

Harvey Norman Holdings Limited

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18 December 2014

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

Dear Sir / Madam

HARVEY NORMAN HOLDINGS LIMITED ("HVN") ENTITLEMENT OFFER

HVN is pleased to announce that its fully underwritten renounceable entitlement offer announced on 25 November 2014 to raise up to \$120.7 million from eligible shareholders by the issue of approximately 48,287,127 fully paid ordinary shares ("Entitlement Offer") closed on 15 December 2014.

The Entitlement Offer has raised approximately \$117.0 million before issue costs, with shareholders subscribing for 46,823,869 of fully paid ordinary shares ("New Shares") under the Entitlement Offer. This represents approximately 97.0% of the New Shares which were offered under the Entitlement Offer.

The balance of 1,463,258 New Shares in respect of which entitlements were not taken up by shareholders will be allocated to the underwriter, Patersons Securities Limited ("Shortfall"). The Entitlement Offer is fully sub-underwritten by Evitorn Pty Limited, ATF Harvey 2014 Share Trust, an entity associated with Mr Gerald Harvey, Executive Chairman of HVN. Settlement of the Shortfall is expected to occur on 19 December 2014.

The issue of new shares is scheduled to occur on 22 December 2014 with those shares expected to commence trading on the ASX on 23 December 2014.

Yours faithfully

A handwritten signature in black ink, appearing to be 'GH', written over a horizontal line.

Gerald Harvey
Chairman