
Market Information Services Section
New Zealand Exchange Limited

Company Announcements Office
ASX Limited

30 April 2010

The Warehouse approves employee share purchase scheme

The Board of Directors of The Warehouse have voted to approve the establishment of an employee share purchase scheme ("**Scheme**"). The Scheme has been approved by the Commissioner of Inland Revenue under section DC 12 of the Income Tax Act 2007. The trustee of the Scheme will be The Warehouse Management Trustee Company Limited ("**Trustee**").

The Scheme is intended to encourage and incentivise employees by providing them with a stake in the company and a financial interest in its performance and success.

The Board also approved an offer to employees to participate in the Scheme. The offer is only being made to eligible team members of two subsidiaries of the company, being The Warehouse Limited and Warehouse Stationery Limited. These companies will provide eligible team members with interest free loans to allow the eligible team members to acquire ordinary shares in the company ("**Shares**").

The Trustee currently holds sufficient Shares (in its own capacity) for the purposes of the offer and, accordingly, there will be no issue of new Shares to the Trustee by The Warehouse in respect of the Scheme. The Shares will be transferred to the Trustee in its capacity as the trustee of the Scheme and held on trust for eligible team members.

The offer price per Share will be \$3.06, which is equivalent to the volume weighted average market selling price of the Shares on the NZSX over the 10 NZSX trading days ending at the close of trading on 28 April 2010, less a discount of 20%.

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