

# Michael Hill International Limited

## 3 months trading update to 30 September 2014

The Group achieved same store sales growth of 0.3% for the 3 months in AUD. In local currency New Zealand traded 2.4% up on the same period last year while Canada experienced good growth finishing 6.5% up for the quarter. The US achieved strong growth finishing 12.0% up for the quarter but Australia continued to be a difficult market for the group and sales were 2.0% down for the quarter.

As mentioned in the 2014 Annual Report, the Group is continuing to refine and test the Emma & Roe retail model and consequently this trading update does not include revenue for the Emma & Roe stores.

### Revenue from the sale of goods and services for Michael Hill Stores for the 3 months to 30 September 2014 including PCP income:

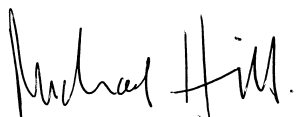
<b>The following figures are in Australian dollars</b>			
	Last Year	This Year	% Var
Australia same stores	63,287,597	62,006,343	(2.0%)
New Zealand same stores	18,406,082	19,690,641	7.0%
Canada same stores	12,465,462	12,533,485	0.5%
United States same stores	<u>1,813,885</u>	<u>2,006,768</u>	<u>10.6%</u>
<b>Michael Hill same stores</b>	<b>\$95,973,026</b>	<b>\$96,237,237</b>	<b>0.3%</b>
Australia all stores	64,063,215	64,046,421	(0.0%)
New Zealand all stores	18,529,186	19,843,513	7.1%
Canada all stores	13,062,972	15,178,862	16.2%
United States all stores	<u>2,152,461</u>	<u>2,625,731</u>	<u>22.0%</u>
<b>Michael Hill all stores</b>	<b>\$97,807,834</b>	<b>\$101,694,527</b>	<b>4.0%</b>

### Exchange rates used for the 3 months:

New Zealand	1.15	1.10
Canada	0.95	1.01
United States	0.92	0.93

The following figures are in local currency		Last Year	This Year	% Var
Australia same stores	AUD	63,287,597	62,006,343	(2.0%)
New Zealand same stores	NZD	21,101,574	21,606,845	2.4%
Canada same stores	CAD	11,849,416	12,617,971	6.5%
United States same stores	USD	1,660,840	1,860,416	12.0%
Australia all stores	AUD	64,063,215	64,046,421	(0.0%)
New Zealand all stores	NZD	21,242,519	21,774,350	2.5%
Canada all stores	CAD	12,419,908	15,281,395	23.0%
United States all stores	USD	1,970,683	2,433,947	23.5%

The above figures represent 2 months accounting adjusted sales results plus September preliminary sales figures prior to final accounting adjustments and are unaudited. Revenue figures stated above include the Professional Care Plan (PCP) revenues brought to income during the period. The PCP income recognition pattern is based on existing estimates and is subject to ongoing management review, and accordingly may be adjusted at year end. The prior period PCP revenue included in the results above is at the estimated amounts under the income recognition pattern used and reported on at the time.



Sir Michael Hill 10 October 2014  
Chairman

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