

Housewares International Limited

Annual General Meeting

23 November 2007

Sydney

Chairman's Address

Mr. John Schmoll



FY07: A Significant Year of Change

- FY06 : Indicated crossroad reached
 - Important decisions required
- FY07 : Decisions made and executed
 - Clear focus achieved: Core Electrical/International
 - Disposed loss making Australian Homewares
 - Acquired remaining 50% Canada
 - Relocated Head Office to Sydney
 - Stepped up Global Product Innovation and Distribution/Marketing capacity

FY07: Financial Results

A\$ Million	GROUP		CONTINUING ELECTRICAL and INTERNATIONAL	
	FY07	FY06	FY07	FY06
Group Sales	436.9	424.2	371.3	349.9
Underlying EBITDA	24.2	31.2	33.8	37.0
Underlying EBIT	19.5	27.2	29.8	34.0
Underlying PAT	11.6	16.1	19.9	22.2
Significant Items	(45.6)	(2.7)	(3.1)	(0.8)
PAT	(34.0)	13.4	16.8	21.4
Basic Underlying EPS (cents)	9.3	13.3	16.0	18.3
Dividend per share (cents)	0.0	13.0		
Debt/Capital Employed	38%	29%		

FY08: Important Rebuild Year

- New CEO Appointed
 - Smooth Transition
 - Competent/Undistracted Management Team
 - Customer and Product focused
- Good Innovative Product Pipeline
- International Capability Further Leveraged
- Breville Brand
 - Internationally accredited
 - 75th birthday celebrated

Outlook FY08

- Encouraging first 4 months
 - Sales and profit above budget and FY07 (1)
- Important Xmas trading still ahead
- Currency effects (AUD vs USD)
- Forecast: FY08 Group EBITDA
 - Above FY07 Underlying Continuing Operations (\$33.8m) and potentially also above FY06 Continuing Operations (\$37.0m) ⁽¹⁾
 - Xmas/Currency/Interest rates?
 - H2 becoming more pronounced
 - Growing international business minimises Australian H1 bias
- Update forecast: With actual H1 FY08 results (Feb 2008)

(1) excludes Homewares operations disposed H2 FY07. Group EBITDA FY07 was \$24.2m (FY06 \$31.2m)

THANKS

- Dedicated Management/Staff
 - Increasingly confident/motivated team
- Investors
 - Important support during critical restructure
- Business Partners
 - Key customers/suppliers