

Disclosure of ceasing to have substantial holding

Section 279, Financial Markets Conduct Act 2013

To New Zealand Stock Exchange

and

To Kathmandu Holdings Ltd

Date this disclosure made: 17 November 2016

Date last disclosure made: 21 October 2016

Date on which substantial holding ceased: 11 November 2016

Substantial product holder(s) giving disclosure

Full Name(s): Accident Compensation Corporation (ACC)

Nicholas Bagnall, Guy Elliffe, Paul Robertshawe, Blair Tallott, Blair Cooper, Bevan Flack

Summary of previous substantial holding

Class of quoted voting products: Ordinary shares (KMD NZ)

Summary for: Accident Compensation Corporation (ACC)

Nicholas Bagnall, Guy Elliffe, Paul Robertshawe, Blair Tallott, Blair Cooper, Bevan Flack

For last disclosure:

- | | |
|-------------------------------------|-------------|
| (a) Total number held in class: | 11,194,809 |
| (b) Total in class: | 201,485,000 |
| (c) Total percentage held in class: | 5.556% |

For current holding after ceasing to have substantial holding:

- | | |
|-------------------------------------|-------------|
| (a) Total number held in class: | 10,059,833 |
| (b) Total in class: | 201,484,583 |
| (c) Total percentage held in class: | 4.993% |

Details of transactions and events giving rise to ceasing of substantial holding

Details of the transactions or other events requiring disclosure:

From 22 October 2016 to 11 November 2016, ACC had the following aggregated on-market transactions in Kathmandu Holdings Ltd:

- Sales of 1,134,976 shares for consideration of NZD \$2,250,956

Additional Information

Address(es) of substantial product holder(s):

ACC: Justice Centre, 19 Aitken Street, PO Box 242, Wellington 6140.

Contact details: Marianne Scott +64 4 816 7378 Investmentscompliance@acc.co.nz

Nature of connection between substantial product holders: Nicholas Bagnall, Guy Elliffe, Paul Robertshawe, Blair Tallott, Blair Cooper and Bevan Flack are employees of ACC and either a portfolio manager, equity analyst or corporate governance manager. Under current ACC investment policies, they have the discretion to exercise control over some or all the rights to vote and acquisition or disposal of some or all of the financial products of which ACC is the beneficial owner.

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the securities to which this disclosure relates: n/a

Certification

I, Marianne Scott, certify 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.