

Disclosure of movement of 1% or more in substantial holding or change in nature of relevant interest or both

Section 23 and 24, Securities Markets Act 1988

Relevant event being disclosed: Change in nature of relevant interest

Date of relevant event: 26th March 2014

To: The New Zealand Stock Exchange

And: Kathmandu Holdings Limited

Date this disclosure made: 27th March 2014

Date last disclosure made: 5th February 2014

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

Summary of substantial holding to which disclosure relates

Class of listed voting securities: Ordinary Share

Summary for: Milford Asset Management Limited

For this disclosure, —

(a) total number held in class: 13,131,057

(b) total in class: 200,473,338

(c) total percentage held in class: 6.55% (note, relevant interests held by the manager as follows):

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

Milford Dynamic Wholesale Fund (1.47%), (Custodian – TEA Custodians),

Mercer Trans-Tasman Shares Trust (0.43%), (Custodian – BNP Paribas Securities Limited),

NZ Equities Wholesale Fund (0.98%), (Custodian - TEA Custodians),

Trust Investments Sustainable NZ Share Fund (0.12%), (Custodian - TEA Custodians),

Waikato Community Trust (0.09%), (Custodian - TEA Custodians),

Milford Income Wholesale Fund (0.41%), (Custodian - TEA Custodians),

New Zealand Superannuation Fund (1.04%), (Custodian - New Zealand Superannuation Fund Nominees Limited).

For last disclosure, —

(a) total number held in class: 15,156,421

(b) total in class: 200,473,338

(c) total percentage held in class: 7.56% (note, relevant interests held by the manager as follows):

Milford Active Growth Wholesale Fund (1.96%), (Custodian - TEA Custodians),
Milford Dynamic Wholesale Fund (1.27%), (Custodian – TEA Custodians),
Mercer Trans-Tasman Shares Trust (0.57%), (Custodian – BNP Paribas Securities Limited),
NZ Equities Wholesale Fund (1.17%), (Custodian - TEA Custodians),
Trust Investments Sustainable NZ Share Fund (0.18%), (Custodian - TEA Custodians),
Waikato Community Trust (0.12%), (Custodian - TEA Custodians),
Milford Income Wholesale Fund (0.34%), (Custodian - TEA Custodians),
New Zealand Superannuation Fund (1.95%), (Custodian - New Zealand Superannuation Fund Nominees Limited).

Details of transactions and events giving rise to relevant event

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.

Trade Date	Buy/Sell	Shares	Consideration
5-Feb-14	Buy	130,000	393,920.11
7-Feb-14	Buy	27,496	82,687.68
10-Feb-14	Buy	150,000	467,538.42
11-Feb-14	Buy	12,000	37,517.08
12-Feb-14	Buy	89,952	283,474.41
13-Feb-14	Buy	24,104	75,238.66
17-Feb-14	Buy	7,694	24,260.34
19-Feb-14	Buy	100,000	316,496.65
20-Feb-14	Buy	24,999	78,893.16
21-Feb-14	Buy	630,600	1,991,509.36
21-Feb-14	Sell	-	4,008,691.44
26-Feb-14	Buy	122,738	387,758.59
28-Feb-14	Buy	250,000	803,829.29
6-Mar-14	Buy	115,380	396,149.15
7-Mar-14	Buy	227,872	818,878.54
11-Mar-14	Buy	10,000	36,036.00
17-Mar-14	Buy	5,000	17,417.40
20-Mar-14	Buy	130,240	441,955.11
24-Mar-14	Buy	23,000	80,760.09
24-Mar-14	Sell	-	8,073,589.58
25-Mar-14	Buy	18,218	67,450.30
25-Mar-14	Sell	-	139,477.31
26-Mar-14	Sell	-	961,035.36

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.