

Michael Hill International Limited

6 months sales to 31 December 2009

Note that these figures represent 5 months accounting adjusted sales results plus December preliminary sales figures prior to final accounting adjustments and are unaudited.

The following figures are in NZ Dollars	Last Year	This Year	% Var
Australia same stores	144,276,823	153,294,030	6.2%
NZ same stores	49,048,168	51,685,207	5.4 %
Canada same stores	<u>18,544,168</u>	<u>16,212,847</u>	<u>-12.6%</u>
Total same stores	\$211,869,159	\$221,192,084	4.4%
Australia all stores	150,199,307	163,402,243	8.8%
NZ all stores	49,584,508	52,322,875	5.5%
Canada all stores	19,666,677	21,051,118	7.0%
USA all stores	<u>6,999,318</u>	<u>7,487,850</u>	<u>7.0%</u>
Total all stores	\$226,449,809	\$244,264,086	7.9%

Exchange rates used for the 6 months:

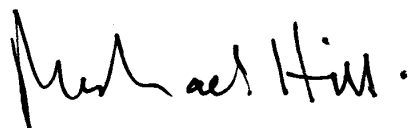
Australia	0.83	0.81
Canada	0.71	0.77
USA	0.58	0.72

The following figures are in local currency		Last Year	This Year	% Var
Australia same stores	AUD	120,100,614	124,423,041	3.6%
NZ same stores	NZD	49,048,168	51,685,207	5.4%
Canada same stores	CAD	13,175,001	12,528,868	-4.9%
Australia all stores	AUD	125,067,591	132,620,181	6.0%
NZ all stores	NZD	49,584,508	52,322,875	5.5%
Canada all stores	CAD	13,965,554	16,280,176	16.6%
USA all stores	USD	4,091,302	5,357,415	30.9%

Comments

Improved trading conditions during the key Christmas trading period helped the group lift “same store” sales from being flat by the end of the first quarter to 4.4% up by the end of the second quarter. All countries performed well and improved their “same store” trading performance from the first quarter. Retail conditions are still difficult in North America although we have seen some encouraging trends emerging in the second quarter.

The full half year operating results are due to be released to NZX on the 18th February, 2010.



R.M. Hill 7/01/10
Chairman

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