

Statement of segmented results
for the year ended 30 June 2012

	MHJ NEW ZEALAND			MHJ AUSTRALIA			MHJ CANADA			MHJ USA			GROUP		
	2012 \$'000	2011 \$'000	+/-%	2012 \$'000	2011 \$'000	+/-%	2012 \$'000	2011 \$'000	+/-%	2012 \$'000	2011 \$'000	+/-%	2012 \$'000	2011 \$'000	+/-%
Operating revenue															
Sales to customers	109,110	101,843	7.1%	333,174	327,146	1.8%	55,124	48,228	14.3%	11,999	10,663	12.5%	509,408	487,880	4.4%
Unallocated revenue													2,089	1,450	44.1%
Total operating revenue													\$ 511,497	\$ 489,330	4.5%
Segment results															
Operating surplus / (loss)	21,550	18,484	16.6%	47,509	50,454	(5.8%)	713	(299)	338.5%	(3,296)	(4,500)	26.8%	66,476	64,138	3.6%
Unallocated revenue less unallocated expenses													(24,440)	(24,153)	1.2%
Profit before income tax													42,036	39,985	5.1%
Income tax (expense)													(5,525)	(5,486)	0.7%
Profit for the year													\$ 36,511	\$ 34,499	5.8%
Segment assets	42,743	39,215	9.0%	120,167	111,339	7.9%	36,476	31,994	14.0%	12,393	11,642	6.5%	211,778	194,190	9.1%
Unallocated													111,870	98,918	13.1%
Total													\$ 323,648	\$ 293,108	10.4%
Segment liabilities	13,514	8,962	50.8%	47,841	33,772	41.7%	8,086	4,711	71.6%	2,730	1,488	83.5%	72,172	48,933	47.5%
Unallocated													57,117	65,799	(13.2%)
Total													\$ 129,289	\$ 114,732	12.7%
Segment acquisitions of property, plant & equipment and intangibles															
	3,114	1,893	64.5%	10,229	5,758	77.7%	3,030	2,466	22.9%	280	2,041	(86.3%)	16,653	12,157	37.0%
Unallocated													1,473	1,853	(20.5%)
Total													\$ 18,127	\$ 14,010	29.4%
Segment depreciation and amortisation expense															
	1,896	1,757	7.9%	6,525	5,809	12.3%	1,662	1,448	14.8%	533	460	15.9%	10,615	9,474	12.1%
Unallocated													1,713	1,979	(13.5%)
Total													\$ 12,328	\$ 11,453	7.6%

Notes:

- 1 Michael Hill International Limited and its controlled entities operate predominantly in one business segment being the sale of jewellery and related services.
- 2 The company operates in 4 geographical segments; New Zealand, Australia, Canada and the United States of America and is managed on a global basis.
- 3 Inter segment pricing is at arm's length or market value.
- 4 Unallocated expenses include all expenses that do not relate directly to the relevant segment and include: manufacturing activities, warehouse and distribution, general corporate expenses, interest and company tax.