

Harvey Norman Holdings Limited

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2 April 2020

Australian Securities Exchange
Limited Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

UPDATE ON COVID-19 AND CANCELLATION OF DIVIDEND

The Australian Government, each of the State Governments and other nations have announced various measures in response to the pandemic virus known as COVID-19 or Coronavirus.

Given the uncertainty regarding the duration of the COVID-19 pandemic and its potential impact on trading, and for abundance of precaution, the Board of Harvey Norman Holdings Limited has decided to revoke the decision to pay, and cancel the FY20 interim dividend of 12 cents per share, which was announced to the market on 28 February 2020. This will result in \$149.5 million of cash being retained in the business. In the present environment, the Board believes that preserving cash is the most prudent course of action to protect shareholder value.

All Australian franchisee stores continue to trade, and all franchisee online services in Australia (click & collect and deliveries) are available.

The response of HVN includes:

- revoking the decision to pay the shareholder dividend of 12.0 cents per share, announced on 28 February 2020;
- The Chairman, Gerry Harvey, CEO, Katie Page, CFO, Chris Mentis, and the Executive Directors, David Ackery and John Slack-Smith will forego 20% of their salaries for the next three months (April to June 2020).
- The Non-Executive Directors have voluntarily elected to reduce their directors' fees by 20% for the next three months (April to June 2020).

This release has been authorised by Chris Mentis, Company Secretary of HVN.

Yours faithfully



Chris Mentis
Company Secretary
2 April 2020