110,440	110,501,371	1.3%
Canada all stores	CAD	44,264,994	52,509,541	18.6%
United States all stores	USD	9,576,257	10,158,838	6.1%

Revenue from sale of Professional Care Plans for the 12 months to 30 June 2013:

The following figures are in NZ dollars			
	Last Year	This Year	% Var
PCP revenue collected	\$26,955,284	\$33,072,435	22.7%
PCP revenue brought to income	\$6,025,417	\$11,965,854	98.6%

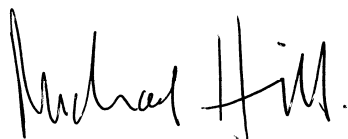
Sales in the fourth quarter were difficult for the Group with flat sales growth in the key Australian market and negative growth in the other three markets for the quarter.

The year finished slightly up for the Group in NZD and all markets finished with positive sales growth in local currency on a same store basis and it was pleasing that these sales were achieved on a higher margin. The contribution from new stores opened during the year resulted in revenue lifting by 6.8%. The directors are satisfied with the performance over the past 12 months especially given the ongoing challenging environment.

Cash flow remains strong and our Professional Care Plan product continues to deliver good cash flow to the business and is now also contributing solidly to the Group's results. 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 lifetime plans).

It should be noted that PCP revenue is brought to account to the current period based on estimated use of plans over their lifetimes. The amount of PCP revenue included in the above revenue numbers is based on existing estimates and these estimates will be subject to review as part of year end accounts preparation.

The full year results for the 12 months ending 30 June 2013 are due for release to the NZX on the 16th August, 2013.



Sir Michael Hill 9 July 2013
Chairman

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