

OFFER FLYER

**THE
WAREHOUSE
GROUP**



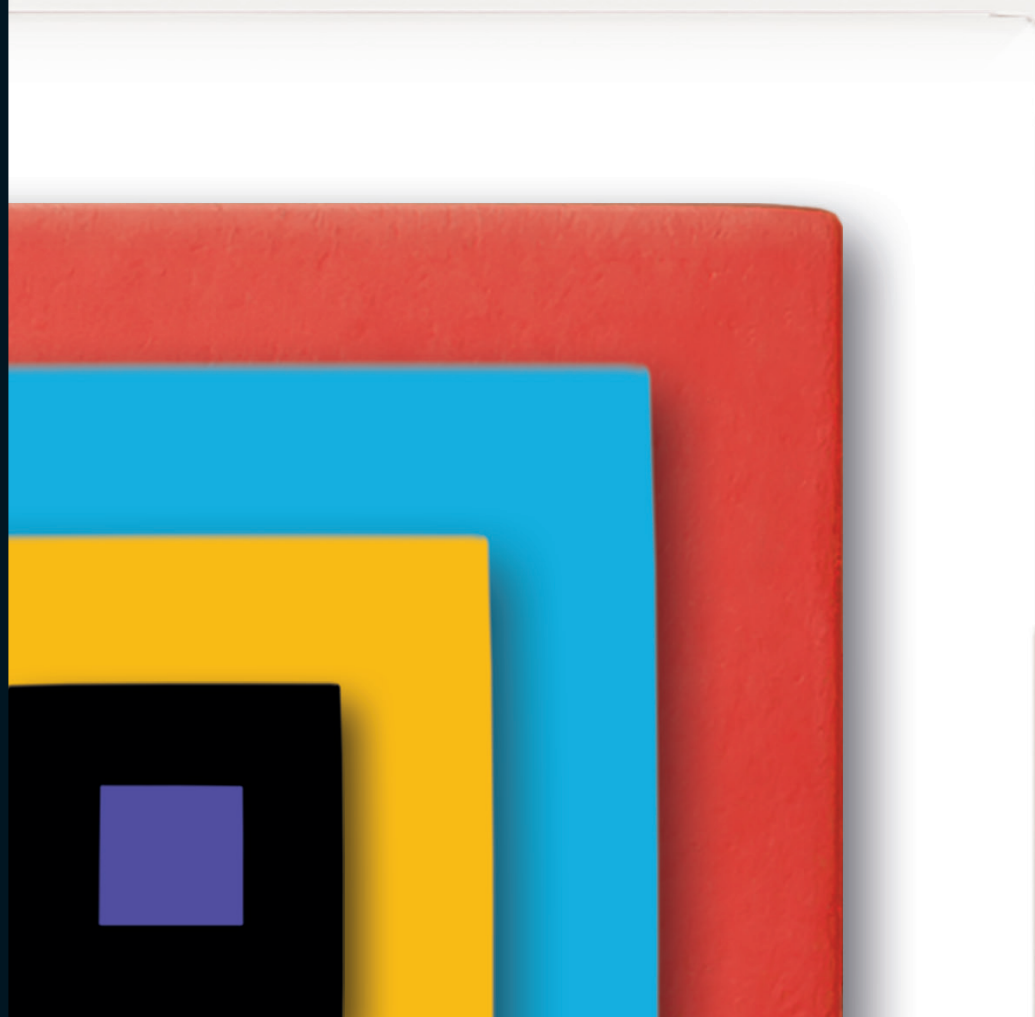
THE WAREHOUSE GROUP LIMITED BOND OFFER

The Warehouse Group Limited (**WHS**) is the largest retail group operating in New Zealand. It was founded over 30 years ago by Sir Stephen Tindall and has grown to become an iconic Kiwi brand.

WHS Group operates 249 retail stores and four main distribution centres across New Zealand as well as 12 online stores and employs over 12,000 people. It operates across four main retail divisions; The Warehouse (general merchandise and apparel), Warehouse Stationery (stationery), Noel Leeming (technology and appliances) and Torpedo7 (outdoor adventure sports); and also has a financial services business¹.

WHS is listed on the NZX Main Board under the ticker WHS with a market capitalisation of nearly \$1 billion as at 1 May 2015.

¹ The financial services business is a separate group of companies which does not guarantee the Bonds.



UNSECURED, UNSUBORDINATED, FIXED RATE BONDS



The Bonds are offered pursuant to a Product Disclosure Statement (PDS) dated 7 May 2015, a free copy of which can be obtained from WHS' website www.thewarehousegroup.co.nz/fixed-rate-bond-information/ or your usual financial adviser.

Issuer	The Warehouse Group Limited (WHS)
Guarantee	The Bonds are guaranteed by all the wholly owned Substantial Subsidiaries of WHS (other than any Financial Services Entity), as well as the partially owned Torpedo7 Group and Waikato Valley Chocolates Limited
Offer Amount	Up to \$100 million, comprising a General Offer of up to \$75 million to institutional investors and members of the public resident in New Zealand and an Exchange Offer of up to \$25 million to holders of the Maturing Bonds resident in New Zealand. WHS also has the ability to accept oversubscriptions across the two offers at its discretion to bring the total issue size up to \$125 million
Use of Proceeds	Repay the WHS fixed rate bonds that mature on 15 June 2015 (Maturing Bonds) and for general corporate purposes of the Guaranteeing Group
Term	5 years (maturing 15 June 2020)
Interest Rate	5.30% per annum
Interest Payments	Semi-annually in arrears
Early bird interest	Early bird interest will be paid on accepted application money at the interest rate within five business days of the Issue Date
Key features	Change of control, gearing and interest cover covenants, negative pledge
Issue Price	\$1.00 per Bond
Minimum application	\$5,000 and in multiples of \$1,000 thereafter
Listing	NZX Debt Market, under the ticker code WHS020 Application has been made to NZX for permission to quote the Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the date of this flyer have been duly complied with. However, the Bonds have not yet been approved for quotation and NZX accepts no responsibility for any statement in this flyer. NZX is a licensed market operator, and the NZX Debt Market is a licensed market, under the Financial Markets Conduct Act 2013
Risks	An overview of the key risks that may affect your returns and repayment of your investment in the Bonds is contained in the PDS. You should read the PDS before deciding whether to invest in the Bonds.

KEY DATES

Interest Rate Set
19 May 2015

Offer opens
20 May 2015

Exchange Offer closes
5pm, 5 June 2015

General Offer closes
5pm, 10 June 2015

Issue Date
15 June 2015

Trading commences
16 June 2015

First Interest Payment Date
15 December 2015

Subsequent Interest
Payments
**15 June
& 15 December**

HOW TO APPLY

If you are interested in applying for Bonds under the General Offer, you should contact any Primary Market Participant for details on how to acquire Bonds.

You can find a Primary Market Participant by visiting nzx.com/investing/find_a_participant.

Holders of Maturing Bonds will be sent an application form directly and if they wish to apply under the Exchange Offer, should return the completed form to the Registrar at the address provided or their usual financial adviser as soon as possible as there may be scaling in the Exchange Offer.