

THE WAREHOUSE GROUP LIMITED
("the Company")

Market Disclosure Policy

1. Adoption

This market disclosure policy (the "Market Disclosure Policy") was first adopted by the Board on 25th July 2002 and is revised annually.

2. Commitment to Market Disclosures

The Warehouse Group Limited is committed to:

- (a) Ensuring that shareholders and the market are provided with full and timely information about its activities;
- (b) Complying with the general and continuous disclosure principles contained in the New Zealand Stock Exchange ("NZSX") Listing Rules, ASX Limited ("ASX") Listing Rules, the Companies Act 1993 and the *Corporations Act 2001* (where applicable); and
- (c) Ensuring that all market participants have equal opportunities to receive externally available information issued by the Company.

3. Material Information (ASX 3.1, NZSX 10.1.1)

3.1 All management must inform the Chief Executive Officer or Disclosure Officer of any potentially material information or proposal as soon as practicable after the manager becomes aware of that information or proposal ("**Disclosure Information**").

Aware is defined (LR19.12 – ASX) as "*an entity becomes aware of information if a director or executive officer (in the case of a trust, a director or executive officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive of the entity*"

3.2 Information is material if it is likely that the information would influence investors in deciding whether to buy, hold, or sell the company securities.

3.3 Information is not material and need not be disclosed if:

- a) A reasonable person would not expect the information to be disclosed; and
- b) The information is confidential; and
- c) One or more of the following applies:
 - (i) It would breach the law to disclose the information;
 - (ii) The information concerns an incomplete proposal or negotiation;
 - (iii) The information comprises matters of supposition or is insufficiently definite to warrant disclosure;

- (iv) The information is generated for internal management purposes of the Company or its subsidiaries; or
- (v) The information is a trade secret.

Decisions on what is Disclosure Information will be made by the Disclosure Committee.

Note that

- a) material/price sensitive information must be disclosed unless each of the "limbs" of the disclosure exception are satisfied
- b) the disclosure obligation "resurrects" once one or more of the limbs of the exception are no longer fulfilled

3.4 The Board has appointed a disclosure committee (the "**Disclosure Committee**"), which is responsible for making decisions about what information is Disclosure Information.

3.5 Subject to and in accordance with the provisions of ASX Listing Rule 3.1/NZSX Listing Rule 10.1.1, the Disclosure Officer must, following approval of the Disclosure Committee, immediately notify the market, via an announcement to both the NZSX and ASX, of any information concerning the company that the Disclosure Committee believes a reasonable person would expect to have a material effect on the price or value of the company securities (unless the exemption set out in paragraph 33 of ASX Guidance Note 8 applies).

3.6 The company must not, under any circumstances, disclose material information to any person not bound by obligations of confidentiality prior to the NZSX and ASX releasing the information to the market. If unreleased material information is unintentionally communicated, by the company or a team member, in any forum, the Disclosure Officer must be advised immediately so that following approval of the Disclosure Committee, the market can be informed.

4. Release of Reports as required by the NZSX Listing Rules, ASX Listing Rules, Companies Act and the *Corporations Act*

4.1 The company must lodge, in a timely fashion, the following reports as required by the NZSX Listing Rules, ASX Listing Rules, Companies Act and the *Corporations Act 2001*:

- (a) The annual report;
- (b) The half-year report;
- (c) The preliminary half-year and final reports;
- (d) The annual audited financial statements;
- (e) Any other reports required to be lodged under the NZSX Listing Rules, ASX Listing Rules, Companies Act and the *Corporations Act 2001* (if applicable).

4.2 Directors of the Company are required to notify the Company in respect to dealing in the securities of the Company (refer ASX LR3.19A). A change in the notifiable interest of a director must be advised to the Disclosure Officer within 5 business days after the change occurs.

4.3 All market sensitive information released to stock exchanges will be posted on The Warehouse website as soon as practicable following confirmation of receipt by the relevant stock exchanges. The Warehouse website is www.thewarehouse.co.nz

5. Information Briefings with Analysts

5.1 No undisclosed price sensitive information may be disclosed in any meeting with an investor or analyst.

5.2 The company may provide background and technical information (other than Disclosure Information) in one-on-one briefings with analysts, fund managers, brokers or institutional investors to assist them in their understanding of the company's business activities. Such information may include:

- Long term strategy;
- Company history, vision and goals;
- Management philosophy and the strength and depth of management;
- Competitive advantages and risks;
- Previously disclosed material information;
- Non-material information;
- Industry trends and issues; and
- Assumptions underlying earnings forecasts, not the forecast per se.

The Disclosure Officer must review any written presentation material prepared for meetings prior to the meeting to determine whether all information has previously been disclosed to the market or may require disclosure.

5.3 A one-on-one briefing includes any communication between the company and a broker, analyst, fund manager, or institutional investor including phone calls.

5.4 No previously undisclosed material information may be disclosed at these meetings. If a team member considers that previously undisclosed material information has been disclosed, they must immediately inform the Disclosure Officer so that following approval of the Disclosure Committee, previously undisclosed material information can be released to the market.

5.5 If analysts send the company draft report the report must be referred to the Chief Executive Officer, Chief Financial Officer or Disclosure Officer. The company shall only comment on factual errors relating to historic or previously disclosed information

6. Release of Information to the Public

6.1 Only the Chief Executive Officer or Chairman is authorised to provide comment about the Company, or speak on behalf of the company, to the media. Any team members providing comment on the Company must first obtain the authorisation of the Chief Executive Officer or the Disclosure Committee.

6.2 The company team members must not respond to any market speculation or rumours about the Company, unless authorised by the Chief Executive Officer or the Disclosure Committee to do so.

7. Rumours and market speculation

Subject to its obligations under continuous disclosure, The Warehouse will not generally comment on rumours or market speculation.

8. Trading Halts

In order to facilitate an orderly, fair and informed market it may be necessary to request a trading halt from a stock exchange. The Disclosure Committee in consultation with the Chief Executive Officer will make all decisions relating to a trading halt.

9. Close Periods

The Warehouse observes a series of “close” periods throughout the year to protect against inadvertent disclosure of material information.

The close periods operate in the periods 30 days before the preliminary announcement of the half yearly and annual results. During these periods The Warehouse will make no comment on analysts’ earnings estimates other than to acknowledge the range and average estimates in the market and will make no comment on the financial performance of The Warehouse unless the information has already been released to the market.

10. Disclosure Officer

The Company Disclosure Officer is the Company Secretary. The Disclosure Officer is responsible for

- all communications with the ASX and NZSX
- release of Disclosure Information to the NZSX and ASX
- the implementation of the Market Disclosure Policy and
- providing secretarial support to the Disclosure Committee.

11. Review of Procedure

11.1 The Disclosure Committee consists of

Chief Executive Officer, Chief Financial Officer, Disclosure Officer

AND Chairman, Chairman of the Audit Committee (if the release related to financial performance) and Founder.

The company may seek external advice on whether matters are material and accordingly whether those matters should be disclosed.

11.2 The Disclosure Committee must:

- (a) Monitor compliance by the Company and its officers and team members with this Market Disclosure Policy; at least once every three months;
- (b) Review this Market Disclosure Policy at least once each financial year; and
- (c) Provide a report to the board on the above matters, at least once each financial year.

12. Disciplinary Action

Breaches of this policy may lead to disciplinary action being taken against team members including dismissal in serious cases.

Current as at 26 June 2008