

Harvey Norman Holdings Limited

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Australian Securities Exchange Limited
Exchange Centre
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AGGREGATED SALES FOR THE SIX (6) MONTHS ENDED 31 DECEMBER 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 \$3.93 billion for the six (6) months ended 31 December 2017**. When compared to Aggregated Sales for the six (6) months ended 31 December 2016, the **increase was 5.3%**. Comparable Aggregated Sales for the six (6) months ended 31 December 2017 when compared to the six (6) months ended 31 December 2016, **increased by 3.8%**. 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 3.7% appreciation in the Euro (€), and negatively affected by a 3.7% devaluation in the New Zealand dollar (\$NZD), a 0.2% devaluation in the UK Pound (£GBP), a 1.5% devaluation in the Singaporean dollar (\$SGD) and a 3.9% devaluation in the Malaysian Ringgit (RM) for the six (6) months ended 31 December 2017 compared to the six (6) months ended 31 December 2016.

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

COUNTRY	1QTR 2018 vs. 1QTR 2017 %	2QTR 2018 vs. 2QTR 2017 %	HY 2018 vs. HY 2017 %
Australian Franchisees	3.6	5.8	4.8
New Zealand	0.8	0.4	0.6
Slovenia & Croatia	20.2	26.3	23.5
Ireland	9.7	21.7	17.0
Northern Ireland	(-2.8)	5.6	1.7
Singapore	11.9	20.0	16.1
Malaysia	(-2.3)	(-0.4)	(-1.3)

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

COUNTRY	1QTR 2018 vs. 1QTR 2017 %	2QTR 2018 vs. 2QTR 2017 %	HY 2018 vs. HY 2017 %
Australian Franchisees	2.9	5.1	4.1
New Zealand	(-0.5)	0.2	(-0.1)
Slovenia & Croatia	20.2	26.3	23.5
Ireland	3.8	11.7	8.7
Northern Ireland	(-2.8)	5.6	1.7
Singapore	0.8	8.0	4.5
Malaysia	(-8.8)	(-7.3)	(-8.1)

During the six (6) months ended 31 December 2017, one company-operated store in Ireland was opened, one company-operated store in Singapore was opened and one company-operated store in Malaysia was opened. One Domayne® franchised complex in Australia was opened. One company-operated store in Singapore was closed. There were no closures of franchised complexes during the current half-year period.

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

COUNTRY		1QTR 2018 vs. 1QTR 2017 %	2QTR 2018 vs. 2QTR 2017 %	HY 2018 vs. HY 2017 %
Australian Franchisees	\$A	3.6	5.8	4.8
New Zealand	\$NZD	3.8	5.0	4.5
Slovenia & Croatia	€Euro	18.8	19.3	19.1
Ireland	€Euro	8.4	15.6	12.8
Northern Ireland	£GBP	1.5	2.1	1.8
Singapore	\$SGD	17.2	18.5	17.9
Malaysia	RM	7.0	(-1.0)	2.7

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

COUNTRY		1QTR 2018 vs. 1QTR 2017 %	2QTR 2018 vs. 2QTR 2017 %	HY 2018 vs. HY 2017 %
Australian Franchisees	\$A	2.9	5.1	4.1
New Zealand	\$NZD	2.5	4.8	3.8
Slovenia & Croatia	€Euro	18.8	19.3	19.1
Ireland	€Euro	2.6	6.1	4.7
Northern Ireland	£GBP	1.5	2.1	1.8
Singapore	\$SGD	5.6	6.6	6.1
Malaysia	RM	(-0.2)	(-7.9)	(-4.4)

Aggregated Sales increase / (decrease) 1 January 2018 to 26 February 2018 vs 1 January 2017 to 26 February 2017

COUNTRY	\$A TOTAL SALES %	\$A COMPARABLE SALES %	Constant Local Currencies TOTAL SALES %	Constant Local Currencies COMPARABLE SALES %
Australian Franchisees	0.5	0.2	0.5	0.2
New Zealand	4.3	4.3	7.7	7.7
Slovenia & Croatia	27.0	27.0	15.6	15.6
Ireland	24.9	14.4	14.0	4.4
Northern Ireland	10.5	10.5	3.7	3.7
Singapore	39.0	26.3	35.5	23.1
Malaysia	19.9	10.2	7.6	(-1.1)

Harvey Norman®, Domayne® and Joyce Mayne® branded Australian franchisee aggregated sales for the period 1 January 2018 to 26 February 2018, increased by 0.5% compared to the period 1 January 2017 to 26 February 2017, and 0.2% on a comparable sales basis. The increase in Australian franchisee aggregated sales was on the back of a very strong increase in the previous corresponding period of 8.7%. Seasonal sales fell double digits during this period which impacted Australian franchisee aggregated sales.

Yours faithfully



Chris Mentis
Company Secretary / CFO