

Harvey Norman Holdings Limited

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Australian Securities Exchange Limited
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AUSTRALIAN FRANCHISEE SALES ACCELERATE FOR THE FOUR (4) MONTHS ENDED 31 OCTOBER 2017

On 31 August 2017 the Directors of Harvey Norman Holdings Limited announced that sales made by franchisees in Australia for the period 1 July 2017 to 28 August 2017 increased by 4% compared to the period 1 July 2016 to 28 August 2016, and 3.2% on a comparable basis. This increase has accelerated with Harvey Norman[®], Domayne[®] and Joyce Mayne[®] branded franchisee sales for the period 1 July 2017 to 31 October 2017, up 4.8% compared to the period 1 July 2016 to 31 October 2016, and up 4.0% on a comparable sales basis. Sales made by franchisees in Australia are not made by Harvey Norman Holdings Limited or controlled entities.

AGGREGATED SALES FOR THE FOUR (4) MONTHS ENDED 31 OCTOBER 2017

The Directors of Harvey Norman Holdings Limited announce that the aggregated amount of sales from wholly-owned company-operated stores in New Zealand, Slovenia, Croatia, Ireland and Northern Ireland, majority-owned controlled company-operated stores in Singapore and Malaysia, and from independent Harvey Norman[®], Domayne[®] and Joyce Mayne[®] branded franchised complexes ("Aggregated Sales") **totalled \$2.35 billion for the four (4) months ended 31 October 2017**. When compared to Aggregated Sales for the four (4) months ended 31 October 2016, the **increase was 4.9%**. Comparable Aggregated Sales for the four (4) months ended 31 October 2017 when compared to the four (4) months ended 31 October 2016, **increased by 3.4%**. Sales made by franchisees in Australia are not made by Harvey Norman Holdings Limited or controlled entities.

Aggregated Sales have been positively affected by a 1.9% appreciation in the Euro (€), and negatively affected by a 3.2% devaluation in the New Zealand dollar (\$NZD), a 2.2% devaluation in the UK Pound (£GBP), a 3.5% devaluation in the Singaporean dollar (\$SGD) and a 7.4% devaluation in the Malaysian Ringgit (RM) for the four (4) months ended 31 October 2017 compared to the four (4) months ended 31 October 2016.

Aggregated Sales increase / (decrease) in Australian Dollars \$A – TOTAL SALES

COUNTRY	4-MONTHS OCTOBER 2017 vs. 4-MONTHS OCTOBER 2016 %
Australian Franchisees	4.8
New Zealand	1.0
Slovenia & Croatia	20.8
Ireland	9.8
Northern Ireland	(-1.3)
Singapore	12.6
Malaysia	(-3.7)

Aggregated Sales increase / (decrease) in Australian Dollars \$A – COMPARABLE SALES

COUNTRY	4-MONTHS OCTOBER 2017 vs. 4-MONTHS OCTOBER 2016 %
Australian Franchisees	4.0
New Zealand	(-0.1)
Slovenia & Croatia	20.8
Ireland	3.0
Northern Ireland	(-1.3)
Singapore	1.6
Malaysia	(-10.1)

During the four (4) months ended 31 October 2017, one company-operated store in Ireland was opened and one company-operated store in Singapore was opened. No franchised complexes in Australia were opened or closed during the current four (4) month period.

Aggregated Sales increase / (decrease) in Constant Local Currencies – TOTAL SALES

COUNTRY		4-MONTHS OCTOBER 2017 vs. 4-MONTHS OCTOBER 2016 %
Australian Franchisees	\$A	4.8
New Zealand	\$NZD	4.3
Slovenia & Croatia	€Euro	18.5
Ireland	€Euro	7.7
Northern Ireland	£GBP	0.8
Singapore	\$SGD	16.8
Malaysia	RM	3.9

Aggregated Sales increase / (decrease) in Constant Local Currencies – COMPARABLE SALES

COUNTRY		4-MONTHS OCTOBER 2017 vs. 4-MONTHS OCTOBER 2016 %
Australian Franchisees	\$A	4.0
New Zealand	\$NZD	3.1
Slovenia & Croatia	€Euro	18.5
Ireland	€Euro	1.0
Northern Ireland	£GBP	0.8
Singapore	\$SGD	5.4
Malaysia	RM	(-3.0)

Yours faithfully



Chris Mentis
Company Secretary / CFO