

KATHMANDU HOLDINGS LIMITED

ASX/NZX

19 November 2015

Kathmandu CEO remuneration

Following the announcement made on Monday 16 November, the Board of Kathmandu Holdings (ASX/NZX: KMD) had meeting today. During that meeting the Board set the increase in Earnings per Share growth target for the CEO Long Term Incentive structure.

As stated previously because FY2015 is an unusually low measurement base the Board has increased the Earnings per Share growth target from that stipulated in the Notice of Meeting to ensure that there is an appropriate alignment between Executive remuneration and shareholder value. The Earnings per Share compound annual growth target (for full vesting of applicable equity) has been set at 22.5% over the three year performance period, increased from 15%. This compound growth rate equates to an 83.8% increase in Earnings per Share over the three year performance period.

The Earnings per Share growth target required for vesting will be as follows:

COMPOUND AVERAGE ANNUAL GROWTH IN COMPANY'S EPS OVER THE RELEVANT PERFORMANCE PERIOD	PERCENTAGE OF PERFORMANCE RIGHTS SUBJECT TO THE EPS GROWTH CONDITION THAT WILL VEST
Less than 17.5%	0%
17.5%	50%
18.5%	60%
19.5%	70%
20.5%	80%
21.5%	90%
22.5%	100%

R Casey

Reuben Casey
Company Secretary

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