

KATHMANDU HOLDINGS LIMITED
ASX/NZX/MEDIA ANNOUNCEMENT
25 JUNE 2018

TRADING UPDATE AND FY18 PROFIT GUIDANCE FOR THE YEAR ENDING 31 JULY 2018

Kathmandu Holdings Limited (ASX/NZX code: KMD) today reports an update on its sales performance and forecast earnings for the year ended 31 July 2018.

Full year FY2018 earnings (after \$2.0m Obōz acquisition transaction costs) are currently expected to be in the following range:

- EBIT \$72 to \$77 million (last year \$57m)
- NPAT \$48 to \$52 million (last year \$38m)

Kathmandu sales year to date to 24 June 2018 are 7.7% above last year. In addition, Kathmandu gross profit margin is 240 bps (2.4%) above last year due to improved full price sell through, and a higher average selling price.

Same store sales results up to 24 June 2018 are:

Same store sales	1H FY2018	2H FY2018 21 weeks	Year to date 47 weeks
Australia	1.9%	13.8%	7.7%
New Zealand	(6.3)%	4.0%	(1.5)%
Group (constant exchange rates)	(0.8)%	10.7%	4.8%

Kathmandu's Chief Executive Officer Xavier Simonet commented, "Our second half so far has been strong across both Australia and New Zealand, with Australia experiencing double digit same store sales growth. The Autumn season and the start of our key Winter promotion have delivered higher sales and profit than planned. The successful launch of innovative new products, enhanced in-store customer experience, inspiring content and engagement on social media and digital channels, have contributed to the performance."

Kathmandu will release the full result for the year on Tuesday 18th September 2018.

ENDS

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