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## THE ANNUAL GENERAL MEETING

The Annual General Meeting of the Shareholders of Harvey Norman Holdings Limited will be held in the Auditorium, Exchange Square, 10 Bridge Street, Sydney on Monday 19 November 2001 at 11.00 am.

*(for full details and Proxy Form see separate document enclosed.)*

## DIRECTORY

### DIRECTORS:

G. Harvey - Chairman  
K.L. Page  
R.J. Skippen  
A.B. Brew  
M.J. Harvey  
C.H. Brown  
I.J. Norman  
J.E. Slack-Smith  
S.P. Hauville

### COMPANY SECRETARY

R.J. Skippen

### REGISTERED OFFICE

A1 Richmond Road  
Homebush West NSW 2140  
Telephone: (02) 9201 6111  
Facsimile: (02) 9201 6250

### SHARE REGISTRY

Registries Limited  
Level 2  
28 Margaret Street  
SYDNEY

### BANKERS

Australia & New Zealand Banking Group Limited

### AUDITORS

Arthur Andersen

### SOLICITORS

Gillis Delaney Brown

### STOCK EXCHANGE LISTING

Harvey Norman Holdings Limited shares are quoted on:

- the Australian Stock Exchange; and
- the New Zealand Stock Exchange.



## HIGHLIGHTS

Consolidated profit from ordinary activities before tax expense for the 12 months to 30 June 2001 was \$162.96 million, a decrease of 6.3% on the previous year. Net profit attributable to members of the parent entity was \$105.16 million, a decrease of 4.7% on the previous year.

Directors have recommended payment of a final dividend of 2.0¢, fully franked on each share.

Basic earnings per share decreased from 10.83 cents to 10.32 cents in respect of each subdivided share.

Return on shareholders' funds was 17.7%.

## FINANCIAL SUMMARY

### 12 MONTHS TO 30 JUNE 2001

		CONSOLIDATED	CONSOLIDATED	
		2001	2000	%
		\$000	\$000	Change
Total Revenues	*	690,256	521,566	32.3
Profit from Ordinary Activities before Income Tax Expense and Borrowing Costs	*	186,119	191,611	(2.9)
Borrowing Costs	*	23,156	17,714	30.7
Income Tax Expense relating to Ordinary Activities	*	56,504	62,626	(9.8)
Net Profit Attributable to Members of the Parent Entity		105,156	110,316	(4.7)
Basic Earnings per share on issue at 30 June (cents)		10.32	10.83	(4.7)
Dividends per share (cents)		4.0	3.5	14.3
% Return on Shareholders' Funds		17.7	22.0	-
Contributed Equity at 30 June	*	193,227	187,792	2.9
Net Tangible Assets per share at 30 June (\$)		0.59	0.49	20.4

\*Including outside equity interests.

## CHAIRMAN'S REPORT

The consolidated profit from ordinary activities before income tax expense was \$162.96 million for the 12 months ended 30 June 2001 compared to \$173.90 million for the prior year.

Net profit attributable to members of the parent entity after income tax was \$105.16 million, a decrease of 4.7% on the previous year.

Sales for the year to 30 June 2001 by Harvey Norman franchisees from the franchised "Harvey Norman" complexes, group stores in New Zealand and other trading operations (excluding Pertama Holdings Limited, Singapore) totalled \$2.50 billion (excluding GST) compared to \$2.49 billion for the prior year. After adjusting for wholesale sales tax, this was an increase of 10.4% on the year ended 30 June 2000.

Sales for the months of July and August 2001 by Harvey Norman franchisees from the franchised "Harvey Norman" complexes, group stores in New Zealand and other trading operations (excluding Pertama Holdings Limited, Singapore) totalled \$429.4 million.

### **Property**

During the year, the Directors have analysed and revalued the Group Property Portfolio resulting in an increase of \$28.03 million in the asset revaluation reserve.

The Group Property Portfolio at 30 June 2001 (consolidated with property held by Pertama Holdings Limited, Singapore) was valued at \$513.76 million compared to \$425.83 million at 30 June 2000. The property portfolio excluding property held by Pertama Holdings Limited, Singapore at 30 June 2001 was \$507.76 million.

### **Equity**

Total equity at 30 June 2001 (consolidated) was \$653.81 million compared to \$550.33 million at 30 June 2000 – an increase of \$103.48 million (18.8%). Of the total equity of \$653.81 million, an amount of \$52.59 million is attributable to outside equity interests.

### **Dividend**

The recommended final dividend is 2.0¢ per share fully franked. The total dividend for the year will be 4.0¢ fully franked compared with 3.5¢ fully franked for the previous year.

### **Expansion**

In the 12 months to 30 June 2001, new complexes have been opened, excluding the twenty three (23) stores previously trading under the "Vox" name as follows:

- ✦ NSW - Griffith, Penrith Lighting, Penrith (Domayne), Broadway, Griffith
- ✦ VIC - Cranbourne, Bairnsdale
- ✦ SA - Whyalla, Noarlunga
- ✦ QLD - Broadway on the Mall, Warwick, Morayfield
- ✦ SINGAPORE - Millenia Walk, Space Furniture

Since the end of this financial year new complexes have been opened at:

- ✦ NSW - Warrawong (Domayne), Maclean
- ✦ SA - Mt Gambier
- ✦ VIC - Sydenham

New complexes to be opened in the next 12 months:

- ✦ NSW - Homestarters Warrawong, Caringbah (Domayne)
- ✦ ACT - Fyshwick (Domayne)
- ✦ VIC - Horsham, Hoppers Crossing
- ✦ QLD - Bundall (Domayne), Fortitude Valley (Domayne), Loganholme
- ✦ SA - Munno Para
- ✦ NEW ZEALAND - Dunedin, New Plymouth, Palmerston North, Invercargill
- ✦ SLOVENIA - Ljubljana

The Company intends to continue to pursue a strategy of steady expansion.

I would like to thank my fellow Directors, Harvey Norman employees, franchisees and their staff for their continuing efforts and loyalty.

**G HARVEY**  
**CHAIRMAN**

# DIRECTORS' REPORT

## DIRECTORS

The names and details of the directors in office during or since the end of the financial year are:

### **Gerald Harvey - Chairman**

Mr. G. Harvey, aged 62, was the co-founder of Harvey Norman in 1982 with Mr. I. Norman. Mr. G. Harvey has overall executive responsibility for the relationship between the company and Harvey Norman franchisees, and the property investments of the company.

### **Kay Lesley Page - Managing Director**

Miss Katie Page, aged 44, joined Harvey Norman in 1983. Miss Page was appointed a director of Harvey Norman Holdings Limited in 1987 when the company first became a listed public company.

Miss Page became Managing Director in February 1999.

### **John Skippen - Finance Director and Company Secretary**

Mr. Skippen, aged 53, is a chartered accountant who was a principal in a city based accounting practice for 15 years. During his career he has acquired a vast knowledge in all aspects of finance and administration, including mergers and acquisitions, business restructuring and property based transactions. Mr. Skippen became a director of the company in September 1994. Mr. Skippen is a member of the Audit and Finance Committee.

### **Arthur Bayly Brew - Director**

Mr. Brew, aged 51, joined the company in 1983 as chief accountant and is responsible for accounting and computer systems for the consolidated entity. Mr. Brew was appointed a director in September 1994. Mr. Brew is a member of the Audit and Finance Committee.

### **John Evyn Slack-Smith - Director**

Mr Slack-Smith, aged 32, was a Harvey Norman franchisee between 1993 and 1999. Mr Slack-Smith was appointed as General Manager, Computers and Communications on 1 July 1999 and became a director on 5 February 2001.

### **Stephen Patrick Hauville - Director**

Mr Hauville, aged 44, has had extensive experience as a Harvey Norman franchisee and retailer. Mr Hauville was appointed as General Manager, Electrical on 20 November 2000 and became a director on 5 February 2001.

### **Michael John Harvey - Non-Executive Director**

Mr. M. Harvey, aged 36, joined Harvey Norman in 1987, having completed a Bachelor of Commerce degree. Mr. M. Harvey gained extensive experience as a Harvey Norman franchisee from 1989 to 1994. Mr. M. Harvey became a director of the company in 1993 and was appointed Managing Director in July 1994. Mr. M. Harvey ceased to be an Executive Director on 30 June 1998. Mr. M. Harvey is a member of the Audit and Finance Committee.

### **Christopher Herbert Brown - Non-Executive Director**

Mr. Brown, aged 51, holds the degree of Master of Laws from the Sydney University. Mr. Brown is the senior partner in Gillis Delaney Brown, Lawyers. Gillis Delaney Brown has acted as lawyers for the Harvey Norman group since 1982. Mr. Brown was appointed a director in 1987, when the company became a listed public company. Mr. Brown is a member of the Audit and Finance Committee.

### **Ian John Norman - Non-Executive Director**

Mr. Norman, aged 62, was co-founder of Harvey Norman with Mr. Gerald Harvey in 1982.

Unless otherwise indicated, all directors held their position as a director throughout the entire financial year and up to the date of this report.

## DIRECTORS' MEETINGS

The number of meetings of the Board of directors and of its Board committee during the year were:

Board or Committee	Number of Meetings
Full Board	12
Audit & Finance	5

The attendances of directors at meetings of the Board and its committee were:

	Board of Directors	Audit and Finance
G. Harvey	12	-
K.L. Page	12	-
R.J. Skippen	12	5
A.B. Brew	11 (12)	5
J.E. Slack-Smith	5 (5)	2 (2)
S.P. Hauville	5 (5)	2 (2)
M.J. Harvey	11 (12)	5
C.H. Brown	12	5
I.J. Norman	10 (12)	-

Where a director did not attend all meetings of the Board or its committee, the number of meetings for which the director was eligible to attend is shown in brackets.

In addition, the executive directors held regular meetings for the purpose of signing various documentation. A total of one hundred and forty-seven (147) such meetings were held during the year. The details of the functions and memberships of the Audit & Finance Committee of the Board are presented in the Statement of Corporate Governance Practices.

## DIRECTORS' INTERESTS

At the date of this report, the relevant interest of each director in the shares, options or other instruments of the company and related bodies corporate is:

	Harvey Norman Holdings Limited	
	Ordinary Shares	Options
Gerald Harvey	297,782,067	3,000,000
Ian John Norman	171,948,060	---
Kay Lesley Page	18,302,710	3,000,000
Michael John Harvey	3,332,497	---
John Skippen	1,485,000	3,000,000
Arthur Bayly Brew	1,132,910	1,500,000
Christopher Herbert Brown	167,271	---
Stephen Patrick Hauville	418,480	2,000,000
John Eryn Slack-Smith	---	2,000,000

## BENEFICIAL INTEREST

Included in the above shareholdings are the following:

Mr. G. Harvey has a beneficial interest in 137,535,397 shares held by G Harvey Nominees Pty Limited.  
Mr. I.J. Norman has a beneficial interest in 171,948,060 shares held by Dimbulu Pty Limited.  
Mr. C.H. Brown has a beneficial interest in 167,271 shares held by PWSD Pty Limited and Starmoro Pty Limited.  
Mr. R.J. Skippen has a beneficial interest in 1,250,000 shares held by ANZ nominees.  
Mr. A.B. Brew has a beneficial interest in 605,000 shares held by ANZ nominees.  
Mr S P Hauville has a beneficial interest in 207,500 shares held by Valmarl Pty Ltd and Hauville Superannuation Pty Ltd.

## SHARE OPTIONS

Details of share options are set out in Note 23 of the financial statements and form part of this report.

## PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity continue to be that of:

- ◆ Franchisor
- ◆ Sale of homewares and electrical goods (New Zealand and Singapore)
- ◆ Provision of finance
- ◆ Property investment
- ◆ Lessor of premises to Harvey Norman franchisees and other third parties.

## RESULTS

The net profit attributable to members of the parent entity for the financial year ended 30 June 2001 after income tax expense was \$105.16 million. This represents a decrease of 4.7% on the net profit after tax for the year ended 30 June 2000.

## DIVIDENDS

The directors recommend a fully franked dividend of 2.0 cents per share be paid on 3 December 2001 (total dividend, fully franked - \$20,363,528). The following fully franked dividends of the parent entity have also been paid, declared or recommended since the end of the preceding financial year:

2000 final fully franked dividend recommended, (as disclosed in the 2000 Directors' Report) – paid 4 December 2000	\$20,363,528
2001 interim fully franked dividend – paid 7 May 2001	\$20,363,528

## REVIEW OF GROUP OPERATIONS

The total equity of the consolidated entity for the year ended 30 June 2001 increased over the previous financial year due to the following:

- ◆ Increased number of franchisees and tenants
- ◆ Increased rental from tenants
- ◆ Revaluation of the group property portfolio
- ◆ Increased sales by Pertama Holdings Limited in Singapore.

Disappointingly, net profit after tax for the year ending 30 June 2001 decreased by 4.7% over the previous year, due to decreased revenue from franchise fees and difficult trading conditions experienced by franchisees.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year not otherwise disclosed in this report or the consolidated financial statements.

## SIGNIFICANT EVENTS AFTER BALANCE DATE

Becto Pty Limited, a wholly owned subsidiary of Harvey Norman Holdings Limited, has acquired a controlling interest in Rebel Sport Limited ("Rebel Sport"). An offer was made on 25 May 2001 to acquire all issued shares in Rebel Sport and at close of business on 25 July 2001, Harvey Norman owned 54.7% of Rebel Sport. The cost of acquisition of the controlling interest in Rebel Sport was \$27.9 million.

## LIKELY DEVELOPMENTS AND FUTURE RESULTS

The directors have excluded from this report any further information on the likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years, as the directors believe that it would be likely to result in unreasonable prejudice to one or more entities in the consolidated entity.



## ENVIRONMENTAL REGULATION PERFORMANCE

The consolidated entity's environmental obligations are regulated under both State and Federal law. All environmental performance obligations are monitored by the Board. The consolidated entity has a policy of at least complying, but in most cases exceeding its environmental performance obligations. No environmental breaches have been notified by any Government agency during the year ended 30 June 2001.

## DIRECTORS' AND OFFICERS' REMUNERATION

Remuneration of directors and senior officers is determined as part of an annual performance review, having regard to market factors, a performance evaluation process and independent remuneration advice. For executive directors and officers, remuneration packages generally comprise salary, superannuation and a fully maintained motor vehicle where appropriate.

Details of remuneration provided to directors, holding office during the financial year, and the five most highly remunerated officers are as follows:

	Base Salary	Superannuation	Other	Total	Number of Options (a)
<b>Directors</b>					
G. Harvey	234,050	5,950	10,400	250,400	-
K.L. Page	232,840	5,000	26,512	264,352	-
R.J. Skippen	291,584	8,416	-	300,000	-
A.B. Brew	167,708	7,000	33,283	207,991	-
J.E. Slack-Smith	192,141	15,371	15,000	222,512	2,000,000
S.P. Hauville	90,242	9,722	15,000	114,964	2,000,000
M.J. Harvey	18,642	1,491	-	20,133	-
C.H. Brown	18,563	1,468	-	20,031	-
I.J. Norman	18,563	1,468	-	20,031	-
<b>Officers</b>					
R.C.D. Champion	141,726	8,667	19,239	169,632	-
M.L. Anderson	120,002	16,240	14,400	150,642	-
J. McMahan	114,023	9,122	12,853	135,998	-
C. Mentis	85,000	6,643	43,924	135,567	-
M.J. Mills	96,456	7,154	21,597	125,207	-

(a) Details of the terms, conditions and value of options granted during the period are set out in Note 23 of the Financial Statements. Adopting the Black-Scholes Option Pricing Formula, the options have been valued at \$1.2665 per option. These options have not been exercised.

## INDEMNIFICATION OF OFFICERS

During the financial year, insurance and indemnity arrangements were continued for officers of the consolidated entity.

An indemnity agreement was entered into between Harvey Norman Holdings Limited and each of the directors of the company named earlier in this report and with each full-time executive officer, director and secretary of all group entities. Under the agreement, the company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities. There is a limit to the extent of this indemnity (\$10,000,000).

Harvey Norman Holdings Limited paid an insurance premium of \$18,400 in respect of a contract insuring each of the directors of the company named earlier in this report and each full-time executive officer, director and secretary of Australian group entities, against all liabilities and expenses arising as result of work performed in their respective capacities, to the extent permitted by law.

## ROUNDING OF AMOUNTS

The parent entity is a company of the kind specified in Australian Securities and Investment Commission class order 98/0100. In accordance with the class order, amounts in the financial statements and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

*This report has been made in accordance with a resolution of directors*

**G. HARVEY**  
Chairman

**R.J. SKIPPEN**  
Director

**A.B. BREW**  
Director

Sydney  
27 September 2001

# STATEMENT OF CORPORATE GOVERNANCE PRACTICES

## The Board of Directors

The Board of Directors is responsible for setting the strategic direction and establishing the policies of Harvey Norman Holdings Limited, for overseeing the financial position, and for monitoring the business and affairs on behalf of the shareholders, by whom the directors are elected and to whom they are accountable. Responsibility for day to day activities is delegated to Gerry Harvey, John Skippen and Kay Lesley Page.

Corporate governance is a term used to describe the way a Board is structured and the way the directors act to ensure their oversight of a company is beyond reproach. The Board keeps its own processes under review.

The Board currently comprises nine directors, including six executive directors and three non-executive directors. All directors have shares or options or both in Harvey Norman Holdings Limited. Details of directors' interests are disclosed in the Directors' Report and the financial statements.

If a potential conflict of interest arises, involved directors must withdraw from all deliberations concerning the matter and are not permitted to exercise any influence over other Board members or receive relevant Board papers. With the approval of the Chairman, any director or committee of the Board can seek external professional advice as considered necessary, at the Company's expense. The Audit & Finance Committee is responsible for monitoring the independence and suitability of all professional advisers.

The Directors' Report contains details of the directors' skill, experience and age. The Board seeks to consist of directors with an appropriate range of experience, skill, knowledge and vision to enable it to operate the company's business with excellence. To maintain this, the company's policy is that one third of all directors resign each year and offer themselves for re-election and additionally every director must resign every three (3) years and, where appropriate, offer himself/herself for re-election.

The Board has adopted the policy that non-executive directors are elected on the basis that their range of skill, vision, knowledge and experience ensures that their contribution to the operation and direction of the company's business is appropriate.

The performance of the Board is reviewed continually and particularly the performance of executive directors is reviewed on a monthly basis. This monthly analysis includes, but is not limited to, analysing the company's business performance, achievement, long term and short term strategic objectives and the development of management and personnel. This evaluation is taken into account in determining the remuneration of executive directors.

## Committee of the Board

The Board has an Audit and Finance Committee which has been established to consider issues and strategies, within common areas, in order to advise and guide the Board. Ad hoc committees are also established as the need arises. These committees comprise both executive and non-executive directors. The Board committee that operated during the year was:

### *Audit & Finance Committee*

Audit	<ul style="list-style-type: none"><li>• Ensures compliance with statutory responsibilities relating to accounting policy and disclosure.</li><li>• Liaises with, assesses the quality and reviews the scope of work and reports of the external auditors.</li><li>• Assesses the adequacy of accounting, financial and operating controls.</li></ul>
Finance	<ul style="list-style-type: none"><li>• Reviews broad financial issues and strategies and acts for the Board on financial matters as requested.</li><li>• Reviews specific funding proposals.</li></ul>

The membership details and attendances of the Audit and Finance Committee of the Board are detailed in the Directors' Report which precedes this statement.

## Remuneration

The details of Directors' and Officers' Remuneration are provided in the Directors' Report, which precedes this statement.

## Internal controls and risk management

Procedures have been established at the Board and executive management levels which are designed to safeguard the assets and interests of Harvey Norman Holdings Limited, and to ensure the integrity of reporting. These include accounting, financial reporting and internal control policies and procedures.

## **Ethical standards and performance**

The Board acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all directors and employees of Harvey Norman Holdings Limited.

The directors and management carry out their functions with a view to maximising financial performance of the consolidated entity. This concerns both propriety of decision making in conflict of interest situations and quality of decision making for the benefit of shareholders.

## STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2001

		CONSOLIDATED		PARENT ENTITY	
	NOTE	2001	2000	2001	2000
		\$000	\$000	\$000	\$000
<b>Current Assets</b>					
Cash assets	32	23,024	39,436	-	-
Receivables	6	528,317	476,272	293,422	151,669
Other financial assets	7	8,458	10,031	-	-
Inventories	8	88,050	59,447	-	-
Other	9	16,689	3,521	-	6
<b>Total current assets</b>		<b>664,538</b>	<b>588,707</b>	<b>293,422</b>	<b>151,675</b>
<b>Non-Current Assets</b>					
Receivables	10	12,291	9,632	-	-
Investments accounted for using equity method	36	36,460	15,986	-	-
Other financial assets	11	10,455	10,394	55,598	55,596
Property, plant and equipment	12	654,488	535,015	-	-
Intangibles	13	692	590	-	-
Deferred tax assets	14	2,292	2,567	1,005	1,131
<b>Total non-current assets</b>		<b>716,678</b>	<b>574,184</b>	<b>56,603</b>	<b>56,727</b>
<b>Total Assets</b>		<b>1,381,216</b>	<b>1,162,891</b>	<b>350,025</b>	<b>208,402</b>
<b>Current Liabilities</b>					
Payables	15	328,945	312,124	87	77
Interest bearing liabilities	16	101,615	35,642	-	-
Tax liabilities	17	30,258	35,362	7,450	1,154
Other provisions	18	23,791	22,753	20,363	20,363
Other	19	1,542	2,511	-	-
<b>Total current liabilities</b>		<b>486,151</b>	<b>408,392</b>	<b>27,900</b>	<b>21,594</b>
<b>Non-Current Liabilities</b>					
Interest bearing liabilities	20	239,188	203,220	-	-
Other provisions	21	511	388	-	-
Other	22	1,555	565	-	-
<b>Total non-current liabilities</b>		<b>241,254</b>	<b>204,173</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>727,405</b>	<b>612,565</b>	<b>27,900</b>	<b>21,594</b>
<b>NET ASSETS</b>		<b>653,811</b>	<b>550,326</b>	<b>322,125</b>	<b>186,808</b>
<b>Equity</b>					
Contributed equity (a)	23	142,869	142,869	142,869	142,869
Reserves (a)	24	115,891	84,626	-	-
Retained profits (a)	25	342,457	278,028	179,256	43,939
Parent entity interest (a)		601,217	505,523	322,125	186,808
Outside equity interest (a)		52,594	44,803	-	-
<b>TOTAL EQUITY</b>	25	<b>653,811</b>	<b>550,326</b>	<b>322,125</b>	<b>186,808</b>

The accompanying notes form an integral part of this Statement of Financial Position.

	NOTE	MEMBERS OF THE PARENT		OUTSIDE EQUITY INTERESTS		CONSOLIDATED	
		2001	2000	2001	2000	2001	2000
		\$000	\$000	\$000	\$000	\$000	\$000
<b>(a) Interest in the equity of the consolidated entity</b>							
Contributed equity	23	142,869	142,869	50,358	44,923	193,227	187,792
Reserves	24	115,891	84,626	(22)	(1,075)	115,869	83,551
Retained profits	25	342,457	278,028	2,258	955	344,715	278,983
<b>TOTAL INTEREST IN EQUITY</b>		<b>601,217</b>	<b>505,523</b>	<b>52,594</b>	<b>44,803</b>	<b>653,811</b>	<b>550,326</b>

The accompanying notes form an integral part of this Statement of Financial Position.

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2001

	NOTE	CONSOLIDATED		PARENT	
		2001 \$000	2000 \$000	2001 \$000	2000 \$000
Sales revenue	3	358,409	220,577	-	-
Cost of sales		(287,560)	(176,196)	-	-
Gross profit		70,849	44,381	-	-
Other revenues	3	331,224	300,186	188,894	29,048
Distribution expenses		(3,008)	(1,030)	-	-
Marketing expenses		(8,827)	(7,529)	-	-
Occupancy expenses		(54,664)	(38,835)	-	-
Administrative expenses		(47,741)	(34,728)	-	-
Borrowing costs	3	(23,156)	(17,714)	-	-
Other expenses		(102,337)	(71,637)	(198)	(167)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	36	623	803	-	-
Profit from ordinary activities before income tax expense	3	162,963	173,897	188,696	28,881
Income tax expense relating to ordinary activities	4	(56,504)	(62,626)	(12,652)	(11,406)
Net profit	25	106,459	111,271	176,044	17,475
Net profit attributable to outside equity interests		(1,303)	(955)	-	-
Net profit attributable to members of the parent entity		105,156	110,316	176,044	17,475
Increase in asset revaluation reserve	24	28,028	26,067	-	-
Net exchange difference on translation of financial report of self-sustaining foreign operations	24	3,237	(55)	-	-
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity		31,265	26,012	-	-
Total changes in equity other than those resulting from transactions with owners as owners	25	136,421	136,328	176,044	17,475
Basic earnings per share	5	10.32	10.83	-	-

The accompanying notes form an integral part of this Statement of Financial Performance.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2001

		CONSOLIDATED		PARENT	
	NOTE	2001	2000	2001	2000
		\$000	\$000	\$000	\$000
		Inflows/(Outflows)			
<b>Cashflows from operating activities</b>					
Net receipts from franchisees		246,751	214,165	-	-
Receipts from customers		358,657	231,740	-	-
Payments to suppliers and employees		(434,648)	(262,275)	(187)	(160)
Distributions received from joint ventures		1,455	-	-	-
GST paid		(21,487)	-	-	-
Interest received		2,136	798	-	-
Interest and other costs of finance paid		(21,487)	(14,218)	-	-
Income taxes paid		(61,332)	(57,701)	(6,230)	(21,245)
Dividends received		438	442	-	-
Trust distributions received		-	-	36,680	28,920
Loans repaid by subsidiaries		-	-	10,464	23,031
		<b>70,483</b>	<b>112,951</b>	<b>40,727</b>	<b>30,546</b>
Consumer finance related cash flows:					
Consumer finance loans granted by consolidated entity		(37,162)	(24,585)	-	-
Proceeds of sale of consumer finance loans to FAST No. 1 Trust		26,392	29,782	-	-
Accommodation fees paid		(1,669)	(3,496)	-	-
Trust distribution received		347	1,156	-	-
Repayments received from consumers on consumer finance loans granted by consolidated entity and not sold to FAST No. 1 Trust		2,756	6,058	-	-
		<b>(9,336)</b>	<b>8,915</b>	<b>-</b>	<b>-</b>
Net Operating Cash Flows	32(b)	<b>61,147</b>	<b>121,866</b>	<b>40,727</b>	<b>30,546</b>

The accompanying notes form an integral part of this Statement of Cash Flows.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2001 (continued)**

		CONSOLIDATED		PARENT	
	NOTE	2001	2000	2001	2000
		\$000	\$000	\$000	\$000
		Inflows/(Outflows)			
<b>Cash Flows from Investing Activities</b>					
Payment for purchases of property, plant and equipment		(127,232)	(138,707)	-	-
Proceeds from sale of property, plant and equipment		2,097	2,903	-	-
Proceeds from sale of units in unit trusts		2,032	14,158	-	-
Payment for purchase of equity investments		(22,567)	(1,908)	-	-
Proceeds from sale of listed securities investments		6,771	4,780	-	-
Payment for purchase of listed securities		(1,785)	(8,552)	-	-
Loans granted		(1,628)	(10,438)	-	-
Purchase of controlled entity	32(c)	-	13,868	-	-
<b>Net Investing Cash Flows</b>		<b>(142,312)</b>	<b>(123,896)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Financing Activities</b>					
Proceeds from borrowings		93,814	66,814	-	-
Dividends paid		(40,727)	(30,546)	(40,727)	(30,546)
<b>Net Financing Cash Flows</b>		<b>53,087</b>	<b>36,268</b>	<b>(40,727)</b>	<b>(30,546)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(28,078)</b>	<b>34,238</b>	<b>-</b>	<b>-</b>
<b>Cash at Beginning of Period</b>		<b>37,385</b>	<b>3,147</b>	<b>-</b>	<b>-</b>
<b>Cash at End of Period</b>	32(a)	<b>9,307</b>	<b>37,385</b>	<b>-</b>	<b>-</b>

The accompanying notes form an integral part of this Statement of Cash Flows.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

## 1. Statement of Significant Accounting Policies

### (a) Basis of Accounting

The financial statements have been prepared as a general purpose financial report which complies with the requirements of the Corporations Act (2001), Australian Accounting Standards and Urgent Issues Group Consensus Views and other authoritative pronouncements.

The financial statements have been prepared in accordance with the historical cost convention using the accounting policies described below. These policies are consistent with those adopted in the previous year unless otherwise stated. Further they do not take account of changes in either the general purchasing power of the dollar or in the prices of specific assets, except for land and buildings, which are stated at fair value, as described in Note 12.

### (b) Principles of Consolidation

The consolidated financial statements include the financial statements of the parent entity, Harvey Norman Holdings Limited, and its controlled entities (refer Note 37) referred to collectively throughout these financial statements as the “consolidated entity”. All intergroup transactions and balances have been eliminated. Franchisees are not controlled by the consolidated entity and have not been consolidated. Where an entity began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

Financial statements of foreign controlled entities presented in accordance with overseas accounting principles are, for consolidation purposes, adjusted to comply with group policy and generally accepted accounting principles in Australia.

### (c) Land and Buildings

It is the policy of the consolidated entity to review annually the values of land and buildings based on the use of the properties by the consolidated entity as a going concern. The directors have adopted to carry these land and buildings at fair value. The valuations take no account of any potential capital gains tax as it is the intention of the consolidated entity to hold the properties as part of its ongoing operations.

### (d) Depreciation and Amortisation of Property, Plant and Equipment

Properties in the ACT which are held under a 99 year ground crown land sublease from the Commonwealth Government, are not amortised over the remaining life of the lease, as the expectation is that these leases will be renewed at minimal cost once they expire. Buildings on these sites are depreciated over their useful lives using the straight line method. New assets are depreciated from the time of acquisition. Profits and losses on disposal of property, plant and equipment are taken into account in determining the profit for the year.

## Note 1. Statement of Significant Accounting Policies (continued)

Property, plant and equipment, excluding freehold land and leasehold property, are depreciated over their useful economic lives using the straight line method as follows:

	<b>Life</b>
Buildings	20-40 years
Owned Plant and Equipment	3-20 years
Plant and Equipment Under Lease	1-10 years

The directors have adopted to carry plant and equipment at cost.

### (e) Leases

#### Company as lessee

##### Operating leases

Where title is not expected to pass to the lessee at the end of the lease term the lease is classified as an operating lease. Lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

#### Company as lessor

##### Direct finance leases

Direct finance receivables are recognised as receivables at the beginning of the lease term at the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual expected to accrue to the benefit of the consolidated entity at the end of the lease term. The discount rate used in determining the present value is the interest rate implicit in the lease. Lease payments are allocated between principal and interest components. Lease receivables are reduced by payments of principal whilst the interest component is credited to the Statement of Financial Performance.

### (f) Income Tax

Income tax has been brought to account using a method of tax effect accounting whereby income tax expense for the period is calculated on the accounting profit after adjusting for items which, as a result of their treatment under income tax legislation, create permanent differences between that profit and the taxable income. The tax effect of timing differences which arise from the recognition of revenue and expense items in the accounts in periods different from those in which they are assessable or allowable for income tax purposes, are presented in the Statement of Financial Position as a "future income tax benefit" at the tax rate expected to apply when the differences reverse. A future income tax benefit relating to timing differences is only carried forward as an asset where realisation of the benefit can be regarded as being assured beyond reasonable doubt.

### (g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using a weighted average basis.

### (h) Consumer Finance Loans

Repayments of consumer finance loans are allocated between principal and interest components. Interest on consumer finance loans is recognised as income as each repayment instalment comes due.

Unearned revenue on consumer finance loans has been calculated using actuarial methods so that revenue earned over the term of the contract bears a constant relationship to funds employed. Income is brought to account on consumer finance loans only where it has been paid or where it is unpaid but recovery is certain.

## **Note 1. Statement of Significant Accounting Policies (continued)**

### **(i) Intangibles**

#### **Goodwill on Acquisition**

On acquisition of a controlled entity, the difference between the purchase consideration plus incidental expenses and the fair value of identifiable net assets acquired is initially brought to account as goodwill or discount on acquisition.

Purchased goodwill is amortised on a straight line basis over the period during which the benefits are expected to arise, which is currently five years. The unamortised balance of goodwill is reviewed at each balance date and charged to profit and loss to the extent that applicable future benefits are no longer probable.

### **(j) Provisions for Employee Entitlements**

Provision has been made in the financial statements for benefits accruing to employees in relation to such matters as annual leave, long service leave and workers compensation. All on-costs, including payroll tax, workers' compensation, premiums and fringe benefits tax are included in the determination of the provisions.

### **(k) Comparative Amounts**

The consolidated entity has adopted the presentation and disclosure requirements of Accounting Standards AASB 1018 "Statement of Financial Performance", AASB 1034 "Financial Report Presentation and Disclosure" and AASB 1040 "Statement of Financial Position" for the first time in the preparation of this financial report. In accordance with the requirements of these Standards, comparative amounts have been reclassified in order to comply with the new presentation format. The reclassification of comparative amounts has not resulted in a change to the aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities or equity, or the net profit/loss of the company or consolidated entity as reported in the prior year financial report. In addition, reclassifications have been made for comparative purposes to make information more meaningful to users. These reclassifications have resulted in changes to the abovenamed asset and liability captions. However, net assets remains unchanged for both financial years.

### **(l) Revenue Recognition**

Income is brought to account, in respect of the sale of goods, when the relevant goods are delivered to the purchaser.

Income attributable to franchise fees is brought to account only when the franchise fees have been paid, or where franchise fees are unpaid but recovery is certain.

### **(m) Recoverable amounts of non-current assets**

The carrying amounts of all non-current assets are reviewed at least annually to determine whether they exceed their recoverable amount. The recoverable amount is determined by reference to net cash flows which have not been discounted.

### **(n) Investments Accounted for Using Equity Method – Associated and Joint Venture Entities**

Interests in associated and joint venture entities are brought to account using the equity method. Under this method, the investment in associates and joint ventures is initially recognised at its cost of acquisition and its carrying value is subsequently adjusted for increases or decreases in the investor's share of post-acquisition results and reserves of the associated and joint venture entities. The investment in associated and joint venture entities is decreased by the amount of dividends received or receivable. Investments in associates and joint ventures are carried at the lower of cost and recoverable amount in the accounts of the consolidated entity.

Detailed equity accounting information concerning the consolidated entity's interest in material associated and joint venture entities is provided in Note 36.

## **Note 1. Statement of Significant Accounting Policies (continued)**

### **(o) Investments Accounted for Using Equity Method - Partnerships**

Interests in jointly controlled partnerships are brought to account as follows:

- The consolidated entity's share of the total assets employed by the partnership is brought to account in the "Investment in Partnership" line within "Investments accounted for using equity method" on the Statement of Financial Position.
- The liabilities of the partnership are brought to account in their respective financial statement categories of the consolidated entity, as the consolidated entity is jointly and/or severally liable for the liabilities of the partnerships.
- The consolidated entities share of the net profit, or the total net loss, is brought to account as "Share of net profit of associates, joint ventures and partnerships accounted for using equity method" on the Statement of Financial Performance.
- The consolidated entity recognises a right of indemnity for joint and/or several liabilities within receivables on the Statement of Financial Position.

### **(p) Other Financial Assets**

Interests in non-subsiary, non-associated corporations are included in other financial assets (non-current) at cost. With the exception of shares in Data Advantage Limited (refer Note 34), shares in unlisted companies and units in unit trusts are included in other financial assets. Shares listed on the ASX are recorded at fair value as determined by reference to the market closing price at year end. Dividend income is brought to account when received. Trust income is brought to account when received.

### **(q) Foreign Currency Transactions**

Foreign currency items are translated to Australian currency on the following bases:

- Transactions are converted at exchange rates in effect at the date of each transaction;
- Amounts payable and receivable are translated at the average of the buy and sell rates available on the close of business at balance date; and
- The financial statements of all foreign operations are translated using the current rate method as they are considered self-sustaining.

Exchange differences relating to monetary items are included in the Statement of Financial Performance, as exchange gains and losses, in the period when exchange rates change except where the difference relates to hedging part of the net investment in a self-sustaining foreign operation, in which case the differences are transferred to the foreign currency translation reserve on consolidation.

### **(r) Financial Instruments included in Equity**

Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

### **(s) Financial Instruments included in Assets and Liabilities**

Trade debtors are initially recorded at the amount of contracted sales proceeds. The consolidated entity establishes a provision for any doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off when they are identified.

Bills payable are recognised when issued at the amount of the net proceeds received, with the discount on issue amortised over the period to maturity. Interest is recognised as an expense on an effective yield basis.

Interest rate swaps are recognised as a liability, measured by reference to amounts payable.

Forward currency exchange contracts and foreign currency options are initially recognised as either an asset or liability, at an amount equal to the option premium paid or received and the premium of discount on the forward currency exchange contracts. The assets and liabilities recognised are subsequently remeasured by reference to exchange rates at balance date. The gain or loss on remeasurement is brought to account in the Statement of Financial Performance.

**Note 1. Statement of Significant Accounting Policies (continued)**

**(t) Borrowing Costs**

Borrowing costs are expensed as incurred.

**(u) Adoption of AASB Accounting Standard before its Application Date**

The Directors have elected under section 334(5) of the Corporations Act (2001) to apply Accounting Standard AASB 1041: "Revaluation of Non-Current Assets" (Revised 2001) for the financial year ended 30 June 2001.

## 2. Segment Information

Industry Segment	Revenue from customers outside the consolidated entity \$000	Intersegment Revenue \$000	Total Revenue \$000	Segment Result \$000	Segment Assets \$000
<b>30 June 2001</b>					
Retailing	377,619	2,777	380,396	5,873	180,554
Franchising and Corporate Items	215,948	100	216,048	74,451	323,886
Property Investments	82,548	-	82,548	22,755	704,520
Share Trading	6,771	-	6,771	2,543	8,458
Financial Services	7,370	-	7,370	837	163,798
Eliminations	-	(2,877)	(2,877)	-	-
<b>Total Consolidated</b>	<b>690,256</b>	<b>-</b>	<b>690,256</b>	<b>106,459</b>	<b>1,381,216</b>
<b>30 June 2000</b>					
Retailing	244,729	5,540	250,269	6,940	135,225
Franchising and Corporate Items	196,308	201	196,509	87,961	401,837
Property Investments	66,214	-	66,214	17,475	462,116
Share Trading	4,780	-	4,780	(644)	10,031
Financial Services	9,535	-	9,535	(461)	153,682
Eliminations	-	(5,741)	(5,741)	-	-
<b>Total Consolidated</b>	<b>521,566</b>	<b>-</b>	<b>521,566</b>	<b>111,271</b>	<b>1,162,891</b>
<b>Geographical Segments</b>					
<b>30 June 2001</b>					
Australia	356,692	2,777	359,469	100,297	1,198,810
New Zealand	125,913	-	125,913	4,778	59,824
Singapore	207,625	-	207,625	1,499	117,054
Slovenia	26	-	26	(115)	5,528
Eliminations	-	(2,777)	(2,777)	-	-
<b>Total Consolidated</b>	<b>690,256</b>	<b>-</b>	<b>690,256</b>	<b>106,459</b>	<b>1,381,216</b>
<b>30 June 2000</b>					
Australia	301,790	5,540	307,330	105,177	1,021,414
New Zealand	122,656	-	122,656	4,806	54,845
Singapore	97,120	-	97,120	1,288	85,986
Slovenia	-	-	-	-	646
Eliminations	-	(5,540)	(5,540)	-	-
<b>Total Consolidated</b>	<b>521,566</b>	<b>-</b>	<b>521,566</b>	<b>111,271</b>	<b>1,162,891</b>

- (a) The consolidated entity operates predominantly in four industries:
- retailing – this represents retail operations in Australia, New Zealand and the controlling interest in Singapore.
  - franchising and corporate items – this represents franchise fees paid by franchisees and corporate items (other than retailing, property investments and financial services).
  - property investments – this represents property investments leased to franchisees and other third parties.
  - financial services – this represents credit provided to third parties.

(Retailing does not include sales made by franchisees.)

- (b) The sale of goods and services between geographical segments is at cost of manufacture or the cost of a particular item.

		CONSOLIDATED		PARENT	
	NOTE	2001	2000	2001	2000
		\$000	\$000	\$000	\$000

### 3. Profit and Loss Items

**Profit from ordinary activities is after crediting the following revenues:**

**Sales revenues:**

Product sales		<b>358,409</b>	220,577	-	-
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**Other revenues:**

Gross revenue from Franchisees (excluding rent and interest received)		<b>208,343</b>	199,984	-	-
Rent received from franchisees and other third parties		<b>82,548</b>	66,214	-	-
Trust distribution received from:					
Controlled entities		-	-	<b>36,680</b>	28,920
Other related parties		<b>347</b>	1,156	-	-
Interest received from:					
Franchisees		<b>13,873</b>	14,725	-	-
Other unrelated persons		<b>2,136</b>	798	-	-
Dividends from:					
Related parties					
Wholly owned group		-	-	<b>152,153</b>	-
Other unrelated parties		<b>439</b>	442	-	-
Other revenue		<b>12,260</b>	8,200	<b>61</b>	128
Gross proceeds from the disposal of plant and equipment	(a)	<b>2,097</b>	2,903	-	-
Gross proceeds from the disposal of listed securities	(b)	<b>6,771</b>	4,780	-	-
Net foreign exchange gains from:					
Other items		<b>2,410</b>	984	-	-
<b>Total other revenues</b>		<b>331,224</b>	300,186	<b>188,894</b>	29,048
		<b>689,633</b>	520,763	<b>188,894</b>	29,048
Share of net results of associates, joint venture entities and partnerships	36	<b>623</b>	803	-	-
<b>Total revenues</b>		<b>690,256</b>	521,566	<b>188,894</b>	29,048

### 3. Profit and Loss Items (continued)

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
<b>Profit from ordinary activities is after charging the following expenses:</b>				
<b>Depreciation and amortisation:</b>				
Depreciation of:				
- Buildings	4,720	4,140	-	-
- Plant and equipment	33,849	25,593	-	-
Amortisation of:				
- Goodwill	199	76	-	-
<b>Total depreciation and amortisation</b>	<b>38,768</b>	<b>29,809</b>	<b>-</b>	<b>-</b>
<b>Borrowing costs:</b>				
Interest paid or payable to				
- other unrelated persons	17,835	17,398	-	-
- directors and director related entities	5,321	316	-	-
<b>Total borrowings costs</b>	<b>23,156</b>	<b>17,714</b>	<b>-</b>	<b>-</b>
<b>Other expense items:</b>				
Net bad debts - written off	975	1,611	-	-
Net charge to provision for doubtful debts	(49)	(575)	-	-
Gross costs on disposal of plant and equipment (a)	2,867	2,956	-	-
Gross costs on disposal of listed securities (b)	3,358	6,217	-	-
Operating lease rentals (c)	46,712	32,198	-	-
Provision for obsolescence of inventories	737	827	-	-
Provision for employee entitlements	1,161	714	-	-
(a) Net loss on disposal of plant and equipment	770	53	-	-
(b) Net (profit)/loss on disposal of listed securities	(3,413)	1,437	-	-
(c) Comprises:				
Minimum lease payments	46,712	32,198	-	-



CONSOLIDATED		PARENT	
2001	2000	2001	2000
\$000	\$000	\$000	\$000

#### 4. Income Tax Expense

The difference between income tax expense provided in the financial statements and the prima facie income tax is reconciled as follows:

<b>Profit from ordinary activities</b>	<b>162,963</b>	173,897	<b>188,696</b>	28,881
Prima facie tax thereon at 34% (2000: 36%)	<b>55,407</b>	62,603	<b>64,157</b>	10,397
Tax effect of permanent and other differences:				
Building depreciation	<b>109</b>	123	<b>93</b>	-
Sundry items	<b>58</b>	91	<b>11</b>	382
Amounts under provided in prior years	-	229	-	627
Effect on higher/(lower) rates of tax on overseas income	<b>608</b>	(420)	-	-
Restatement of deferred tax balances due to income tax rate changes	<b>322</b>	-	<b>123</b>	-
Dividends received	-	-	<b>(51,732)</b>	-
	<b>1,097</b>	23	<b>(51,505)</b>	1,009
Total income tax attributable to profit from ordinary activities.	<b>56,504</b>	62,626	<b>12,652</b>	11,406

#### CONSOLIDATED

2001	2000
\$000	\$000

#### 5. Earnings per share

Basic earnings per share (cents per share)	<b>10.32</b>	10.83
Diluted earnings per share has not been disclosed as it is not materially different to basic earnings per share.		
(a) Weighted average number of ordinary shares used in calculation of basic earnings per share	<b>1,018,176,420</b>	1,018,176,420
(b) All potential ordinary shares being options to acquire ordinary shares, are considered dilutive.		
(c) There have been no conversions to, calls of or subscriptions for ordinary shares since 30 June 2001 and before completion of these financial statements.		

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
<b>6. Receivables (Current)</b>				
Trade debtors	491,404	445,195	-	-
Provision for doubtful debts	(3,662)	(337)	-	-
<b>Trade debtors, net</b>	<b>487,742</b>	<b>444,858</b>	-	-
Consumer finance loans	7,657	1,630	-	-
Amounts receivable in respect of finance leases (a)	6,796	5,262	-	-
Non-trade debts receivable from:				
Wholly owned controlled entities	-	-	293,422	151,669
Other unrelated persons	26,122	24,522	-	-
<b>Total receivables (current)</b>	<b>528,317</b>	<b>476,272</b>	<b>293,422</b>	<b>151,669</b>

(a) Finance lease receivables are reconciled to amounts receivable in respect of finance leases as follows:

Aggregate of minimum lease payments and guaranteed residual values:

Not later than one year	7,643	5,884	-	-
Later than one year but not later than five years	11,047	10,599	-	-
	<b>18,690</b>	<b>16,483</b>	-	-
Future finance revenue				
- Not later than one year	(847)	(622)	-	-
- Later than one year but not later than five years	(1,266)	(1,126)	-	-
<b>Net finance lease receivables</b>	<b>16,577</b>	<b>14,735</b>	-	-
Reconciled to:				
Receivables (Current)	6,796	5,262	-	-
Receivables (Non-Current)	9,781	9,473	-	-
	<b>16,577</b>	<b>14,735</b>	-	-

The consolidated entity offers finance lease arrangements as part of its consumer finance business. Finance leases are offered in respect of motor vehicles, livestock and fixtures and fittings, with lease terms not exceeding 4 years. All finance leases are at fixed rates for the term of the lease.

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
<b>7. Other Financial Assets (Current)</b>				
Securities quoted on prescribed stock exchanges:				
- Shares in other corporations at fair value	8,458	10,031	-	-
<b>8. Inventories (Current)</b>				
Finished goods at cost	90,322	60,982	-	-
Provision for obsolescence	(2,272)	(1,535)	-	-
Total current inventories, net	88,050	59,447	-	-
<b>9. Other Assets (Current)</b>				
Prepayments	16,689	3,521	-	6
<b>10. Receivables (Non-Current)</b>				
Consumer finance loans	3,594	271	-	-
Provision for doubtful debts	(1,084)	(112)	-	-
	2,510	159	-	-
Amounts receivable in respect of finance leases	9,781	9,473	-	-
Total receivables (non-current)	12,291	9,632	-	-
<b>11. Other Financial Assets (Non-Current)</b>				
Securities not quoted on prescribed Stock Exchange – at cost (in wholly owned controlled entities – Note 37)	-	-	46,826	46,826
Units in unit trusts not quoted on prescribed Stock Exchange – at cost (Note 37)	6,123	8,252	8,772	8,770
Other unquoted investments – at cost	4,332	2,142	-	-
Total other financial assets (non-current)	10,455	10,394	55,598	55,596

#### Units in Unit Trusts

Certain consumer finance receivables are sold, in accordance with an agreement, to a special purpose trust, “The Financial Assets Specialised Trust No. 1” (FAST). The consolidated entity may, but is not obliged to, sell receivables to FAST and FAST may, but is not obliged to, purchase some or all of consumer finance receivables. The receivables that have been sold to FAST, and which at balance date remain outstanding, total \$35.28 million (2000: \$39.11 million). The consolidated entity also holds monies on behalf of FAST relating to these receivables of \$2.09 million (2000: \$5.72 million) at balance date.

In these financial statements, the consolidated entity’s interest in FAST is 21.7% (2000: 18.2%) of all issued equity units in FAST. These units are of variable amounts and are included in the consolidated financial statements in other financial assets - \$5.93 million. Consumer finance receivables that have not been sold pursuant to this agreement are included in consumer finance loans.

The consolidated entity, prior to selling the receivables, establishes a provision for doubtful debts, adequate to cover any bad or doubtful debts that may be sold back to the consolidated entity.

	CONSOLIDATED	PARENT
	2001 \$000	2001 \$000
<b>12. Property, Plant and Equipment (Non-Current)</b>		
<b>Land</b>		
Fair value		
Opening balance	260,976	-
Additions	18,227	-
Increase resulting from revaluation (a)	28,028	-
Currency translation differences	700	-
<b>Closing balance</b>	<b>307,931</b>	<b>-</b>
<b>Buildings</b>		
Fair value		
Opening balance	181,583	-
Additions	45,357	-
Currency translation differences	343	-
<b>Closing balance</b>	<b>227,283</b>	<b>-</b>
Accumulated Depreciation		
Opening Balance	16,734	-
Depreciation for the year	4,720	-
<b>Closing balance</b>	<b>21,454</b>	<b>-</b>
<b>Net book value</b>	<b>205,829</b>	<b>-</b>
<b>Total land and buildings at 30 June 2001</b>	<b>513,760</b>	<b>-</b>
<b>Total land and buildings at 30 June 2000</b>	<b>425,825</b>	<b>-</b>
<b>Plant and equipment</b>		
Cost		
Opening balance	198,244	-
Additions	69,636	-
Disposals	(12,590)	-
Currency translation differences	1,155	-
<b>Closing balance</b>	<b>256,445</b>	<b>-</b>
Accumulated Depreciation		
Opening balance	89,054	-
Depreciation for the year	33,849	-
Disposals	(7,886)	-
Currency translation differences	700	-
<b>Closing balance</b>	<b>115,717</b>	<b>-</b>
<b>Net book value</b>	<b>140,728</b>	<b>-</b>
<b>Total plant and equipment, at 30 June 2001</b>	<b>140,728</b>	<b>-</b>
<b>Total plant and equipment at 30 June 2000</b>	<b>109,190</b>	<b>-</b>
<b>Total property, plant and equipment at 30 June 2001</b>	<b>654,488</b>	<b>-</b>
<b>Total property, plant and equipment at 30 June 2000</b>	<b>535,015</b>	<b>-</b>

## 12. Property, Plant and Equipment (Non- Current) (continued)

- (a) Valuations of land and buildings were made by directors of the parent entity as at 30 June 2001 on the basis of market value. The valuations used for 2000 comparatives were made by directors of the parent entity as at 30 June 2000 on the basis of market value. All properties are valued at market valuations which have been calculated using the capitalisation method of valuation.

Revaluations of land and buildings are made in accordance with the policy of revaluations as described in Note 1.

The capitalisation rate is selected to reflect such factors as the quality of accommodation, age of improvements and strength of the tenure.

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000

## 13. Intangibles (Non-Current)

Goodwill – at cost	1,016	666	-	-
Accumulated amortisation	(324)	(76)	-	-
<b>Total intangibles, net</b>	<b>692</b>	<b>590</b>	<b>-</b>	<b>-</b>

## 14. Deferred Tax Assets (Non-Current)

Future income tax benefits attributable to timing differences	2,292	2,567	1,005	1,131
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## 15. Payables (Current)

Unsecured: Trade creditors	328,945	312,124	87	77
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## 16. Interest Bearing Liabilities (Current)

Secured: Non trade amounts owing to: Other related parties (a)	2,087	5,716	-	-
Unsecured: Bank overdraft	13,717	2,051	-	-
Lease liabilities (b)	180	91	-	-
Non trade amounts owing to: Directors (c)	85,484	27,519	-	-
Other unrelated persons (c)	147	265	-	-
<b>Total interest bearing liabilities (current)</b>	<b>101,615</b>	<b>35,642</b>	<b>-</b>	<b>-</b>

(a) These loans are secured over consumer finance receivables.

(b) The implicit interest rate on lease liabilities is 9% over a term of 3 years.

(c) Interest is payable at normal commercial bank bill rates. The loans are unsecured and repayable at call.

## 17. Tax Liabilities (Current)

Provision for taxation	30,258	35,362	7,450	1,154
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## 18. Other Provisions (Current)

Dividends	20,363	20,363	20,363	20,363
Employee entitlements	3,428	2,390	-	-
<b>Total other provisions (current)</b>	<b>23,791</b>	<b>22,753</b>	<b>20,363</b>	<b>20,363</b>

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000

## 19. Other Liabilities (Current)

Unearned revenue	1,542	2,511	-	-
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## 20. Interest Bearing Liabilities (Non-Current)

Secured bills payable	239,188	203,220	-	-
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- Bills payable are secured by a first mortgage over freehold land and buildings and by deeds of charge and mortgage debentures over inventories, trade debtors, consumer finance loans and lease receivables.
- Bills payable have been classified as non-current interest bearing liabilities on the basis that no net principal reductions are intended to be made prior to 30 June 2002 pursuant to the existing bill facilities. The bank reserves the right to withdraw the facilities if in the opinion of the bank there have been material adverse changes in the financial condition or operation of the business. In addition certain ratios are to be maintained to the satisfaction of the bank.
- These facilities are subject to annual review.

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000

## 21. Other Provisions (Non-Current)

Employee entitlements	511	388	-	-
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## 22. Other liabilities (Non-Current)

Unearned revenue	1,555	565	-	-
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## 23. Contributed Equity

Ordinary shares (a)	142,869	142,869	142,869	142,869
Outside equity interests	50,358	44,923	-	-
Total contributed equity	193,227	187,792	142,869	142,869

	Number of Ordinary Shares	
	2001	2000
(a)		
Movements in issued shares for the year:		
Opening number of shares	1,018,176,420	203,635,284
Five for one subdivision on 31 August 1999	-	814,541,136
Closing number of shares	1,018,176,420	1,018,176,420

### Share Options

On 21 November 2000, in accordance with a Special Resolution passed at the annual general meeting of members of the parent company, options to take up ordinary shares in the capital of the parent company at an issue price of \$4.10 per share were granted to the benefit of each of John Slack-Smith (2,000,000 options) and Stephen Hauville (2,000,000 options) (collectively the "November 2000 Options"). Adopting the Black-Scholes Option Pricing Formula, the options have been valued at \$1.2665 per option. The November 2000 Options have not been exercised.

## 23. Contributed Equity (continued)

Each of the November 2000 Options:

- (a) is not capable of being exercised prior to 1 July 2003; and
- (b) expires at midnight on 30 June 2005.

On 31 August 1999, in accordance with a Special Resolution passed at a general meeting of members of the parent company, options to take up ordinary shares in the capital of the parent company at an issue price of \$3.212 per share were granted to the trustees of separate trusts for the benefit of each of Gerald Harvey and family (3,000,000 options), Kay Lesley Page and family (3,000,000 options), Raymond John Skippen and family (3,000,000 options) and Arthur Bayly Brew and family (1,500,000 options) (collectively the "August 1999 Options"). The August 1999 Options have not been exercised.

Each of the August 1999 Options:

- (a) is not capable of being exercised prior to 1 July 2002; and
- (b) expires at midnight on 30 June 2004.

	CONSOLIDATED		PARENT	
	2001	2000	2001	2000
	\$000	\$000	\$000	\$000
Asset revaluation	113,763	85,735	-	-
Foreign currency translation	2,106	(2,184)	-	-
<b>Total reserves</b>	<b>115,869</b>	<b>83,551</b>	<b>-</b>	<b>-</b>

## 24. Reserves

### Movement in reserves:

Asset revaluation:				
Opening balance	85,735	59,668	-	-
Revaluation of land and Buildings during the year	28,028	26,067	-	-
<b>Closing balance</b>	<b>113,763</b>	<b>85,735</b>	<b>-</b>	<b>-</b>
Foreign currency translation:				
Opening balance	(2,184)	(1,054)	-	-
Exchange fluctuations arising on overseas net assets	3,237	(55)	-	-
Outside equity interest	1,053	(1,075)	-	-
<b>Closing balance</b>	<b>2,106</b>	<b>(2,184)</b>	<b>-</b>	<b>-</b>

## 25. Retained Profits and Dividends

Retained Profits:

Retained profits at the beginning of the financial year	278,983	203,348	43,939	62,100
Dividends provided for or paid	(40,727)	(35,636)	(40,727)	(35,636)
Net profit	106,459	111,271	176,044	17,475
<b>Retained profits at the end of the financial year</b>	<b>344,715</b>	<b>278,983</b>	<b>179,256</b>	<b>43,939</b>

## 25. Retained Profits and Dividends (continued)

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
Equity:				
Total equity at the beginning of the financial year	550,326	404,831	186,808	204,969
Total changes in equity recognised in the Statement of Financial Performance	136,421	136,328	176,044	17,475
Transactions with owners as owners				
Dividends	(40,727)	(35,636)	(40,727)	(35,636)
Total changes in outside equity interests	7,791	44,803	-	-
<b>Total equity at the reporting date</b>	<b>653,811</b>	<b>550,326</b>	<b>322,125</b>	<b>186,808</b>
Retained Profits				
Retained profits and reserves that could be distributed as dividends and franked out of existing franking credits or out of franking credits arising from income tax payable	340,473	266,054	111,314	43,939

### Dividend franking:

All dividends paid during the financial year ended 30 June 2001 were fully franked at the tax rate of 34%. Dividends provided for, but not yet paid, will be fully franked at the current tax rate of 30%.

## 26. Commitments

- (a) Capital expenditure contracted for but not provided is payable as follows:

Not later than one year	8,890	70,971	-	-
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- (b) Operating lease expenditure contracted for is payable as follows:

Not later than one year	42,339	32,637	-	-
Later than one year but not later than five years	135,614	104,902	-	-
Later than five years	92,794	87,952	-	-
<b>Total lease commitments</b>	<b>270,747</b>	<b>225,491</b>	<b>-</b>	<b>-</b>

Operating leases are entered into as a means of acquiring access to retail property and warehouse facilities. Rental payments are renewed annually in line with rental agreements.

The directors do not consider turnover rents or CPI contingent rentals to be significant, hence, turnover rents are excluded from contingent rentals. The majority of leases have options for further terms. There are no restrictions imposed by lease arrangements on dividends, additional debt or further leasing.

- (c) Capital expenditure commitments on behalf of joint ventures are payable as follows:

Not later than one year	5,000	5,000	-	-
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CONSOLIDATED		PARENT	
2001	2000	2001	2000
\$000	\$000	\$000	\$000

## 27. Contingent Liabilities

Contingent liabilities at balance date, not otherwise provided for in these financial statements are categorised as follows:

Bank performance guarantees given to various councils and other third parties on behalf of the consolidated entity	2,802	3,393	-	-
The parent entity has guaranteed the performance of a number of controlled entities which have entered into leases with other parties.	-	-	269,775	218,230
<b>Total contingent liabilities</b>	<b>2,802</b>	<b>3,393</b>	<b>269,775</b>	<b>218,230</b>

2001	2000	2001	2000
Number	Number	Number	Number

## 28. Employee Entitlements

The number of full-time equivalents employed as at 30 June are:

	1,346	879	-	-
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The company makes contributions to complying superannuation funds for the purpose of provision of superannuation benefits for eligible employees of the company. The amount of contribution in respect of each eligible employee is not less than the prescribed minimum level of superannuation support in respect of that eligible employee. The complying superannuation funds are independent and not administered by the company.

CONSOLIDATED		PARENT	
2001	2000	2001	2000
\$	\$	\$	\$

## 29. Remuneration of Auditors

Remuneration received, or due and receivable by the auditor of the parent entity and its affiliates for:

Audit or review of the financial statements	401,000	365,000	-	-
Other services	213,000	31,000	-	-
<b>Total remuneration of auditors</b>	<b>614,000</b>	<b>396,000</b>	<b>-</b>	<b>-</b>

**PARENT**

**2001**      2000  
**\$000**      \$000

### 30. Directors' and Executives' Income

#### (a) Income of Directors

The numbers of directors of the parent entity who were paid, were due to be paid, income (including brokerage, commissions, bonuses, retirement payments and salaries, but excluding prescribed benefits disclosed later in this note under "retirement benefits"), directly or indirectly from the company or any related party, as shown in the following bands, were:

\$20,000	- \$29,999	<b>3</b>	3
\$110,000	- \$119,999*	<b>1</b>	-
\$180,000	- \$189,999	-	1
\$190,000	- \$199,999	-	1
\$200,000	- \$209,999*	<b>1</b>	-
\$220,000	- \$229,999*	<b>1</b>	-
\$250,000	- \$259,999*	<b>1</b>	1
\$260,000	- \$269,999*	<b>1</b>	-
\$300,000	- \$309,999*	<b>1</b>	1

\*The directors included in these bandings are also executive officers responsible for the management of affairs of the company. Their remuneration has not been repeated in the Income of Executives note below.

The total of all income paid or payable, directly or indirectly, from the respective entities of which they are a director, or from any related party, to all the directors of each entity in the consolidated entity was \$1,406,672 (2000: \$999,727).

The above table excludes the value of options issued to the directors in the financial year ending 30 June 2000. Refer to Note 23. In addition to remuneration in the above table for the financial year ending 30 June 2001, options were issued during the period to certain directors. The details of the terms, conditions and value of options granted during the period are set out in Note 23 of the Financial Statements. Adopting the Black-Scholes Option Pricing Formula, the options have been valued at \$1.2665 per option. These options have not been exercised.

<b>CONSOLIDATED</b>		<b>PARENT</b>	
<b>2001</b>	2000	<b>2001</b>	2000
<b>\$000</b>	\$000	<b>\$000</b>	\$000

#### (b) Income of Executives

The number of executive officers domiciled in Australia who received, or were due to receive, directly or indirectly from the company, or from any related body corporate, a total remuneration (excluding retirement benefits) in connection with the management of affairs of the company, or any related body corporate, whether as executive officers or otherwise were:

\$120,000	- \$129,999	<b>1</b>	1	-	-
\$130,000	- \$139,999	<b>2</b>	-	-	-
\$140,000	- \$149,999	-	2	-	-
\$150,000	- \$159,999	<b>1</b>	1	-	-
\$160,000	- \$169,999	<b>1</b>	-	-	-
\$170,000	- \$179,999	-	1	-	-

The aggregate income of the executive officers referred to above was \$717,046 (2000: \$738,448)

### 30. Directors' and Executives' Income (continued)

	CONSOLIDATED		PARENT	
	2001	2000	2001	2000
	\$000	\$000	\$000	\$000
<b>(c) Retirement Benefits</b>				
The following prescribed benefits were given to a prescribed superannuation fund in connection with the retirement of persons from prescribed offices in relation to a corporation in the consolidated entity during the financial year. Particulars have been summarised as the directors believe that provision of full particulars would be unreasonable given the detail required.				
	56	27	-	-

### 31. Related Party Transactions

#### (a) Directors

The following persons held the position of director of the parent entity during both financial years unless otherwise stated:

G. Harvey  
K.L. Page  
R.J. Skippen  
A.B. Brew  
M.J. Harvey  
C.H. Brown  
I.J. Norman  
J.E. Slack-Smith (appointed 5<sup>th</sup> February 2001)  
S.P. Hauville (appointed 5<sup>th</sup> February 2001)

	CONSOLIDATED		PARENT	
	2001	2000	2001	2000
	\$000	\$000	\$000	\$000

During the year the following transactions took place with related parties.

#### (b) Directors' Loans

Derni Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) borrowed money from entities associated with I.J. Norman, R.J. Skippen, M.J. Harvey and G. Harvey. Interest is payable at normal commercial rates. These loans are unsecured and repayable at call. Refer to Note 16 for balance of loans outstanding at year end.

Net amounts received from entities associated with the above mentioned directors.

Interest paid/payable

	57,965	22,504	-	-
	5,321	316	-	-

### 31. Related Party Transactions (continued)

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
<b>(c) Other Director Transactions</b>				
Legal fees were paid to the firm of which Mr C.H. Brown is a partner for professional services rendered to the group in the normal course of business.	1,215	845	-	-
The consolidated entity leases business premises at Bundall, Queensland from Ruzden Pty Limited. Mr G. Harvey, Ms K.L. Page, Mr M.J. Harvey, Mr I.J. Norman and Mr A.B. Brew have an equity interest in Ruzden Pty Limited. The lease arrangements were approved by shareholders in the General Meeting held 25 May, 1993, and in the General Meeting held 31 August 1999. The lease is subject to normal commercial terms and conditions. Rent paid by the consolidated entity to Ruzden Pty Limited is as disclosed.	1,594	1,449	-	-
By a contract for sale dated 31 October 2000, Gerald Harvey, as to a one half share as tenant in common, and a subsidiary of Harvey Norman Holdings Limited, as to a one half share as tenant in common, purchased the Perth City West retail complex for a purchase price of \$26.6 million. In the financial report for the year ended 30 June 2001, this has been accounted for as a joint venture entity as disclosed in Note 36(b). This transaction was executed under terms and conditions no more favourable than those which it is reasonable to expect would have applied if the transaction was at arm's length.				
<b>(d) Transactions with other Related Parties</b>				
Certain franchises are operated by entities owned or controlled by relatives of directors under normal franchisee terms and conditions. Aggregated net income derived by entities owned or controlled by relatives of directors is as disclosed.	1,846	1,856	-	-

### 31. Related Party Transactions (continued)

#### (e) Directors' Shareholdings

	Shares issued by the Parent Entity	
	2001 Number '000	2000 Number '000
<b>Shares and share options acquired from the entity during the year:</b>		
Ordinary shares	18	-
Ordinary share options	4,000	10,500
<b>Shares and share options disposed of during the year:</b>		
Ordinary shares	19,919	12,323
Ordinary share options	-	-
<b>Shares and share options held at the end of the year:</b>		
Directly		
Ordinary shares	182,920	195,056
Ordinary share options	14,500	10,500
Indirectly		
Ordinary shares	311,830	317,322

There were no shares or share options issued by other entities within the group. For details of share options refer to Note 23.

#### (f) Ultimate Controlling Entity

The ultimate controlling entity of the consolidated entity is Harvey Norman Holdings Limited, a company incorporated in Australia.

## 32. Notes to the Statement of Cash Flows

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
(a) Reconciliation of Cash				
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and deposits at call, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:				
Cash on hand	22,019	3,269	-	-
Short term money market deposits	1,005	36,167	-	-
	<b>23,024</b>	39,436	-	-
Bank overdraft	(13,717)	(2,051)	-	-
Cash at end of period	<b>9,307</b>	37,385	-	-
(b) Reconciliation of net profit after income tax to net operating cash flows:				
Net profit after income tax	106,459	111,271	176,044	17,475
Adjustments for non-cash income and expense items:				
Net foreign exchange gain	(2,410)	-	-	-
Bad and doubtful debts	975	1,611	-	-
Provision for inventory obsolescence	737	827	-	-
Depreciation of property, plant and equipment	38,569	29,733	-	-
Amortisation of goodwill	199	76	-	-
Transfers to provisions:				
Employee entitlements	1,161	714	-	-
Doubtful debts	(49)	(575)	-	-
(Profit)/loss on disposal of:				
Property, plant and equipment, and listed securities	(2,643)	1,490	-	-
(Decrease)/increase in provision for:				
Income tax payable	(5,104)	3,542	6,296	(9,658)
Adjustment for non-operating cashflows:				
Conversion of non-trade amounts receivable from wholly owned controlled entities as consideration for purchase of investments	-	-	(2)	(4)

### 32. Notes to the Statement of Cash Flows (continued)

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
Changes in assets and liabilities net of effects from purchase and sale of controlled entities:				
(Increase)/decrease in assets:				
Accounts receivable	(54,031)	(92,244)	(141,753)	22,902
Inventory	(29,340)	(18,481)	-	-
Other current assets	(13,168)	(3,025)	6	-
Other non-current assets	276	1,508	126	(181)
Increase/(decrease) in liabilities:				
Accounts payable	23,145	86,972	10	12
Non trade amounts owing to FAST No. 1 Trust	(3,629)	(1,553)	-	-
<b>Net operating cash flows</b>	<b>61,147</b>	<b>121,866</b>	<b>40,727</b>	<b>30,546</b>

(c) Controlled entities acquired:

The following controlled entity was acquired by the consolidated entity on 25 November 1999 and their operating results have been included in the profit and loss statement from the relevant date.

Entity and consideration given	Date Acquired	Proportion of shares acquired	Consolidated	
			2001 \$000	2000 \$000
Pertama Holdings Limited	25.11.99	30.12%	-	18,469
Total Consideration			-	18,469

**The amounts of assets and liabilities acquired by major class are:**

- Cash	-	32,337
- Receivables	-	17,049
- Other financial assets	-	1,166
- Inventories	-	18,749
- Property, plant and equipment	-	8,828
- Intangible assets	-	666
- Other assets	-	204
- Accounts payable	-	(12,071)
- Borrowings	-	(6,940)
- Provisions	-	(372)
- Outside equity interest	-	(41,147)
<b>Total</b>	<b>-</b>	<b>18,469</b>
<b>Outflow of cash to acquire the entity, net of cash acquired</b>		
- Cash consideration	-	18,469
- Cash balance acquired	-	(32,337)
<b>Inflow of cash</b>	<b>-</b>	<b>(13,868)</b>

### 33. Financing Arrangements

Corporations in the consolidated entity have access to the following financing facilities with a financial institution:

	2001 CONSOLIDATED		
	Accessible \$000	Drawndown \$000	Unused \$000
Bank Bill standby arrangements (a)	321,350	239,188	82,162
Bank overdraft	600	-	600
Total financing facilities	321,950	239,188	82,762

	2000 CONSOLIDATED		
	Accessible \$000	Drawndown \$000	Unused \$000
Bank Bill standby arrangements (a)	275,202	203,220	71,982
Bank overdraft	550	-	550
Total financing facilities	275,752	203,220	72,532

- (a) The consolidated entity has \$50 million of the Bank Bill standby arrangement facility on a fixed interest rate swap which is due to expire on 9 May 2005. Interest is charged on the \$50 million, the subject of the fixed interest rate swap at a fixed rate of 5.97% per annum. The remaining facilities are subject to annual review and subject to cancellation at the election of the bank or the company upon any review date.
- (b) The parent entity had no financing arrangements in either of the last two financial years.
- (c) For additional financing facilities not disclosed above, refer to notes 16 and 31(b) for details in relation to loans by directors to Derni Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) and other financing.

### 34. Financial Instruments

#### *(a) Objectives for Holding Derivative Financial Instruments*

The consolidated entity uses derivative financial instruments to manage specifically identified interest rate and foreign currency risks. The purposes for which specific derivative instruments are used are as follows:

- Forward exchange contracts are purchased to hedge the Australian dollar value of purchases of products denominated in foreign currency.
- Interest rate swap agreements are used to convert floating rate exposures on certain debt to fixed rates. These swaps entitle the consolidated entity to receive, or oblige it to pay, the amounts, if any, by which actual interest payments on nominated loan amounts exceed or fall below specified interest amounts.



### 34. Financial Instruments (continued)

#### (b) Interest Rate Risk Exposures

The consolidated entity is exposed to interest rate risk through primary financial assets and liabilities, modified through derivative financial instruments such as interest rates and cross currency swaps. The following table summarises interest rate risk for the consolidated entity, together with effective interest rates as at balance date.

2001	Floating interest rate (a) \$000	Fixed interest rate maturing in			Non- interest bearing \$000	Total \$000	Average interest rate	
		1 year or less \$000	Over 1 to 5 years \$000	More than 5 years \$000			Floating	Fixed
<b>Financial assets</b>								
Cash	22,559	-	-	-	465	23,024	2.8-5.59%	-
Consumer finance loans	-	46	898	-	10,307	11,251	-	9%
Finance lease receivables	16,577	-	-	-	-	16,577	9-12%	-
Trade debtors	-	-	-	-	491,404	491,404	-	-
Other financial assets	-	-	-	-	18,913	18,913	-	-
Non-trade debtors & loans	14,480	-	-	-	11,642	26,122	6.5-9.5%	-
	53,616	46	898	-	532,731	587,291		
<b>Financial liabilities</b>								
Bank overdraft	-	-	-	-	13,717	13,717	-	-
Payables	-	-	-	-	328,945	328,945	-	-
Bills payable	189,188	-	-	-	-	189,188	5.93%	-
Interest rate swaps	-	-	50,000	-	-	50,000	-	5.97%
Other loans	85,484	-	-	-	2,414	87,898	5.68%	-
	274,672	-	50,000	-	345,076	669,748		

2000	Floating interest rate (a) \$000	Fixed interest rate maturing in			Non- interest bearing \$000	Total \$000	Average Interest Rate	
		1 year or less \$000	Over 1 to 5 years \$000	More than 5 years \$000			Floating	Fixed
<b>Financial assets</b>								
Cash	39,128	-	-	-	308	39,436	1.2-5.6%	-
Consumer finance loans	-	13	304	-	1,584	1,901	-	9%
Finance lease receivables	14,735	-	-	-	-	14,735	9-12%	-
Trade debtors	-	-	-	-	445,195	445,195	-	-
Other financial assets	-	-	-	-	20,425	20,425	-	-
Non-trade debtors & loans	10,158	-	-	-	14,364	24,522	6.5-9.5%	-
	64,021	13	304	-	481,876	546,214		
<b>Financial liabilities</b>								
Bank overdraft	-	-	-	-	2,051	2,051	-	-
Payables	-	-	-	-	312,124	312,124	-	-
Bills payable	153,220	-	-	-	-	153,220	6.28%	-
Interest rate swaps	-	-	50,000	-	-	50,000	-	5.97%
Other loans	27,519	-	-	-	6,072	33,591	5.6%	-
	180,739	-	50,000	-	320,247	550,986		

(a) Floating interest rates represent the most recently determined rate applicable to the instrument at balance date.

### 34. Financial Instruments (continued)

#### (c) Foreign Exchange

The following table summarises by currency the Australian dollar value of forward foreign exchange agreements. Foreign currency amounts are translated at rates current at the reporting date. The 'buy' amounts represent the Australian dollar equivalent of commitments to purchase foreign currencies. Contracts to buy and sell foreign currency are entered into from time to time to offset purchase and sale obligations so as to maintain a properly hedged position.

Currency	Average Exchange Rate		CONSOLIDATED			
	2001	2000	2001	2001	2000	2000
			Buy \$000	Sell \$000	Buy \$000	Sell \$000
<b>Italian Lira</b>						
3 months or less	1,162.52	1,210.40	6,025	-	4,393	-
<b>US Dollar</b>						
4 months or less	50.85	-	103	-	-	-
<b>Total</b>			<b>6,128</b>	<b>-</b>	<b>4,393</b>	<b>-</b>

#### (d) Net fair value of financial assets and liabilities

The carrying amounts of trade receivables, trade creditors, bank loans, investment securities (current) and outstanding forward foreign exchange contracts approximate their fair values.

The carrying amounts and estimated net fair values of other financial assets (and financial liabilities) held at balance date are given below. Short term instruments where carrying amounts approximate net fair values, are omitted. The net fair value of a financial asset (or a financial liability) is the amount at which the asset could be exchanged, or liability settled in a current transaction between willing parties after allowing for transaction costs.

	CONSOLIDATED			
	2001		2000	
	Carrying amount \$000	Net Fair Value \$000	Carrying amount \$000	Net Fair Value \$000
Financial assets:				
Other financial assets (current)	Nil	4,707	Nil	4,213
Financial liabilities:				
Interest rate swap	50,000	49,392	50,000	49,935

The carrying amounts shown in the table are included in the balance sheet under the indicated captions. Investment securities comprise shares held in Data Advantage Limited with a carrying value of \$1.00 and a net fair value of \$4,707,210.

The interest rate swap is recorded in the books at \$50,000,000 and its fair value, based on the market value at 30 June 2001, is \$49,391,976.

The following methods and assumptions were used to estimate the net fair value of each class of financial instrument:

#### Investment securities

The net fair values of listed investments are based on quoted market bid prices less estimated disposal costs which are expected to be minimal.

### 34. Financial Instruments (continued)

#### Interest rate swap

The net fair value is estimated by discounting the anticipated future cash flows to their present value, based on interest rates existing at the respective balance dates.

#### (e) Credit risk exposure

The consolidated entity's exposures to on balance sheet credit risk are as indicated by the carrying amounts of its financial assets. The consolidated entity does not have a significant exposure to any individual counterparty.

The consolidated entity minimises concentrations of credit risk by undertaking transactions with a large number of debtors in various countries and industries.

The major geographic concentration of credit risk arises from the location of the counterparties to the consolidated entity's financial assets as shown in the following table:

Location of credit risk	Consolidated	
	2001 \$000	2000 \$000
New Zealand	967	1,167
Singapore	49,436	17,619
Australia	536,659	525,661
Slovenia	229	-
<b>Total</b>	<b>587,291</b>	<b>546,214</b>

Credit risk on financial assets is spread over the financial services and retail industries.

### 35. Foreign Currency Exposure:

	CONSOLIDATED		PARENT	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
<b>Current assets</b>				
Amounts receivable in foreign currency which are not effectively hedged:				
- New Zealand dollars	29,616	22,239	-	-
- Singaporean dollars	98,051	78,462	-	-
- Slovenian tolar	287	639	-	-
<b>Current liabilities</b>				
Amounts payable in foreign currency which are not effectively hedged:				
- New Zealand dollars	7,618	7,844	-	-
- Singaporean dollars	35,058	37,768	-	-
- Slovenian tolar	589	561	-	-
<b>Non-current assets</b>				
Amounts receivable in foreign currency which are not effectively hedged to a date at least twelve months after balance date:				
- New Zealand dollars	30,208	30,554	-	-
- Singaporean dollars	19,002	7,524	-	-
- Slovenian tolar	5,241	6	-	-
<b>Non-current liabilities</b>				
Amounts payable in foreign currency which are not effectively hedged to a date at least twelve months after balance date:				
- New Zealand dollars	23,920	21,919	-	-
- Singaporean dollars	3,468	3,147	-	-
- Slovenian tolar	-	-	-	-

The Australian dollar equivalents of foreign currency monetary items included in the Statement of Financial Position headings to the extent that they are not effectively hedged, are set out above. These amounts include the payables and receivables of foreign subsidiaries which are not effectively hedged by other foreign currency denominated items.

### 36. Investments Accounted for Using Equity Method

	CONSOLIDATED Investment		CONSOLIDATED Share of net profit/(loss)	
	2001 \$000	2000 \$000	2001 \$000	2000 \$000
Partnerships (a)	1,976	1,740	(832)	(159)
Joint Venture entities (b)	34,484	14,246	1,455	962
Associated entities (c)	-	-	-	-
Total accounted for using equity method	<u>36,460</u>	<u>15,986</u>	<u>623</u>	<u>803</u>

#### (a) Investment in Partnerships

Details of material interests in partnerships are as follows:

Name and Principal activities	Ownership interest		Carrying amount	
	2001	2000	2001 \$000	2000 \$000
			<b>CONSOLIDATED</b>	
<b>Lighting</b>				
- Lighting retail business	50%	50%	1,605	1,554
<b>Misstar</b>				
- Owner of fixed assets	50%	50%	371	186
			<u>1,976</u>	<u>1,740</u>

#### Aggregate carrying amount of partnerships

The carrying amount of the consolidated entity's investment in partnerships is 50% of the gross assets of the partnerships. This was \$1,976,000 at 30 June 2001 (2000:\$1,740,000). The total liabilities of the partnerships are included in the consolidated entities respective financial statement captions as the liabilities of the partners in the partnerships are joint and several. As the partnerships have made a loss in the financial years ending 30 June 2000 and 30 June 2001, 100% of the loss has been taken up by the consolidated entity. A right of indemnity of \$1,606,000 (2000:\$9,288,000) has been recognised in receivables to reflect the share of liabilities and losses of other partners which are secured by the assets of the partnerships.

#### Financial summary of partnerships

	CONSOLIDATED	
	2001 \$000	2000 \$000
Current assets	3,211	3,104
Non-current assets	742	376
Current liabilities	4,830	3,468
Non-current liabilities	20	22
Revenues	7,584	8,463
Expenses	(8,416)	(8,622)
Loss from ordinary activities before income tax expense	(832)	(159)
Income tax expense relating to ordinary activities	-	-
Net loss	(832)	(159)
Share of net loss of partnerships	<u>(832)</u>	<u>(159)</u>

### 36. Investments accounted for using equity method (continued)

#### (b) Investments in joint venture entities

Details of material interests in joint venture entities are as follows:

Name and Principal activities	Ownership Interest		CONSOLIDATED Carrying Amount	
	2001	2000	2001 \$000	2000 \$000
Bennetts Green complex Development of shopping complex	50%	50%	1,380	1,396
Bennetts Green warehouse Development of warehouse	50%	50%	1,120	1,082
Noarlunga Building complex/centre	50%	-	5,250	-
Warwick Purchase and rent out retail centre	33.33%	33.33%	637	748
Perth City West Purchase and rent out retail centre	50%	-	13,387	-
Bathurst Build Harvey Norman store and warehouse	50%	50%	754	772
Kelso Development of land for resale	50%	50%	855	795
Tweed Heads – Stage 1 Build Harvey Norman store and other retail premises	50%	50%	5,980	5,903
Warrawong (a) Build Harvey Norman store	62.5%	62.5%	3,588	3,550
Tweed Heads Traders Way Building development	50%	-	1,533	-
			<b>34,484</b>	<b>14,246</b>

(a) This joint venture has not been consolidated as all decisions have to be unanimous.

### 36. Investments accounted for using equity method (continued)

#### Aggregate carrying amounts of joint entities

	<b>CONSOLIDATED</b>			
	<b>2001</b>			
	<b>Retained profits \$000</b>	<b>Other reserves \$000</b>	<b>Cost \$000</b>	<b>Total carrying amount \$000</b>
Balance at the beginning of the year	-	1,074	13,172	14,246
Movements during the year				
Investments acquired	-	-	20,238	20,238
Share of net profit	1,455	-	-	1,455
Dividends received and receivable	(1,455)	-	-	(1,455)
Balance at the end of the year	<u>-</u>	<u>1,074</u>	<u>33,410</u>	<u>34,484</u>

	<b>CONSOLIDATED</b>			
	<b>2000</b>			
	<b>Retained profits \$000</b>	<b>Other reserves \$000</b>	<b>Cost \$000</b>	<b>Total carrying amount \$000</b>
Balance at the beginning of the year	-	-	7,493	7,493
Movements during the year				
Investments acquired	-	1,074	5,679	6,753
Share of net profit	962	-	-	962
Dividends received and receivable	(962)	-	-	(962)
Balance at the end of the year	<u>-</u>	<u>1,074</u>	<u>13,172</u>	<u>14,246</u>

#### Financial summary of joint venture entities

	<b>CONSOLIDATED</b>	
	<b>2001 \$000</b>	<b>2000 \$000</b>
Current assets	1,609	108
Non-current assets	66,453	27,837
Current liabilities	446	-
Non-current liabilities	-	-
Revenues	4,827	2,541
Expenses	(1,827)	(1,110)
Profit from ordinary activities before income tax expense	3,000	1,431
Income tax expense relating to ordinary activities	-	-
Net profit	3,000	1,431
Share of net profit of joint venture entities	<u>1,455</u>	<u>962</u>

### 36. Investments accounted for using equity method (continued)

#### (c) Investment in associated entities

Details of material interests for associates are as follows:

Name and Principal activities	Ownership Interest		CONSOLIDATED Carrying amount	
	2001 \$000	2000	2001 \$000	2000 \$000
Misstar Pty Ltd Trustee Company for lighting partnership stores	50%	50%	-	-
Bossee Pty Ltd Buying Agent for lighting partnership stores	50%	50%	-	-

#### Aggregate carrying amounts of associates

The aggregate carrying amounts of associates is \$4 (2000: \$4).

#### Financial summary of associates

	CONSOLIDATED	
	2001 \$000	2000 \$000
Current assets	1,161	1,150
Non-current assets	-	-
Current liabilities	11	-
Non-current liabilities	1,150	1,150
Revenues	483	401
Expenses	(483)	(401)
Profit from ordinary activities before income tax expense	-	-
Income tax expense relating to ordinary activities	-	-
Net profit	-	-
Share of net profit of associated entities	-	-



## 37. Controlled Entities and Unit Trusts

### Shares held by Harvey Norman Holdings Limited

The following companies are 100% owned by Harvey Norman Holdings Limited and incorporated in Australia unless marked otherwise. The financial years of all controlled entities are the same as that of the parent entity.

Name	Name
250 Brompton Road Limited <sup>1,6,12,14</sup>	Calardu Milton Pty Limited <sup>1</sup>
Achiever Computers Pty Ltd <sup>1</sup>	Calardu Morayfield Pty Limited <sup>1</sup>
Aloku Pty Limited	Calardu Mt Gambier Pty Limited <sup>1</sup>
Anwarah Pty Limited	Calardu Munno Para Pty Limited <sup>1</sup>
Appjoon Pty Limited <sup>1,6</sup>	Calardu Noarlunga Pty Limited <sup>1</sup>
Arisit Pty Limited <sup>1,2,18</sup>	Calardu Noosa Pty Limited <sup>1</sup>
Arlenu Pty Limited	Calardu North Ryde Pty Limited <sup>1</sup>
Arpayo Pty Limited	Calardu Nowra Pty Limited <sup>1</sup>
Aubdirect Pty Limited <sup>1</sup>	Calardu Penrith Pty Limited
Balwondy Pty Limited	Calardu Perth City West Pty Limited <sup>1,6</sup>
Barrayork Pty Limited <sup>1</sup>	Calardu Port Macquarie Pty Limited
Becto Pty Limited <sup>1,6</sup>	Calardu Preston Pty Limited
Bertoli Pty Limited <sup>1,6</sup>	Calardu Queensland Pty Limited
Bestest Pty Limited	Calardu Richmond Pty Limited
Bossee Pty Limited <sup>1,2</sup>	Calardu Rockingham Pty Limited
Bradiz Pty Limited	Calardu Roselands Pty Limited <sup>1</sup>
Braxpine Pty Limited	Calardu South Australia Pty Limited
Bundafurn Pty Limited <sup>1,7</sup>	Calardu Taree Pty Limited <sup>1</sup>
Calardu Pty Limited	Calardu Thebarton Pty Limited <sup>1,6</sup>
Calardu Alexandria DM Pty Limited <sup>1</sup>	Calardu Tweed Heads Pty Limited
Calardu Alice Springs Pty Limited <sup>1</sup>	Calardu Tweed Heads Traders Way Pty Limited <sup>1,6</sup>
Calardu Armadale Pty Limited <sup>1,6</sup>	Calardu Vicfurn Pty Limited <sup>1</sup>
Calardu Auburn Pty Limited <sup>1</sup>	Calardu Victoria Pty Limited
Calardu Ballarat Pty Limited <sup>1</sup>	Calardu Warrawong Pty Limited <sup>1</sup>
Calardu Ballina Pty Limited <sup>1</sup>	Calardu Warrnambool Pty Limited
Calardu Bathurst Pty Limited <sup>1</sup>	Calardu Warwick Pty Limited <sup>1,6</sup>
Calardu Belrose DM Pty Limited <sup>1</sup>	Calardu West Gosford Pty Limited <sup>1</sup>
Calardu Berri (SA) Pty Limited <sup>1</sup>	Calardu Whyalla Pty Limited <sup>1</sup>
Calardu Berrimah Pty Limited <sup>1</sup>	Calardu Wivenhoe Pty Limited <sup>1</sup>
Calardu Bowral Pty Limited <sup>1</sup>	Carlando Pty Limited
Calardu Broadmeadow Pty Limited <sup>1</sup>	Charmela Pty Limited
Calardu Bunbury (WA) Pty Limited <sup>1</sup>	Clambruno Pty Limited
Calardu Bundall Pty Limited <sup>1</sup>	Comken Pty Limited <sup>1,6</sup>
Calardu Campbelltown Pty Limited <sup>1</sup>	Computawin Pty Limited <sup>1,7</sup>
Calardu Cannington Pty Limited	Cropp Pty Limited <sup>1</sup>
Calardu Caringbah Pty Limited <sup>1</sup>	D.M. Auburn Franchisor Pty Limited
Calardu Caringbah (Taren Point) Pty Limited <sup>1</sup>	D.M. Auburn Leasing Pty Limited <sup>1</sup>
Calardu Chatswood Pty Limited <sup>1</sup>	D.M. Kotara Franchisor Pty Limited
Calardu Frankston Pty Limited <sup>1</sup>	D.M. Kotara Leasing Pty Limited <sup>1</sup>
Calardu Fyshwick DM Pty Limited <sup>1</sup>	D.M. Liverpool Franchisor Pty Limited
Calardu Gordon Pty Limited <sup>1</sup>	D.M. Liverpool Leasing Pty Limited <sup>1</sup>
Calardu Guildford Pty Limited <sup>1</sup>	D.M. Penrith Franchisor Pty Limited <sup>6</sup>
Calardu Hobart Pty Limited <sup>1</sup>	D.M. Penrith Leasing Pty Limited <sup>1,6</sup>
Calardu Hoppers Crossing Pty Limited <sup>1</sup>	D.M. Warrawong Franchisor Pty Limited <sup>1,6</sup>
Calardu Horsham Pty Limited <sup>1</sup>	D.M. Warrawong Leasing Pty Limited <sup>1,6</sup>
Calardu Joondalup Pty Limited <sup>1</sup>	Daldere Pty Limited
Calardu Kalgoorlie Pty Limited <sup>1</sup>	Dandolena Pty Limited
Calardu Launceston Pty Limited <sup>1</sup>	Derni Pty Limited
Calardu Loganholme Pty Limited <sup>1</sup>	Divonda Pty Limited
Calardu Maitland Pty Limited <sup>1,6</sup>	Domain Holdings Pty Limited <sup>1</sup>
Calardu Maribyrnong Pty Limited	Domayne Holdings Limited <sup>1,8,9</sup>
Calardu Marion Pty Limited	Domayne Pty Limited <sup>1</sup>
Calardu Maryborough Pty Limited <sup>1</sup>	Domayne Online.com Pty Limited <sup>1</sup>
Calardu Melville Pty Limited <sup>1</sup>	Domayne P.E.M. Pty Limited <sup>6</sup>

### 37. Controlled Entities and Unit Trusts (continued)

#### Shares held by Harvey Norman Holdings Limited (continued)

Name	Name
Domayne Plant & Equipment Pty Limited <sup>6</sup>	H.N. Busselton Franchisor Pty Limited <sup>1</sup>
Durslee Pty Limited	H.N. Busselton Leasing Pty Limited <sup>1</sup>
Edbrook Pty Limited <sup>5</sup>	H.N. Cairns Franchisor Pty Limited
Edbrook Everton Park Pty Limited <sup>1</sup>	H.N. Cairns Leasing Pty Limited <sup>1</sup>
Elcann Pty Limited <sup>1,7</sup>	H.N. Campbelltown Franchisor Pty Limited
Electbund Pty Limited <sup>1,7</sup>	H.N. Campbelltown Leasing Pty Limited <sup>1</sup>
Electwind Pty Limited <sup>1,6</sup>	H.N. Cannington W.A. Franchisor Pty Limited
Farane Pty Limited	H.N. Cannington W.A. Leasing Pty Limited <sup>1</sup>
Flormonda Pty Limited	H.N. Carindale Franchisor Pty Limited
Forgetful Pty Limited <sup>1</sup>	H.N. Carindale Leasing Pty Limited <sup>1</sup>
Furnmount Pty Limited <sup>1,6</sup>	H.N. Caringbah Franchisor Pty Limited
Ganoru Pty Limited	H.N. Caringbah Leasing Pty Limited <sup>1</sup>
Geraldton WA Pty Limited <sup>1</sup>	H.N. Chatswood Franchisor Pty Limited <sup>1</sup>
Gestco Pty Limited	H.N. Chatswood Leasing Pty Limited <sup>1</sup>
Gestco Greensborough Pty Limited <sup>1</sup>	H.N. City West Franchisor Pty Limited <sup>6</sup>
H.N. Albany Franchisor Pty Limited	H.N. City West Leasing Pty Limited <sup>1,6</sup>
H.N. Albany Leasing Pty Limited <sup>1,6</sup>	H.N. Coffs Harbour Franchisor Pty Limited
H.N. Albury Franchisor Pty Limited <sup>6</sup>	H.N. Coffs Harbour Leasing Pty Limited <sup>1</sup>
H.N. Albury Leasing Pty Limited <sup>1,6</sup>	H.N. Cranbourne Franchisor Pty Limited <sup>6</sup>
H.N. Armidale Franchisor Pty Limited	H.N. Cranbourne Leasing Pty Limited <sup>1,6</sup>
H.N. Armidale Leasing Pty Limited <sup>1</sup>	H.N. Dalby Franchisor Pty Limited <sup>6</sup>
H.N. Aspley Franchisor Pty Limited	H.N. Dalby Leasing Pty Limited <sup>1,6</sup>
H.N. Aspley Leasing Pty Limited <sup>1</sup>	H.N. Dandenong Franchisor Pty Limited
H.N. Auburn Franchisor Pty Limited	H.N. Dandenong Leasing Pty Limited <sup>1</sup>
H.N. Auburn Leasing Pty Limited <sup>1</sup>	H.N. Darwin Franchisor Pty Limited <sup>1</sup>
H.N. Ayr Franchisor Pty Limited <sup>6</sup>	H.N. Darwin Leasing Pty Limited <sup>1</sup>
H.N. Ayr Leasing Pty Limited <sup>1,6</sup>	H.N. Deniliquin Franchisor Pty Limited <sup>1,6</sup>
H.N. Bairnsdale Franchisor Pty Limited <sup>6</sup>	H.N. Deniliquin Leasing Pty Limited <sup>1,6</sup>
H.N. Bairnsdale Leasing Pty Limited <sup>1,6</sup>	H.N. Dubbo Franchisor Pty Limited
H.N. Balgowlah Franchisor Pty Limited	H.N. Dubbo Leasing Pty Limited <sup>1</sup>
H.N. Balgowlah Leasing Pty Limited <sup>1</sup>	H.N. Enfield Franchisor Pty Limited
H.N. Ballarat Franchisor Pty Limited	H.N. Enfield Leasing Pty Limited <sup>1</sup>
H.N. Ballarat Leasing Pty Limited <sup>1</sup>	H.N. Everton Park Franchisor Pty Limited
H.N. Bathurst Franchisor Pty Limited <sup>1</sup>	H.N. Everton Park Leasing Pty Limited <sup>1</sup>
H.N. Bathurst Leasing Pty Limited <sup>1</sup>	H.N. Fairfield Franchisor Pty Limited <sup>1</sup>
H.N. Belmont Franchisor Pty Limited <sup>6</sup>	H.N. Fremantle Franchisor Pty Limited <sup>6</sup>
H.N. Belmont Leasing Pty Limited <sup>1,6</sup>	H.N. Fremantle Leasing Pty Limited <sup>1,6</sup>
H.N. Bendigo Franchisor Pty Limited	H.N. Fyshwick Franchisor Pty Limited
H.N. Bendigo Leasing Pty Limited <sup>1</sup>	H.N. Fyshwick Leasing Pty Limited <sup>1</sup>
H.N. Bernoth Franchisor Pty Limited <sup>6</sup>	H.N. Geelong Franchisor Pty Limited
H.N. Bernoth Leasing Pty Limited <sup>1</sup>	H.N. Geelong Leasing Pty Limited <sup>1</sup>
H.N. Bernoth Plant & Equipment Pty Limited <sup>1</sup>	H.N. Geraldton Leasing Pty Limited <sup>1</sup>
H.N. Blacktown Franchisor Pty Limited	H.N. Geraldton WA Franchisor Pty Limited
H.N. Blacktown Leasing Pty Limited <sup>1</sup>	H.N. Gladstone Franchisor Pty Limited
H.N. Broadway on the Mall Franchisor Pty Limited <sup>1</sup>	H.N. Gladstone Leasing Pty Limited <sup>1</sup>
H.N. Broadway on the Mall Leasing Pty Limited <sup>1</sup>	H.N. Gordon Franchisor Pty Limited
H.N. Broadway (Sydney) Franchisor Pty Limited <sup>6</sup>	H.N. Gordon Leasing Pty Limited <sup>1</sup>
H.N. Broadway (Sydney) Leasing Pty Limited <sup>1,6</sup>	H.N. Gosford Leasing Pty Limited <sup>1</sup>
H.N. Browns Plains Franchisor Pty Limited <sup>6</sup>	H.N. Grafton Franchisor Pty Limited
H.N. Browns Plains Leasing Pty Limited <sup>1,6</sup>	H.N. Grafton Leasing Pty Limited <sup>1</sup>
H.N. Bunbury Franchisor Pty Limited	H.N. Greensborough Leasing Pty Limited <sup>1,6</sup>
H.N. Bunbury Leasing Pty Limited <sup>1</sup>	H.N. Griffith Franchisor Pty Limited <sup>1,6</sup>
H.N. Bundaberg Franchisor Pty Limited	H.N. Griffith Leasing Pty Limited <sup>1,6</sup>
H.N. Bundaberg Leasing Pty Limited <sup>1</sup>	H.N. Hamilton Franchisor Pty Limited <sup>6</sup>
H.N. Bundall Franchisor Pty Limited <sup>6</sup>	H.N. Hamilton Leasing Pty Limited <sup>1,6</sup>
H.N. Bundall Leasing Pty Limited <sup>1,6</sup>	H.N. Hervey Bay Franchisor Pty Limited <sup>6</sup>

### 37. Controlled Entities and Unit Trusts (continued)

#### Shares held by Harvey Norman Holdings Limited (continued)

Name	Name
H.N. Hervey Bay Leasing Pty Limited <sup>1,6</sup>	H.N. Newcastle Franchisor Pty Limited
H.N. Indooroopilly Franchisor Pty Limited	H.N. Newcastle Leasing Pty Limited <sup>1</sup>
H.N. Indooroopilly Leasing Pty Limited <sup>1</sup>	H.N. Noarlunga Franchisor Pty Limited <sup>6</sup>
H.N. Innisfail Franchisor Pty Limited <sup>6</sup>	H.N. Noarlunga Leasing Pty Limited <sup>1,6</sup>
H.N. Innisfail Leasing Pty Limited <sup>1,6</sup>	H.N. Noosa Franchisor Pty Limited
H.N. Inverell Franchisor Pty Limited <sup>6</sup>	H.N. Noosa Leasing Pty Limited <sup>1</sup>
H.N. Inverell Leasing Pty Limited <sup>1,6</sup>	H.N. Nowra Franchisor Pty Limited
H.N. Joondalup Franchisor Pty Limited	H.N. Nowra Leasing Pty Limited <sup>1</sup>
H.N. Joondalup Leasing Pty Limited <sup>1</sup>	H.N. Nunawading Franchisor Pty Limited
H.N. Kalgoorlie Franchisor Pty Limited	H.N. Nunawading Leasing Pty Limited <sup>1</sup>
H.N. Kalgoorlie Leasing Pty Limited <sup>1</sup>	H.N. O'Connor Franchisor Pty Limited
H.N. Karratha Franchisor Pty Limited	H.N. O'Connor Leasing Pty Limited <sup>1</sup>
H.N. Karratha Leasing Pty Limited <sup>1</sup>	H.N. Orange Franchisor Pty Limited
H.N. Kawana Waters Franchisor Pty Limited	H.N. Orange Leasing Pty Limited <sup>1</sup>
H.N. Kawana Waters Leasing Pty Limited <sup>1</sup>	H.N. Oxley Franchisor Pty Limited
H.N. Knox Towerpoint Franchisor Pty Limited <sup>6</sup>	H.N. Oxley Leasing Pty Limited <sup>1</sup>
H.N. Knox Towerpoint Leasing Pty Limited <sup>1,6</sup>	H.N. Osborne Park Franchisor Pty Limited
H.N. Lismore Franchisor Pty Limited	H.N. Osborne Park Leasing Pty Limited <sup>1</sup>
H.N. Lismore Leasing Pty Limited <sup>1</sup>	H.N. Parkes Franchisor Pty Limited <sup>6</sup>
H.N. Liverpool Franchisor Pty Limited	H.N. Parkes Leasing Pty Limited <sup>1,6</sup>
H.N. Liverpool Leasing Pty Limited <sup>1</sup>	H.N. Penrith Franchisor Pty Limited
H.N. Loughran Contracting Pty Limited <sup>1</sup>	H.N. Penrith Leasing Pty Limited <sup>1</sup>
H.N. Mackay Franchisor Pty Limited	H.N. Port Hedland Franchisor Pty Limited
H.N. Mackay Leasing Pty Limited <sup>1</sup>	H.N. Port Hedland Leasing Pty Limited <sup>1</sup>
H.N. Maddington Franchisor Pty Limited <sup>6</sup>	H.N. Port Kennedy Franchisor Pty Limited
H.N. Maddington Leasing Pty Limited <sup>1,6</sup>	H.N. Port Kennedy Leasing Pty Limited <sup>1</sup>
H.N. Maitland Franchisor Pty Limited	H.N. Port Macquarie Franchisor Pty Limited
H.N. Maitland Leasing Pty Limited <sup>1</sup>	H.N. Port Macquarie Leasing Pty Limited <sup>1</sup>
H.N. Mandurah Franchisor Pty Limited <sup>6</sup>	H.N. Preston Franchisor Pty Limited
H.N. Mandurah Leasing Pty Limited <sup>1,6</sup>	H.N. Preston Leasing Pty Limited <sup>1</sup>
H.N. Maribyrnong Franchisor Pty Limited	H.N. Riverwood Franchisor Pty Limited <sup>1</sup>
H.N. Maribyrnong Leasing Pty Limited <sup>1</sup>	H.N. Riverwood Leasing Pty Limited <sup>1</sup>
H.N. Marion Franchisor Pty Limited	H.N. Rockhampton Franchisor Pty Limited
H.N. Marion Leasing Pty Limited <sup>1</sup>	H.N. Rockhampton Leasing Pty Limited <sup>1</sup>
H.N. Midland Franchisor Pty Limited <sup>6</sup>	H.N. Sale Franchisor Pty Limited <sup>6</sup>
H.N. Midland Leasing Pty Limited <sup>1,6</sup>	H.N. Sale Leasing Pty Limited <sup>1,6</sup>
H.N. Mildura Franchisor Pty Limited <sup>1,6</sup>	H.N. Shepparton Franchisor Pty Limited
H.N. Mildura Leasing Pty Limited <sup>1,6</sup>	H.N. Shepparton Leasing Pty Limited <sup>1</sup>
H.N. Moe Franchisor Pty Limited <sup>6</sup>	H.N. South Tweed Franchisor Pty Limited
H.N. Moe Leasing Pty Limited <sup>1,6</sup>	H.N. South Tweed Leasing Pty Limited <sup>1</sup>
H.N. Moorabbin Franchisor Pty Limited	H.N. Southland Franchisor Pty Limited <sup>6</sup>
H.N. Moorabbin Leasing Pty Limited <sup>1</sup>	H.N. Southland Leasing Pty Limited <sup>1,6</sup>
H.N. Moore Park Franchisor Pty Limited	H.N. Swan Hill Franchisor Pty Limited <sup>6</sup>
H.N. Moore Park Leasing Pty Limited <sup>1</sup>	H.N. Swan Hill Leasing Pty Limited <sup>1,6</sup>
H.N. Morayfield Franchisor Pty Limited <sup>6</sup>	H.N. Tamworth Franchisor Pty Limited
H.N. Morayfield Leasing Pty Limited <sup>1,6</sup>	H.N. Tamworth Leasing Pty Limited <sup>1</sup>
H.N. Moree Leasing Pty Limited <sup>1,6</sup>	H.N. Taree Leasing Pty Limited <sup>1,6</sup>
H.N. Morley Franchisor Pty Limited <sup>6</sup>	H.N. Toowoomba Franchisor Pty Limited
H.N. Morley Leasing Pty Limited <sup>1,6</sup>	H.N. Toowoomba Leasing Pty Limited <sup>1</sup>
H.N. Moss Vale Franchisor Pty Limited	H.N. Townsville Franchisor Pty Limited
H.N. Moss Vale Leasing Pty Limited <sup>1</sup>	H.N. Townsville Leasing Pty Limited <sup>1,6</sup>
H.N. Mt Gambier Franchisor Pty Limited <sup>1,6</sup>	H.N. Traralgon Franchisor Pty Limited
H.N. Mt Gambier Leasing Pty Limited <sup>1,6</sup>	H.N. Traralgon Leasing Pty Limited <sup>1</sup>
H.N. Mt Gravatt Franchisor Pty Limited	H.N. Wagga Franchisor Pty Limited
H.N. Mt Gravatt Leasing Pty Limited <sup>1</sup>	H.N. Wagga Leasing Pty Limited <sup>1</sup>
H.N. Mudgee Leasing Pty Limited <sup>1,6</sup>	H.N. Wangaratta Franchisor Pty Limited <sup>6</sup>

### 37. Controlled Entities and Unit Trust (continued)

#### Shares held by Harvey Norman Holdings Limited (continued)

Name	Name
H.N. Wangaratta Leasing Pty Limited <sup>1,6</sup>	Harvey Norman Limited <sup>1,9</sup>
H.N. Warragul Franchisor Pty Limited <sup>6</sup>	Harvey Norman Loughran Plant & Equipment Pty Limited <sup>1</sup>
H.N. Warragul Leasing Pty Limited <sup>1,6</sup>	Harvey Norman Mortgage Service Pty Limited <sup>1,6</sup>
H.N. Warrnambool Franchisor Pty Limited	Harvey Norman Music Pty Limited <sup>1</sup>
H.N. Warrnambool Leasing Pty Limited <sup>1</sup>	Harvey Norman Net. Works Pty Limited
H.N. Warrawong Franchisor Pty Limited	Harvey Norman (N.S.W.) Pty Limited <sup>1</sup>
H.N. Warrawong Leasing Pty Limited <sup>1</sup>	Harvey Norman Online.com Pty Limited <sup>1</sup>
H.N. Warwick (WA) Franchisor Pty Limited <sup>6</sup>	Harvey Norman Ossia (Asia) Pte Limited <sup>1,6,10,16,17</sup>
H.N. Warwick (WA) Leasing Pty Limited <sup>1,6</sup>	Harvey Norman P.E.M. Pty Limited <sup>1,6</sup>
H.N. Warwick Franchisor Pty Limited <sup>1,6</sup>	Harvey Norman Plant and Equipment Pty Limited <sup>1,6</sup>
H.N. Warwick Leasing Pty Limited <sup>1,6</sup>	Harvey Norman Properties (N.Z.) Limited <sup>1,8,9</sup>
H.N. West Gosford Franchisor Pty Limited	Harvey Norman (QLD) Pty Limited <sup>5</sup>
H.N. Whyalla Franchisor Pty Limited <sup>6</sup>	Harvey Norman Rental Pty Limited <sup>1</sup>
H.N. Whyalla Leasing Pty Limited <sup>1,6</sup>	Harvey Norman Retailing Pty Limited
H.N. Wiley Park Franchisor Pty Limited	Harvey Norman Rosney Franchisor Pty Limited
H.N. Wiley Park Leasing Pty Limited <sup>1</sup>	Harvey Norman Rosney Leasing Pty Limited <sup>1</sup>
H.N. Windsor Franchisor Pty Limited	Harvey Norman Shopfitting Pty Limited
H.N. Windsor Leasing Pty Limited <sup>1</sup>	Harvey Norman Singapore Pte Limited <sup>1,10,15,16</sup>
H.N. Woden Franchisor Pty Limited	Harvey Norman Stores Pty Limited
H.N. Woden Leasing Pty Limited <sup>1</sup>	Harvey Norman Stores (N.Z.) Pty Limited
H.N. Wonthaggi Franchisor Pty Limited <sup>6</sup>	Harvey Norman Stores (W.A.) Pty Limited <sup>1</sup>
H.N. Wonthaggi Leasing Pty Limited <sup>1,6</sup>	Harvey Norman Superlink Pty Limited <sup>1,6</sup>
H.N. Young Franchisor Pty Limited	Harvey Norman Tasmania Pty Limited
H.N. Young Leasing Pty Limited <sup>1</sup>	Harvey Norman Technology Pty Limited
Hardly Normal Discounts Pty Limited	Harvey Norman Trading d.o.o. <sup>1,6,11</sup>
Hardly Normal Pty Limited	Harvey Norman Ulverstone Franchisor Pty Limited
Hardly Normal Limited <sup>1,8,9</sup>	Harvey Norman Ulverstone Leasing Pty Limited <sup>1</sup>
Harvey Cellars Pty Limited <sup>1</sup>	Harvey Norman Victoria Pty Limited
Harvey Liquor Pty Limited <sup>1</sup>	Havrex Pty Limited <sup>5</sup>
Harvey Norman (ACT) Pty Limited	HNL Pty Limited <sup>1</sup>
Harvey Norman Burnie Franchisor Pty Limited	Hodberg Pty Limited <sup>4</sup>
Harvey Norman Burnie Leasing Pty Limited <sup>1</sup>	Hodvale Pty Limited <sup>4</sup>
Harvey Norman Commercial Your Solution Provider Pty Limited <sup>1</sup>	Hoxco Pty Limited <sup>5</sup>
Harvey Norman Computer Club Pty Limited <sup>1</sup>	Jartoso Pty Limited
Harvey Norman Computer Training Pty Limited <sup>1</sup>	J.M. Auburn Franchisor Pty Limited
Harvey Norman Contracting Pty Limited <sup>1,6</sup>	J.M. Campbelltown Franchisor Pty Limited
Harvey Norman Devonport Franchisor Pty Limited	J.M. Campbelltown Leasing Pty Limited <sup>1</sup>
Harvey Norman Devonport Leasing Pty Limited <sup>1</sup>	J.M. Caringbah Franchisor Pty Limited
Harvey Norman Energy Pty Limited	J.M. Caringbah Leasing Pty Limited <sup>1</sup>
Harvey Norman Export Pty Limited <sup>1</sup>	J.M. Contracting Services Pty Limited
Harvey Norman Europe d.o.o. <sup>1,11</sup>	J.M. Leasing Pty Limited <sup>1</sup>
Harvey Norman Fitouts Pty Limited <sup>1</sup>	J.M. Marrickville Franchisor Pty Limited
Harvey Norman Gamezone Pty Limited <sup>1</sup>	J.M. Marrickville Leasing Pty Limited <sup>1</sup>
Harvey Norman Glenorchy Franchisor Pty Limited	J.M. Newcastle Franchisor Pty Limited
Harvey Norman Glenorchy Leasing Pty Limited <sup>1</sup>	J.M. Plant & Equipment Hire Pty Limited <sup>1</sup>
Harvey Norman Hobart Franchisor Pty Limited	J.M. Share Investment Pty Limited <sup>1</sup>
Harvey Norman Hobart Leasing Pty Limited <sup>1</sup>	J.M. West Gosford Franchisor Pty Limited
Harvey Norman Home Cellars Pty Limited <sup>1</sup>	J.M. West Gosford Leasing Pty Limited <sup>1</sup>
Harvey Norman Home Loans Pty Limited <sup>1,6</sup>	Jondarlo Pty Limited
Harvey Norman Launceston Franchisor Pty Limited	Joyce Mayne Home Cellars Pty Limited <sup>1</sup>
Harvey Norman Launceston Leasing Pty Limited <sup>1</sup>	Joyce Mayne Kotara Leasing Pty Limited <sup>1</sup>
Harvey Norman Leasing Pty Limited <sup>1</sup>	Joyce Mayne Liverpool Leasing Pty Limited <sup>1</sup>
Harvey Norman Leasing (N.Z.) Limited <sup>1,8,9</sup>	Joyce Mayne Penrith Pty Limited <sup>1</sup>
	Joyce Mayne Shopping Complex Pty Limited <sup>1</sup>

### 37. Controlled Entities and Unit Trusts (continued)

#### Shares held by Harvey Norman Holdings Limited (continued)

Name	Name
Kalinya Development Pty Limited <sup>1</sup>	Lesandu Sale Pty Limited <sup>1,6</sup>
Kambaldu Pty Limited	Lesandu Stanmore Pty Limited <sup>1</sup>
Karratha WA Pty Limited <sup>1,7</sup>	Lesandu Swan Hill Pty Limited <sup>1,6</sup>
Kawcomp Pty Limited <sup>1,6</sup>	Lesandu Sydenham Pty Limited <sup>1,6</sup>
Kenfurn Pty Limited <sup>1,6</sup>	Lesandu Tamworth Pty Limited <sup>1</sup>
Kita Pty Limited <sup>1</sup>	Lesandu Tasmania Pty Limited <sup>1</sup>
Koodero Pty Limited	Lesandu Townsville Pty Limited <sup>1,6</sup>
Korinti Pty Limited	Lesandu Tweed Heads Pty Limited <sup>1</sup>
Lamino Pty Limited	Lesandu Underwood Pty Limited <sup>1</sup>
Lesandu Pty Limited	Lesandu W.A. Pty Limited
Lesandu Albany Pty Limited <sup>1,6</sup>	Lesandu Wagga Wagga Pty Limited <sup>1</sup>
Lesandu Ayr Pty Limited <sup>1,6</sup>	Lesandu Wangaratta Pty Limited <sup>1,6</sup>
Lesandu Bairnsdale Pty Limited <sup>1,6</sup>	Lesandu Warragul Pty Limited <sup>1,6</sup>
Lesandu Balgowlah Pty Limited <sup>1</sup>	Lesandu Warwick (WA) Pty Limited <sup>1,6</sup>
Lesandu Bathurst Pty Limited <sup>1</sup>	Lesandu Warwick Pty Limited <sup>1,6</sup>
Lesandu Belmont Pty Limited <sup>1,6</sup>	Lesandu West Gosford DM Pty Limited <sup>1</sup>
Lesandu Brisbane City Pty Limited <sup>1</sup>	Lesandu Wonthaggi Pty Limited <sup>1,6</sup>
Lesandu Broadway Pty Limited <sup>1,6</sup>	Lexeri Pty Limited
Lesandu Browns Plains Pty Limited <sup>1,6</sup>	Lightcorp Pty Limited <sup>1</sup>
Lesandu Busselton Pty Limited <sup>1</sup>	Lodare Pty Limited
Lesandu Carindale Pty Limited <sup>1,6</sup>	Loreste Pty Limited
Lesandu Chatswood Pty Limited <sup>1</sup>	Mackayel Pty Limited <sup>1,6</sup>
Lesandu Chetltenham Pty Limited <sup>1,6</sup>	Malvis Pty Limited
Lesandu Cranbourne Pty Limited <sup>1</sup>	Manutu Pty Limited
Lesandu Dalby Pty Limited <sup>1,6</sup>	Maradoni Pty Limited
Lesandu Deniliquin Pty Limited <sup>1</sup>	Marinski Pty Limited
Lesandu Engadine Floor Coverings Pty Limited <sup>1,6</sup>	Marionbed Pty Limited <sup>1,6</sup>
Lesandu Fremantle Pty Limited <sup>1,6</sup>	Misstar Pty Limited <sup>1,2</sup>
Lesandu Grafton Pty Limited <sup>1,6</sup>	Murray Street Development Pty Limited <sup>1,6</sup>
Lesandu Griffith Pty Limited <sup>1</sup>	Nedcroft Pty Limited
Lesandu Hamilton (VIC) Pty Limited <sup>1,6</sup>	Network Consumer Finance Pty Limited
Lesandu Hamilton Pty Limited <sup>1,6</sup>	Network Consumer Finance (N.Z.) Limited (formerly Harvey Norman Financial Services (N.Z.) Limited) <sup>1,8,9</sup>
Lesandu Hervey Bay Pty Limited <sup>1,6</sup>	Nomadale Pty Limited <sup>5</sup>
Lesandu Indooroopilly Pty Limited	Norman Ross Pty Limited
Lesandu Innisfail Pty Limited <sup>1,6</sup>	Oldmist Pty Limited
Lesandu Knox Towerpoint Pty Limited <sup>1,6</sup>	Oslek Developments Pty Limited <sup>1</sup>
Lesandu Light Street DM Pty Limited <sup>1,6</sup>	Osraidi Pty Limited
Lesandu Lismore Pty Limited <sup>1,6</sup>	Pertama Holdings Limited <sup>1,6,10,16,17</sup>
Lesandu Maddington Pty Limited <sup>1,6</sup>	Plezero Pty Limited
Lesandu Mandurah Pty Limited <sup>1,6</sup>	R. Reynolds Nominees Pty Limited <sup>1</sup>
Lesandu Marion Pty Limited <sup>1</sup>	Rosieway Pty Limited
Lesandu Melbourne City DM Pty Limited <sup>1,6</sup>	Sarsha Pty Limited
Lesandu Midland Pty Limited <sup>1,6</sup>	Setto Pty Limited
Lesandu Moe Pty Limited <sup>1,6</sup>	Signature Computers Pty Limited <sup>1</sup>
Lesandu Morley Pty Limited <sup>1,6</sup>	Solaro Pty Limited
Lesandu Mornington Pty Limited <sup>1</sup>	Space Furniture Limited <sup>1,6,12,14</sup>
Lesandu Moss Vale Pty Limited <sup>1</sup>	Space Furniture Pte Limited <sup>1,6,10,16</sup>
Lesandu Mt Gravatt Pty Limited <sup>1,6</sup>	Space Furniture Pty Limited <sup>1,2,18</sup>
Lesandu Noarlunga Pty Limited <sup>1</sup>	Stonetess Pty Limited <sup>1,6</sup>
Lesandu Noosa Pty Limited <sup>1</sup>	Strathloro Pty Limited
Lesandu Nowra Pty Limited <sup>1</sup>	Stupendous Pty Limited
Lesandu Orange Pty Limited <sup>1</sup>	Supagard Pty Limited <sup>1,6</sup>
Lesandu Penrith DM Pty Limited <sup>1,6</sup>	Swaneto Pty Limited
Lesandu Perth City West Pty Limited <sup>1,6</sup>	Swanpark Pty Limited <sup>5</sup>
Lesandu Richmond (VIC) Pty Limited <sup>1</sup>	
Lesandu S.A. Pty Limited <sup>1</sup>	

## 37. Controlled Entities and Unit Trusts (continued)

### Shares held by Harvey Norman Holdings Limited (continued)

#### Name

Tatroko Pty Limited	1. Company is not part of the class order described in Note 38.
Tessera Stones & Tiles Pty Limited <sup>1,6,13,18</sup>	2. Harvey Norman Holdings Limited owns 50% of Shares in Misstar Pty Limited and Bossee Pty Limited, and 51% of the shares in Space Furniture Pty Limited and Arisit Pty Limited.
Tisara Pty Limited <sup>1</sup>	3. Shares held by Sarsha Pty Limited.
Toocom Pty Limited <sup>1,7</sup>	4. Shares held by Harvey Norman Retailing Pty Limited.
Ventama Pty Limited <sup>3</sup>	5. Shares held by Harvey Norman Stores Pty Limited.
Wadins Pty Limited	6. These companies were acquired during the year.
Wanalti Pty Limited	7. These companies were disposed of during the year.
Waggafurn Pty Limited <sup>1</sup>	8. Shares held by Harvey Norman Limited.
Warungi Pty Limited	9. These companies are incorporated in New Zealand.
Waytango Pty Limited	10. This company is incorporated in Singapore.
Webzone Pty Limited <sup>1</sup>	11. This company is incorporated in Slovenia.
Wytharra Pty Limited	12. This company is incorporated in UK.
Yoogalu Pty Limited	13. Yoogalu Pty Limited owns 50% of shares in Tessera Stones & Tiles Pty Limited.
Zabella Pty Limited	14. Space Furniture Pty Limited owns 70% of shares in 250 Brompton Road Limited and 100% of shares in Space Furniture Limited.
Zaverte Pty Limited	15. Shares held by Setto Pty Limited.
Zirdano Pty Limited	16. Harvey Norman Singapore Pte Limited owns 60% of the shares in Harvey Norman Ossia (Asia) Pte Limited, 75% of the shares in Space Furniture Pte Limited and 2.05% of the shares in Pertama Holdings Limited.
Zirdanu Pty Limited	17. Harvey Norman Ossia (Asia) Pte Limited holds 50.21% of the shares in Pertama Holdings Limited.
	18. Harvey Norman Holdings Limited has a controlling interest in this entity. The results of this entity have been included in the consolidated financial report of Harvey Norman Holdings Limited from 1 July 2000.

### Units in Unit Trusts held by Harvey Norman Holdings Limited

#### Name

Albany Stores No. 2 Trust  
Aldrum No. 2 Trust  
Anwarah No. 2 Trust  
Appcann No. 2 Trust  
Appjoon No. 2 Trust\*\*  
Artza No. 2 Trust  
Aspelect No. 2 Trust  
Aspleybed No. 2 Trust  
Aspleyeyl No. 2 Trust\*\*  
Aspleyefurn No. 2 Trust  
Aubdirect No. 2 Trust  
Avocoe No. 2 Trust  
Bagron No. 2 Trust  
Becto Trust\*\*  
Bedmac No. 2 Trust  
Bena No. 2 Trust  
Bernel No. 2 Trust\*\*  
Bertoli No. 2 Trust\*\*  
Big Apple Trust  
Bogardo No. 2 Trust  
Bowes No. 2 Trust

#### Name

Bradiz No. 2 Trust  
Bundafurn No. 2 Trust  
Bundallcom No. 2 Trust  
Bundallcom (Qld) No. 2 Trust  
Busselton WA No. 2 Trust  
Calardu ACT Trust  
Calardu Adderley Street Trust  
Calardu Alexandria DM Trust  
Calardu Alice Springs Trust  
Carardu Armadale WA Trust\*\*  
Calardu Auburn No. 1 Trust  
Calardu Auburn No. 2 Trust  
Calardu Auburn No. 3 Trust  
Calardu Auburn No. 4 Trust  
Calardu Auburn No. 5 Trust  
Calardu Auburn No. 6 Trust  
Calardu Auburn No. 7 Trust  
Calardu Auburn No. 8 Trust  
Calardu Auburn No. 9 Trust  
Calardu Aspley Trust  
Calardu Ballarat Trust

### 37. Controlled Entities and Unit Trusts (continued)

#### Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

Name	Name
Calardu Ballina Trust	Calardu Rosebery Trust
Calardu Bathurst Trust	Calardu Roselands Trust
Calardu Belrose DM Trust	Calardu Taree Trust
Calardu Bennetts Green Trust	Calardu Thebarton Trust**
Calardu Bennetts Green Warehouse Trust	Calardu Thomastown Trust
Calardu Berri Trust	Calardu Toowoomba Trust
Calardu Berrimah Trust	Calardu Tweed Heads Trust
Calardu Bowral Trust	Calardu Tweed Heads Traders Way Trust**
Calardu Brickworks (S.A.) Trust**	Calardu Vicfurn Trust
Calardu Broadmeadow No. 1 Trust	Calardu Warrawong Trust
Calardu Broadmeadow No. 2 Trust	Calardu Warrawong No. 1 Trust
Calardu Brookvale Trust	Calardu Warrnambool Trust
Calardu Bunbury Trust	Calardu Warwick Trust**
Calardu Bundaberg Trust	Calardu West Gosford Trust
Calardu Bundall Trust	Calardu Whyalla Trust
Calardu Campbelltown Trust	Calardu Wivenhoe Trust
Calardu Cannington Trust	Cannbed No. 2 Trust
Calardu Caringbah Trust	Cannfurn No. 2 Trust
Calardu Caringbah (Taren Point) Trust	Cannfurn WA No. 2 Trust
Calardu Denuo Berri Trust**	Carinfurn No. 2 Trust
Calardu Fyshwick DM Trust	CBG Trust
Calardu Frankston Trust**	Charmela No. 2 Trust
Calardu Gordon Trust	Cherrion No. 2 Trust**
Calardu Guildford Trust	Citysluk No. 2 Trust**
Calardu Hobart Trust	Claret No. 2 Trust
Calardu Hoppers Crossing Trust	Comben Nominees No. 2 Trust**
Calardu Horsham Trust	Combund No. 2 Trust
Calardu Joondalup Trust	Comken No. 2 Trust**
Calardu Kalgoorlie Trust	Commac No. 2 Trust
Calardu Launceston Trust**	Commount No. 2 Trust
Calardu Loganholme Trust	Commwin No. 2 Trust
Calardu Mackay Trust	Computawin No. 2 Trust
Calardu Maitland Trust**	Connap No. 2 Trust**
Calardu Maribyrnong Trust	Copee No. 2 Trust
Calardu Maribyrnong 1995 Trust	Elcann No. 2 Trust
Calardu Marion Trust	Electberg No. 2 Trust
Calardu Maryborough Trust	Electbund No. 2 Trust
Calardu Melville Trust	Electmac No. 2 Trust
Calardu Milton Trust	Electwind No. 2 Trust**
Calardu Morayfield Trust	Encomp No. 2 Trust**
Calardu Mt. Gambier Trust	Fashdash No. 2 Trust**
Calardu Noarlunga Trust	Fillinde No. 2 Trust
Calardu Noosa Trust	Floorchat No. 2 Trust
Calardu North Ryde Trust	Furnchat No. 2 Trust
Calardu Nowra Trust	Furncon No. 2 Trust
Calardu No. 1 Trust	Furnley No. 2 Trust**
Calardu No. 2 Trust	Furnmac No. 2 Trust
Calardu No. 3 Trust	Furnmac QLD No. 2 Trust
Calardu Oxley Trust	Furnmount No. 2 Trust**
Calardu Penrith Trust	Furnmil No. 2 Trust
Calardu Perth City West Trust**	Furnwind No. 2 Trust
Calardu Port Macquarie Trust	Geevarne No. 2 Trust
Calardu Preston Trust	Geraldton WA No. 1 Trust
Calardu Richmond Trust	Geraldton WA No. 2 Trust
Calardu Rockingham Trust	Gladstone Stores Trust
Calardu Rockhampton Trust	Glaydon No. 2 Trust

### 37. Controlled Entities and Unit Trusts (continued)

#### Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

##### Name

Gordinia No. 2 Trust  
Gravcomp No. 2 Trust  
Hangova No. 2 Trust  
Hapee No. 2 Trust  
Harbund No. 2 Trust  
Harmise No. 2 Trust  
Harvey Norman Burnie Franchisor Unit Trust  
Harvey Norman Devonport Franchisor Unit Trust  
Harvey Norman Discounts No. 1 Trust  
Harvey Norman Glenorchy Franchisor Unit Trust  
Harvey Norman Hobart Franchisor Unit Trust  
Harvey Norman Launceston Franchisor Unit Trust  
Harvey Norman Lighting Asset Trust  
Harvey Norman Lighting No. 1 Trust  
Harvey Norman Liquor Unit Trust  
Harvey Norman Rosney Franchisor Unit Trust  
Harvey Norman Tasmania Agent Unit Trust  
Harvey Norman Ulverstone Franchisor Unit Trust  
Harvey Norman No. 1 Trust  
Havoscu No. 2 Trust  
Hopcorp No. 2 Trust  
Hoxgold No. 2 Trust  
Jamacar No. 2 Trust  
Joonapp No. 2 Trust\*\*  
Kaboola No. 2 Trust  
Kalinya Unit Trust  
Kalfurn No. 2 Trust\*\*  
Kanfare No. 2 Trust  
Karratha WA No. 2 Trust  
Kawcomp No. 2 Trust\*\*  
Kazron No. 2 Trust  
Kenfurn No. 2 Trust\*\*  
Kenpel No. 2 Trust\*\*  
Keybare No. 2 Trust  
Keyko No. 2 Trust  
Kilcarva No. 2 Trust  
Krimshaw No. 2 Trust  
Kroomba No. 2 Trust  
Lamino Investments No. 1 Trust  
Lamino Investments No. 2 Trust  
Lamino Investments No. 3 Trust  
Lamino Investments No. 4 Trust  
Lamino Investments No. 5 Trust  
Lamino Investments No. 6 Trust  
Lesandu Albany Trust  
Lesandu Campbelltown Trust  
Lesandu Fairfield Trust  
Lesandu Gordon Trust  
Lesandu Gosford Trust  
Lesandu Miranda Trust  
Lesandu Newcastle Trust  
Lesandu No. 1 Trust  
Lesandu Penrith Trust  
Lesandu Tamworth Trust  
Lesandu Warrawong Trust  
Lesandu Warringah Mall Trust  
Liscom No. 2 Trust

##### Name

Lodare No. 2 Trust  
Luckyme No. 2 Trust  
Macfurn (QLD) No. 2 Trust  
Mackayel No. 2 Trust\*\*  
Makdon No. 2 Trust  
Makfindi No. 2 Trust  
Malvis No. 2 Trust  
Marionbed No. 2 Trust\*\*  
Marioncom No. 2 Trust\*\*  
Marouli No. 2 Trust  
Masorie No. 2 Trust  
Milblu No. 2 Trust  
Millintar No. 2 Trust  
Moracraft No. 2 Trust  
Mozzplex No. 2 Trust  
Murray Street Development Trust\*\*  
Nargista No. 2 Trust  
Natley No. 2 Trust  
Nekdil No. 2 Trust  
Osbcmm No. 2 Trust  
Oslek Developments Trust  
Osraidi No. 2 Trust  
Oxcom No. 2 Trust  
Oxleycom No. 2 Trust  
Piatan No. 2 Trust  
Port Hedland WA No. 2 Trust  
Posharnu No. 2 Trust  
Pulpy No. 2 Trust  
Quandallo No. 2 Trust  
Quinlea No. 2 Trust  
Rajola No. 2 Trust  
Ranano No. 2 Trust  
Resum No. 2 Trust  
Roowin No. 2 Trust  
Rozborn No. 2 Trust  
Rudari No. 2 Trust  
Rustona No. 2 Trust  
Sardonnu No. 2 Trust  
Saywarre No. 2 Trust  
Skyjump No. 2 Trust  
Sungo No. 2 Trust  
Swedon No. 2 Trust  
Sydney No. 1 Trust  
Tampar No. 2 Trust  
Tandulu No. 2 Trust  
Tarshellu No. 2 Trust  
Tenalaw No. 2 Trust  
Tifcon No. 2 Trust  
Toocom No. 2 Trust  
Torcarsa No. 2 Trust  
Tortah No. 2 Trust  
The Calardu Trust  
Trialli No. 2 Trust  
Trivea No. 2 Trust  
Truen No. 2 Trust  
Uconu No. 1 Trust  
Upoes No. 2 Trust



### 37. Controlled Entities and Unit Trusts (continued)

#### Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

##### Name

Valerinar No. 2 Trust  
Valrado No. 2 Trust  
Venusway No. 2 Trust  
Vidara No. 2 Trust  
Wartonu No. 2 Trust  
Watfurn No. 2 Trust\*\*  
Wincomp No. 2 Trust  
Windsorcom No. 2 Trust  
Yoogalu Albury Trust  
Yoogalu Campbelltown Trust  
Yoogalu Fairfield Trust  
Yoogalu Gordon Trust  
Yoogalu Gosford Trust\*  
Yoogalu Lismore Trust\*  
Yoogalu Miranda Trust  
Yoogalu Newcastle Trust  
Yoogalu Warrawong Trust  
Yoogalu Warringah Mall Trust  
Zoderme No. 2 Trust

\*All the units in the Unit Trusts are  
Held by Harvey Norman Holdings  
Limited.

\*\*These trusts were acquired during the year.

### 38. Deed of Cross Guarantee

Certain controlled entities (refer Note 37) have entered into a deed of cross guarantee dated 21 June 2001 with Harvey Norman Holdings Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding-up of that company. In addition, as a result of the Class Order issued by the Australian Securities and Investment Commission these companies are relieved from the requirements to prepare financial statements.

Controlled Entities (Refer Note 37) marked <sup>1</sup> are not part of the Class Order.

Financial Information for the class order closed group is as follows:

#### (a) Harvey Norman Holdings Limited Closed Group Statement of Financial Position for year ended 2001

	CONSOLIDATED	
	2001	2000
	\$000	\$000
<b>Current Assets</b>		
Cash assets	22,683	39,295
Receivables	524,579	469,138
Other financial assets	8,458	10,031
Inventories	74,451	55,064
Other	15,995	3,355
<b>Total current assets</b>	<b>646,166</b>	<b>576,883</b>

**38. Deed of Cross Guarantee (continued)**

	<b>CONSOLIDATED</b>	
	<b>2001</b>	2000
	<b>\$000</b>	\$000
<b>Non-Current Assets</b>		
Receivables	12,291	9,632
Investments accounted for using equity method	36,460	15,986
Other financial assets	10,455	10,394
Property, plant and equipment	653,138	534,512
Intangibles	692	590
Deferred tax assets	2,292	2,567
<b>Total non-current assets</b>	<b>715,328</b>	<b>573,681</b>
<b>Total Assets</b>	<b>1,361,494</b>	<b>1,150,564</b>
<b>Current Liabilities</b>		
Payables	321,154	304,336
Interest bearing liabilities	101,615	35,642
Tax liabilities	30,258	35,362
Other provisions	23,791	22,753
Other	1,314	2,371
<b>Total current liabilities</b>	<b>478,132</b>	<b>400,464</b>
<b>Non-Current Liabilities</b>		
Interest bearing liabilities	228,188	199,220
Other provisions	511	388
Other	1,555	565
<b>Total non-current liabilities</b>	<b>230,254</b>	<b>200,173</b>
<b>Total Liabilities</b>	<b>708,386</b>	<b>600,637</b>
<b>NET ASSETS</b>	<b>653,108</b>	<b>549,927</b>
<b>Equity</b>		
Contributed equity	193,227	187,792
Reserves	115,871	83,551
Retained profits	344,010	278,584
<b>TOTAL EQUITY</b>	<b>653,108</b>	<b>549,927</b>

### 38. Deed of Cross Guarantee (continued)

#### (b) Harvey Norman Holdings Limited Closed Group Statement of Financial Performance for year ended 30 June 2001

	CONSOLIDATED	
	2001	2000
	\$000	\$000
Sales revenue	325,482	210,373
Cost of sales	(263,028)	(169,267)
Gross profit	62,454	41,106
Other revenues	328,275	299,341
Distribution expenses	(3,008)	(1,030)
Marketing expenses	(7,578)	(7,044)
Occupancy expenses	(53,501)	(38,419)
Administrative expenses	(43,490)	(33,698)
Borrowing costs	(22,519)	(17,546)
Other expenses	(98,235)	(70,015)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	623	803
Profit from ordinary activities before income tax expense	163,021	173,498
Income tax expense relating to ordinary activities	(56,524)	(62,489)
Net profit	106,497	111,009
Net profit attributable to Outside equity interests	(1,322)	(824)
Net profit attributable to Members of the parent entity	105,175	110,185
Increase in asset revaluation reserve	28,028	26,067
Net exchange difference on Translation of financial report of Self-sustaining foreign operations	3,237	(55)
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity	31,265	26,012
Total changes in equity other than those resulting from transactions with owners as owners	136,440	136,197

### 39. Subsequent Events

Becto Pty Limited, a wholly owned subsidiary of Harvey Norman Holdings Limited, has acquired a controlling interest in Rebel Sport Limited ("Rebel Sport"). An offer was made on 25 May 2001 to acquire all issued shares in Rebel Sport and at close of business on 25 July 2001, Harvey Norman owned 54.7% of Rebel Sport. The cost of acquisition of the controlling interest in Rebel Sport was \$27.9 million.

## DIRECTORS' DECLARATION

The directors declare that:

- (a) the financial statements and associated notes comply with the accounting standards and Urgent Issues Group Consensus Views;
- (b) the financial statements and notes give a true and fair view of the financial position as at 30 June 2001 and performance of the company and the consolidated entity for the year then ended;
- (c) in the directors' opinion;
  - (i) there are reasonable grounds to believe that the company will be able to pay its debts as when they become due and payable, and the companies and parent entity who are party to the deed described in Note 38, will together be able to meet any obligations or liabilities to which they are, or may become subject by virtue of the deed of cross guarantee dated 21 June 2001; and
  - (ii) the financial statements and notes are in accordance with the Corporations Act (2001), including sections 296 and 297.

This statement has been made in accordance with a resolution of directors.

**G HARVEY**  
Chairman

**R.J. SKIPPEN**  
Director

**A.B. BREW**  
Director

Sydney  
27 September 2001

# INDEPENDENT AUDIT REPORT

## To The Members of Harvey Norman Holdings Limited:

### Scope

We have audited the financial report of Harvey Norman Holdings Limited for the financial year ended 30 June 2001 as set out on pages 10 to 58. The financial report includes the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements, in Australia, so as to present a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion, the financial report of Harvey Norman Holdings Limited is in accordance with:

- (a) the Corporations Act (2001), including:
  - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2001 and of their performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations (2001); and
- (b) other mandatory professional reporting requirements.

**ARTHUR ANDERSEN**  
**Chartered Accountants**

**CRAIG M. JACKSON**  
**PARTNER**

Sydney  
27 September 2001

## SHAREHOLDER INFORMATION

### Distribution of Shareholdings as at 14 September 2001

Size of Holding	Ordinary Shareholders
1 – 1,000	3,882
1,001 – 5,000	3,903
5,001 – 10,000	553
10,001 – 100,000	981
100,001 and over	220
	<b>9,539</b>
<hr/>	
Number Shareholders	
With less than a marketable parcel	203

### Voting Rights

All ordinary shares issued by Harvey Norman Holdings Limited carry one vote per share restriction.

### Twenty Largest Shareholders as at 14 September 2001

Number of Ordinary Shares	Shareholder
160,246,670	Mr Gerald Harvey
155,001,250	Dimbulu Pty Limited
137,535,397	G Harvey Nominees Pty Limited
48,687,340	Ms Margaret Lynette Harvey
47,036,048	Citicorp Nominees Pty Limited
37,191,891	Chase Manhattan Nominees
37,141,573	National Nominees Limited
29,113,906	Citicorp Nominees Pty Limited
27,676,833	Citicorp Nominees Pty Limited
24,995,495	Westpac Custodian Nominees
18,169,450	Ms Kay Lesley Page
18,118,200	Enbear Pty Limited
17,184,371	Citicorp Nominees Pty Limited
16,946,810	Dimbulu Pty Limited
13,826,790	Citicorp Nominees Pty Limited
11,609,275	Citicorp Nominees Pty Limited
10,262,625	AMP Life Limited
8,980,149	MLC Limited
8,392,234	Queensland Investment
8,193,574	Commonwealth Custodial
<b>836,309,881</b>	

Total held by twenty largest shareholders as a percentage 82.14%.

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## AUSTRALIAN CAPITAL TERRITORY

### FYSHWICK

Cnr Barrier & Ipswich Streets  
Fyshwick 2609  
Phone (02) 6280 4140

### WODEN

Shop 5  
Mezzanine Level  
Woden Plaza  
Woden 2606  
Phone (02) 6282 2511

## NEW SOUTH WALES

### SYDNEY SUBURBAN

#### AUBURN

233-239 Parramatta Road  
Auburn 2144  
Phone (02) 9202 4888

250 Parramatta Road  
Auburn 2144  
Phone (02) 9202 4888

#### BALGOWLAH

176-190 Condamine Street  
Balgowlah 2093  
Phone (02) 9948 4511

#### BLACKTOWN

Unit C5  
Cnr Blacktown  
& Bungarribee Roads  
Blacktown 2148  
Phone (02) 9831 2155

#### BROADWAY

Shop 119  
Broadway Bay Street  
Broadway 2007  
Phone (02) 9211 3933

#### CAMPBELLTOWN

4 Blaxland Road  
Campbelltown 2560  
Phone (02) 4628 4088

#### CARINGBAH

Level 1  
Caringbah SupaCenta  
220 Taren Point Road  
Caringbah 2229  
Phone (02) 9542 7088

#### CHATSWOOD (Electrical & Computers only)

Level 2  
Chatswood Chase  
Cnr Archer & Victoria Avenue  
Chatswood 2067  
Phone (02) 9419 1100

#### GORDON

1st Floor  
802-808 Pacific Highway  
Gordon 2072  
Phone (02) 9498 1499

#### LIVERPOOL

Liverpool Mega Centre  
Orange Grove Road  
Liverpool 2170  
Phone (02) 9600 3333

#### MARRICKVILLE

Shop 5, Marrickville Metro Shopping Centre  
Cnr Smidmore & Murray Street  
Marrickville 2204  
Phone (02) 9557 7344

#### MOORE PARK

Level 2, North SupaCenta  
Cnr South Dowling Street  
& Dacey Avenue  
Moore Park 2021  
Phone (02) 9662 9888

#### PENRITH

Cnr Mulgoa Rd  
& Wolseley St  
Penrith 2750  
Phone (02) 4737 5111

#### WILEY PARK

1018 Canterbury Road  
Wiley Park 2195  
Phone (02) 9740 6055

#### LEICHHARDT

Shop 31, Leichhardt Market Place  
Cnr Marion and Flood Streets  
Leichhardt 2040  
Phone (02) 9572 6544

## **DIRECTORY OF “HARVEY NORMAN” SHOPPING COMPLEXES**

### **NEW SOUTH WALES COUNTRY**

#### **ALBURY**

430 Wilson Street  
Albury 2640  
Phone (02) 6041 1944

#### **ARMIDALE**

Shop 8, Girraween Shopping Centre  
Queen Elizabeth Drive  
Armidale 2350  
Phone: (02) 6771 3788

#### **BATHURST**

Sydney Road  
Kelso 2795  
Phone (02) 6332 3399

#### **BENNETTS GREEN (NEWCASTLE)**

7 Abdon Close  
Bennetts Green 2290  
Phone (02) 4948 4555

#### **COFFS HARBOUR**

252 Coffs Harbour Highway  
Coffs Harbour 2450  
Phone (02) 6651 9011

#### **DENILIQUIN**

Cnr. Hardinge &  
Harfleur Streets  
Deniliquin 2710  
Phone (03) 5881 5499

#### **DUBBO**

195 Cobra Street  
Dubbo 2830  
Phone (02) 6884 4977

#### **ERINA (GOSFORD)**

Harvey Norman Shopping Complex  
Karalta Lane  
Erina 2250  
Phone (02) 4365 9500

#### **GRAFTON**

125 Prince Street  
Grafton 2460  
Phone (02) 6643 3266

#### **GRIFFITH**

Jondaryn Avenue  
Griffith 2680  
Phone (02) 6961 0300

#### **INVERELL**

Cnr Vivian &  
Evans Streets  
Inverell 2360  
Phone (02) 6721 0811

#### **LISMORE**

17 Zadoc Street  
Lismore 2480  
Phone (02) 6621 8888

#### **MACLEAN**

211 River Street  
Maclean 2463  
Phone (02) 6645 2611

#### **MAITLAND**

557 High Street  
Maitland 2320  
Phone (02) 4934 2423

#### **MOREE**

321 Frome Street  
Moree 2400  
Phone (02) 6752 7531

#### **MOSS VALE (Electrical)**

Shop 4/274-276 Argyle Street  
Moss Vale 2577  
Phone: (02) 4868 1039

#### **MOSS VALE (Computers)**

Shop 3  
10 Clarence Street  
Moss Vale 2577  
Phone: (02) 4869 4561

#### **MUDGEE**

Cnr Oporto &  
Lisbon Roads  
South Mudgee 2850  
Phone (02) 6372 6514

#### **NEWCASTLE – (HOME STARTERS)**

35-43 Lambton Road  
Broadmeadow 2292  
Phone (02) 4962 1770

#### **NOWRA**

Cnr Central Avenue  
& Princess Highway  
Nowra 2541  
Phone (02) 4421 5755

#### **ORANGE**

Cnr Lone Pine Ave &  
Mitchell Highway  
Orange 2800  
Phone (02) 6361 4111

#### **PARKES**

Shop 1, Saleyard Road  
Parkes 2870  
Phone (02) 6862 2800



## **DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES**

### **PORT MACQUARIE**

140 Lake Road  
Port Macquarie 2444  
Phone (02) 6581 0088

### **TAMWORTH**

43 The Ringers Road  
Tamworth 2340  
Phone (02) 6765 1100

### **TAREE**

9 Mill Close  
Taree 2430  
Phone (02) 6551 3699

### **TWEED HEADS**

29-41 Greenway Drive  
Tweed Heads 2486  
Phone (07) 5524 0111

### **WAGGA**

Homebase Centre  
7-22 Hammond Avenue  
Wagga 2650  
Phone (02) 6933 7000

### **WARRAWONG**

Cnr King Street &  
Shellharbour Road  
Warrawong 2502  
Phone (02) 4275 2722

### **YOUNG**

326 Boorowa Street  
Young 2594  
Phone (02) 6382 5744

## **NORTHERN TERRITORY**

### **DARWIN**

644 Stuart Highway  
Darwin NT 0828  
Phone: (08) 8922 4111

## **QUEENSLAND**

### **BRISBANE SUBURBAN**

#### **ASPLEY**

1411-1419 Gympie Road  
Aspley 4034  
Phone (07) 3834 1100

### **BRISBANE – BROADWAY ON THE MALL**

Shop SF01  
170 Queen Street  
Brisbane 4000  
Phone: (07) 3013 2800

### **BROWNS PLAINS**

Unit 3  
24-28 Browns Plains Road  
Browns Plains 4118  
Phone: (07) 3809 3277

### **CARINDALE**

Homemaker Centre  
Cnr Carindale Street and  
Old Cleveland Road  
Carindale 4152  
Phone (07) 3843 1700

### **EVERTON PARK**

429 Southpine Road  
Everton Park 4053  
Tel. (07) 3550 4444

### **INDOOROOPILLY**

Shop 2044  
Westfield Shoppingtown  
Indooroopilly 4068  
Phone: (07) 3327 1300

### **MORAYFIELD**

Lot 8  
Cnr Morayfield & Station Roads  
Morayfield 4506  
Phone: (07) 5428 8000

### **MT GRAVATT**

Big Top Showrooms  
1290 Logan Road  
Mt Gravatt 4122  
Phone: (07) 3347 4111

### **OXLEY**

2098 Ipswich Road  
Oxley 4075  
Phone: (07) 3332 1100

## **QUEENSLAND COUNTRY**

### **AYR**

Cnr 101 Queen &  
Edward Street  
Ayr 4807  
Phone: (07) 4783 3188

### **BUNDABERG**

125 Takalvan Street  
Bundaberg 4670  
Phone (07) 4151 1570

## **DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES**

### **BUNDALL (GOLD COAST)**

29-45 Ashmore Road  
Bundall 4217  
Phone (07) 5538 3155

### **CAIRNS**

101 Spence Street  
Portsmith 4870  
Phone (07) 4051 8499

### **DALBY**

58 Patrick Street  
Dalby 4405  
Phone: (07) 4662 2429

### **GLADSTONE**

60 Hanson Road  
Gladstone 4680  
Phone (07) 4972 9900

### **HERVEY BAY**

Cnr Boat Harbour Drive  
& O'Rourke Street  
Hervey Bay 4655  
Phone: (07) 4124 3870

### **INNISFAIL**

74 Edith Street  
Innisfail 4860  
Phone: (07) 4061 1433

### **KAWANA WATERS (SUNSHINE COAST)**

Lot 28 Nicklin Way  
Minyama Gardens  
Kawana Waters 4575  
Phone (07) 5444 8277

### **MACKAY**

Cnr Bruce Highway & Heath's Road  
Glenella 4740  
Phone (07) 4942 2688

### **NOOSA**

7-9 Gibson Road  
Noosaville 4566  
Phone (07) 5473 1911

### **ROCKHAMPTON**

407 Yaamba Road  
North Rockhampton 4701  
Phone (07) 4926 2755

### **TOOWOOMBA**

910-932 Ruthven Street  
Toowoomba 4350  
Phone: (07) 4636 7300

### **TOWNSVILLE**

238-262 Woolcock Street  
Townsville 4810  
Phone: (07) 4725 5561

### **WARWICK**

Cnr Victoria St & Palmerin Sts  
Warwick 4370  
Phone: (07) 4666 9000

### **TASMANIA**

#### **BURNIE**

64 Mount Street  
Burnie 7320  
Phone: (03) 6431 9133

#### **DEVONPORT**

Cnr Best Street  
& Fenton Way  
Devonport 7310  
Phone: (03) 6424 5155

#### **GLENORCHY**

313 Main Road  
Glenorchy 7010  
Phone: (03) 6272 5555

#### **HOBART CITY**

171 Murray Street  
Hobart 7000  
Phone: (03) 6234 3361

#### **LAUNCESTON**

115 Wellington Street  
Launceston 7250  
Phone: (03) 6331 8588

#### **LAUNCESTON (Bedding Specialist)**

151 York Street  
Launceston 7250  
Phone: (03) 6334 6222

#### **ROSNY**

33 Bligh Street  
Rosny 7018  
Phone: (03) 6210 4444

#### **ULVERSTONE**

5-7 Reiby Street  
Ulverstone 7315  
Phone: (03) 6425 1944

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## VICTORIA

### MELBOURNE SUBURBAN

#### DANDENONG

Cnr Frankston-Dandenong & Greens Roads  
Dandenong 3175  
Phone: (03) 9706 9992

#### GEELONG

420 Princess Highway  
Corio 3214  
Phone: (03) 5274 1077

#### GREENSBOROUGH

Shop 227  
25 Main Street  
Greensborough 3088  
Phone: (03) 9433 5555

#### KNOX

Shop 4, Knox City Centre  
9 Melbourne Street  
Wantirna South 3152  
Phone: (03) 9881 3700

#### MARIBYRNONG (Highpoint)

169 Rosamond Road  
Maribyrnong 3032  
Phone: (03) 9318 2700

#### MOORABBIN

420 South Road  
Moorabbin 3189  
Phone: (03) 9555 1222

#### NUNAWADING

396-408 Whitehorse Road  
Nunawading 3131  
Phone: (03) 9872 6366

#### PRESTON

123 Bell Street  
Preston 3072  
Phone (03) 9269 3300

#### SOUTHLAND (Cheltenham)

Shop M2 Westfield Southlands  
Cnr Nepean & Bay Roads  
Southland 3196  
Phone: (03) 9585 6500

#### WATERGARDENS

450 Melton Highway  
SYDENHAM 3037  
Phone: (03) 9449 6300

## VICTORIAN COUNTRY

### BAIRNSDALE

294 Main Road  
Bairnsdale 3875  
Phone: (03) 5153 9700

### BALLARAT

Cnr Howitt and Gillies Street  
Wendouree 3355  
Phone: (03) 5332 5100

### BENDIGO

Cnr High & Ferness Streets  
Kangaroo Flat 3555  
Phone: (03) 5447 2333

### CRANBOURNE

Shop 4  
Great Southern Home Centre  
Cnr South Gippsland Highway &  
Thompsons Road  
Cranbourne 3977  
Phone (03) 5991 0000

### HAMILTON

Shop 10  
Hamilton Central Plaza  
147 Gray Street  
Hamilton 3300  
Phone: (03) 5572 5333

### MILDURA

Cnr Fifteenth Street & Etiwanda Ave  
Mildura 3500  
Phone: (03) 5051 2200

### MOE

19 George Street  
Moe 3825  
Phone: (03) 5127 9500

### SALE

363-373 Raymond Street  
Sale 3850  
Phone: (03) 5144 3677

### SHEPPARTON

7950 Goulburn Valley Highway  
Shepparton 3630  
Phone (03) 5823 2530

### SWAN HILL

155 Campbell Street  
Swan Hill 3585  
Phone: (03) 5032 2901

## **DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES**

### **TRARALGON**

123 Argyle Street  
Traralgon 3844  
Phone (03) 5174 8177

### **WANGARATTA**

8-12 Murphy Street  
Wangaratta 3677  
Phone: (03) 5721 6377

### **WARRAGUL**

33 Victoria Street  
Warragul 3820  
Phone: (03) 5623 1533

### **WARRNAMBOOL**

84 Raglan Parade  
Warrnambool 3280  
Phone (03) 5564 7700

### **WONTHAGGI**

37 McKenzie Street  
Wonthaggi 3995  
Phone: (03) 5672 1490

## **SOUTH AUSTRALIA**

### **ENFIELD**

449 Main North Road  
Enfield 5085  
Phone: (08) 8342 8888

### **MARION**

822-826 Marion Road  
Marion 5043  
Phone (08) 8375 7777

### **MT GAMBIER**

Jubilee Highway East  
Mt Gambier 5290  
Phone (08) 8724 6800

### **NOARLUNGA**

Seaman Drive  
Noarlunga 5168  
Phone (08) 8329 5400

### **WHYALLA**

Cnr Jamieson and  
Kelly Streets  
Whyalla 5600  
Phone (08) 8645 6100

## **WESTERN AUSTRALIA**

### **PERTH SUBURBAN**

#### **BELMONT**

Shop 80 Belmont Forum  
Abernethy Road  
Belmont 6104  
Phone: (08) 9479 4377

#### **CANNINGTON**

1363 Albany Highway  
Cannington 6107  
Phone: (08) 9311 1100

#### **CITY WEST**

25 Sutherland Street  
West Perth 6005  
Phone: (08) 9481 4188

#### **FREMANTLE**

13-19 William Street  
Fremantle 6160  
Phone: (08) 9335 6266

#### **JOONDALUP**

36 Clarke Crescent  
Joondalup 6027  
Phone: (08) 9301 3311

#### **MADDINGTON**

Shop 80 Maddington Shop Centre  
Atfield Street  
Maddington 6109  
Phone: (08) 9459 5222

#### **MANDURAH**

Mandurah Forum  
6/318 Pinjarrah Road  
Mandurah 6210  
Phone: (08) 9535 6166

#### **MIDLAND**

252-254 Great Eastern Highway  
Midland 6056  
Phone: (08) 9274 9800

#### **MORLEY**

40 Rudloc Road  
Morley 6062  
Phone: (08) 9375 0200

## **DIRECTORY OF “HARVEY NORMAN” SHOPPING COMPLEXES**

### **O’CONNOR**

133 Garling Street (Cnr Stock Road)  
O’Connor 6163  
Phone: (08) 9337 0888

### **OSBORNE PARK**

469-475 Scarborough Beach Road  
Osborne Park 6017  
Phone: (08) 9441 1100

### **WESTERN AUSTRALIA COUNTRY**

#### **ALBANY**

136 Lockyer Avenue  
Albany 6330  
Phone (08) 9841 1628

#### **BUNBURY**

34 Denning Road  
East Bunbury 6230  
Phone (08) 9721 4811

#### **BUSSELTON**

28-34 Bussell Highway  
Busselton 6280  
Phone (08) 9752 1336

#### **GERALDTON (Furniture & Bedding)**

38 Chapman Road  
Geraldton 6530  
Phone (08) 9964 0111

#### **GERALDTON (Computers)**

16 Anzac Terrace  
Geraldton 6530  
Phone (08) 9964 0111

#### **KALGOORLIE**

Southland Shopping Centre  
Oswald Street  
Kalgoorlie 6430  
Phone (08) 9021 1400

#### **KARRATHA**

Unit 5 Lot 3818  
Balmoral Road  
Karratha 6174  
Phone (08) 9144 1589

#### **PORT HEDLAND**

Boulevard Shopping Centre  
Anderson Street  
Port Hedland 6721  
Phone (08) 9173 1497

### **PORT KENNEDY**

400-402 Saltaire Way  
Port Kennedy 6168  
Phone: (08) 9524 0111

### **WARWICK**

Shop 4, Warwick Grove S/Centre  
Beach Road  
Warwick 6024  
Phone: (08) 9447 6000

### **NEW ZEALAND**

#### **CHRISTCHURCH**

Cnr Moorhouse Ave  
& Colombo Street  
Christchurch  
Phone: 0011 643 353 2440

#### **DUNEDIN**

Cnr MacLaggan  
& Rattay Streets  
Dunedin  
Phone: 0011 643 471 6510

#### **MANUKAU**

Manukau SupaCenta  
Cnr Ronwood & Lambie Drives  
Manukau City  
Auckland  
Phone: 0011 649 262 7050

#### **MT WELLINGTON**

20-54 Mt Wellington Highway  
Mt Wellington  
Auckland  
Phone: 0011 649 570 3440

#### **PORIRUA**

19 Parumoana Street  
Porirua  
Wellington  
Phone: 0011 644 237 2440

#### **WAIRAU PARK**

10 Croftfield Lane  
Wairau Park North  
Auckland  
Phone: 0011 649 441 9750

### **EAST TIMOR**

#### **DILI**

Cruzamento Das Ruas Dr  
Antonio Carvalho E  
Belarmino Lobo Dili  
Phone: 0011 67 390 325 020

## **DIRECTORY OF “HARVEY NORMAN” SHOPPING COMPLEXES**

### **DOMAYNE**

#### **AUBURN**

103-123 Parramatta Road  
Auburn 2144  
Phone: (02) 9648 5411

#### **CAMPBELLTOWN**

8 Blaxland Road  
Campbelltown 2560  
Phone: (02) 4627 4311

#### **GOSFORD**

Cnr Pacific Highway  
& Manns Road  
West Gosford 2250  
Phone: (02) 4322 5555

#### **KOTARA**

18 Bradford Place  
Kotara 2289  
Phone: (02) 4941 3900

#### **LIVERPOOL**

Liverpool Mega Centre  
Orangegrove Road  
Liverpool 2170  
Phone: (02) 8778 2222

#### **PENRITH**

1<sup>st</sup> Floor  
Cnr Wolseley Street and  
Mulgoa Road  
Penrith 2750  
Phone: (02) 4737 5000

#### **WARRAWONG**

119 – 121 King Street  
Warrawong 2502  
Phone: (02) 4255 1800

### **JOYCE MAYNE**

#### **MT DRUITT**

Shops 70 Marketown Centre  
Cnr Luxford & Carlisle Avenue  
Mt Drutt 2770  
Phone: (02) 9832 9411

### **LIGHTING SHOWROOMS**

#### **AUBURN**

241 Parramatta Road  
Auburn 2144  
Phone (02) 9202 4888

#### **CROWS NEST**

Spectrum Building, Podium Level  
220 Pacific Highway  
Crows Nest 2065  
Phone: (02) 9929 3833

#### **ERINA (GOSFORD)**

168-170 The Entrance Road  
Erina 2250  
Phone: (02) 4365 9500

#### **PENRITH**

Cnr Wolseley Street and  
Mulgoa Road  
Penrith 2750  
Phone: (02) 4737 8960

# DIRECTORY OF “HARVEY NORMAN” SHOPPING COMPLEXES

## SINGAPORE

### HARVEY NORMAN BEAUTY WORLD

144 Upper Bukit Timah Road  
#02-28 Beauty World Centre  
Singapore 588177  
Phone: 0011 65 462 6200

### HARVEY NORMAN BUKIT PANJANG

No. 1 Jelebu Road  
#03-08/09 Bikit Panjang Plaza  
Singapore 677743  
Phone: 0011 65 767 1402

### HARVEY NORMAN CENTREPOINT

176 Orchard Road  
#03-08 Centrepoint  
Singapore 238843  
Phone: 0011 65 732 8686

### HARVEY NORMAN FUNAN CENTRE

109 North Bridge Road  
#02-02/08 Funan Centre  
Singapore 170097  
Phone: 0011 65 334 5432

### HARVEY NORMAN HOUGANG MALL

90 Hougang Avenue 10  
#02-13 NTUC Hougang Mall  
Singapore 538766  
Phone: 0011 65 488 2305

### HARVEY NORMAN NORTHPOINT

930 Yishun Avenue 2  
#B02-05/09 Northpoint Shopping Centre  
Singapore 769098  
Phone: 0011 65 767 7695

### HARVEY NORMAN PARKWAY

80 Marina Parade Road  
#02-34/36 Parkway Parade  
Singapore 449289  
Phone: 0011 65 346 4705

### HARVEY NORMAN RAFFLES CITY

252 North Bridge Road  
#03-22 Raffles City Shopping Centre  
Singapore 179103  
Phone: 0011 65 339 6777

### HARVEY NORMAN SUNTEC CITY

3 Temasek Boulevard  
#02-001 Suntec City Mall  
Singapore 038983  
Phone: 0011 65 323 3463

### HARVEY NORMAN TAMPINES MALL

4 Tampines Central 5  
#B01-01, B1-27 Tampines Mall  
Singapore 529501  
Phone: 0011 65 784 9513

### HARVEY NORMAN TAMPINES MART

No. 9 Tampines Mart  
#02-01 Tampines Street 32  
Singapore 529286  
Phone: 0011 65 789 3818

### HARVEY NORMAN TIONG BAHRU

302 Tiong Bahru Road  
#02-39/42 Tiong Bahru Plaza  
Singapore 168732  
Phone: 0011 65 377 5845

### HARVEY NORMAN WESTMALL

No. 1 Bt Batok Central Link  
#03-06/09 West Mall  
Singapore 658713  
Phone: 0011 65 794 2812

### HARVEY NORMAN MILLENIA WALK

No. 9 Raffles Boulevard  
#02-27  
Singapore 039596  
Phone: 0011 65 311 9988