

**Form 603
Corporations Act 2001
Section 671B**

Notice of Initial Substantial Holder

To: **Kathmandu Holdings Ltd**

ACN/ARSN:

1. Details of substantial holder (s)

Name: FMR LLC and FIL Limited (FIL)

ACN/ARSN (if applicable)

The holder became a substantial holder on

16 February 2012

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of Securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	10,060,294	10,060,294	5.03%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
FMR LLC & FIL	Parent companies of a fund management group with power to exercise control over disposal of the securities	10,060,294

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Number of securities
FMR LLC & FIL	Various Custodians	STATE SUPER FINANCIAL SERVICES	650,098
FMR LLC & FIL	Various Custodians	COLONIAL FIRST STATE AUS F 24	513,252
FMR LLC & FIL	Various Custodians	RIO TINTO STAFF SUPER FUND	425,899
FMR LLC & FIL	Various Custodians	FUND 232	825,672
FMR LLC & FIL	Various Custodians	FID FDS - AUSTRALIA POOL	983,600
FMR LLC & FIL	Various Custodians	FIDELITY AUSTRALIAN EQ FUND	2,954,559
FMR LLC & FIL	Various Custodians	AUSTRALIANSUPER PTY LTD	1,533,735
FMR LLC & FIL	Various Custodians	FIL ACTIVE AUSTRALIAN EQUITY	1,577,568

FMR LLC & FIL	Various Custodians	BARCLAYS AUSTRALIA FUND	38,809
FMR LLC & FIL	Various Custodians	MLC INVESTMENTS LIMITED	557,102
	TOTAL	10,060,294	5.03%

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities ordinary shares
		Cash/non-cash AUD	
FMR LLC & FIL	27 October 2011	1.81	3,069
FMR LLC & FIL	27 October 2011	1.79	5,106
FMR LLC & FIL	27 October 2011	1.81	6,263
FMR LLC & FIL	27 October 2011	1.79	10,420
FMR LLC & FIL	27 October 2011	1.79	3,608
FMR LLC & FIL	27 October 2011	1.81	2,662
FMR LLC & FIL	27 October 2011	1.79	4,429
FMR LLC & FIL	27 October 2011	1.79	2,937
FMR LLC & FIL	27 October 2011	1.79	2,500
FMR LLC & FIL	28 October 2011	1.87	86,602
FMR LLC & FIL	28 October 2011	1.87	1,495
FMR LLC & FIL	28 October 2011	1.87	19,560
FMR LLC & FIL	28 October 2011	1.87	178,469
FMR LLC & FIL	28 October 2011	1.87	61,923
FMR LLC & FIL	28 October 2011	1.87	75,110
FMR LLC & FIL	28 October 2011	1.87	49,808
FMR LLC & FIL	28 October 2011	1.87	33,452
FMR LLC & FIL	28 October 2011	1.87	16,860
FMR LLC & FIL	28 October 2011	1.87	26,721
FMR LLC & FIL	2 November 2011	1.89	12,660
FMR LLC & FIL	2 November 2011	1.89	2,500
FMR LLC & FIL	2 November 2011	1.89	2,869
FMR LLC & FIL	2 November 2011	1.89	25,663
FMR LLC & FIL	2 November 2011	1.89	8,828
FMR LLC & FIL	2 November 2011	1.89	10,977
FMR LLC & FIL	2 November 2011	1.89	7,297
FMR LLC & FIL	2 November 2011	1.89	4,894
FMR LLC & FIL	2 November 2011	1.89	2,467
FMR LLC & FIL	2 November 2011	1.89	3,914
FMR LLC & FIL	3 November 2011	1.90	7,053
FMR LLC & FIL	3 November 2011	1.90	44,390
FMR LLC & FIL	3 November 2011	1.90	2,500
FMR LLC & FIL	3 November 2011	1.90	10,079
FMR LLC & FIL	3 November 2011	1.90	14,506

FMR LLC & FIL	3 November 2011	1.90	91,269
FMR LLC & FIL	3 November 2011	1.90	4,985
FMR LLC & FIL	3 November 2011	1.90	31,371
FMR LLC & FIL	3 November 2011	1.90	6,117
FMR LLC & FIL	3 November 2011	1.90	38,501
FMR LLC & FIL	3 November 2011	1.90	4,067
FMR LLC & FIL	3 November 2011	1.90	25,598
FMR LLC & FIL	3 November 2011	1.90	2,728
FMR LLC & FIL	3 November 2011	1.90	17,171
FMR LLC & FIL	3 November 2011	1.90	8,653
FMR LLC & FIL	3 November 2011	1.90	2,180
FMR LLC & FIL	3 November 2011	1.90	13,723
FMR LLC & FIL	4 November 2011	1.94	21,143
FMR LLC & FIL	4 November 2011	1.94	2,476
FMR LLC & FIL	4 November 2011	1.94	4,805
FMR LLC & FIL	4 November 2011	1.94	44,268
FMR LLC & FIL	4 November 2011	1.94	15,154
FMR LLC & FIL	4 November 2011	1.94	18,342
FMR LLC & FIL	4 November 2011	1.94	12,168
FMR LLC & FIL	4 November 2011	1.94	8,178
FMR LLC & FIL	4 November 2011	1.94	4,121
FMR LLC & FIL	4 November 2011	1.94	6,529
FMR LLC & FIL	7 November 2011	1.91	47,068
FMR LLC & FIL	7 November 2011	1.91	2,500
FMR LLC & FIL	7 November 2011	1.91	10,702
FMR LLC & FIL	7 November 2011	1.91	95,954
FMR LLC & FIL	7 November 2011	1.91	32,756
FMR LLC & FIL	7 November 2011	1.91	40,833
FMR LLC & FIL	7 November 2011	1.91	27,054
FMR LLC & FIL	7 November 2011	1.91	18,193
FMR LLC & FIL	7 November 2011	1.91	9,170
FMR LLC & FIL	7 November 2011	1.91	14,521
FMR LLC & FIL	8 November 2011	1.88	15,816
FMR LLC & FIL	8 November 2011	1.88	287
FMR LLC & FIL	8 November 2011	1.88	3,599
FMR LLC & FIL	8 November 2011	1.88	32,370
FMR LLC & FIL	8 November 2011	1.88	11,040
FMR LLC & FIL	8 November 2011	1.88	13,719
FMR LLC & FIL	8 November 2011	1.88	9,092
FMR LLC & FIL	8 November 2011	1.88	6,116
FMR LLC & FIL	8 November 2011	1.88	3,082
FMR LLC & FIL	8 November 2011	1.88	4,879
FMR LLC & FIL	9 November 2011	1.88	315,797
FMR LLC & FIL	9 November 2011	1.88	5,750
FMR LLC & FIL	9 November 2011	1.88	71,930
FMR LLC & FIL	9 November 2011	1.88	648,768
FMR LLC & FIL	9 November 2011	1.88	221,289
FMR LLC & FIL	9 November 2011	1.88	273,943

FMR LLC & FIL	9 November 2011	1.88	181,430
FMR LLC & FIL	9 November 2011	1.88	122,139
FMR LLC & FIL	9 November 2011	1.88	61,559
FMR LLC & FIL	9 November 2011	1.88	97,395
FMR LLC & FIL	14 November 2011	1.97	25,301
FMR LLC & FIL	14 November 2011	1.97	2,000
FMR LLC & FIL	14 November 2011	1.97	5,233
FMR LLC & FIL	14 November 2011	1.97	47,684
FMR LLC & FIL	14 November 2011	1.97	16,347
FMR LLC & FIL	14 November 2011	1.97	19,864
FMR LLC & FIL	14 November 2011	1.97	13,165
FMR LLC & FIL	14 November 2011	1.97	8,864
FMR LLC & FIL	14 November 2011	1.97	4,472
FMR LLC & FIL	14 November 2011	1.97	7,070
FMR LLC & FIL	15 November 2011	2.00	8,984
FMR LLC & FIL	15 November 2011	2.00	59,944
FMR LLC & FIL	15 November 2011	2.00	2,450
FMR LLC & FIL	15 November 2011	2.00	2,450
FMR LLC & FIL	15 November 2011	2.00	2,450
FMR LLC & FIL	15 November 2011	2.00	12,405
FMR LLC & FIL	15 November 2011	2.00	16,596
FMR LLC & FIL	15 November 2011	2.00	110,701
FMR LLC & FIL	15 November 2011	2.00	5,684
FMR LLC & FIL	15 November 2011	2.00	37,925
FMR LLC & FIL	15 November 2011	2.00	7,052
FMR LLC & FIL	15 November 2011	2.00	47,055
FMR LLC & FIL	15 November 2011	2.00	4,672
FMR LLC & FIL	15 November 2011	2.00	31,177
FMR LLC & FIL	15 November 2011	2.00	3,147
FMR LLC & FIL	15 November 2011	2.00	20,999
FMR LLC & FIL	15 November 2011	2.00	2,450
FMR LLC & FIL	15 November 2011	2.00	10,593
FMR LLC & FIL	15 November 2011	2.00	2,510
FMR LLC & FIL	15 November 2011	2.00	16,751
FMR LLC & FIL	16 November 2011	1.98	14,586
FMR LLC & FIL	16 November 2011	1.98	19,936
FMR LLC & FIL	16 November 2011	1.98	241
FMR LLC & FIL	16 November 2011	1.98	329
FMR LLC & FIL	16 November 2011	1.98	3,021
FMR LLC & FIL	16 November 2011	1.98	4,129
FMR LLC & FIL	16 November 2011	1.98	114,993
FMR LLC & FIL	16 November 2011	1.98	157,170
FMR LLC & FIL	16 November 2011	1.98	27,089
FMR LLC & FIL	16 November 2011	1.98	37,024
FMR LLC & FIL	16 November 2011	1.98	9,270
FMR LLC & FIL	16 November 2011	1.98	12,670
FMR LLC & FIL	16 November 2011	1.98	11,455
FMR LLC & FIL	16 November 2011	1.98	15,657

FMR LLC & FIL	16 November 2011	1.98	7,582
FMR LLC & FIL	16 November 2011	1.98	10,362
FMR LLC & FIL	16 November 2011	1.98	5,110
FMR LLC & FIL	16 November 2011	1.98	6,985
FMR LLC & FIL	16 November 2011	1.98	2,578
FMR LLC & FIL	16 November 2011	1.98	3,523
FMR LLC & FIL	16 November 2011	1.98	4,075
FMR LLC & FIL	16 November 2011	1.98	5,570
FMR LLC & FIL	17 November 2011	1.96	29,664
FMR LLC & FIL	18 November 2011	1.93	100,000
FMR LLC & FIL	18 November 2011	1.94	302,762
FMR LLC & FIL	21 November 2011	1.90	29,824
FMR LLC & FIL	21 November 2011	1.90	100,000
FMR LLC & FIL	21 November 2011	1.90	177,974
FMR LLC & FIL	21 December 2011	1.67	29,280
FMR LLC & FIL	21 December 2011	1.65	80,000
FMR LLC & FIL	22 December 2011	1.24	331,348
FMR LLC & FIL	22 December 2011	1.24	1,229
FMR LLC & FIL	22 December 2011	1.24	5,415
FMR LLC & FIL	22 December 2011	1.24	16,003
FMR LLC & FIL	22 December 2011	1.24	70,473
FMR LLC & FIL	22 December 2011	1.24	139,376
FMR LLC & FIL	22 December 2011	1.24	613,743
FMR LLC & FIL	22 December 2011	1.24	45,412
FMR LLC & FIL	22 December 2011	1.24	199,976
FMR LLC & FIL	22 December 2011	1.24	59,054
FMR LLC & FIL	22 December 2011	1.24	260,050
FMR LLC & FIL	22 December 2011	1.24	171,987
FMR LLC & FIL	22 December 2011	1.24	116,139
FMR LLC & FIL	22 December 2011	1.24	58,496
FMR LLC & FIL	22 December 2011	1.24	19,917
FMR LLC & FIL	22 December 2011	1.24	87,706
FMR LLC & FIL	22 December 2011	1.24	1,229
FMR LLC & FIL	22 December 2011	1.24	16,003
FMR LLC & FIL	22 December 2011	1.24	19,917
FMR LLC & FIL	22 December 2011	1.24	45,412
FMR LLC & FIL	22 December 2011	1.25	58,586
FMR LLC & FIL	22 December 2011	1.24	59,054
FMR LLC & FIL	22 December 2011	1.31	130,039
FMR LLC & FIL	22 December 2011	1.24	139,376
FMR LLC & FIL	22 December 2011	1.27	433,491
FMR LLC & FIL	23 December 2011	1.26	20,942
FMR LLC & FIL	23 December 2011	1.26	26,876
FMR LLC & FIL	23 December 2011	1.26	3,550
FMR LLC & FIL	23 December 2011	1.26	3,637
FMR LLC & FIL	23 December 2011	1.26	4,457
FMR LLC & FIL	23 December 2011	1.26	5,720
FMR LLC & FIL	23 December 2011	1.26	39,353

FMR LLC & FIL	23 December 2011	1.26	50,498
FMR LLC & FIL	23 December 2011	1.26	12,833
FMR LLC & FIL	23 December 2011	1.26	16,470
FMR LLC & FIL	23 December 2011	1.26	16,422
FMR LLC & FIL	23 December 2011	1.26	21,076
FMR LLC & FIL	23 December 2011	1.26	10,866
FMR LLC & FIL	23 December 2011	1.26	13,945
FMR LLC & FIL	23 December 2011	1.26	7,339
FMR LLC & FIL	23 December 2011	1.26	9,419
FMR LLC & FIL	23 December 2011	1.26	3,696
FMR LLC & FIL	23 December 2011	1.26	4,744
FMR LLC & FIL	23 December 2011	1.26	5,542
FMR LLC & FIL	23 December 2011	1.26	7,113
FMR LLC & FIL	28 December 2011	1.30	10,481
FMR LLC & FIL	28 December 2011	1.30	3,789
FMR LLC & FIL	28 December 2011	1.30	19,576
FMR LLC & FIL	28 December 2011	1.30	6,353
FMR LLC & FIL	28 December 2011	1.30	8,221
FMR LLC & FIL	28 December 2011	1.30	5,434
FMR LLC & FIL	28 December 2011	1.30	3,789
FMR LLC & FIL	28 December 2011	1.30	3,789
FMR LLC & FIL	28 December 2011	1.30	3,789
FMR LLC & FIL	29 December 2011	1.31	9,757
FMR LLC & FIL	29 December 2011	1.31	3,700
FMR LLC & FIL	29 December 2011	1.31	18,069
FMR LLC & FIL	29 December 2011	1.31	5,861
FMR LLC & FIL	29 December 2011	1.31	7,653
FMR LLC & FIL	29 December 2011	1.31	5,058
FMR LLC & FIL	29 December 2011	1.31	3,700
FMR LLC & FIL	29 December 2011	1.31	3,700
FMR LLC & FIL	29 December 2011	1.31	3,700
FMR LLC & FIL	30 December 2011	1.31	6,621
FMR LLC & FIL	30 December 2011	1.31	12,388
FMR LLC & FIL	30 December 2011	1.31	4,021
FMR LLC & FIL	30 December 2011	1.31	5,192
FMR LLC & FIL	3 January 2012	1.30	4,646
FMR LLC & FIL	3 January 2012	1.30	34,503
FMR LLC & FIL	3 January 2012	1.30	7,379
FMR LLC & FIL	3 January 2012	1.30	8,725
FMR LLC & FIL	3 January 2012	1.30	64,795
FMR LLC & FIL	3 January 2012	1.30	21,043
FMR LLC & FIL	3 January 2012	1.30	27,062
FMR LLC & FIL	3 January 2012	1.30	17,909
FMR LLC & FIL	3 January 2012	1.30	12,094
FMR LLC & FIL	3 January 2012	1.30	6,088
FMR LLC & FIL	3 January 2012	1.30	9,127
FMR LLC & FIL	4 January 2012	1.31	61,542
FMR LLC & FIL	4 January 2012	1.30	231,169

FMR LLC & FIL	4 January 2012	1.31	13,158
FMR LLC & FIL	4 January 2012	1.30	49,426
FMR LLC & FIL	4 January 2012	1.31	115,348
FMR LLC & FIL	4 January 2012	1.30	433,262
FMR LLC & FIL	4 January 2012	1.31	37,442
FMR LLC & FIL	4 January 2012	1.30	140,642
FMR LLC & FIL	4 January 2012	1.31	48,279
FMR LLC & FIL	4 January 2012	1.30	181,350
FMR LLC & FIL	4 January 2012	1.31	31,933
FMR LLC & FIL	4 January 2012	1.30	119,949
FMR LLC & FIL	4 January 2012	1.31	21,563
FMR LLC & FIL	4 January 2012	1.30	80,995
FMR LLC & FIL	4 January 2012	1.31	10,860
FMR LLC & FIL	4 January 2012	1.30	40,792
FMR LLC & FIL	4 January 2012	1.31	16,274
FMR LLC & FIL	4 January 2012	1.30	61,129
FMR LLC & FIL	5 January 2012	1.30	108,395
FMR LLC & FIL	5 January 2012	1.30	5,889
FMR LLC & FIL	5 January 2012	1.30	52,382
FMR LLC & FIL	5 January 2012	1.30	20,697
FMR LLC & FIL	5 January 2012	1.30	29,823
FMR LLC & FIL	5 January 2012	1.30	62,182
FMR LLC & FIL	5 January 2012	1.30	41,588
FMR LLC & FIL	5 January 2012	1.30	17,236
FMR LLC & FIL	5 January 2012	1.30	9,710
FMR LLC & FIL	9 February 2012	1.34	68,275
FMR LLC & FIL	9 February 2012	1.34	55,022
FMR LLC & FIL	9 February 2012	1.34	82,276
FMR LLC & FIL	10 February 2012	1.36	66,475
FMR LLC & FIL	10 February 2012	1.36	53,500
FMR LLC & FIL	10 February 2012	1.36	80,025
FMR LLC & FIL	15 February 2012	1.42	3,219
FMR LLC & FIL	15 February 2012	1.42	3,877
FMR LLC & FIL	16 February 2012	1.44	44,507
FMR LLC & FIL	16 February 2012	1.44	327,670
FMR LLC & FIL	16 February 2012	1.44	38,448
FMR LLC & FIL	16 February 2012	1.44	54,075

Please note that the trades shown in bold in the above table are disposition of shares.

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are all follows:

Name and ACN/ARSN (if applicable)	Nature of association
FMR LLC	FMR LLC is a Delaware limited liability company with its principal place of business at 82 Devonshire Street, Boston, Massachusetts. Fidelity Management & Research Company (FMR Co.), Fidelity Management Trust Company (FMTCT) and Pyramis Global Advisors LLC (PGALLC) are

	wholly-owned subsidiaries of FMR LLC and under the common control of FMR LLC. Each may be considered a related body corporate and hence an 'associate' of FMR LLC, as such term is used in the Corporations Law 2001. FMR Co. is advisor to registered holders named in Section 4 and has power under its management agreements to dispose of the subject shares. FMR Co. also carries out voting under the written guidelines established by the Boards of Trustees of the Funds which are registered holders. The relevant interests of FMTC and PGALLC consist of the power to dispose of, and may also consist of the power to vote or direct the voting of, the shares of institutional accounts with which they each have management agreements.
FIL	FIL Limited (FIL), is a Bermuda domiciled company with a registered office at Pembroke Hall, 42 Crow Lane, Pembroke, Bermuda. FIL may vote or direct the voting of the shares of registered holders named in Section 4 under written guidelines established by the Board of Directors of FIL. FIL and its subsidiary management companies such as Fidelity Investments International (FII) and Fidelity Pensions Management (FPM) have power to dispose of shares of funds of registered holders named in Section 4 and/or of institutional accounts with which the companies have management agreements. FII and FPM are wholly-owned subsidiary of FIL and hence 'associates' of FIL as such term is used in the Corporations Law 2001.

7. Addresses

The addresses of the persons named in this form are as follows:

Name	Address
FMR LLC	82 Devonshire Street, Boston, MA 02109
FIL	PO Box HM 670, Hamilton HMCX, Bermuda

Sign Here _____

Dated: 20 February 2012

Wendy Wang

Assistant Manager, Regulatory Reporting

Duly authorized under Powers of Attorney dated 7 July 2010 by Scott Goebel by and on behalf of FMR LLC and its direct and indirect subsidiaries.

Duly authorized under Powers of Attorney dated 12 July 2010 by Allan Pelvang by and on behalf of FIL Limited and its direct and indirect subsidiaries.