

KATHMANDU HOLDINGS LIMITED

ASX/ NZX/ MEDIA ANNOUNCEMENT

24 JANUARY 2018

TRADING UPDATE AND 1H PROFIT GUIDANCE FOR THE HALF YEAR ENDING 31 JANUARY 2018

Kathmandu Holdings Limited (ASX and NZX Code: KMD) advises that Group Net Profit after Tax ("NPAT") for 1H FY2018 will be no less than \$12.0m (1H FY2017 \$10.0m).

Total sales for 1H FY2018 will be approximately \$204 million compared to \$196.3 million for the comparative prior period.

Group same store sales for 25 weeks ending 21 January 2018 is -0.8% at constant exchange rates. In our largest market Australia, same store sales grew by +1.9%, while New Zealand declined by -6.4%.

Kathmandu's Chief Executive Officer Xavier Simonet said "Striking the right balance in the key Christmas trading period between generating sales growth and improving our gross margin has fuelled healthy earnings growth. We have also continued to strengthen our balance sheet position during the first half."

Kathmandu will release the full result for the half year on Tuesday 20 March 2018.

ENDS

For further information, please call:

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