

# Harvey Norman Holdings Limited

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Australian Securities Exchange Limited  
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## SALES FOR THE SIX MONTHS ENDED 31 DECEMBER 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, Croatia, Ireland and Northern Ireland (excluding Singapore) ("Global Sales") totalled \$3.11 billion for the six (6) months ended 31 December 2011. When compared to Global Sales for the period 1 July 2010 to 31 December 2010, **the decrease was 6.1%**. Like for like sales for the six (6) months ended 31 December 2011 when compared to the same period ended 31 December 2010, **decreased by 6.3%**.

### Global Sales increase / (decrease) in \$A

	1Qtr 2012 vs 1Qtr 2011 %	2Qtr 2012 vs 2Qtr 2011 %	HY 2012 vs HY 2011 %
Total sales	(-3.8)	(-8.2)	(-6.1)
Like for Like Sales	(-3.8)	(-8.0)	(-6.3)

Global sales have been negatively affected by a 0.1% deterioration in the NZ\$, a 4.4% deterioration in the Euro and a 6.9% deterioration in the UK Pound, for the six months ended 31 December 2011 compared to the six months ended 31 December 2010.

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

Country	1Qtr 2012 vs 1Qtr 2011 %	2Qtr 2012 vs 2Qtr 2011 %	HY 2012 vs HY 2011 %
Australia * \$ A	(-2.9)	(-10.2)	(-6.8)
New Zealand NZ \$	(-10.2)	3.1	(-3.5)
Slovenia / Croatia € Euro	1.2	25.3	15.1
Ireland € Euro	(-0.5)	10.0	5.8
Northern Ireland £ Pound	(-11.1)	1.8	(-3.8)

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

Country	1Qtr 2012 vs 1Qtr 2011 %	2Qtr 2012 vs 2Qtr 2011 %	HY 2012 vs HY 2011 %
Australia * \$ A	(-2.8)	(-9.5)	(-6.6)
New Zealand NZ \$	(-10.6)	2.3	(-4.1)
Slovenia / Croatia € Euro	(-8.9)	(-19.3)	(-14.9)
Ireland € Euro	(-0.5)	10.0	5.8
Northern Ireland £ Pound	(-11.1)	1.8	(-3.8)

\* Includes sales of company operated Clive Peeters and Rick Hart stores and sales made by franchisees in Australia.

The Australian sales data for the second quarter FY12 has been negatively impacted by the closure of the 7 Clive Peeters and Rick Hart stores, coupled with the transition of rebranding the remaining 18 stores to Harvey Norman and Joyce Mayne franchised complexes.

Australian franchisee sales data for the first half year ended December 2011 indicated that despite the decrease in sales turnover there was strong growth in units sold across all key categories.

- Furniture and bedding franchisee sales remained strong during the period. Even though the industry is experiencing a slowdown due to the soft housing market, these categories continue to perform. The recent placement of the Sleep City Everyday Living brand into administration should be a positive for our brands.
- Transactions in the Audio Visual and Information Technology (AV/IT) categories increased over the same period last year, however, ongoing price deflation, particularly in the flat panel television and computer hardware categories, has resulted in lower sales dollars. This deflation has been well publicised and highlighted by the placing into Administration this week of WOW Sight and Sound and the announcement of the restructure of the Dick Smith brand. On the back of the home renovation market our home appliance business remains positive.

Yours faithfully



**Chris Mentis**  
Chief Financial Officer