

Disclosure of ceasing to have substantial holding

Section 25, Securities Markets Act 1988

To: The New Zealand Exchange Limited

And: Kathmandu Holdings Limited ('KMD')

Date this disclosure made: 26 November 2013

Date last disclosure made: 02 September 2013

Substantial security holder(s) giving disclosure

Name(s): Milford Asset Management Limited

Contact details: Bryce Marsden, Chief Operating Officer, contact: 09 921 4707

E-mail: bmarsden@milfordasset.com

Date on which substantial security holder(s) ceased to have substantial holding: 25 November 2013

Summary of previous substantial holding to which disclosure relates

Class of listed voting securities: Ordinary Shares

Summary for: Milford Asset Management Limited

For last disclosure,—

(a) total number held in class: 11,698,194

(b) total in class: 200,215,894

(c) total percentage held in class: 5.84% (note, relevant interests held by the manager as follows):

Milford Active Growth Wholesale Fund (2.01%), (Custodian - TEA Custodians),

Milford Income Wholesale Fund (0.87%), (Custodian - TEA Custodians),

Milford NZ Equities Wholesale Fund (0.87%), (Custodian - TEA Custodians),

Milford Trans-Tasman Fund (0.15%), (Custodian - TEA Custodians),

Trust Investments Sustainable NZ Share Fund (0.16%), (Custodian - TEA Custodians),

The Waikato Community Trust (0.11%), (Custodian - TEA Custodians)

New Zealand Superannuation Fund (1.67%), (Custodian - New Zealand Superannuation Fund Nominees Limited).

For current holding after ceasing to have substantial holding:

(a) total number held in class: 9,894,969

(b) total in class: 200,326,690

(c) total percentage held in class: 4.83% (note, relevant interests held by the manager as follows):

Milford Active Growth Wholesale Fund (2.01%), (Custodian - TEA Custodians),

Milford Dynamic Wholesale Fund (0.71%), (Custodian – TEA Custodians),

Milford Income Wholesale Fund (0.39%), (Custodian - TEA Custodians),

Milford NZ Equities Wholesale Fund (0.49%), (Custodian - TEA Custodians),

Trust Investments Sustainable NZ Share Fund (0.08%), (Custodian - TEA Custodians),
 Mercer Trans-Tasman Shares Trust (0.31%), (Custodian – BNP Paribas Securities Limited).
 The Waikato Community Trust (0.06%), (Custodian - TEA Custodians)
 New Zealand Superannuation Fund (0.78%), (Custodian - New Zealand Superannuation Fund Nominees Limited).

Details of transactions and events giving rise to person ceasing to have substantial holding

Details of the transactions or other events requiring disclosure under the instructions to this form:

Milford Asset Management Limited undertook the below on market transactions.

Settlement Date	Buy/Sell	Shares	Consideration
6/09/2013	Sell -	300,000.00 -	897,300.00
11/09/2013	Buy	25,391.00	69,673.09
12/09/2013	Buy	4,256.00	11,824.49
12/09/2013	Sell -	2,000.00 -	5,654.34
13/09/2013	Buy	11,000.00	31,281.25
16/09/2013	Buy	30,000.00	85,585.50
17/09/2013	Sell -	439,000.00 -	1,269,280.71
19/09/2013	Sell -	10,000.00 -	29,570.40
20/09/2013	Sell -	400,000.00 -	1,209,879.44
23/09/2013	Buy	957,907.00	2,730,034.95
27/09/2013	Sell -	515,000.00 -	1,643,604.70
30/09/2013	Sell -	500,000.00 -	1,743,952.41
8/10/2013	Sell -	50,000.00 -	179,460.00
10/10/2013	Buy	750,000.00	2,365,872.30
11/10/2013	Buy	12,000.00	43,123.08
18/10/2013	Buy	577,885.00	1,858,564.30
24/10/2013	Buy	130,000.00	423,989.40

29/10/2013	Buy	78,680.00	287,469.18
1/11/2013	Buy	10,000.00	37,537.50
1/11/2013	Sell	- 10,000.00 -	38,361.60
4/11/2013	Sell	- 100,000.00 -	393,725.27
5/11/2013	Sell	- 100,000.00 -	386,447.17
8/11/2013	Sell	- 290,767.00 -	950,761.68
12/11/2013	Sell	- 18,304.00 -	67,401.18
14/11/2013	Sell	- 400,000.00 -	1,556,449.58
21/11/2013	Sell	- 1,000,000.00 -	3,699,966.70
22/11/2013	Buy	132,587.00	490,567.00
25/11/2013	Sell	- 600,000.00 -	2,233,678.79

Additional information

Nature of connection between substantial security holders: NA

Address(es) of substantial security holder(s): Milford Asset Management Limited, Level 17, 41 Shortland Street, Auckland 1140, New Zealand.

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: NA

Declaration

I, Bryce Marsden declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.