

Harvey Norman Holdings Limited

A.C.N. 003 237 545

A1 RICHMOND ROAD
HOMEBUSH WEST N.S.W. 2140
LOCKED BAG 2
SILVERWATER DC, N.S.W 1811

Telephone: (02) 9201 6111
Facsimile: (02) 9201 6250

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

SALES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

The Directors of Harvey Norman Holdings Limited announce that sales from the franchised "Harvey Norman" complexes, commercial divisions and other sales outlets in Australia, New Zealand, Slovenia, Ireland and Northern Ireland (excluding Singapore) ("Global Sales") totalled \$6.18 billion for the year ended 30 June 2011. When compared to Global Sales for the year ended 30 June 2010, **the increase was 1.7%**. Like for like sales for the year ended 30 June 2011 when compared to the year ended 30 June 2010, **decreased by 3.6%**.

Global Sales increase / (decrease) in \$A

	1Qtr 2011 vs 1Qtr 2010 %	2Qtr 2011 vs 2Qtr 2010 %	3Qtr 2011 vs 3Qtr 2010 %	4Qtr 2011 vs 4Qtr 2010 %	YTD 30/6/11 vs YTD 30/6/10 %
Total sales	2.6	0.2	1.6	2.6	1.7
Like for Like Sales	(-0.6)	(-5.1)	(-4.6)	(-3.9)	(-3.6)

Global sales have been negatively affected by a 3.8% deterioration in the NZ\$, a 12.3% deterioration in the Euro and a 10.0% deterioration in the UK Pound, for the year ended 30 June 2011 compared to the year ended 30 June 2010.

Global Sales increase / (decrease) in constant currencies – Total Sales

Country		1Qtr 2011 vs 1Qtr 2010 %	2Qtr 2011 vs 2Qtr 2010 %	3Qtr 2011 vs 3Qtr 2010 %	4Qtr 2011 vs 4Qtr 2010 %	YTD 30/6/11 vs YTD 30/6/10 %
Australia	\$ A	3.6	2.6	3.1	4.2	3.3
New Zealand	NZ \$	4.6	(-10.4)	(-2.2)	(-6.2)	(-3.9)
Slovenia	€ Euro	15.8	29.7	3.6	9.2	15.3
Ireland	€ Euro	(-3.9)	(-1.7)	1.9	4.6	(-0.2)
Northern Ireland	£ Pound	6.4	2.6	10.1	(-6.8)	3.2

Global Sales increase / (decrease) in constant currencies – Like for Like sales

Country		1Qtr 2011 vs 1Qtr 2010 %	2Qtr 2011 vs 2Qtr 2010 %	3Qtr 2011 vs 3Qtr 2010 %	4Qtr 2011 vs 4Qtr 2010 %	YTD 30/6/11 vs YTD 30/6/10 %
Australia	\$ A	0.0	(-3.6)	(-4.2)	(-3.2)	(-2.8)
New Zealand	NZ \$	4.6	(-9.5)	(-0.9)	(-6.7)	(-3.5)
Slovenia	€ Euro	7.0	12.6	(-8.0)	(-1.6)	3.0
Ireland	€ Euro	(-3.9)	(-1.7)	1.9	4.6	(-0.2)
Northern Ireland	£ Pound	6.4	2.6	10.1	(-6.8)	3.2

Australian franchisee sales data for the year ended June 2011 indicated the following:

- Furniture and bedding franchisees continue to grow revenue and market share despite continued slowdown in the industry. We expect that our brands will again outperform the market in FY12.
- Electrical franchisees are operating in an extremely challenging environment accentuated by the strength of the Australian dollar. Price deflation in the television category has continued and has resulted in reduced revenues, however transactions continue to grow. The franchisees' continued focus on white goods, cooking, home appliances and floor care has resulted in growth in these categories. Deflation will continue to dampen revenue growth in the coming year.
- Computer franchisee sales continue to be affected by a cautious consumer and intense competition, however "Tablets", "Smart Phones", "Ultrabooks", "All in One Computers" and new generation DSLR cameras will offer positive opportunities for growth in the year ahead. Harvey Norman franchisees are well positioned to continue to lead and maximise the opportunities in this market.

The Clive Peeters and Rick Hart brand formats have not achieved the requirement for ongoing investment by the Company. Given this, 16 of the 25 Clive Peeters and Rick Hart stores will be converted to Harvey Norman complexes, 2 will be converted to Joyce Mayne complexes, 4 Clive Peeters stores will be closed and 3 Rick Hart stores will be closed.

The closure of the 4 Clive Peeters and 3 Rick Hart stores will result in a charge against the pre-tax profit of the consolidated entity of an amount presently estimated to be approximately \$10M in respect of the financial year ending 30 June 2012.

The Clive Peeters and Rick Hart stores to be closed include:

Clive Peeters Bendigo	Rick Hart Mandurah
Clive Peeters Dandenong	Rick Hart O'Connor
Clive Peeters Thomastown	Rick Hart Osborne Park Seconds
Clive Peeters Malvern	

Yours faithfully



Chris Mentis
Chief Financial Officer