



Full Year Results to 30
June 2003

Michael Hill International

Financial Highlights

	\$000's	\$000's	
<u>12 months ended</u>	<u>30/6/03</u>	<u>30/6/02</u>	<u>% Var.</u>
Sales Revenue	224,802	214,105	+5.0%
EBIT before abnormals	21,219	23,013	-7.8%
EBIT after abnormals	22,760	23,371	-2.6%
Profit before tax	16,637	18,698	-11.0%
Profit after tax (before abnormals)	10,244	12,298	-16.7%
Profit after tax (after abnormals)	11,570	12,706	-8.9%
Earnings per share	30.00c	32.95c	-8.9%
Return on Shareholders Funds	22.0%	23.9%	



More Highlights

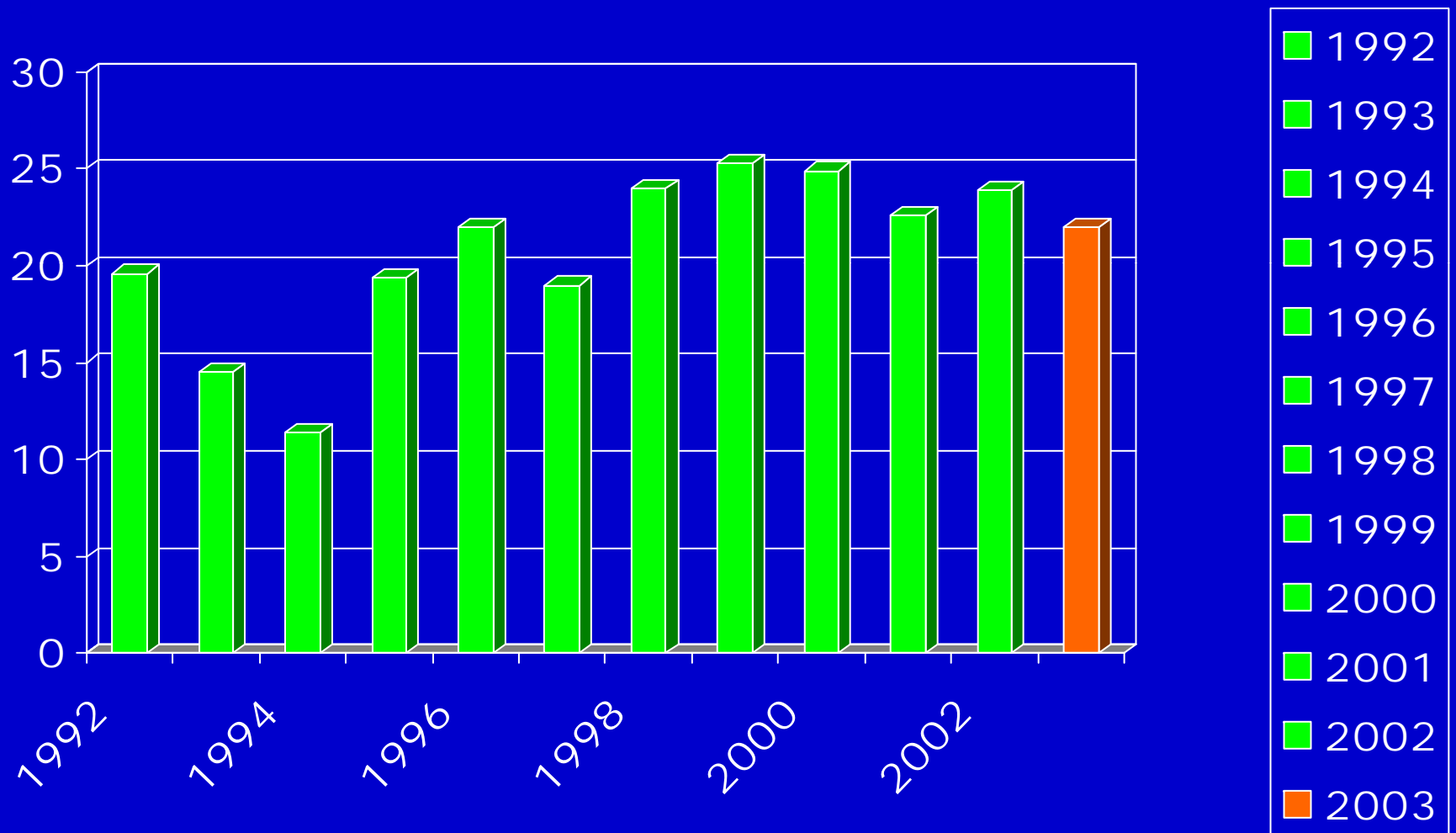
<u>12 months ended</u>	<u>30/6/03</u>	<u>30/6/02</u>
New Stores Opened		
Australia	8	5
New Zealand	3	2
Canada	4	
Total	15	7
Total Stores Operating		
Australia	84	77
New Zealand	46	43
Canada	4	
Total	134	120



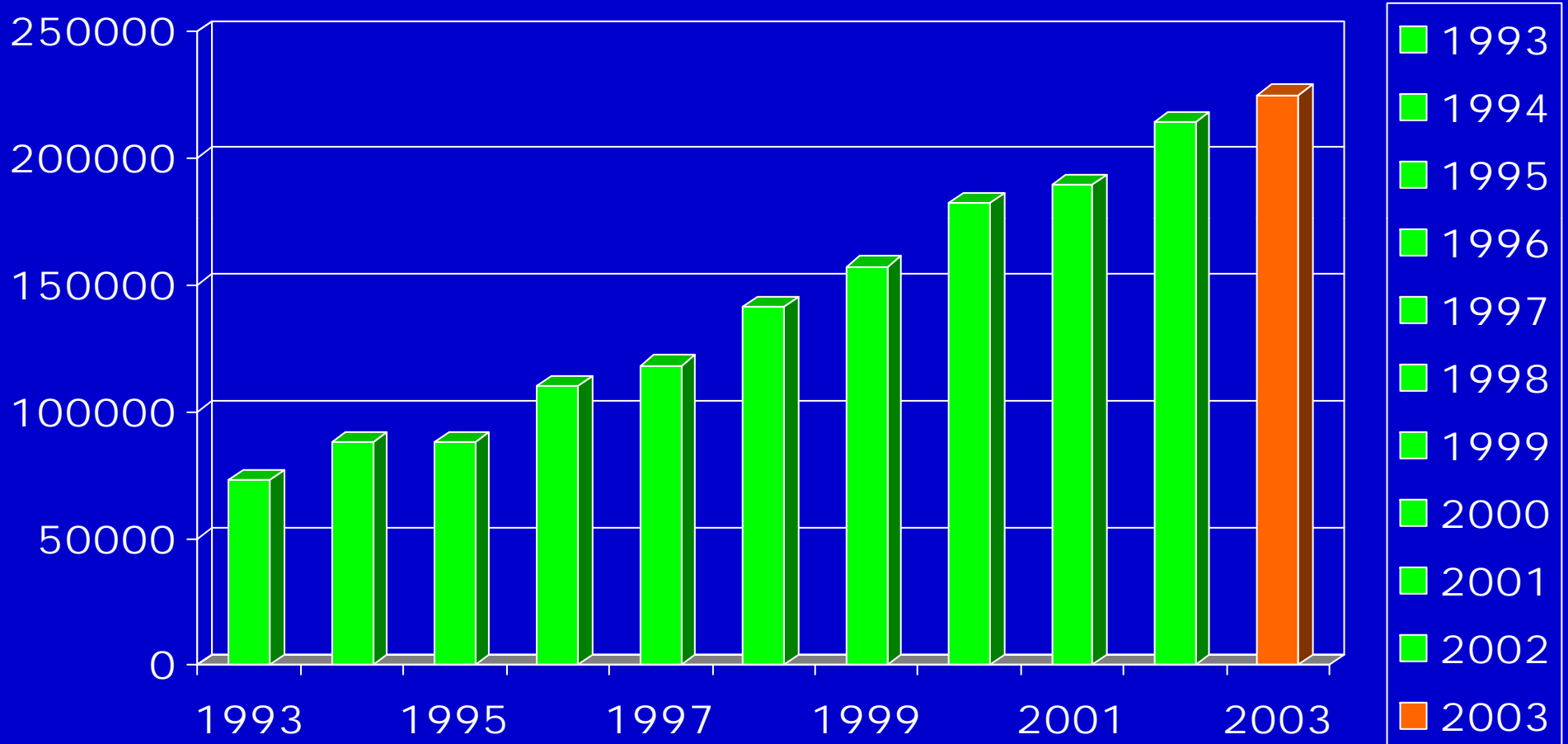
Same Store Sales

<u>12 Months ended</u>	<u>30/6/03</u>	<u>30/6/02</u>
Australia	5.7%	6.4%
New Zealand	1.0%	13.0%

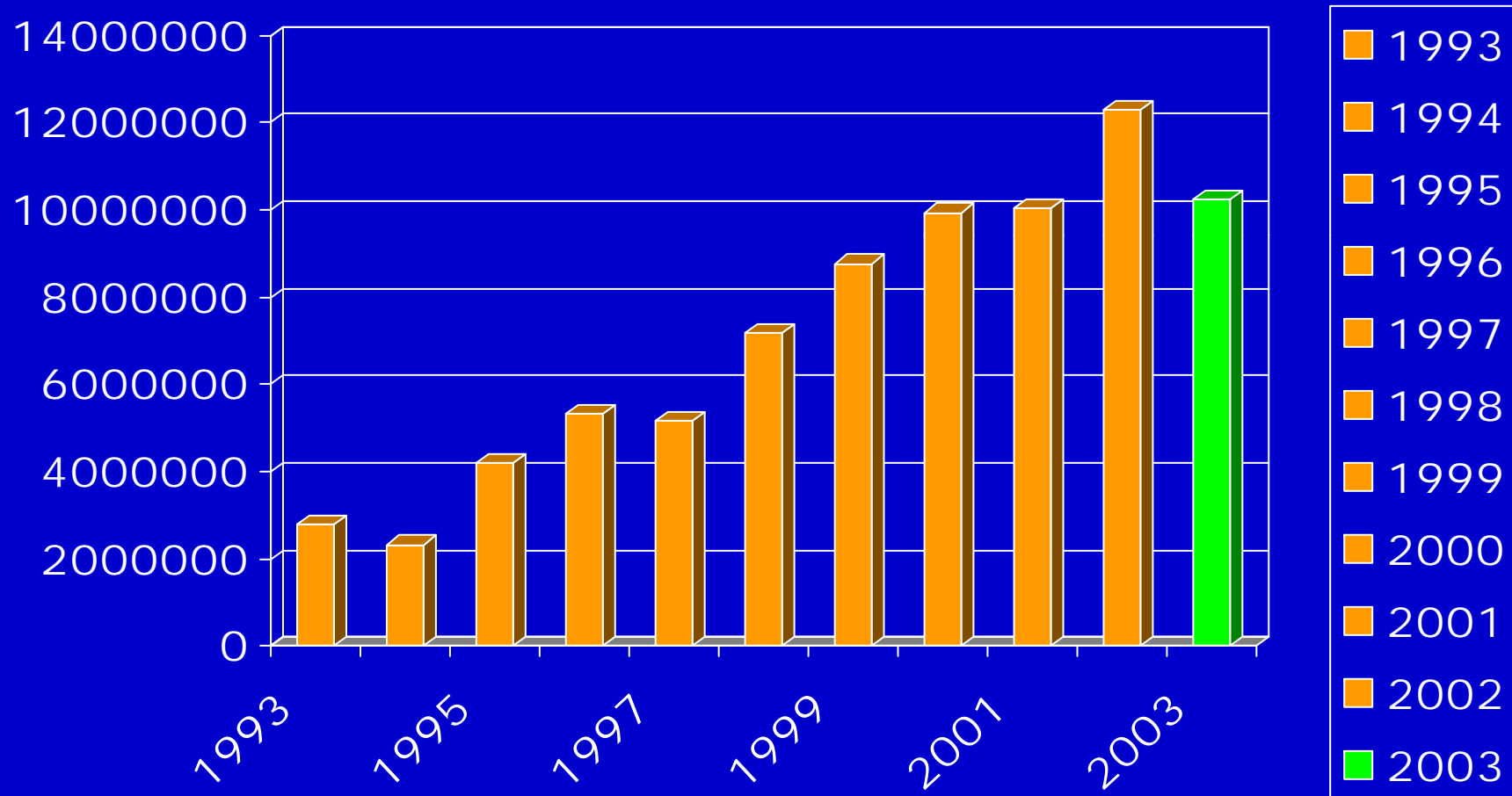
Return on Average Shareholders Funds



Group Revenue to 30 June 2003



Net Profit after tax to 30 June (before abnormals)



Divisional Results in NZ \$000's

Australia

	<u>2003</u>	<u>2002</u>	<u>% Inc</u>
Revenue	138,710	133,462	3.9%
EBIT before abnormals	12,377	12,879	-3.9%
As a % of Revenue	8.9%	9.6%	

New Zealand

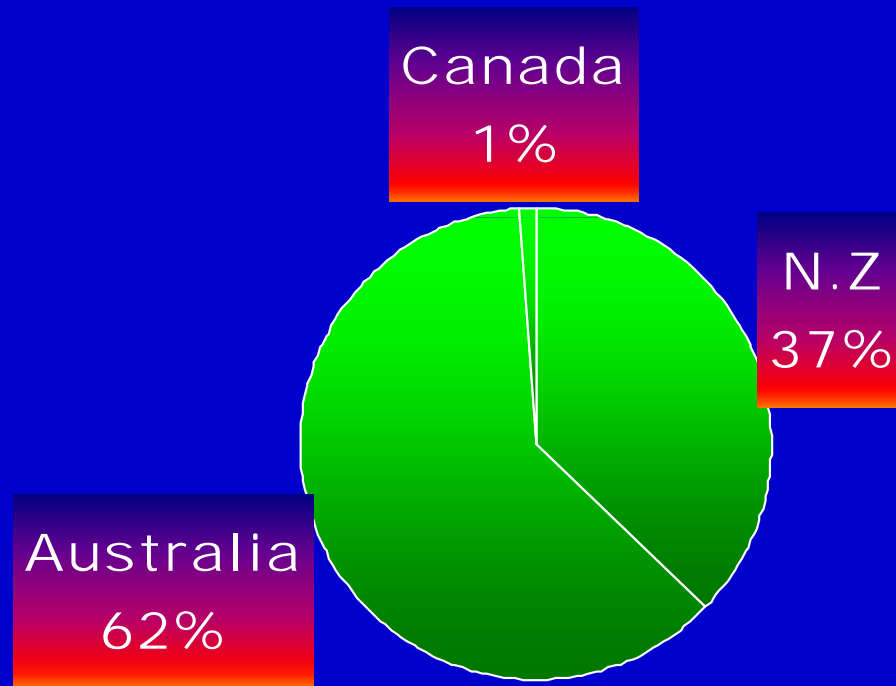
Revenue	83,849	80,643	4.0%
EBIT before abnormals	10,644	10,134	5.0%
As a % of Revenue	12.7%	12.6%	

Divisional Results in NZ \$000's

<u>Canada</u>	<u>2003</u>
Revenue	2,308
EBIT	(1,802)

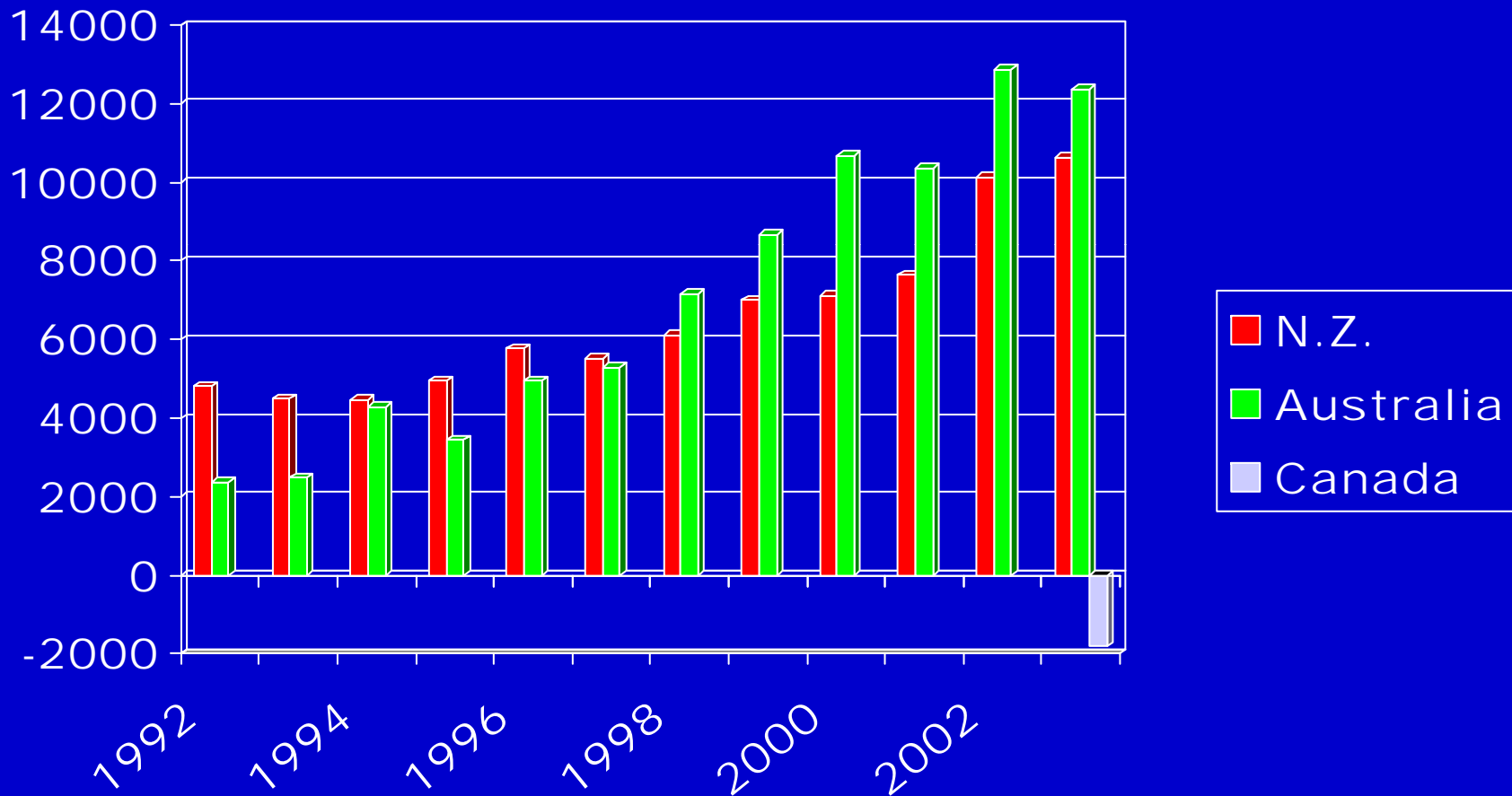
Start up costs all written off in first year

Divisional Revenue to 30 June 2003

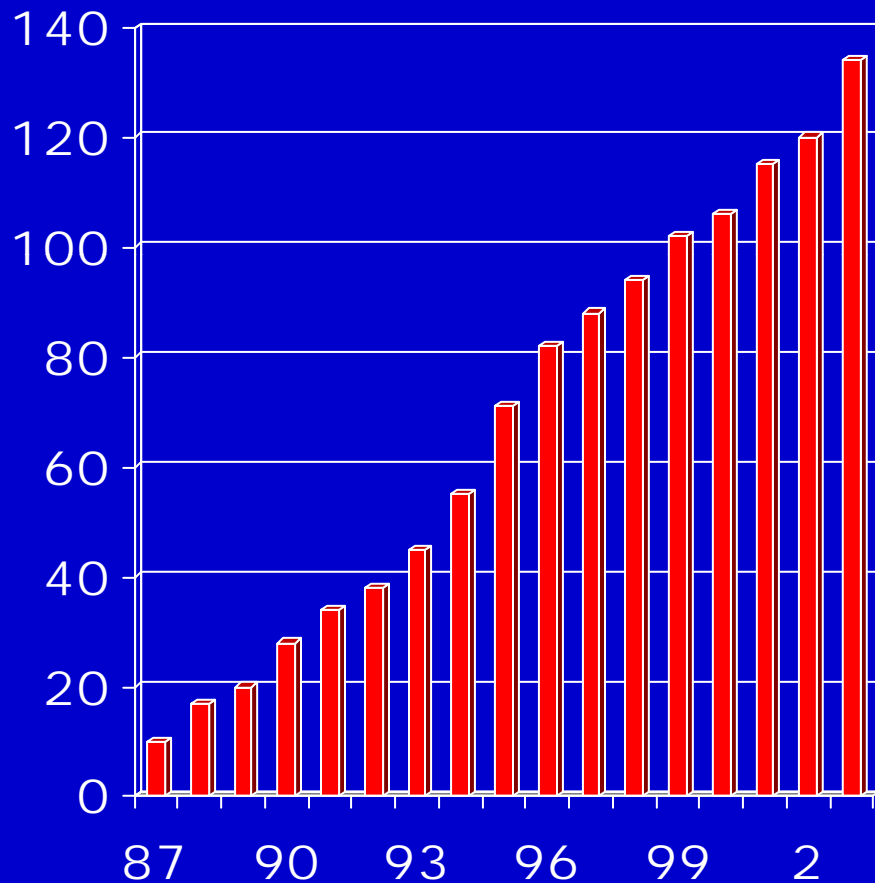


EBIT CONTRIBUTIONS

NZ\$000'S



Total Jewellery Stores

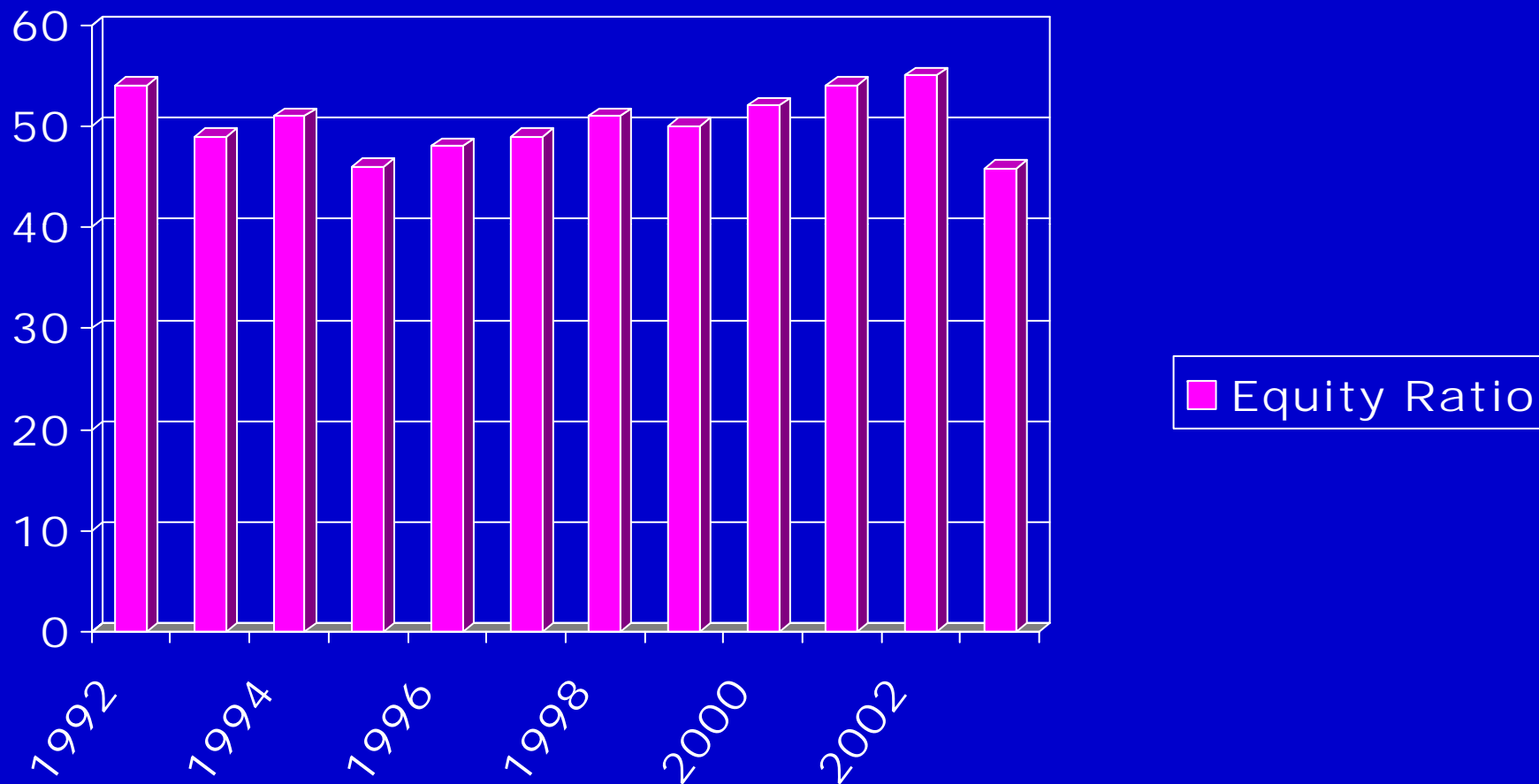


- 1990 - 28
- 1991 - 34 +6
- 1992 - 38 +4
- 1993 - 45 +7
- 1994 - 55 +10
- 1995 - 71 +16
- 1996 - 82 +11
- 1997 - 88 +6
- 1998 - 94 +6
- 1999 - 102 +8
- 2000 - 106 +4
- 2001 - 115 +9
- 2002 - 120 +5
- 2003 - 134 +15

Balance Sheet Features

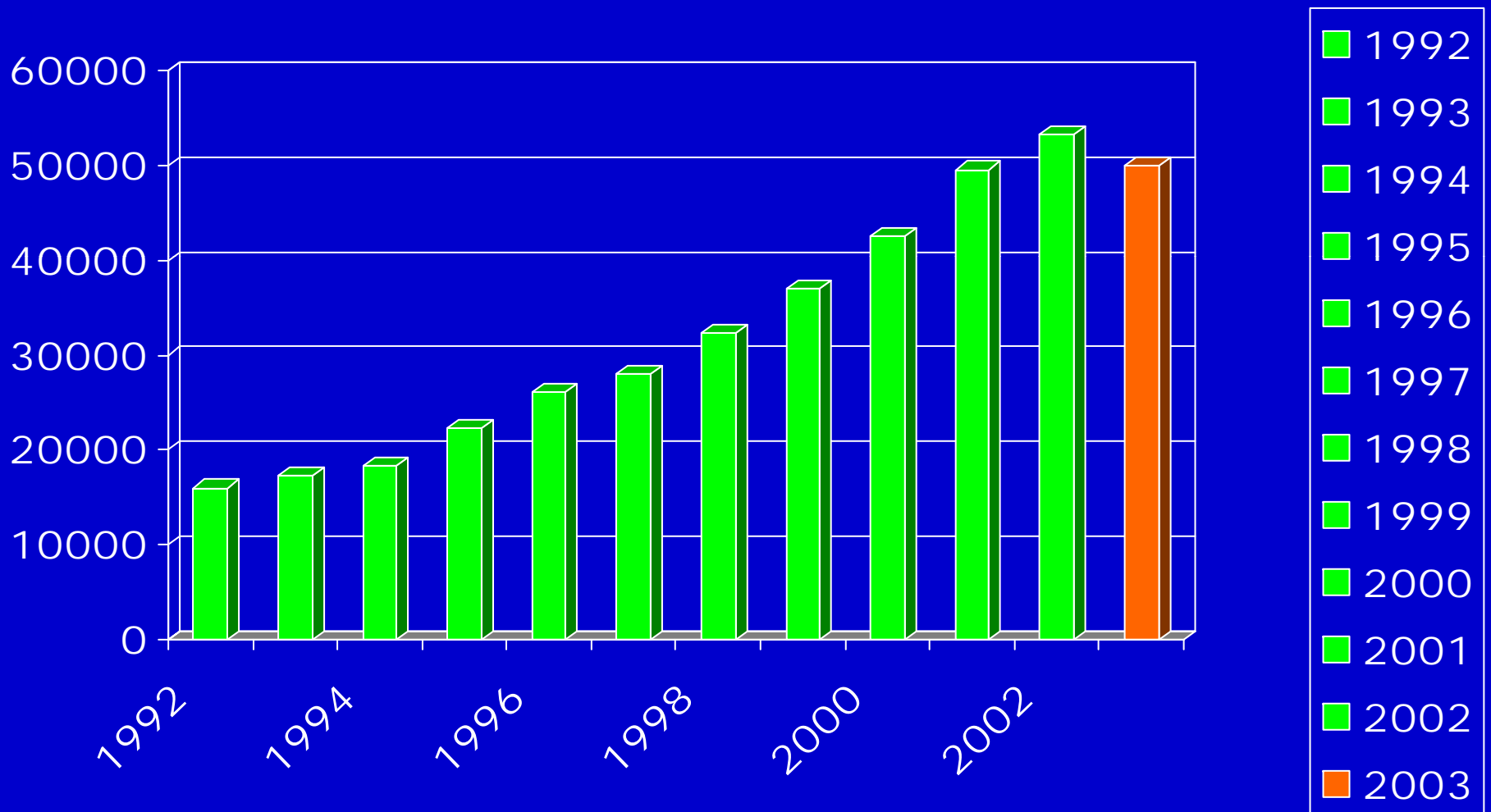
	<u>30/6/03</u>	<u>30/6/02</u>
Shareholders' Funds (000's)	50,048	53,328
Equity Ratio	45.8.%	55%
Current Ratio	5.4:1	5.6:1
Net Debt	40,177	27,454
Interest Cover	7.2	10.3


EQUITY RATIO



Shareholders' Funds

NZ\$000's





Cash Flows

<u>Year Ending 30th June \$000's</u>	<u>2003</u>	<u>2002</u>
Net Operating Cash Flows	6,789	8,871
Net Investing Cash Flows	(4,841)	(4,448)
Net Financing Cash Flows	78	(4,087)



Final Dividend

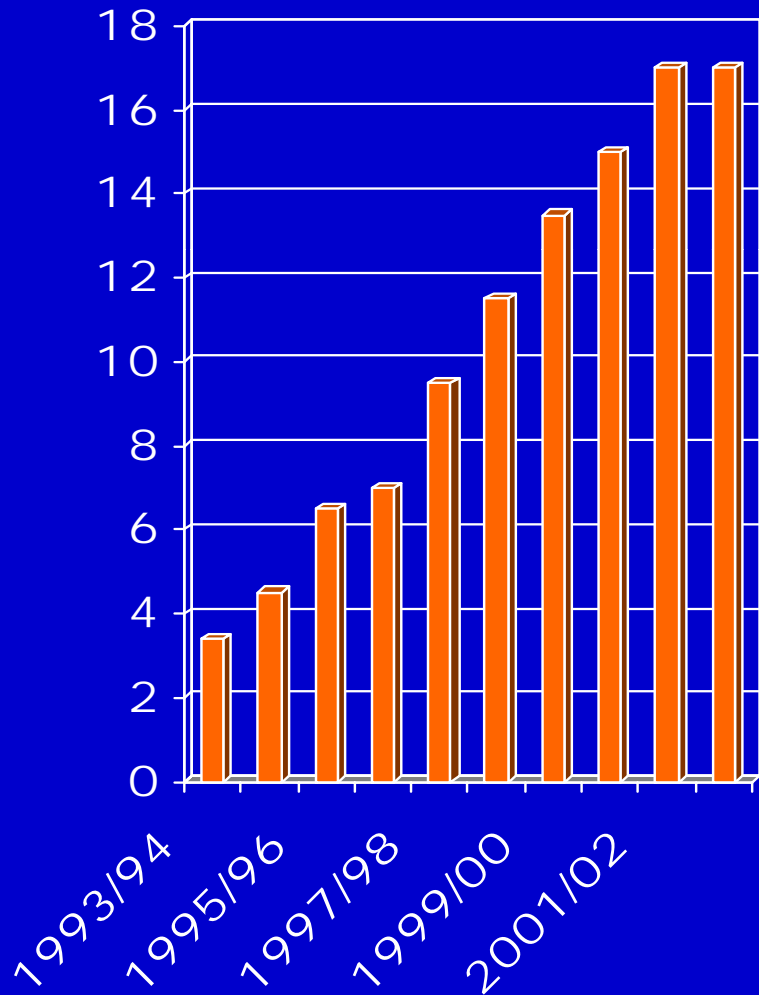
- 1996/97 3.5 cents per share
- 1997/98 5.0 cents per share
- 1998/99 6.0 cents per share
- 1999/00 7.5 cents per share
- 2000/01 8.5 cents per share
- 2001/02 10.0 cents per share
- 2002/03 10.0 cents per share
- Payable 20th October 2003
- Dividend fully imputed for NZ shareholders
- Franking credits for Aussie shareholders being investigated.



Full Year Dividend

- 1996/97 7.0 cents per share
- 1997/98 9.5 cents
- 1998/99 11.5 cents
- 1999/00 13.5 cents
- 2000/01 15.0 cents
- 2001/02 17.0 cents
- 2002/03 17.0 cents plus 20 cent special div (Oct 02)

Full Year Dividend Growth (Not including Special Div.)



- 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
- 2001/02 17.0c
- 2002/03 17.0 c



Growth Philosophy

Controlled Profitable Growth

Emphasis on improving existing stores



Australian 2002/03 Growth

Australia - 8 stores opened in year to 30/6/03 giving 84 stores trading

- Hurstville , Sydney**
- Maitland, NSW**
- East Gardens, Sydney**
- Werribee Shoppingtown, Melbourne**
- Rockingham, Perth**
- Knox City, Melbourne**
- Victoria Gardens, Melbourne**
- Northgate, Hobart**



New Zealand 2002/03 Growth

NZ 3 new stores opened giving 46 stores operating at 30/6/03

Palms Shopping mall, Christchurch

Papakura

Blenheim



Canada Growth 2002/03

4 new stores opened during year giving 4 at 30/6/03

Seven Oaks Mall	- Vancouver
Lougheed Mall	- Vancouver
Metrotown Mall	- Vancouver
Mayfair Shopping Centre	- Vancouver Island



NZ Expansion

Stores Operating 30/6/03	46
Objective for 03/04	2
Possibilities for 04/05	2
Possibilities for 05/06	2
Total	52



Australian Expansion

Stores operating 30/6/03	84
Objective 03/04	8
Goal 04/05	6-8
Goal 05/06	6-8
Goal 06/07	6-8
Goal 07/08	6-8

Currently 130 store locations have been currently identified.



Canada

- Still in trial mode
- Further growth in Canada dependent on the current stores performing satisfactorily over next 6 months.



Michael Hill International

Thank You