



## KATHMANDU HOLDINGS LIMITED

### ASX/ NZX/ MEDIA ANNOUNCEMENT

18 NOVEMBER 2011

#### TRADING UPDATE, 15 WEEKS TO 13 NOVEMBER 2011

Key points (all amounts in \$ NZ)

- Group sales for the first 15 weeks up 16.0% on pcp to \$56.0m
- Positive same store sales to date, up 7.6%

Kathmandu Holdings Limited (ASX and NZX Code: KMD) today announced sales of \$56.0 million for the 15 weeks to 13 November 2011, a rise of 16.0% compared with the corresponding period last year. Same store sales grew by 7.6% during the period (9.2% at constant exchange rates<sup>\*1</sup>), compared with growth of 2.1% in the first 16 weeks of last financial year.

Kathmandu's Chief Executive Officer, Peter Halkett said that "despite the difficult retail trading conditions, our sales performance in the first 15 weeks of the financial year is in line with our expectations. Sales momentum has been steady and we have maintained gross margins. It must be noted however first half-year profit is highly dependent on the Christmas and January trading period."

Mr Halkett updated progress on the Company's store rollout and refurbishment programme. "There are some significant relocations to larger, higher profile sites currently underway. Since 1 August we have opened new stores in Coastlands (Wellington) and The Palms (Christchurch), and we have relocated our store in Camberwell (Melbourne)". Before Christmas Kathmandu will be opening a new store in Warrnambool (Victoria), and relocating stores in Chatswood (Sydney) and Willis St (Wellington). The relocated Newmarket (Auckland) store is expected to open in February. Mr Halkett confirmed that Kathmandu is still aiming to open 15 new stores in FY12, and two further new Australian stores are scheduled to open early next year and a number of other sites are under negotiation.

ENDS

For further information please call:

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<sup>\*1</sup> Average conversion rate year-to-date NZ\$/A\$ 0.795 and NZ\$/UK£ 0.508