

Kemp & Denning Limited and Mitre 10 Relationship

On the 24th July 2015 we advised the Mitre 10 Group that we would be exiting from the Group which means we will cease to operate under the Mitre 10 Banner. This decision was taken after a meticulous tactical and strategic review of our business, which included external research which clearly indicated that the K&D Brand, on its' own resonates strongly within the market and to our customers. This decision will enable us to continue to develop as a truly local independent brand within Tasmania and we will trade on as K&D Warehouse within the Tasmanian market.

There is a 90 day notice period to exit the Group, so in the short term you will not notice any difference. Towards the end of that 90 day period things such as signage, uniforms, and branding will be purely K&D Warehouse. Our supply of goods and services are secure, both in terms of our range of products, brands and local and imported products which will enable us to remain competitive in our markets. Our Catalogues and promotions, which have always been substantially branded and marketed as K&D Warehouse and developed internally, will continue.

The trade component of our business which operates under the banner of K&D Trade is unaffected by this decision.

We have undertaken intensive Operational, Brand, Market and Financial modelling and are confident that operating as an independent Brand, given that the K&D brand strongly resonates, will improve our business performance in the short and longer term.

There is no effect on our staff and essentially for everyone, in particular our customers it will be business as usual.

When our first Warehouse Store, being the Hobart Store opened in 1986 we operated as an independent until joining with Mitre 10 in 1990, a 25 year relationship which has generally provided mutual benefits and for which we have thanked Mitre 10.

This is an exciting period in the history of Kemp & Denning Limited.



Ray Brown
Chairman



Nick Fazzolari
Chief Executive Officer