

13 December 2013

Market Information Services Section
New Zealand Exchange Limited
Wellington

NOTIFICATION OF PERFORMANCE RIGHTS

For the purposes of Listing Rule 7.12.1 of the NZSX Listing Rules, Kathmandu Holdings Limited advises the following performance rights have been issued:

- a) Class of securities: Performance rights to ordinary shares pursuant to Kathmandu Holdings Limited Long Term Incentive Plan
ISIN: ISIN NZKMDE0001SE
- b) Number of securities issued: Performance rights in respect of 273,813 ordinary shares
- c) Nominal value: Not applicable
Issue price: Nil, pursuant to Kathmandu Holdings Limited Long Term Incentive Plan
- d) Payment in cash? No. The performance right to be allocated ordinary shares in Kathmandu Holdings Limited is subject to satisfaction of certain performance conditions with regards to Earnings Per Share and Total Shareholder Returns.
- e) Amount paid up: Nil
- f) Percentage of total class issued: 0.14%
- g) Reason for issue: Issue of performance rights to selected Senior Management employees to be allocated ordinary shares in the company upon the satisfaction of certain conditions
- h) Specific authority for the issue: Resolution at Annual General Meeting of shareholders dated 20 November 2013 and resolution of Directors on 19 November 2013.
- i) Terms or details of the issue:
 - i. The holder has the right to be issued Ordinary Shares vesting on 31 July 2015 provided the employee remains in employment with the company to that date.
 - ii. The number of performance rights that vest will depend on Kathmandu Holdings Limited's performance over the 12 months ending 31 July 2014 assessed against financial performance targets (EBITDA).
 - iii. Performance rights will lapse where the performance conditions are not met.

Kathmandu Holdings Ltd

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PO Box 200, Tullamarine, Victoria 3043, Australia
Phone: +61 3 9267 9999 Fax: +61 3 9267 9934
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- j) Total number of securities of the class after issue:
- 229,678 Performance Rights – Kathmandu Holdings Limited Long Term Incentive Plan
 - 221,920 Performance Rights – Kathmandu Holdings Limited Long Term Incentive Plan
 - 261,009 Performance Rights – Kathmandu Holdings Limited Long Term Incentive Plan
 - 273,813 Performance Rights – Kathmandu Holdings Limited Long Term Incentive Plan
- Treasury Stock: Not applicable
- k) Date of issue: 5 December 2013

Mark Todd

Company Secretary



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