



MACQUARIE
ACN 002 574 923

Macquarie Private Wealth

Snapshot

Hills Industries Limited

Business Description

Hills Industries Ltd (HIL) manufactures, imports and distributes electronics, home, hardware, building and industrial products in Australia and overseas.

Strategy Analysis

HIL's strategy is to develop competitive businesses in three main industry segments: Electronic Security & Entertainment; Building & Industrial Products; and Home, Hardware & and Eco Products. The company diversifies to minimise the effects of short-term changes in individual markets and economies, and aims to be a product innovator and a market leader. The overall objective is to grow revenue and earnings incrementally through a combination of organic growth and acquisitions in market segments with attractive growth potential. Hills Industries reported NPAT down 31.7% to \$15.77m for the half-year ended 31 December 2008. Revenue from ordinary activities were \$657.62m, up 18.3% from the same period last year. Diluted EPS was 8.4 cents compared to 13.2 cents last year. Net operating cash flow was \$9.36m compared to \$12.66m last year. The interim dividend declared was 8 cents fully franked compared with 13.5 cents last year.

08 September 2010

Recommendation

Recommendation: No recommendation
Relative to: .

Investment Fundamentals

ASX code: HIL
Stock price: \$2.29
Market cap: \$568m

Y/E	31 Dec	1999a		
Reported e	\$m	0.0	0.0	0.0
Adjusted e	\$m	0.0	0.0	0.0
EPS adjusted	¢	0.0	0.0	0.0
EPS growth	%	0.0	0.0	0.0
PE	x			
PE relative	x			
DPS	¢	0.0	0.0	0.0
Yield	%			
Franking	%	0.0	0.0	0.0

Share Price

Share Price Chart data is not available

Segment Performance				Annual Shareholders' Return	
Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	1 year	26.0%
Building & Industrial	54.8	7.6	4.7	3 year	-22.0%
Electronics, Security & Entertainment	28.4	21.0	8.9	5 year	-7.0%
Home, Hardware & Eco	16.8	-10.5	-7.9	10 year	6.0%
Total	100.0	18.1	5.7	Dividend Reinvestment Plan	Yes
Results by Geography				Shareholder Discounts	No
Australia	96.6	0.0	0.0		
Overseas	3.4	0.0	0.0		
Total	100.0				

Source: ASX and Company accounts

Company contact details:

Hills Industries Limited
944-956 South Rd
Edwardstown SA 5039
Tel: (08) 8301 3200
www.hills.com.au

If you have any queries regarding this Research information or with any aspect of your legalsuper account please call legalsuper on 1800 060 312 (freecall) or email mail@legalsuper.com.au

Disclaimer: This report is prepared for general circulation and does not have regard to the particular circumstances or needs of any specific person who may read it. The information contained herein is believed to be reliable, but its completeness and accuracy is not guaranteed. Opinions expressed may change without notice. No part of this report is to be construed as a solicitation to buy or sell any security. We do not accept any liability, whether direct or indirect arising from the use of information contained in this report. International investors are reminded of the risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Any transaction by US persons in any security discussed in this report must be carried out through Macquarie Equities (USA) Inc which has distributed this report in the US. This report is issued in the UK by Macquarie Equities Limited, which is a member of the Securities and Futures Authority. The investments and investment services the subject of this report are not available to private customers in the UK. The material in this publication is copyright and may not be reproduced without consent of the copyright owner.