



KATHMANDU HOLDINGS LIMITED

ASX/ NZX/ MEDIA ANNOUNCEMENT

16 NOVEMBER 2012

TRADING UPDATE, 15 WEEKS TO 11 NOVEMBER 2012

Key points (all amounts in \$ NZ)

- Group sales for the first 15 weeks up 19.5% on pcp to \$66.9m
- Same store sales, up 14.3%

Kathmandu Holdings Limited (ASX and NZX Code: KMD) today announced sales of \$66.9 million for the 15 weeks to 11 November 2012, a rise of 19.5% compared with the corresponding period last year. Same store sales grew by 14.3% during the period (13.6% at constant exchange rates^{*1}), compared with growth of 7.6% in the prior corresponding period.

Kathmandu's Chief Executive Officer, Peter Halkett said that "despite the difficult retail trading conditions, our sales performance in the first 15 weeks of the financial year has overall been ahead of our expectations, particularly in Australia. Consistent with our normal trading pattern, sales to date are less than 20% of our expected total sales for the year. Growth in first half-year profit remains highly dependent on the Christmas and January trading period."

Mr Halkett updated progress on the Company's store rollout and refurbishment programme. "Since 1 August we have opened six new stores in Australia (two in regional NSW, one in Brisbane, one in the Gold Coast, one in Melbourne and one in Perth). We also have three further stores (Sydney CBD, Darwin and Mackay) which will be open for trading before Christmas. Our central Perth and Nelson store relocations have been completed and two of our Melbourne stores have been refurbished". Mr Halkett confirmed that Kathmandu is still aiming to open 15 new stores in FY13 with three further new sites already secured for opening in the second half of FY13.

ENDS

For further information please call:

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^{*1} Average conversion rate year-to-date NZ\$/A\$ 0.786 and NZ\$/UK£ 0.511