

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 interestDate of relevant event: 4th November 2014

To: The New Zealand Stock Exchange / Australian Securities Exchange

And: Kathmandu Holdings Limited

Date this disclosure made: 5th November 2014Date last disclosure made: 5th September 2014**Substantial security holder(s) giving disclosure**

Name(s): Milford Asset Management Limited

Contact details: Mark Ryland, Risk and Compliance Manager contact: 09 921 4707

E-mail: mryland@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: 10,072,247

(b) total in class: 201,318,944

(c) total percentage held in class: 5% (note, relevant interests held by the manager as follows):

Milford Active Growth Wholesale Fund (0.59%), (Custodian - TEA Custodians),

Milford Dynamic Wholesale Fund (1.02%), (Custodian – TEA Custodians),

Mercer Trans-Tasman Shares Trust (0.53%), (Custodian – BNP Paribas Securities Limited),

NZ Equities Wholesale Fund (1.45%), (Custodian - TEA Custodians),

Waikato Community Trust (0.10%), (Custodian - TEA Custodians),

Milford Income Wholesale Fund (0.04%), (Custodian - TEA Custodians),

New Zealand Superannuation Fund (1.27%), (Custodian - New Zealand Superannuation Fund Nominees Limited).

For the last disclosure, —

(a) total number held in class: 12,388,077

(b) total in class: 200,633,469

(c) total percentage held in class: 6.17% (note, relevant interests held by the manager as follows):

Milford Active Growth Wholesale Fund (0.84%), (Custodian - TEA Custodians),

Milford Dynamic Wholesale Fund (1.77%), (Custodian – TEA Custodians),

Mercer Trans-Tasman Shares Trust (0.56%), (Custodian – BNP Paribas Securities Limited),

NZ Equities Wholesale Fund (1.52%), (Custodian - TEA Custodians),

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

Milford Income Wholesale Fund (0.04%), (Custodian - TEA Custodians),

New Zealand Superannuation Fund (1.33%), (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

BUY/ SELL	UNITS	VALUE	DATE
BUY	650,000	2,038,843.220	12-Sep-14
BUY	100,000	300,900.010	16-Sep-14
BUY	10,000	30,530.500	22-Sep-14
BUY	310,000	960,401.180	23-Sep-14
BUY	175,740	561,234.820	24-Sep-14
SELL	- 170,000	- 548,300.160	29-Sep-14
SELL	- 1,500,000	- 4,613,318.410	1-Oct-14
SELL	- 500,000	- 1,525,410.000	2-Oct-14
BUY	300,000	893,071.200	7-Oct-14
SELL	- 500,000	- 1,450,635.000	9-Oct-14
BUY	23,430	68,484.020	17-Oct-14
SELL	- 215,000	- 653,782.750	22-Oct-14
SELL	- 300,000	- 912,105.450	28-Oct-14
SELL	- 200,000	- 608,170.000	29-Oct-14
SELL	- 500,000	- 1,601,231.850	4-Nov-14

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, Mark Ryland 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.