

HARRY WINSTON

2008

Harry Winston Diamond Corporation

Third Quarter Webcast

for the period ended

October 31st, 2007

December 13, 2007



Forward-looking information

Please note that in our remarks we will make statements about information that is not historical factual information which may be considered to be forward-looking information. Such statements are, by their very nature, not guarantees of our future operational or financial performance, and are subject to risks and uncertainties. Actual results could differ materially from what is currently expected. While we believe our expectations are reasonable, they are based on certain material assumptions and factors regarding, among other things, mining and mine development activities at the Diavik Mine, reserve estimates, capital expenditure requirements, currency exchange rates and world and US economic conditions. Details regarding these and other material assumptions and factors that could cause our actual results to differ materially from what is currently expected can be found in our most recently filed management's discussion and analysis, as well as our other securities regulatory filings, which are available at www.sedar.com or at our website at investor.harrywinston.com.

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Q3 FY2008 Consolidated Highlights

(US\$) All comparisons to Q3 FY2007

- Sales increased 22% to \$176.5M
- Gross margin increased 44% to \$101.9M
- Earnings from Operations increased 79% to \$66.3M

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Q3 FY2008 Foreign Exchange Impact

- Strong operating results offset by \$40.6M foreign exchange loss or \$0.70 per share
 - Canadian dollar relative to US dollar strengthened to \$1.06, a 13% increase over Q2 2008
 - This foreign exchange loss is not deductible for tax purposes
- As a result, the company posted net loss of \$7.4M or \$(0.13) per share compared to net earnings of \$18.8M or \$0.32 per share in prior year's period
- Excluding impact of foreign exchange loss for the quarter, net earnings would have been \$33.2 M or \$0.57 per share

Underground Mine Plan

- Two-year capital programme to complete development of an underground mine
 - Secures the future of the Diavik Project beyond 2020
- Estimated additional capital commitment of \$218M to complete the project
 - Company has already contributed \$77M over the last year
- Capital investment to be funded from extending existing debt facilities together with cash flow from operations
- To ensure prudent fiscal management, the intention of the Board of Directors is to continue to pay dividends of \$0.05 per quarter during the construction period

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Q3 FY2008 Mining Segment - Operational Highlights

- Carats recovered increased 10% to 1,249M¹
- Increased diamond production a result of both higher grade and better plant utilization, particularly in the circuits that recover smaller diamonds.
- Three primary rough diamond sales held in quarter with increased supplementary sales in our growing offices in Israel and India.

¹ Represents Harry Winston Diamond Corporation's 40% share of the Diavik Mine production

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Q3 FY2008 Mining Segment – Financial Highlights

(US\$) All comparisons to Q3 FY2007

- Sales increased 35% to \$122.7M
- Gross margin increased 69% to \$76.7M; gross margin rate expanded to 62.5% from 49.9%
- Earnings from operations increased 72% to \$70.0M

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Q3 FY2008 Retail Segment - Operational Highlights

- **Hong Kong Salon opened in September 2007**
 - 686 square feet boutique salon
 - Located in the famous Peninsula Hotel Arcade
 - 10th international salon bringing worldwide network to 16 salons

- **Timepiece manufacturing factory opened in October 2007**
 - Located in Geneva Switzerland
 - Supports increased capacity for timepiece business

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Q3 FY2008 Retail Segment– Financial Highlights

(US\$) All comparisons to Q3 FY2007

- **\$53.8M in sales were marginally lower compared to prior period**
 - International sales increased 16% to \$34.4M
 - US sales decreased 22% to \$19.4M
 - Decrease in US sales primarily due to the effect of volatility in the US financial markets
- **Gross margin was flat; gross margin rate expanded to 46.8% compared to 46.4%**
- **Operating loss of \$3.6M compared to a loss of \$3.5M in the prior period**
 - Third quarter loss due to Paris salon robbery and decrease in US sales

November 2007 Update

- **Company name change**
 - Company changed its name from Aber Diamond Corporation to Harry Winston Diamond Corporation

- **Listing on New York Stock Exchange**
 - Company listed on the New York Stock Exchange under symbol HWD
 - Toronto Stock Exchange new symbol HW

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November 2007 Update

Chicago salon opens

- 8,000 square feet flagship salon
- Located on Oak street, the premier luxury shopping district
- 7th salon in the US bringing worldwide network to 17 salons



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November 2007 Update

Nagoya, Japan salon opens

- Second largest Harry Winston salon in Japan at 5,330 square feet
- Located in the downtown Sakae shopping district
- 5th salon in Japan bringing worldwide network to 18 salons



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