



**MERCHANT HOUSE  
INTERNATIONAL LIMITED**  
ARBN 065 681 138

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7 September 2016

**ASX Limited**

Dear Sir / Madam,

**RE: PROFIT FORECAST UPDATE**

Merchant House International Limited wishes to advise that at this stage, based on information available, the company believes it will record a break even result for the financial year ending 31 March 2017.

This decrease in profit, compared with the 2016 financial year, results from a decision by the Company to discontinue business with one of the Company's larger US footwear customers due to increased credit concerns. Additionally, the group's profit has been affected by production delays at the Company's US footwear factory.

Yours faithfully  
**MERCHANT HOUSE INTERNATIONAL LIMITED**

**DAVID MCARTHUR**  
Company Secretary