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## THE ANNUAL GENERAL MEETING

The Annual General Meeting of the Shareholders of Harvey Norman Holdings Limited will be held at Tattersalls, 181 Elizabeth Street, Sydney on Tuesday 19 November 2002 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

Ernst & Young

### 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 income tax expense and outside equity interests for the 12 months to 30 June 2002 was \$189.41 million, an increase of 16.3% on the previous year. Net profit attributable to members of the parent entity was \$128.28 million, an increase of 22.0% on the previous year.

Directors have recommended payment of a final dividend of 2.5¢, fully franked on each share.

Basic earnings per share increased from 10.24 cents to 12.33 cents in respect of each share.

Return on shareholders' funds was 16.0%.

## FINANCIAL SUMMARY

### 12 MONTHS TO 30 JUNE 2002

		CONSOLIDATED	CONSOLIDATED	
		2002	2001	%
		\$000	\$000	Change
Total Revenues	*	1,160,203	683,976	69.6
Profit from Ordinary Activities before Income Tax Expense and Borrowing Costs	*	213,334	186,119	14.6
Borrowing Costs	*	23,924	23,156	3.3
Income Tax Expense relating to Ordinary Activities	*	60,351	56,504	6.8
Net Profit Attributable to Members of the Parent Entity		128,277	105,156	22.0
Basic Earnings per share on issue at 30 June (cents)		12.33	10.24	20.4
Dividends per share (cents)		4.5	4.0	12.5
% Return on Shareholders' Funds		16.0	17.7	(9.6)
Contributed Equity at 30 June	*	302,991	193,227	56.8
Net Tangible Assets per share at 30 June (\$)		0.74	0.59	25.4

\*Including outside equity interests.

# CHAIRMAN'S REPORT

The consolidated profit from ordinary activities before income tax expense and outside equity interests was \$189.41 million for the 12 months ended 30 June 2002 compared to \$162.96 million for the prior year.

Net profit attributable to members of the parent entity after income tax was \$128.28 million, an increase of 22.0% on the previous year.

Sales for the year to 30 June 2002 by Harvey Norman franchisees from the franchised "Harvey Norman" complexes, group stores in New Zealand and other trading operations (excluding Pertama Holdings Limited, Singapore and Rebel Sport Limited) totalled \$2.77 billion (excluding GST) compared to \$2.50 billion for the prior year.

Sales for the months of July and August 2002 by Harvey Norman franchisees from the franchised "Harvey Norman" complexes, group stores in New Zealand and other trading operations (excluding Pertama Holdings Limited, Singapore and Rebel Sport Limited) totalled \$487.8 million (excluding GST).

## **Property**

During the year, the Directors have analysed and revalued the Group Property Portfolio resulting in an increase of \$20.06 million in the asset revaluation reserve.

The Group Property Portfolio at 30 June 2002 including joint venture property interests (consolidated with property held by Pertama Holdings Limited, Singapore and Rebel Sport Limited) was valued at \$659.92 million compared to \$548.24 million at 30 June 2001. The property portfolio excluding property held by Pertama Holdings Limited, Singapore and Rebel Sport Limited at 30 June 2002 was \$654.49 million.

## **Equity**

Total equity at 30 June 2002 (consolidated) was \$875.89 million compared to \$653.81 million at 30 June 2001 – an increase of \$222.08 million (33.9%). Of the total equity of \$875.89 million, an amount of \$69.97 million (2001: \$52.59 million) is attributable to outside equity interests.

## **Dividend**

The recommended final dividend is 2.5¢ per share fully franked. The total dividend for the year will be 4.5¢ fully franked compared with 4.0¢ fully franked for the previous year.

## **Expansion**

In the 12 months to 30 June 2002, new complexes have been opened as follows:

- ✦ NSW - Maclean, Homestarters – Warrawong, Leichhardt (Manchester), Warrawong (Domayne), Domayne Bathroom Design
- ✦ VIC - Watergardens
- ✦ SA - Mt Gambier, Munno Para
- ✦ QLD - Bundall (Domayne)
- ✦ NEW ZEALAND - Dunedin, Palmerston North, New Plymouth

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

- ✦ NSW - Auburn (extension)
- ✦ QLD - Fortitude Valley (Harvey Norman/Domayne)
- ✦ SLOVENIA - Ljubljana

New complexes to be opened in the next 12 months:

- ✦ NSW - Caringbah (Domayne), Moss Vale (replacement), Nowra (Homemart), Mudgee (replacement), Caringbah Commercial (replacement)
- ✦ ACT - Fyshwick (Domayne)
- ✦ VIC - Horsham, Hoppers Crossing, Knox City (replacement)
- ✦ TAS - Launceston (replacement)
- ✦ QLD - Loganholme
- ✦ WA - Armadale, Busselton (replacement)
- ✦ NEW ZEALAND - Hastings (to open 7 October 2002), Mt Maunganui, Hamilton, Invercargill, Whangarei, Wellington City

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 and until the date of this report are as follows:

### **Gerald Harvey - Chairman**

Mr. G. Harvey, aged 63, 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 45, 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 54, 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 52, joined the company in 1983. He is responsible for the security and shopfitting operations of the group. Mr. Brew was appointed a director in September 1994. Mr. Brew is a member of the Audit and Finance Committee.

### **John Ewyn Slack-Smith - Director**

Mr Slack-Smith, aged 33, 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. Mr Slack-Smith is a member of the Audit and Finance Committee.

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

Mr Hauville, aged 45, 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. Mr Hauville is a member of the Audit and Finance Committee.

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

Mr. M. Harvey, aged 37, 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 52, 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 Chairman of the Audit and Finance Committee.

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

Mr. Norman, aged 63, 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	14
Audit & Finance	5

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

	Board of Directors	Audit and Finance
G. Harvey	13 (14)	-
K.L. Page	13 (14)	-
R.J. Skippen	14 (14)	5
A.B. Brew	13 (14)	5
J.E. Slack-Smith	14 (14)	5
S.P. Hauville	12 (14)	5
M.J. Harvey	12 (14)	5
C.H. Brown	13 (14)	5
I.J. Norman	11 (14)	-

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 eighty seven (87) 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	309,186,199	3,000,000
Ian John Norman	175,249,660	---
Kay Lesley Page	18,980,590	3,000,000
Michael John Harvey	3,445,553	---
John Skippen	1,186,297	3,000,000
Arthur Bayly Brew	1,129,871	1,500,000
Christopher Herbert Brown	173,467	---
Stephen Patrick Hauville	373,241	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 142,629,301 shares held by G Harvey Nominees Pty Limited.

Mr. I.J. Norman has a beneficial interest in 175,249,660 shares held by Dimbulu Pty Limited.

Ms K.L. Page has a beneficial interest in 1,932,000 shares held by Page Option Trust in Pertama Holdings Limited.

Mr. C.H. Brown has a beneficial interest in 173,467 shares held by PWSD Pty Limited and Starmoro Pty Limited.

Mr. R.J. Skippen has a beneficial interest in 1,096,297 shares held by ANZ nominees.

Mr. A.B. Brew has a beneficial interest in 627,408 shares held by ANZ nominees.

Mr. S.P. Hauville has a beneficial interest in 154,446 shares held by Valmarl Pty Ltd and Hauville Superannuation Pty Ltd. He also has a beneficial interest in 975,000 Pertama Holdings Limited shares and 2,134 Rebel Sport Limited shares held by Valmarl Pty Ltd and Hauville Superannuation Pty Ltd.

## SHARE OPTIONS

Details of share options are set out in Note 25 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 in New Zealand
- ◆ Provision of consumer finance
- ◆ Property investment
- ◆ Lessor of premises to Harvey Norman franchisees and other third parties
- ◆ The consolidated entity holds a controlling interest in Pertama Holdings Limited (“Pertama”). Pertama is listed on the Stock Exchange of Singapore. The principal activities of Pertama are retail, wholesale and export sales of homewares and electrical goods.

On 28 July 2001, the consolidated entity acquired a controlling interest in Rebel Sport Limited. The principal activity of Rebel Sport Limited is the sale of sporting and leisure goods.

## RESULTS

The net profit attributable to members of the parent entity for the financial year ended 30 June 2002 after income tax expense was \$128.28 million. This represents an increase of 22.0% on the net profit after income tax expense attributable to members for the year ended 30 June 2001.

## DIVIDENDS

The directors recommend a fully franked dividend of 2.5 cents per share be paid on 2 December 2002 (total dividend, fully franked - \$26,397,336). The following fully franked dividends of the parent entity have also been paid, declared or recommended since the end of the preceding financial year:

2001 final fully franked dividend recommended, (as disclosed in the 2001 Annual Report) – paid 3 December 2001	\$20,363,528
2002 interim fully franked dividend – paid 6 May 2002	\$21,117,869

## REVIEW OF GROUP OPERATIONS

The total equity of the consolidated entity for the year ended 30 June 2002 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
- ◆ Acquisition of the controlling interest in Rebel Sport Limited
- ◆ Rights issue in December 2001.

Net profit attributable to members of the parent entity for the year ending 30 June 2002 increased by 22.0% over the previous year, due to increased revenue from franchise fees, improved trading conditions experienced by franchisees and the acquisition of the controlling interest in Rebel Sport Limited.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

The significant changes in the state of affairs of the consolidated entity during the financial year were as follows:

- ◆ On 28 July 2001, the consolidated entity acquired a controlling interest in Rebel Sport Limited. From this date, the financial statements of Rebel Sport Limited have been consolidated into the financial statements of the consolidated entity. As at 30 June 2002, the consolidated entity's controlling interest in Rebel Sport was 53.87%.
- ◆ The parent entity raised \$103,744,599 (before costs of \$23,487) by means of a pro rata renounceable rights issue in the year ending 30 June 2002. The issue closed on 19 December 2001. Pursuant to the issue, a further 37,717,029 new shares were allotted and issued on 14 January 2002, so that after completion of that allotment, there were 1,055,893,449 ordinary shares issued in the parent entity.

## **SIGNIFICANT EVENTS AFTER BALANCE DATE**

There have been no material events subsequent to balance date, apart from the grant by Rebel Sport Limited to Stephen Michael Heath of certain options (see Note 25 of the financial statements).

## **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 2002.

## **EMOLUMENTS OF BOARD MEMBERS AND SENIOR EXECUTIVES**

### **Policy for determining nature and amount**

The policy of the Board in relation to the remuneration of executive directors and senior officers is that each executive will receive a remuneration package which properly reflects the duties and responsibilities to be undertaken, is fair having regard to the contribution of that person and is at a level which enables the company to attract, retain and motivate high quality staff.

Remuneration is generally determined on a total cost of employment basis and packages generally comprise salary, superannuation and a fully maintained motor vehicle where appropriate. Remuneration of executive 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. The present policy of the Board is that options to acquire shares in the company will not be granted to employees or executive directors without specific shareholder approval. The Board has determined that bonuses may be awarded to employees, but only as a consequence of exceptional performance.

Remuneration for non-executive directors comprises a fixed based salary plus superannuation. Directors may also receive reimbursement for reasonable expenses incurred when non-executive directors are otherwise engaged in the business of the company. The policy of the Board is that the remuneration of non-executive directors is to be reviewed consistently with executive directors.

## Emoluments of Board Members and Senior Executives (continued)

### Relationship between the policy and the performance of the company

The remuneration policy is intended to provide competitive rewards to staff conditional upon achievement of improvement of the business and personal performance and contribution of staff members. The policy is that remuneration should be fair and attractive to staff, keep staff motivated and align the interests of staff with the interest of the company generally. The performance evaluation process requires consideration of achievement of specific goals and increased shareholder value.

The details of the nature and amount of each element of the emolument of each director and each of the five named officers of the company receiving the highest emolument are set out below:

Base Salary	Other	Long Term Emoluments Options Granted during the Financial Year		Superannuation	Total
\$	\$	Number	\$	\$	\$

### Emoluments of Directors – Parent Entity

G. Harvey	134,050	10,400	-	-	5,454	149,904
K.L. Page*	232,840	26,512	-	-	5,000	264,352
R.J. Skippen*	291,197	-	-	-	8,803	300,000
A.B. Brew*	196,834	51,212	-	-	8,803	256,849
J.E. Slack-Smith*	263,889	15,000	-	-	21,111	300,000
S.P. Hauville*	263,889	15,000	-	-	21,111	300,000
M.J Harvey	18,518	-	-	-	1,482	20,000
C.H. Brown	18,518	-	-	-	1,482	20,000
I.J. Norman	18,518	-	-	-	1,482	20,000

\*These Directors also represent the five most highly remunerated executive officers of the parent entity.

No options were issued by Harvey Norman Holdings Limited during the current financial year.

Base Salary	Other	Long Term Emoluments Options Granted during the Financial Year		Superannuation	Total
\$	\$	Number	\$	\$	\$

### Emoluments of the five most highly remunerated executive officers of the consolidated entity

Pek Kem Hua @ Pek						
Kem Cheng	473,360	57,313	-	-	-	530,673
Pek Kim Beng @ Pek						
Kim Bing	530,673	-	-	-	-	530,673
A.A. Augustus	318,404	178,306	4,000,000	164,296	-	661,006
I.D. Dresner	229,167	-	2,000,000	2,474,680	45,833	2,749,680
H. Seskin	235,971	10,000	2,000,000	2,474,680	29,029	2,749,680

Options granted as part of remuneration have been valued using an option pricing model which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option.

Details of the terms, conditions and value of options granted during the period are also set out in Notes 25 and 32 of the financial statements.

## 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. This indemnity is limited to \$10,000,000.

Harvey Norman Holdings Limited paid an insurance premium of \$21,780 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 the Australian group entities, against all liabilities and expenses arising as result of work performed in their respective capacities, to the extent permitted by law.

## **CORPORATE GOVERNANCE**

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Harvey Norman Holdings Limited support and have adhered to the principals of corporate governance. The company's Statement of Corporate Governance Practices follows the Directors' Report.

## **ROUNDING OF AMOUNTS**

The parent entity is a company of the kind specified in Australian Securities and Investments 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*  
*26 September 2002*

# 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.

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 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. The review 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 appropriate 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 2002

	NOTE	CONSOLIDATED		PARENT ENTITY	
		2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Current Assets</b>					
Cash assets	34	30,264	23,024	-	-
Receivables	6	568,193	528,317	-	-
Other financial assets	7	10,474	8,458	-	-
Inventories	8	154,926	88,050	-	-
Tax assets	9	1,436	-	-	-
Other	10	11,485	16,689	-	-
<b>Total current assets</b>		<b>776,778</b>	<b>664,538</b>	<b>-</b>	<b>-</b>
<b>Non-Current Assets</b>					
Receivables	11	9,700	12,291	545,590	293,422
Investments accounted for using equity method	38	42,387	36,460	-	-
Other financial assets	12	18,862	10,455	55,607	55,598
Property, plant and equipment	13	800,564	654,488	-	-
Intangible assets	14	13,226	692	-	-
Deferred tax assets	15	6,985	2,292	2,798	1,005
<b>Total non-current assets</b>		<b>891,724</b>	<b>716,678</b>	<b>603,995</b>	<b>350,025</b>
<b>Total Assets</b>		<b>1,668,502</b>	<b>1,381,216</b>	<b>603,995</b>	<b>350,025</b>
<b>Current Liabilities</b>					
Payables	16	395,191	328,945	102	87
Interest-bearing liabilities	17	31,958	101,615	-	-
Tax liabilities	18	30,914	30,258	8,889	7,450
Provisions	19	33,058	23,791	26,397	20,363
Other	20	3,778	1,542	-	-
<b>Total current liabilities</b>		<b>494,899</b>	<b>486,151</b>	<b>35,388</b>	<b>27,900</b>
<b>Non-Current Liabilities</b>					
Payables	21	32	-	-	-
Interest-bearing liabilities	22	291,035	239,188	-	-
Provisions	23	1,358	511	-	-
Other	24	5,284	1,555	-	-
<b>Total non-current liabilities</b>		<b>297,709</b>	<b>241,254</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>792,608</b>	<b>727,405</b>	<b>35,388</b>	<b>27,900</b>
<b>NET ASSETS</b>		<b>875,894</b>	<b>653,811</b>	<b>568,607</b>	<b>322,125</b>
<b>Equity</b>					
Contributed equity (a)	25	246,591	142,869	246,591	142,869
Reserves (a)	26	136,117	115,891	-	-
Retained profits (a)	27	423,219	342,457	322,016	179,256
Parent entity interest (a)		805,927	601,217	568,607	322,125
Outside equity interest (a)	27	69,967	52,594	-	-
<b>TOTAL EQUITY</b>	27	<b>875,894</b>	<b>653,811</b>	<b>568,607</b>	<b>322,125</b>

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

**STATEMENT OF FINANCIAL POSITION  
AT 30 JUNE 2002 (continued)**

		MEMBERS OF THE PARENT		OUTSIDE EQUITY INTERESTS		CONSOLIDATED	
	NOTE	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>(a) Interest in the equity of the consolidated entity</b>							
Contributed equity	25	<b>246,591</b>	142,869	<b>56,400</b>	50,358	<b>302,991</b>	193,227
Reserves	26	<b>136,117</b>	115,891	<b>(1,358)</b>	(22)	<b>134,759</b>	115,869
Retained profits	27	<b>423,219</b>	342,457	<b>14,925</b>	2,258	<b>438,144</b>	344,715
<b>TOTAL INTEREST IN EQUITY</b>		<b>805,927</b>	601,217	<b>69,967</b>	52,594	<b>875,894</b>	653,811

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

# STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2002

	NOTE	CONSOLIDATED		PARENT	
		2002 \$000	2001 \$000	2002 \$000	2001 \$000
Sales revenue	3	788,156	358,409	-	-
Cost of sales		(592,826)	(287,560)	-	-
Gross profit		195,330	70,849	-	-
Other revenues	3	371,168	324,944	202,958	188,894
Distribution expenses		(13,471)	(10,140)	-	-
Marketing expenses		(31,535)	(8,827)	-	-
Occupancy expenses		(85,679)	(56,878)	-	-
Administrative expenses		(195,303)	(112,295)	-	-
Borrowing costs	3	(23,924)	(23,156)	-	-
Other expenses from ordinary activities		(28,055)	(22,157)	(439)	(198)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	38	879	623	-	-
Profit from ordinary activities before income tax expense		189,410	162,963	202,519	188,696
Income tax expense relating to ordinary activities	4	(60,351)	(56,504)	(12,244)	(12,652)
Net profit		129,059	106,459	190,275	176,044
Net profit attributable to outside equity interests		(782)	(1,303)	-	-
Net profit attributable to members of the parent entity	27	128,277	105,156	190,275	176,044
Increase in asset revaluation reserve	26	20,059	28,028	-	-
Net exchange difference on translation of financial report of self-sustaining foreign operations	26	167	3,237	-	-
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity		20,226	31,265	-	-
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of the parent entity	27	148,503	136,421	190,275	176,044
Basic earnings per share (cents per share)	5	12.33	10.24	-	-
Diluted earnings per share (cents per share)	5	12.32	10.22	-	-

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

# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

		CONSOLIDATED		PARENT	
	NOTE	2002	2001	2002	2001
		\$000	\$000	\$000	\$000
		Inflows/(Outflows)			
<b>Cash flows from operating activities</b>					
Net receipts from franchisees		290,010	246,751	-	-
Receipts from customers		788,924	358,657	-	-
Payments to suppliers and employees		(799,485)	(434,648)	(424)	(187)
Distributions received from joint ventures		2,178	1,455	-	-
GST paid		(16,618)	(21,487)	-	-
Interest received		3,770	2,136	-	-
Interest and other costs of finance paid		(21,864)	(21,487)	-	-
Income taxes paid		(62,789)	(61,332)	(12,598)	(6,230)
Dividends received		543	438	-	-
Trust distributions received		-	-	39,626	36,680
		184,669	70,483	26,604	30,263
Consumer finance related cash flows:					
Consumer finance loans granted by consolidated entity		(51,524)	(37,162)	-	-
Proceeds of sale of consumer finance loans to FAST No. 1 Trust		54,798	26,392	-	-
Accommodation fees paid		(2,060)	(1,669)	-	-
Trust distribution received		416	347	-	-
Repayments received from consumers on consumer finance loans granted by consolidated entity and not sold to FAST No. 1 Trust		2,649	2,756	-	-
		4,279	(9,336)	-	-
Net Cash Flows From/(Used in) Operating Activities	34(b)	188,948	61,147	26,604	30,263

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2002 (continued)**

		CONSOLIDATED		PARENT	
	NOTE	2002	2001	2002	2001
		\$000	\$000	\$000	\$000
		Inflows/(Outflows)			
<b>Cash Flows from Investing Activities</b>					
Payment for purchases of property, plant and equipment		(145,612)	(127,232)	-	-
Proceeds from sale of property, plant and equipment		2,374	2,097	-	-
Proceeds from/(payments for) sale/purchase of units in unit trusts		(6,218)	2,032	-	-
Payment for purchase of equity investments		(10,415)	(22,567)	-	-
Proceeds from sale of listed securities investments		7,610	6,771	-	-
Payment for purchase of listed securities		-	(1,785)	-	-
Loans granted		(8,285)	(1,628)	(34,857)	-
Loans repaid by subsidiaries		-	-	-	10,464
Purchase of controlled entity	34(c)	(24,831)	-	-	-
Payment for purchase of non-current listed securities		(4,448)	-	-	-
<hr/>					
Net Cash Flows From/(Used in) Investing Activities		(189,825)	(142,312)	(34,857)	10,464
<hr/>					
<b>Cash flows from Financing Activities</b>					
Proceeds from share issue		49,734	-	49,734	-
Proceeds from borrowings		12,867	93,814	-	-
Dividends paid		(41,481)	(40,727)	(41,481)	(40,727)
Repayment of borrowings		(6,556)	-	-	-
<hr/>					
Net Cash Flows From/(Used in) Financing Activities		14,564	53,087	8,253	(40,727)
<hr/>					
Net increase/(decrease) in cash held		13,687	(28,078)	-	-
Cash at Beginning of Period		9,307	37,385	-	-
<hr/>					
Cash at End of Period	34(a)	22,994	9,307	-	-
<hr/>					

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 2002

## 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 report has 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 13.

### (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 39) 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.

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.

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

### **(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) Taxes**

#### **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.

#### **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### **(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 between five and twenty years. The unamortised balance of goodwill is reviewed at each balance date and charged to the Statement of Financial Performance 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. Employee entitlement expenses and revenues are charged against profits on a net basis in their respective categories.

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

In the prior year, the consolidated entity 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. The reclassification of comparative amounts in the prior year did not result 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 previous financial reports. In addition, reclassifications have been made for comparative purposes to make information more meaningful to users and as a result of the first-time application of revised Accounting Standard AASB 1005 "Segment Reporting" and the revised version of AASB 1018 "Statement of Financial Performance". These reclassifications also resulted in changes to the abovenamed asset and liability captions. However, net assets remained unchanged for all financial years.

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

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

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

Rental income is brought to account when control over the right to receive rental payments is determined.

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.

Dividend and trust income is brought to account when control over the right to receive dividend and trust payments is determined.

Interest income is brought to account when control over the right to receive interest payments is determined.

### **(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 38.

## **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 entity's 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.

Detailed equity accounting information concerning the consolidated entity's interest in material partnerships is provided in Note 38.

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

Interests in non-subsidiary, non-associated corporations held for long-term purposes are included in "Other Financial Assets" (non-current) at cost.

Shares in unlisted companies and units in unit trusts are included in "Other Financial Assets" (non-current) at cost.

Listed shares held for trading are carried at net market value and are included in "Other Financial Assets" (current). Changes in net market value are recognised as revenue or expenses in the Statement of Financial Performance for the period.

Where listed shares have been revalued, any capital gains tax which may become payable has not been taken into account in determining the revalued carrying amount. Where it is expected that a liability for capital gains tax exists, this amount is recognised in the Statement of Financial Performance for the reporting period.

### **(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. Issued and paid up capital is recognised at the fair value of the consideration received by the company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in share proceeds received.

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

### **(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.

Promissory notes are carried at cost.

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. Net receipts and payments are recognised as an adjustment to interest expense.

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.

Where a hedge transaction is terminated early and the anticipated transaction is still expected to occur as designated, the deferred gains and losses that arose on the foreign currency hedge prior to its termination continue to be deferred and are included in the measurement of the purchase or sale when it occurs. Where a hedge transaction is terminated early because the anticipated transaction is no longer expected to occur, as designated, deferred gains and losses that arose on the foreign currency hedge prior to its termination are included in the Statement of Financial Performance for the period.

### **(t) Borrowing Costs**

Borrowing costs are expensed as incurred.

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

In the prior year, the Directors 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.

### **(v) Change in Accounting Policies**

The accounting policies adopted are consistent with those of the previous year except for the accounting policy with respect to earnings per share.

The consolidated entity has adopted the revised Accounting Standard AASB 1027 "Earnings Per Share" and has for the first time, determined basic and diluted earnings per share in accordance with the revised Standard. Basic earnings per share (EPS) was previously calculated by dividing the profit from ordinary activities after tax by the weighted average number of ordinary shares outstanding during the financial year. In accordance with the revised AASB 1027, basic EPS is now calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares adjusted for any bonus element.

Diluted EPS was previously determined by dividing the profit from ordinary activities after tax by the weighted average number of ordinary shares (both issued and potentially dilutive) outstanding during the financial year. In accordance with AASB 1027, diluted EPS is now calculated as net profit attributable to members, adjusted for:

- Costs of servicing equity (other than dividends);
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.



## 2. Segment Information

### PRIMARY SEGMENT – Business Segments

	Retail - Harvey Norman		Retail – Rebel Sport		Franchising and Corporate Items		Property Investments		Share Trading		Financial Services		Eliminations		Consolidated	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Revenue</b>																
Sales to customers outside the consolidated entity	559,523	358,409	228,633	-	-	-	-	-	-	-	-	-	-	-	788,156	358,409
Other revenues from customers outside the consolidated entity	20,924	13,761	13,118	-	228,075	215,949	93,729	81,093	8,154	6,771	7,168	7,370	-	-	371,168	324,944
Intersegment revenues	8,422	2,777	-	-	100	100	-	-	-	-	-	-	(8,522)	(2,877)	-	-
Share of net profit/(loss) of equity accounted investments	(492)	(832)	-	-	-	-	1,371	1,455	-	-	-	-	-	-	879	623
<b>Total Segment Revenue</b>	<b>588,377</b>	<b>374,115</b>	<b>241,751</b>	<b>-</b>	<b>228,175</b>	<b>216,049</b>	<b>95,100</b>	<b>82,548</b>	<b>8,154</b>	<b>6,771</b>	<b>7,168</b>	<b>7,370</b>	<b>(8,522)</b>	<b>(2,877)</b>		
Unallocated Revenue																-
<b>Total Consolidated Revenue</b>															<b>1,160,203</b>	<b>683,976</b>
<b>Results</b>																
Segment Result	5,898	9,715	11,145	-	127,052	114,873	38,900	33,255	4,318	3,851	2,097	1,269	-	-	189,410	162,963
Unallocated expenses																-
Consolidated entity profit from ordinary activities before income tax expense															189,410	162,963
Income tax expense															(60,351)	(56,504)
Consolidated entity profit from ordinary activities after income tax expense															129,059	106,459
Extraordinary items															-	-
<b>Net profit</b>															<b>129,059</b>	<b>106,459</b>
<b>Assets</b>																
Segment Assets	202,030	183,791	110,796	-	3,385,973	2,399,993	687,744	576,043	8,982	8,458	216,523	163,798	(2,943,546)	(1,950,867)	1,668,502	1,381,216
Unallocated Assets															-	-
<b>Total Assets</b>															<b>1,668,502</b>	<b>1,381,216</b>

## 2. Segment Information (continued)

	Retail - Harvey Norman		Retail – Rebel Sport		Franchising and Corporate Items		Property Investments		Share Trading		Financial Services		Eliminations		Consolidated	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Liabilities</b>																
Segment Liabilities	144,611	108,114	58,838	-	2,899,415	2,087,096	448,071	352,407	-	-	185,219	130,655	(2,943,546)	(1,950,867)	792,608	727,405
Unallocated Liabilities															-	-
Total Liabilities															792,608	727,405
<b>Other Segment Information</b>																
Equity accounted investments included in segment assets	1,538	1,976	-	-	-	-	40,849	34,484	-	-	-	-	-	-	42,387	36,460
Acquisition of property, plant and equipment, intangible assets and other non-current assets	9,932	18,309	17,544	-	43,212	54,052	106,751	79,233	6,478	-	52,551	35,181	-	-	236,468	186,775
Depreciation	6,687	3,400	4,013	-	34,432	29,453	7,161	5,581	-	-	81	135	-	-	52,374	38,569
Amortisation	199	199	4,859	-	-	-	-	-	-	-	-	-	-	-	5,058	199
Non-cash expenses other than depreciation and amortisation	2,652	2,236	767	-	795	609	1	-	-	-	698	(21)	-	-	4,913	2,824

## 2. Segment Information (continued)

### SECONDARY SEGMENT – Geographic Segments

	Australia		New Zealand		Singapore		Slovenia		United Kingdom		Eliminations		Consolidated	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Segment Revenue</b>	637,268	356,692	167,896	119,633	349,770	207,625	64	26	5,205	-	-	-	1,160,203	683,976
<b>Segment Assets</b>	1,433,780	1,202,495	97,846	59,824	107,203	117,054	27,541	5,528	3,862	-	(1,730)	(3,685)	1,668,502	1,381,216
<b>Other Segment Information:</b>														
Acquisition of property, plant and equipment, intangible assets and other non-current assets	190,319	165,701	26,331	656	1,344	15,184	15,971	5,234	2,503	-	-	-	236,468	186,775



## 2. Segment Information (continued)

(a) The consolidated entity operates predominantly in six primary segments:

- retailing (Harvey Norman) – this represents retail operations trading in Australia, New Zealand and the controlling interest in Singapore under the Harvey Norman and Space brand names.
- retailing (Rebel Sport) - this represents the controlling interest in retail operations in Australia trading under the Rebel Sport brand name.
- 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.
- share trading - this represents trading of listed securities.

Retailing does not include sales made by franchisees.

(b) Geographically the group operates in five predominant segments being Australia, New Zealand, Singapore, Slovenia and United Kingdom.

The sale of goods and services between geographical segments is at cost.

Segment accounting policies are the same as the consolidated entity's policies described in Note 1. During the financial year, there were no changes in segment accounting policies.

		CONSOLIDATED		PARENT	
	NOTE	2002	2001	2002	2001
		\$000	\$000	\$000	\$000

## 3. Profit and Loss Items

### Revenue from ordinary activities

#### Revenues from operating activities

Revenue from sale of products		<b>788,156</b>	358,409	-	-
<b>Other revenues from operating activities:</b>					
Gross revenue from					
Franchisees (excluding rent and interest received)		<b>226,389</b>	202,063	-	-
Rent received from franchisees and other third parties		<b>93,729</b>	82,548	-	-
Trust distribution received from:					
Other related entities		<b>416</b>	347	-	-
Interest received from:					
franchisees		<b>13,184</b>	12,171	-	-
<b>Total other revenues from operating activities</b>		<b>333,718</b>	297,129	-	-
Share of net results of associates, joint venture entities and partnerships	38	<b>879</b>	623	-	-
<b>Total revenues from operating activities</b>		<b>1,122,753</b>	656,161	-	-

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

		CONSOLIDATED		PARENT	
	NOTE	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Other revenues from non-operating activities</b>					
Interest received from:					
Other unrelated parties		3,770	3,838	-	-
Trust distribution received from:					
Controlled entities		-	-	39,626	36,680
Dividends from:					
Related parties					
Wholly owned group		-	-	163,308	152,153
Other unrelated parties		543	439	-	-
Other revenue		22,823	12,260	24	61
Gross proceeds from the disposal of plant and equipment	(a)	2,374	2,097	-	-
Gross proceeds from the disposal of listed securities	(b)	7,610	6,771	-	-
Net foreign exchange gains from:					
Other items		330	2,410	-	-
<hr/>					
Total other revenues from non-operating activities		37,450	27,815	202,958	188,894
<hr/>					
Total revenues from ordinary activities		1,160,203	683,976	202,958	188,894
<hr/>					
Total revenues from ordinary activities is disclosed on the Statement of Financial Performance (Page 14) as follows:					
Sales revenue		788,156	358,409	-	-
Other revenues from operating activities		333,718	297,129	-	-
Other revenues from non-operating activities		37,450	27,815	202,958	188,894
<hr/>					
Total other revenues		371,168	324,944	202,958	188,894
Share of net results of associates, joint venture entities and partnerships		879	623	-	-
<hr/>					
Total revenues from ordinary activities		1,160,203	683,976	202,958	188,894
<hr/>					
<b>Profit from ordinary activities is after charging the following expenses:</b>					
<b>Depreciation and amortisation:</b>					
Depreciation of:					
- Buildings		6,569	4,720	-	-
- Plant and equipment		45,805	33,849	-	-
Amortisation of:					
- Leased plant and equipment		4,214	-	-	-
- Goodwill		844	199	-	-
<hr/>					
Total depreciation and amortisation		57,432	38,768	-	-
<hr/>					
<b>Borrowing costs:</b>					
Interest paid or payable:					
- Finance leases		1,373	-	-	-
- Loans from directors and director related entities		3,116	5,321	-	-
- Other		19,435	17,835	-	-
<hr/>					
Total borrowing costs		23,924	23,156	-	-
<hr/>					

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

	CONSOLIDATED		PARENT	
NOTE	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Other expense items:</b>				
Net bad debts - written off	1,438	975	-	-
Net charge to provision for doubtful debts	686	(49)	-	-
Gross costs on disposal of plant and equipment (a)	2,003	2,867	-	-
Gross costs on disposal of listed securities (b)	3,836	3,358	-	-
Operating lease rentals (c)	70,958	46,712	-	-
Provision for obsolescence of inventories	1,857	737	-	-
Provision for employee entitlements	931	1,161	-	-
(a) Net (profit)/loss on disposal of plant and equipment	(371)	770	-	-
(b) Net (profit)/loss on disposal of listed securities	(3,774)	(3,413)	-	-
(c) Comprises:				
Minimum lease payments	70,958	46,712	-	-

### 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>189,410</b>	162,963	<b>202,519</b>	188,696
Prima facie tax thereon at 30% (2001: 34%)	<b>56,823</b>	55,407	<b>60,756</b>	64,157
Tax effect of permanent and other differences:				
Amortisation of intangible assets	179	-	-	-
Building depreciation	379	109	96	93
Non deductible assets write offs	232	-	-	-
Sundry items	213	58	44	11
Amounts (over)/under provided in prior years	(142)	-	11	-
Effect of different rates of tax on overseas income and exchange rate differences	1,477	608	-	-
Restatement of deferred tax balances due to income tax rate changes	59	322	59	123
Other adjustments to deferred tax balances	270	-	270	-
Utilisation of tax losses	(303)	-	-	-
Non deductible provisions relating to overseas entities	1,164	-	-	-
Dividends received	-	-	(48,992)	(51,732)
	<b>3,528</b>	1,097	<b>(48,512)</b>	(51,505)
Total income tax attributable to profit from ordinary activities	<b>60,351</b>	56,504	<b>12,244</b>	12,652

**CONSOLIDATED**

<b>2002</b>	2001
<b>\$000</b>	\$000

**5. Earnings Per Share**

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

Net profit	<b>129,059</b>	106,459
<b>Adjustments:</b>		
Net profit attributable to outside equity interest	<b>(782)</b>	(1,303)
Earnings used in calculating basic and diluted earnings per share	<b>128,277</b>	105,156
	<b>Number of Shares</b>	<b>Number of Shares</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<b>1,039,999,770</b>	1,018,176,420
<b>Effect of dilutive securities:</b>		
Share Options	<b>1,165,375</b>	1,979,030
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	<b>1,041,165,145</b>	1,020,155,450

During the year, the parent entity raised \$103,744,599 (before costs of \$23,487) and issued 37,717,029 new shares by means of a pro rata renounceable rights issue. The rights issue closed on 19 December 2001 and the new shares were allotted on 14 January 2002.

In accordance with AASB 1027 "Earnings Per Share", as a result of the rights issue disclosed above, the prior period basic and diluted earnings per share calculations have been adjusted by a bonus element due to the market price immediately prior to the rights issue exercise date, exceeding the rights issue exercise price.

As disclosed in Note 25, 4,000,000 share options with an exercise price of \$4.10 per option have been excluded from the current year and prior year diluted earnings per share calculations as the option exercise price exceeded the average market price for the relevant year for these options, and hence were not considered dilutive.

There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>6. Receivables (Current)</b>				
Trade debtors	529,229	491,404	-	-
Provision for doubtful debts	(2,973)	(3,662)	-	-
<b>Trade debtors, net</b>	<b>526,256</b>	<b>487,742</b>	-	-
Consumer finance loans	4,693	7,657	-	-
Amounts receivable in respect of finance leases (a)	7,790	6,796	-	-
Non-trade debts receivable from:				
Related parties	18,094	1,640	-	-
Other unrelated persons	12,677	24,482	-	-
Provision for doubtful debts	(1,317)	-	-	-
<b>Non-trade debts receivable, net</b>	<b>29,454</b>	<b>26,122</b>	-	-
<b>Total receivables (current)</b>	<b>568,193</b>	<b>528,317</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	8,623	7,643	-	-
Later than one year but not later than five years	10,556	11,047	-	-
	<b>19,179</b>	<b>18,690</b>	-	-
Future finance revenue				
- Not later than one year	(833)	(847)	-	-
- Later than one year but not later than five years	(990)	(1,266)	-	-
<b>Net finance lease receivables</b>	<b>17,356</b>	<b>16,577</b>	-	-
Reconciled to:				
Receivables (Current)	7,790	6,796	-	-
Receivables (Non-Current - Note 11)	9,566	9,781	-	-
	<b>17,356</b>	<b>16,577</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	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>7. Other Financial Assets (Current)</b>				
Listed shares	2,504	8,458	-	-
Promissory note	7,970	-	-	-
<b>Total other financial assets (current)</b>	<b>10,474</b>	<b>8,458</b>	<b>-</b>	<b>-</b>
Listed securities are readily saleable with no fixed terms. There would be no material capital gains tax payable if these assets were sold at the reporting date.				
<b>8. Inventories (Current)</b>				
Finished goods at cost	159,055	90,322	-	-
Provision for obsolescence	(4,129)	(2,272)	-	-
<b>Total current inventories, net</b>	<b>154,926</b>	<b>88,050</b>	<b>-</b>	<b>-</b>
<b>9. Tax Assets (Current)</b>				
Future income tax benefit:				
- Income tax instalments recoverable	120	-	-	-
- Income tax losses	1,316	-	-	-
<b>Total tax assets (current)</b>	<b>1,436</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>10. Other Assets (Current)</b>				
Prepayments	11,485	16,689	-	-
<b>11. Receivables (Non-Current)</b>				
Consumer finance loans	1,564	3,594	-	-
Provision for doubtful debts	(1,430)	(1,084)	-	-
	134	2,510	-	-
Amounts receivable in respect of finance leases (Note 6)	9,566	9,781	-	-
Non-trade debts receivable from:				
Wholly owned controlled entities	-	-	545,590	293,422
<b>Total receivables (non-current)</b>	<b>9,700</b>	<b>12,291</b>	<b>545,590</b>	<b>293,422</b>
<b>12. Other Financial Assets (Non-Current)</b>				
Securities not quoted on prescribed Stock Exchanges – at cost (in wholly Owned controlled entities – Note 39)	-	-	46,826	46,826
Securities quoted on prescribed Stock Exchanges - at cost (in unrelated entities) (b)	6,478	-	-	-
Units in unit trusts not quoted on prescribed Stock Exchanges – at cost (a) (Note 39)	12,351	6,123	8,781	8,772
Other unquoted investments – at cost	33	4,332	-	-
<b>Total other financial assets (non-current)</b>	<b>18,862</b>	<b>10,455</b>	<b>55,607</b>	<b>55,598</b>

There would be no capital gains tax payable if these assets were sold at their market values at the reporting date.

## 12. Other Financial Assets (Non-Current) (continued)

### (a) 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 \$51.74 million (2001: \$35.28 million). The consolidated entity also holds monies on behalf of FAST relating to these receivables of \$2.6 million (2001: \$2.09 million) at balance date.

In these financial statements, the consolidated entity's interest in FAST is 24.54% (2001: 21.7%) 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 - \$12.15 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.

The consolidated entity is exposed to interest rate risk through its investment in FAST. Under the Receivables Facility Agreement between the consolidated entity and the Manager and Trustee of FAST, the consolidated entity bears the cost of all interest paid in relation to commercial paper issued by FAST. Interest paid by FAST on commercial paper proceeds for the year ended 30 June 2002 was \$2.06 million. The weighted average interest rate applicable to commercial paper issued by FAST for the year ended 30 June 2002 was 4.71%.

### (b) Securities Quoted on Prescribed Stock Exchanges in Unrelated Entities

#### **Briscoe Group Limited**

The consolidated entity holds listed securities in Briscoe Group Limited, a company listed on the New Zealand Stock Exchange. Briscoe Group Limited operates the "Briscoes Homeware" and "Rebel Sports" retail chains in New Zealand.

The consolidated entity holds a 2.5% ownership interest in Briscoe Group Limited. The carrying amount of this investment at cost at 30 June 2002 is \$4,448,399. The market value at 30 June 2002 is \$9,564,057.

#### **Gazal Corporation Limited**

The consolidated entity holds listed securities in Gazal Corporation Limited (Gazal). The principal activities of Gazal include the design, manufacture, importation, wholesale and retail of well known branded apparel and accessories.

The carrying amount and fair value of this investment at 30 June 2002 is \$2,030,000.

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>13. Property, Plant and Equipment (Non-Current)</b>				
<b>(a) Summary</b>				
<b>Land</b>				
At fair value	332,035	307,931	-	-
<b>Buildings</b>				
At fair value	313,650	227,283	-	-
Accumulated depreciation	(26,607)	(21,454)	-	-
Total buildings	287,043	205,829	-	-
Total land and buildings	619,078	513,760	-	-
<b>Plant and equipment</b>				
At cost	347,079	256,445	-	-
Accumulated depreciation	(183,210)	(115,717)	-	-
	163,869	140,728	-	-
<b>Plant and equipment under lease</b>				
At cost	25,926	-	-	-
Accumulated amortisation	(8,309)	-	-	-
	17,617	-	-	-
Total plant and equipment	181,486	140,728	-	-
Total property, plant and equipment				
Fair value	645,685	535,214	-	-
Cost	373,005	256,445	-	-
	1,018,690	791,659	-	-
Accumulated depreciation and amortisation	(218,126)	(137,171)	-	-
Total written down amount	800,564	654,488	-	-

**(b) Valuations**

Valuations of land and buildings were made by directors of the parent entity as at 30 June 2002 on the basis of fair value. The valuations used for 2001 comparatives were made by directors of the parent entity as at 30 June 2001 on the basis of fair value. All properties are valued at fair value which has been calculated using the capitalisation method of valuation and having regard to the highest and best use of these land and buildings.

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.

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

#### (c) Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year.

	CONSOLIDATED	PARENT
	2002 \$000	2002 \$000
<b>Land</b>		
Fair value		
Opening balance	307,931	-
Additions	9,316	-
Increase resulting from revaluation (b)	14,568	-
Currency translation differences	220	-
<b>Closing balance</b>	<b>332,035</b>	<b>-</b>
<b>Buildings</b>		
Fair value		
Opening balance	227,283	-
Additions	81,676	-
Increase resulting from revaluation (b)	4,029	-
Currency translation differences	662	-
<b>Closing balance</b>	<b>313,650</b>	<b>-</b>
Accumulated Depreciation		
Opening Balance	21,454	-
Depreciation for the year	6,569	-
Disposals	(23)	-
Reversal upon revaluation (b)	(1,462)	-
Currency translation differences	69	-
<b>Closing balance</b>	<b>26,607</b>	<b>-</b>
<b>Net book value</b>	<b>287,043</b>	<b>-</b>
<b>Total land and buildings at 30 June 2002</b>	<b>619,078</b>	<b>-</b>
<b>Plant and equipment</b>		
Cost		
Opening balance	256,445	-
Balance acquired in controlled entity	32,766	-
Additions	58,307	-
Disposals	(6,052)	-
Transfers from capitalised leased plant and equipment	6,970	-
Currency translation differences	(1,357)	-
<b>Closing balance</b>	<b>347,079</b>	<b>-</b>
Accumulated Depreciation		
Opening balance	115,717	-
Balance acquired in controlled entity	22,141	-
Depreciation for the year	45,805	-
Disposals	(4,292)	-
Transfers from capitalised leased plant and equipment	4,635	-
Currency translation differences	(796)	-
<b>Closing balance</b>	<b>183,210</b>	<b>-</b>
<b>Net book value</b>	<b>163,869</b>	<b>-</b>

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

	CONSOLIDATED		PARENT	
	2002	2001	2002	2001
	\$000	\$000	\$000	\$000
<b>Capitalised Leased Plant and Equipment</b>				
Capitalised cost				
Opening balance	-	-	-	-
Balance acquired in controlled entity	30,353	-	-	-
Additions	3,073	-	-	-
Transfers to owned plant and equipment	(6,970)	-	-	-
Disposals	(530)	-	-	-
<b>Closing balance</b>	<b>25,926</b>		<b>-</b>	
<b>Accumulated Depreciation</b>				
Opening balance	-	-	-	-
Balance acquired in controlled entity	8,994	-	-	-
Amortisation for the period	4,214	-	-	-
Transfers to owned plant and equipment	(4,635)	-	-	-
Disposals	(264)	-	-	-
<b>Closing balance</b>	<b>8,309</b>		<b>-</b>	
<b>Net book value</b>	<b>17,617</b>		<b>-</b>	
<b>Total plant and equipment, at 30 June 2002</b>	<b>181,486</b>		<b>-</b>	
<b>Total property, plant and equipment at 30 June 2002</b>	<b>800,564</b>		<b>-</b>	

Included in buildings are properties under construction totalling \$23,771,195.

	CONSOLIDATED		PARENT	
	2002	2001	2002	2001
	\$000	\$000	\$000	\$000
<b>14. Intangible Assets (Non-Current)</b>				
Goodwill – at cost	14,299	1,016	-	-
Accumulated amortisation	(1,073)	(324)	-	-
<b>Total intangibles, net</b>	<b>13,226</b>	<b>692</b>	<b>-</b>	<b>-</b>
<b>15. Deferred Tax Assets (Non-Current)</b>				
Future income tax benefits attributable to timing differences	6,985	2,292	2,798	1,005
<b>16. Payables (Current)</b>				
Unsecured:				
Trade creditors	395,191	328,945	102	87

CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

## 17. Interest-Bearing Liabilities (Current)

Secured:

Non trade amounts owing to:

Other related parties (a)	2,623	2,087	-	-
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Unsecured:

Bank overdraft	7,270	13,717	-	-
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Lease liabilities (b) (Note 28)	7,053	180	-	-
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Hire purchase liabilities	32	-	-	-
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Non trade amounts owing to:

Directors (c)	14,879	85,484	-	-
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Other related parties (c)	101	147	-	-
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<b>Total interest-bearing liabilities (current)</b>	<b>31,958</b>	<b>101,615</b>	<b>-</b>	<b>-</b>
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(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.

## 18. Tax Liabilities (Current)

Provision for taxation	30,914	30,258	8,889	7,450
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## 19. Provisions (Current)

Dividends on ordinary shares (a)	26,738	20,363	26,397	20,363
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Employee entitlements	6,320	3,428	-	-
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<b>Total other provisions (current)</b>	<b>33,058</b>	<b>23,791</b>	<b>26,397</b>	<b>20,363</b>
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(a) Dividends payable represent a final dividend of 2.5 cents (2001: 2.0 cents) per ordinary share for the financial year ended 30 June 2002. The extent to which the dividends are franked, details of the franking account balance at balance date and franking credits available for the subsequent financial year are disclosed in Note 27.

## 20. Other Liabilities (Current)

Lease incentive	1,178	-	-	-
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Unearned revenue	2,600	1,542	-	-
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<b>Total other liabilities (current)</b>	<b>3,778</b>	<b>1,542</b>	<b>-</b>	<b>-</b>
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## 21. Payables (Non-Current)

Unsecured:

Trade creditors	32	-	-	-
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	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>22. Interest-Bearing Liabilities (Non-Current)</b>				
Secured bills payable	281,689	239,188	-	-
Lease liabilities (Note 28)	9,330	-	-	-
Hire purchase liabilities	16	-	-	-
<b>Total interest-bearing liabilities (non-current)</b>	<b>291,035</b>	239,188	-	-

- 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. The bills have an average maturity of 30 days with effective interest rates of 4.3% to 5.3% (2001: 4.9% to 6.6%).
- 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 2003 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.

### 23. Provisions (Non-Current)

Employee entitlements	1,358	511	-	-
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### 24. Other Liabilities (Non-Current)

Lease incentive	2,875	-	-	-
Unearned revenue	2,409	1,555	-	-
<b>Total other liabilities (non-current)</b>	<b>5,284</b>	1,555	-	-

### 25. Contributed Equity

Ordinary shares (a)	246,591	142,869	246,591	142,869
Outside equity interests	56,400	50,358	-	-
<b>Total contributed equity</b>	<b>302,991</b>	193,227	<b>246,591</b>	142,869

	Number of Ordinary Shares	
	2002	2001
(a)		
Movements in issued shares for the year:		
Opening number of shares	1,018,176,420	1,018,176,420
Rights Issue on 14 January 2002	37,717,029	-
<b>Closing number of shares</b>	<b>1,055,893,449</b>	1,018,176,420

#### Ordinary Shares - Terms and Conditions

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in any surplus on winding up in proportion to the number of and amounts paid up on shares held.

Each ordinary share entitles the holder to one vote, either in person or by proxy, at a meeting of the company.

## 25. Contributed Equity (continued)

### Rights Issue

The parent entity raised \$103,744,599 (before costs of \$23,487) by means of a pro rata renounceable rights issue in the year ending 30 June 2002. The issue closed at 5.00 pm on 19 December 2001. Pursuant to the issue, a further 37,717,029 new shares were allotted and issued on 14 January 2002, so that after completion of that allotment, there were 1,055,893,449 ordinary shares issued in the parent entity.

### Share Options

#### - Harvey Norman Holdings Limited

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 trustees of separate trusts for the benefit of each of John Slack-Smith and family (2,000,000 options) and Stephen Hauville and family (2,000,000 options) (collectively the "November 2000 Options").

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.

The November 2000 Options have not been exercised.

For the purposes of disclosure, the Black-Scholes Option pricing formula was utilised in the manner set out in the notice of general meeting of shareholders to approve the November 2000 Options, so that:

- i) each of the November 2000 Options was valued, as at the date of grant 21 November 2000, at \$1.2665 per option;
- ii) the options issued to the trustee of the trust for the benefit of John Slack-Smith and family had a value of \$2,533,000; and
- iii) the options issued to the trustee of the trust for the benefit of Stephen Hauville and family had a value of \$2,533,000.

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").

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.

The August 1999 Options have not been exercised.

#### - Rebel Sport Limited

At a general meeting of shareholders of Rebel Sport Limited held on 5 June 2001, the shareholders approved the granting of 2,000,000 options each to Ian Dresner and Hilton Seskin, the former joint managing directors of Rebel Sport Limited ("Rebel Dresner Seskin Options"). The Rebel Dresner Seskin Options were issued to Ian Dresner and Hilton Seskin on 3 August 2001. The Rebel Dresner Seskin Options were exercisable in tranches, 800,000 at \$0.70, 400,000 at \$0.40, 400,000 at \$0.20 and 400,000 at \$0.01. The average exercise price at the date of issue was \$0.402 per option and the Rebel Dresner Seskin Options were issued free of charge to Ian Dresner and Hilton Seskin.

On 24 April 2002, Ian Dresner and Hilton Seskin exercised 400,000 options each at \$0.20 per option and 400,000 options each at \$0.01 per option. A total of 800,000 ordinary shares were issued to Ian Dresner and Hilton Seskin on exercise of the options, resulting in a total cash inflow to Rebel Sport Limited of \$168,000. The market value of these shares at the date of issue to Ian Dresner and Hilton Seskin was \$1,840,000.

As a result of the rights issue of shares which occurred in June 2002, the exercise price of the unexercised tranches of the Rebel Dresner Seskin Options was adjusted to 800,000 options at \$0.67 and 400,000 options at \$0.38 in accordance with the terms of the Rebel Dresner Seskin Options. The balance of the Rebel Dresner Seskin Options have not been exercised, however they are exercisable immediately and will expire on 4 August 2006.

For the purposes of disclosure, the Black-Scholes Option pricing formula was utilised, so that:

- i) each of the Rebel Dresner Seskin Options was valued at the date of issue 3 August 2001, at \$1.2373 per option;
- ii) the Rebel Dresner Seskin Options issued to Ian Dresner had a value of \$2,474,680; and
- iii) the Rebel Dresner Seskin Options issued to Hilton Seskin had a value of \$2,474,680.

## 25. Contributed Equity (continued)

### Subsequent Event

At a general meeting of shareholders of Rebel Sport Limited held on 26 September 2002, shareholders approved the granting of options over 3,400,000 shares, the first 3,000,000 to be exercised at \$0.83 per share (the "First Tranche Options") and the balance of 400,000 to be exercised at \$1.74 per share (the "Second Tranche Options") to Stephen Michael Heath acting in his capacity of the Heath 2002 Trust (the "September 2002 Options").

Each of the September 2002 Options:

- (a) is **not** capable of being exercised prior to 1 October 2005; and
- (b) expires on midnight on 30 September 2007.

For the purposes of disclosure, the Black-Scholes Option pricing formula was utilised, in the manner set out in the notice of general meeting of shareholders to approve the grant of the September 2002 Options, so that:

- i) each of the First Tranche Options was valued at \$0.86 per option;
- ii) each of the Second Tranche Options was valued at \$0.55 per option;
- iii) the First Tranche Options issued to Stephen Michael Heath had a value of \$2.58 million; and
- iv) the Second Tranche Options issued to Stephen Michael Heath had a value of \$220,000.

### - Pertama Holdings Limited, Singapore

On 16 November 2001, in accordance with a Special Resolution at an extraordinary general meeting of Pertama Holdings Limited, options to take up ordinary shares in the capital of Pertama Holdings Limited at an issue price of 0.45 Singapore Dollars per share were granted to each of Angelo Augustus (4,000,000 options) and Koh Kee Ai (1,000,000 options).

The options issued to Angelo Augustus are exercisable in whole or in part (provided that the options may be exercised in part only in respect of 1,000 shares or any multiple thereof) during the period commencing 11 February 2003 and expiring 11 February 2005. For the purposes of disclosure, the Black-Scholes Option Pricing Formula was utilised, therefore, the options issued to Angelo Augustus were valued at \$0.0387 Singapore Dollars per option (or 4.11 cents per option in Australian dollars), and had a value of \$154,800 Singapore Dollars, or \$164,296 Australian dollars. The options have not been exercised.

The options issued to Koh Kee Ai are exercisable in whole or in part (provided that the options may be exercised in part only in respect of 1,000 shares or any multiple thereof) during the period commencing 1 October 2005 and expiring 1 October 2010. For the purposes of disclosure, the Black-Scholes Option Pricing Formula was utilised, therefore, the options issued to Koh Kee Ai were valued at \$0.0902 Singapore Dollars per option (or 9.5 cents per option in Australian dollars), and had a value of \$90,200 Singapore Dollars, or \$95,733 Australian Dollars. The options have not been exercised.

CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

## 26. Reserves

Asset revaluation	133,822	113,763	-	-
Foreign currency translation	2,295	2,128	-	-
<b>Total reserves</b>	<b>136,117</b>	<b>115,891</b>	<b>-</b>	<b>-</b>

These comprise:

### (a) Asset revaluation

The asset revaluation reserve is used to record increments and decrements in the value of non-current assets. The reserve can only be used to pay dividends in limited circumstances.

Movements in reserve:

Asset revaluation:				
Opening balance	113,763	85,735	-	-
Revaluation of land and Buildings during the year	20,059	28,028	-	-
<b>Closing balance</b>	<b>133,822</b>	<b>113,763</b>	<b>-</b>	<b>-</b>

## 26. Reserves (continued)

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>(b) Foreign currency translation</b>				
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of self-sustaining foreign operations.				
Movements in reserve:				
Foreign currency translation:				
Opening balance	2,128	(1,109)	-	-
Exchange fluctuations arising on overseas net assets	167	3,237	-	-
<b>Closing balance</b>	<b>2,295</b>	<b>2,128</b>	<b>-</b>	<b>-</b>

## 27. Retained Profits and Dividends

Retained Profits (attributable to members of the parent entity):

Retained profits at the beginning of the financial year	342,457	278,028	179,256	43,939
Dividends provided for or paid	(47,515)	(40,727)	(47,515)	(40,727)
Net profit	128,277	105,156	190,275	176,044
<b>Retained profits at the end of the financial year</b>	<b>423,219</b>	<b>342,457</b>	<b>322,016</b>	<b>179,256</b>

Outside equity interest

Reconciliation of outside equity interest in controlled entities:

Opening balance	52,594	44,803		
Add share of operating profit	782	1,303		
Change in contributed equity	9,215	738		
Exchange rate fluctuation	(5,523)	5,624		
Reclassification of controlled entities	-	126		
Acquisition of controlled entity	13,240	-		
Less dividends	(341)	-		
	<b>69,967</b>	<b>52,594</b>		

Equity:

Total equity at the beginning of the financial year	653,811	550,326	322,125	186,808
Total changes in equity recognised in the Statement of Financial Performance	148,503	136,421	190,275	176,044
Transactions with owners as owners				
Dividends	(47,515)	(40,727)	(47,515)	(40,727)
Rights Issue	103,722	-	103,722	-
Total changes in outside equity interests	17,373	7,791	-	-
<b>Total equity at the reporting date</b>	<b>875,894</b>	<b>653,811</b>	<b>568,607</b>	<b>322,125</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

	493,478	340,473	384,879	111,314
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## 27. Retained Profits and Dividends (continued)

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
Dividends paid or provided for on ordinary shares				
(a) Dividends proposed				
Franked dividends (2.5¢ per share) (2001: 2¢)	26,397	20,363	26,397	20,363
(b) Dividends paid during the year				
(i) Current year interim Franked dividends (2¢ per share) (2001: 2¢)	21,118	20,364	21,118	20,364
(ii) Previous year final Franked dividends (2¢ per share) (2001: 2¢)	20,363	20,363	20,363	20,363

	PARENT	
	2002 \$000	2001 \$000
(c) Franking credit balance		
The amount of franking credits available for the subsequent financial year are:		
- franking account balance as at the end of the financial year at 30% (2001: 34%)	493,478	340,473
- franking credits that will arise from the payment of income tax payable as at the end of the financial year	87,481	72,227
- franking debits that will arise from the payment of dividends as at the end of the financial year	(26,397)	(20,363)
	<u>554,562</u>	<u>392,337</u>

All dividends paid during the financial year ended 30 June 2002 were fully franked at the tax rate of 30%. Dividends provided for, but not yet paid, will be fully franked at the current tax rate of 30%.

CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

## 28. Commitments

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

- Not later than one year	<b>35,935</b>	8,890	-	-
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- (b) Lease expenditure commitments

- (i) Finance lease rentals are payable as follows:

- Not later than one year	<b>8,816</b>	55	-	-
- Later than one year but not later than five years	<b>11,204</b>	133	-	-
Minimum finance lease payments	<b>20,020</b>	188	-	-
Deduct future finance charges	<b>(1,888)</b>	-	-	-
Deduct future GST recoverable	<b>(1,749)</b>	(8)	-	-
Total finance lease liabilities	<b>16,383</b>	180	-	-
Disclosed as follows:				
Current liabilities (refer Note 17)	<b>7,053</b>	180	-	-
Non-current liabilities (refer Note 22)	<b>9,330</b>	-	-	-
	<b>16,383</b>	180	-	-

The consolidated entity leases certain store fitout assets, computers, motor vehicles and ski hire equipment under finance leases expiring from one to five years. At the end of the lease term, the consolidated entity has the right to purchase the assets at an agreed residual value. All lease payments are determined at the commencement of the lease and remain fixed for the lease term.

The finance lease liabilities are secured by charges over the underlying assets financed (refer to Note 13 for net book value of capitalised lease assets) but rank behind the security held by the consolidated entity's bankers.

- (ii) Operating lease expenditure contracted for is payable as follows:

- Not later than one year	<b>79,225</b>	42,339	-	-
- Later than one year but not later than five years	<b>215,311</b>	135,614	-	-
- Later than five years	<b>127,226</b>	92,794	-	-
Total operating lease liabilities	<b>421,762</b>	270,747	-	-

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 average lease term is 5 - 7 years with the majority of leases having options for further terms. There are no restrictions imposed by lease arrangements on dividends, additional debt or further leasing.

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

- Not later than one year	<b>5,000</b>	5,000	-	-
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CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

## 29. 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

19,113	2,802	-	-
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Termination benefits payable under service agreements with two executive directors of Rebel Sport Limited

600	-	-	-
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The parent entity has guaranteed the performance of a number of controlled entities which have entered into leases with other parties.

-	-	279,209	269,775
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Total contingent liabilities	19,713	2,802	279,209	269,775
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CONSOLIDATED		PARENT	
2002	2001	2002	2001
Number	Number	Number	Number

## 30. Employee Entitlements

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

2,228	1,346	-	-
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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	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

The aggregate employee entitlement liability is comprised of:

Accrued wages, salaries and on costs	1,082	270	-	-
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Provisions (current – Note 19)	6,320	3,428	-	-
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Provisions (non-current – Note 23)	1,358	511	-	-
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Total employee entitlement provisions	8,760	4,209	-	-
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CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$	\$	\$	\$

## 31. Remuneration of Auditors

### Auditor's Remuneration

Amounts received or due and receivable by Ernst & Young for:

Audit or review of financial reports of the company and any other entity in the consolidated entity

208,000 - - -

Other services in relation to the company or any entity in the consolidated entity.

22,305 - - -

**230,305 - - -**

Amounts received or due and receivable by Andersen for:

Audit or review of financial reports of the company and any other entity in the consolidated entity

330,035 401,000 - -

Other services in relation to the company or any entity in the consolidated entity (a)

1,137,573 213,000 - -

**1,467,608 614,000 - -**

Amounts received or due and receivable by auditors

Other than Ernst & Young or Andersen for:

Audit or review of financial reports of the company and any other entity in the consolidated entity

45,638 13,096 - -

Other services in relation to the company or any entity in the consolidated entity

11,740 - - -

**57,378 13,096 - -**

**1,755,291 627,096 - -**

(a) Consists primarily of Information Technology and taxation services.

## 32. Directors' and Executives' Income

### (a) Income of Directors

Income paid or payable, or otherwise made available, in respect of the financial year, to all directors of each entity in the consolidated entity, directly or indirectly, by the entities of which they are directors or any related party:

**7,426,428 6,472,672**

Income paid or payable, or otherwise made available, in respect of the financial year, to all directors of Harvey Norman Holdings Limited, directly or indirectly, from the entity or any related party:

**1,631,105 6,472,672**

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

### PARENT

2002 Number	2001 Number
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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	3	3
\$140,000 - \$149,999*	1	-
\$200,000 - \$209,999*	-	1
\$250,000 - \$259,999*	1	1
\$260,000 - \$269,999*	1	1
\$300,000 - \$309,999*	3	1
\$2,640,000 - \$2,649,999	-	1
\$2,750,000 - \$2,759,999	-	1

\*The directors included in these bandings are also executive officers responsible for the management of affairs of the company. Their remuneration has been included in the Income of Executives remuneration totals below.

The above tables include the value of options issued to certain directors in the financial years ending 30 June 2001 and 30 June 2002. The details of the terms, conditions and value of options granted during that period are set out in Note 25 of the Financial Statements.

Options granted as part of remuneration have been valued using an option price model which takes account of factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option

Directors of Pertama Holdings Limited, Singapore have been excluded from the above table in accordance with the requirements of AASB 1017 "Related Party Disclosures".

### CONSOLIDATED

### PARENT

2002 \$	2001 \$	2002 \$	2001 \$
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#### (b) Income of Executives

Remuneration received or due and receivable by executive officers (including executive directors) of the consolidated entity whose remuneration is \$100,000 or more, from entities in the consolidated entity or a related entity, in connection with the management of the affairs of the entities in the consolidated entity whether as an executive officer or otherwise:

<u>12,538,440</u>	<u>7,143,265</u>
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Remuneration received or due and receivable by executive officers (including executive directors) of the company whose remuneration is \$100,000 or more, from the company or any related party, in connection with the management of the affairs of the company or any of its subsidiaries, whether as an executive officer or otherwise:

<u>1,571,105</u>	<u>6,426,219</u>
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### 32. Directors' and Executives' Income (continued)

		CONSOLIDATED		PARENT	
		2002 Number	2001 Number	2002 Number	2001 Number
\$100,000	- \$109,999	11	-	-	-
\$110,000	- \$119,999	7	-	-	-
\$120,000	- \$129,999	6	1	-	-
\$130,000	- \$139,999	1	2	-	-
\$140,000	- \$149,999	4	-	1	-
\$150,000	- \$159,999	2	1	-	-
\$160,000	- \$169,999	2	1	-	-
\$170,000	- \$179,999	2	-	-	-
\$200,000	- \$209,999	-	1	-	1
\$210,000	- \$219,999	2	-	-	-
\$220,000	- \$229,999	1	-	-	-
\$250,000	- \$259,999	1	1	1	1
\$260,000	- \$269,999	3	1	1	1
\$300,000	- \$309,999	3	1	3	1
\$2,640,000	- \$2,649,999	-	1	-	1
\$2,740,000	- \$2,749,999	2	-	-	-
\$2,750,000	- \$2,759,999	-	1	-	1

Executives and executive directors of Pertama Holdings Limited, Singapore have been excluded from the above table in accordance with AASB 1034 "Financial Report Presentation and Disclosures".

		CONSOLIDATED		PARENT	
		2002 \$000	2001 \$000	2002 \$000	2001 \$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.		161	56	75	-

CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

### 33. 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 February 2001)  
 S.P. Hauville (appointed 5 February 2001)

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, A.B. Brew and G. Harvey. Interest is payable at normal commercial rates. These loans are unsecured and repayable at call. Refer to Note 17 for balance of loans outstanding at year end.

Net amounts received (paid back) from/to entities associated with the above mentioned directors.	<b>(70,605)</b>	57,965	-	-
Interest paid/payable	<b>3,116</b>	5,321	-	-

#### (c) Other Director Transactions

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.

	<b>1,333</b>	1,215	-	-
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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.

	<b>2,078</b>	1,594	-	-
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### 33. Related Party Transactions (continued)

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
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 38(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. The property was purchased subject to a lease of part of the property in favour of a subsidiary of Harvey Norman Holdings Limited (the "Lessee"). That lease had been granted by the previous owner of the property on arm's length normal terms and conditions. Gerald Harvey is entitled to one half of the rental paid by the Lessee. The amount of rental paid by the Lessee to Gerald Harvey and the subsidiary of Harvey Norman Holdings Limited for the year ended 30 June 2002 was \$1.212 million and for the year ended 30 June 2001 was \$.962 million.				
By a contract for sale dated 15 May 2002, 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 Byron Bay Everglades Resort for a purchase price of \$7.1 million. In the financial report for the year ended 30 June 2002, this has been accounted for as a joint venture entity as disclosed in Note 38 (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 arms 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.	706	1,846	-	-
Yoogalu Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) charged Rebel Sports Limited advertising production charges for advertising performed on its behalf. The charges were at normal commercial terms and conditions.	40	-	-	-
Yoogalu Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) charged Pertama Merchandising Pte Ltd (a wholly owned subsidiary of Pertama Holdings Limited) advertising production charges for advertising services performed on its behalf. The charges were at normal commercial terms and conditions.	20	-	-	-
			-	-

### 34. Related Party Transactions (continued)

#### (e) Directors' Shareholdings

	Shares issued by the Parent Entity	
	2002 Number '000	2001 Number '000
<b>Shares and share options acquired from the entity during the year:</b>		
Ordinary shares	18,661	18
Ordinary share options	-	4,000
<b>Shares and share options disposed of during the year:</b>		
Ordinary shares	3,687	19,919
Ordinary share options	-	-
<b>Shares and share options held at the end of the year:</b>		
Directly		
Ordinary shares	189,803	182,920
Ordinary share options	14,500	14,500
Indirectly		
Ordinary shares	319,921	311,830

Share options were issued by other entities within the group. For details of share options refer to Note 25.

#### (f) Ultimate Controlling Entity

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

### 34. Notes to the Statement of Cash Flows

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$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	29,100	22,019	-	-
Short term money market deposits	1,164	1,005	-	-
	30,264	23,024	-	-
Bank overdraft	(7,270)	(13,717)	-	-
Cash at end of period	22,994	9,307	-	-

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

	CONSOLIDATED		PARENT	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
(b) Reconciliation of net profit after income tax to net operating cash flows:				
Net profit after income tax	129,059	106,459	190,275	176,044
Adjustments for non-cash income and expense items:				
Net foreign exchange gain	(330)	(2,410)	-	-
Bad and doubtful debts	1,438	975	-	-
Provision for inventory obsolescence	1,857	737	-	-
Share of joint ventures	1,371	1,455	-	-
Share of partnerships	(492)	(832)	-	-
Depreciation of property, plant and equipment	52,374	38,569	-	-
Amortisation of leased assets	4,214	-	-	-
Amortisation of goodwill	844	199	-	-
Transfers to provisions:				
Employee entitlements	931	1,161	-	-
Doubtful debts	686	(49)	-	-
(Profit)/loss on disposal of: Property, plant and equipment, and listed securities				
	(4,145)	(2,643)	-	-
(Decrease)/increase in provision for:				
Income tax payable	836	(5,104)	1,439	6,296
Adjustment for non-operating cashflows: Conversion of non-trade amounts receivable from wholly owned controlled entities as consideration for purchase of investments				
	-	-	(9)	(2)
Changes in assets and liabilities net of effects from purchase and sale of controlled entities:				
(Increase)/decrease in assets:				
Accounts receivable	(30,227)	(54,031)	(163,323)	(152,217)
Inventory	(17,890)	(29,340)	-	-
Other current assets	6,078	(13,168)	-	6
Other non-current assets	(1,838)	276	(1,793)	126
Increase/(decrease) in liabilities:				
Accounts payable	43,646	22,522	15	10
Non trade amounts owing to FAST No. 1 Trust	536	(3,629)	-	-
<b>Net operating cash flows</b>	<b>188,948</b>	<b>61,147</b>	<b>26,604</b>	<b>30,263</b>

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

CONSOLIDATED		PARENT	
2002	2001	2002	2001
\$000	\$000	\$000	\$000

(c) Controlled entities acquired:  
The following controlled entity was acquired by the consolidated entity on 28 July 2001 and their operating results have been included in the Statement of Financial Performance from the relevant date.

Entity and consideration given	Date Acquired	Proportion of shares acquired	Consolidated	
			2002 \$000	2001 \$000
Rebel Sport Limited	28.7.01	55.46%	28,008	-
Total Consideration			<u>28,008</u>	<u>-</u>

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

- Cash	3,177	-
- Receivables	3,117	-
- Inventories	50,843	-
- Property, plant and equipment	31,984	-
- Goodwill on acquisition	13,038	-
- Intangible assets	1,161	-
- Other assets	4,323	-
- Payables	(25,989)	-
- Interest-bearing liabilities	(32,834)	-
- Provisions	(2,628)	-
- Other liabilities	(4,944)	-
- Outside equity interest	(13,240)	-
<b>Total</b>	<u>28,008</u>	<u>-</u>

**Outflow of cash to acquire the entity, net of cash acquired**

- Cash consideration	28,008	-
- Cash balance acquired	(3,177)	-
<b>Outflow of cash</b>	<u>24,831</u>	<u>-</u>

**Non-cash financing and investing activities**

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows:

During the current period, the consolidated entity acquired plant and equipment (predominantly assets utilised in new and refurbished Rebel store fitouts that were financed by means of finance leases on completion of the fitouts) with an aggregate fair value of \$3,073,003 by means of finance leases which are not reflected in the Statement of Cash Flows.

## 35. Financing Arrangements

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

	2002 CONSOLIDATED		
	Accessible \$000	Drawndown \$000	Unused \$000
Bank Bill standby arrangements (a)	385,207	281,689	103,518
Bank overdraft	5,600	-	5,600
Total financing facilities	390,807	281,689	109,118

	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

- (a) The consolidated entity has \$100 million of the Bank Bill standby arrangement facility on two \$50 million fixed interest rate swaps which are due to expire on 9 May 2005 and 2 November 2006. Interest is charged on the two \$50 million fixed interest rate swaps at a fixed rate of 5.97% and 5.09% per annum, respectively. The remaining facilities are subject to annual review. 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 operations of the business. The company can cancel the facilities at any review date.
- (b) For additional financing facilities not disclosed above, refer to notes 17 and 33(b) for details in relation to loans by directors to Demi Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) and other financing.

## 36. 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.

### 36. 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 rate and cross currency swaps. The following table summarises interest rate risk for the consolidated entity, together with effective interest rates as at balance date.

2002	Principal Subject to Floating interest rate (a)	Fixed interest rate maturing in				Non- interest bearing	Total	Average interest rate	
		1 year or less	Over 1 to 5 years	More than 5 years	Total			Floating	Fixed
		\$000	\$000	\$000				\$000	\$000
<b>Financial assets</b>									
Cash	29,501	-	-	-	763	30,264	2.6 – 4.37%	-	
Consumer finance loans	-	1	30	-	6,226	6,257	-	9%	
Finance lease receivables	17,356	-	-	-	-	17,356	9 – 12%	-	
Trade debtors	-	-	-	-	529,229	529,229	-	-	
Other financial assets	-	7,970	-	-	21,366	29,336	-	4.86%	
Non-trade debtors & loans	22,214	-	-	-	8,557	30,771	6.3 – 12%	-	
	69,071	7,971	30	-	566,141	643,213			
<b>Financial liabilities</b>									
Bank overdraft	7,270	-	-	-	-	7,270	2.6-4.37%	-	
Payables	-	-	-	-	395,223	395,223	-	-	
Bills payable	281,689	-	-	-	-	281,689	4.66%	-	
Finance lease liabilities	-	6,994	9,389	-	-	16,383	-	8 – 9%	
Hire purchase liabilities	-	32	16	-	-	48	-	7.94%	
Interest rate swaps	(100,000)	-	100,000	-	-	-	-	5.09–5.97%	
Other loans	14,879	-	-	-	2,724	17,603	4.7%	-	
	203,838	7,026	109,405	-	397,947	718,216			

2001	Principal Subject to Floating interest rate (a)	Fixed interest rate maturing in				Non- interest bearing	Total	Average interest rate	
		1 year or less	Over 1 to 5 years	More than 5 years	Total			Floating	Fixed
		\$000	\$000	\$000				\$000	\$000
<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	2.8-5.59%	-	
Payables	-	-	-	-	328,945	328,945	-	-	
Bills payable	239,188	-	-	-	-	239,188	5.93%	-	
Finance lease liabilities	-	52	128	-	-	180	-	9-12%	
Interest rate swaps	(50,000)	-	50,000	-	-	-	-	5.97%	
Other loans	85,304	-	-	-	2,414	87,718	5.68%	-	
	288,209	52	50,128	-	331,359	669,748			

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

### 36. 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	CONSOLIDATED					
	Average Exchange Rate		2002		2001	
	2002	2001	Buy \$000	Sell \$000	Buy \$000	Sell \$000
<b>Italian Lira</b>						
3 months or less	-	1,162.52	-	-	6,025	-
<b>US Dollar</b>						
4 months or less	54.20	50.85	186	-	103	-
<b>Canadian Dollar</b>						
4 months or less	85.11	-	1,169	-	-	-
<b>Total</b>			1,355	-	6,128	-

#### (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			
	2002		2001	
	Carrying amount \$000	Net Fair Value \$000	Carrying amount \$000	Net Fair Value \$000
Financial assets:				
Other financial assets:				
- current	-	-	-	4,707
- non-current	6,478	11,594	-	-
Financial liabilities:				
Interest rate swap	100,000	101,156	50,000	49,392

The carrying amounts shown in the table are included in the balance sheet under the indicated captions. In the prior year, investment securities comprised shares held in Data Advantage Limited with a carrying value of \$1.00 and a net fair value of \$4,707,210. Securities in Data Advantage Limited were disposed of during the year. In the current year, investment securities carried at cost in "Other Financial Assets" (non-current) are:

- Briscoe Group Limited, with a carrying value of \$4,448,399 and a net fair value, based on the market value at 30 June 2002, of \$9,564,057.
- Gazal Corporation Limited, with a carrying value and net fair value of \$2,030,000.

The interest rate swaps are recorded in the books at \$100,000,000 and the fair value, based on the market value at 30 June 2002, is \$101,155,969 (2001: \$49,391,976 on a fixed interest rate swap of \$50 million).

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.

## 36. 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	
	2002 \$000	2001 \$000
New Zealand	10,289	967
Singapore	50,346	49,436
Australia	578,428	536,659
Slovenia	3,967	229
United Kingdom	183	-
<b>Total</b>	<b>643,213</b>	<b>587,291</b>

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

### 37. Foreign Currency Exposure:

	CONSOLIDATED		PARENT	
	2002	2001	2002	2001
	\$000 \$A	\$000 \$A	\$000	\$000
<b>Current assets</b>				
Amounts receivable in foreign currency which are not effectively hedged:				
- New Zealand dollars	38,601	29,616	-	-
- Singaporean dollars	91,899	98,051	-	-
- Slovenian tolar	6,329	287	-	-
- United Kingdom pounds	1,588	-	-	-
<b>Current liabilities</b>				
Amounts payable in foreign currency which are not effectively hedged:				
- New Zealand dollars	14,562	7,618	-	-
- Singaporean dollars	33,826	35,058	-	-
- Slovenian tolar	5,092	589	-	-
- United Kingdom pounds	5,195	-	-	-
<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	59,245	30,208	-	-
- Singaporean dollars	15,304	19,001	-	-
- Slovenian tolar	21,212	5,241	-	-
- United Kingdom pounds	2,274	-	-	-
<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	38,129	23,920	-	-
- Singaporean dollars	2,987	3,468	-	-
- United Kingdom pounds	118	-	-	-

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.

### 38. Investments Accounted for Using Equity Method

	CONSOLIDATED Investment		CONSOLIDATED Share of net profit/(loss)	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
Partnerships (a)	1,538	1,976	(492)	(832)
Joint venture entities (b)	40,849	34,484	1,371	1,455
Associated entities (c)	-	-	-	-
Total accounted for using equity method	<b>42,387</b>	<b>36,460</b>	<b>879</b>	<b>623</b>

#### (a) Investments in Partnerships

Details of material interests in partnerships are as follows:

Name and Principal activities	Ownership interest		Carrying amount	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Lighting</b>				
- Lighting retail business	50%	50%	1,538	1,605
<b>Misstar</b>				
- Owner of fixed assets	50%	50%	-	371
			<b>1,538</b>	<b>1,976</b>

#### 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 \$1,538,401 at 30 June 2002 (2001: \$1,976,000). 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 2002 and 30 June 2001, 100% of the loss has been taken up by the consolidated entity. A right of indemnity of \$1,505,009 (2001: \$1,606,000) 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	
	2002 \$000	2001 \$000
Current assets	3,077	3,211
Non-current assets	-	742
Current liabilities	3,515	4,830
Non-current liabilities	20	20
Net Assets/(Liabilities)	<b>(458)</b>	<b>(897)</b>
Revenues	3,019	7,584
Expenses	(3,511)	(8,416)
Loss from ordinary activities before income tax expense	(492)	(832)
Income tax expense relating to ordinary activities	-	-
Net loss	(492)	(832)
Share of net loss of partnerships	<b>(492)</b>	<b>(832)</b>

**38. 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	
	2002	2001	2002 \$000	2001 \$000
Bennetts Green complex Shopping complex	50%	50%	1,360	1,380
Bennetts Green warehouse Warehouse	50%	50%	1,117	1,120
Noarlunga Shopping complex	50%	50%	4,695	5,250
Warwick Shopping complex	33.33%	33.33%	658	637
Perth City West Shopping complex	50%	50%	13,317	13,387
Bathurst Shopping complex and warehouse	50%	50%	739	754
Kelso Development of land for resale	50%	50%	769	855
Tweed Heads – Stage 1 Shopping complex	50%	50%	5,855	5,980
Warrawong (a) Shopping complex	62.5%	62.5%	3,565	3,588
Tweed Heads Traders Way Building development	50%	50%	1,542	1,533
Sylvania Residential development	40%	-	3,664	-
Byron Bay Residential/convention development	50%	-	3,568	-
			<b>40,849</b>	<b>34,484</b>

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

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

#### Aggregate carrying amounts of joint entities

	CONSOLIDATED			
	2002			
	Retained profits \$000	Other reserves \$000	Cost \$000	Total carrying amount \$000
Balance at the beginning of the year	-	1,469	33,015	34,484
Movements during the year				
Investments acquired	-	-	6,365	6,365
Share of net profit	1,371	-	-	1,371
Dividends received and receivable	(1,371)	-	-	(1,371)
Balance at the end of the year	<u>-</u>	<u>1,469</u>	<u>39,380</u>	<u>40,849</u>

  

	CONSOLIDATED			
	2001			
	Retained profits \$000	Other reserves \$000	Cost \$000	Total carrying amount \$000
Balance at the beginning of the year	-	1,469	13,172	14,641
Movements during the year				
Investments acquired	-	-	19,843	19,843
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>1,469</u>	<u>33,015</u>	<u>34,484</u>

#### Financial summary of joint venture entities

	CONSOLIDATED	
	2002 \$000	2001 \$000
Current assets	950	1,609
Non-current assets	82,351	66,453
Current liabilities	3,511	446
Non-current liabilities	2,382	-
Net Assets	<u>77,408</u>	<u>67,616</u>
Revenues	8,273	4,827
Expenses	(4,628)	(1,827)
Profit from ordinary activities before income tax expense	3,645	3,000
Income tax expense relating to ordinary activities	-	-
Net profit	3,645	3,000
Share of net profit of joint venture entities	<u>1,371</u>	<u>1,455</u>

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

#### (c) Investments in associated entities

Details of material interests in associates are as follows:

Name and Principal activities	Ownership Interest		CONSOLIDATED Carrying amount	
	2002	2001	2002 \$000	2001 \$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 (2001: \$4).

#### Financial summary of associates

	CONSOLIDATED	
	2002 \$000	2001 \$000
Current assets	1,168	1,161
Non-current assets	-	-
Current liabilities	18	11
Non-current liabilities	1,150	1,150
Net Assets	-	-
Revenues	304	483
Expenses	(304)	(483)
Profit from ordinary activities before income tax expense	-	-
Income tax expense relating to ordinary activities	-	-
Net profit	-	-
Share of net profit of associated entities	-	-

## 39. 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>1,12,14</sup>	Calardu Crows Nest Pty Limited <sup>1,6</sup>
A.C.N. 098 004 570 Pty Limited <sup>1,6</sup>	Calardu Darwin Pty Limited <sup>1,6</sup>
A.C.N. 098 004 721 Pty Limited <sup>1,6</sup>	Calardu Frankston Pty Limited <sup>1</sup>
Achiever Computers Pty Ltd <sup>1</sup>	Calardu Fyshwick DM Pty Limited <sup>1</sup>
Alblect Pty Limited <sup>1,6,7</sup>	Calardu Gordon Pty Limited <sup>1</sup>
Albstore Pty Limited <sup>1,6,7</sup>	Calardu Guildford Pty Limited <sup>1</sup>
Aloku Pty Limited	Calardu Hobart Pty Limited <sup>1</sup>
Alterest Pty Limited <sup>1,6,7</sup>	Calardu Hoppers Crossing Pty Limited <sup>1</sup>
Anwarah Pty Limited	Calardu Horsham Pty Limited <sup>1</sup>
Appconn Pty Limited <sup>1,6,7</sup>	Calardu Joondalup Pty Limited <sup>1</sup>
Appjoon Pty Limited <sup>1,7</sup>	Calardu Kalgoorlie Pty Limited <sup>1</sup>
Arisit Pty Limited <sup>1,2,18</sup>	Calardu Karana Downs Pty Limited <sup>1,6</sup>
Arlenu Pty Limited	Calardu Kemblawarra Pty Limited <sup>1,6</sup>
Armidale Holdings Pty Limited <sup>1,6</sup>	Calardu Launceston Pty Limited <sup>1</sup>
Arpayo Pty Limited	Calardu Loganholme Pty Limited <sup>1</sup>
Aubdirect Pty Limited <sup>1</sup>	Calardu Maitland Pty Limited <sup>1</sup>
Auburncom Pty Limited <sup>1,6,7</sup>	Calardue Mandurah Pty Limited <sup>1,6</sup>
Auburnfloor Pty Limited <sup>1,6,7</sup>	Calardu Maribyrnong Pty Limited
Balwonder Pty Limited	Calardu Marion Pty Limited
Barrayork Pty Limited <sup>1</sup>	Calardu Maryborough Pty Limited <sup>1</sup>
Bathard Pty Limited <sup>1,6,7</sup>	Calardu Melville Pty Limited <sup>1</sup>
Becto Pty Limited <sup>1,19</sup>	Calardu Milton Pty Limited <sup>1</sup>
Bellevue Hill Pty Limited <sup>1,6</sup>	Calardu Morayfield Pty Limited <sup>1</sup>
Bertoli Pty Limited <sup>1,7</sup>	Calardu Moss Vale Pty Limited <sup>1,6</sup>
Bestest Pty Limited	Calardu Mount Isa Pty Limited <sup>1,6</sup>
Blanrex Pty Limited <sup>1,6,7</sup>	Calardu Mt Gambier Pty Limited <sup>1</sup>
Bossee Pty Limited <sup>1,2</sup>	Calardu Mudgee Pty Limited <sup>1,6</sup>
Bradiz Pty Limited	Calardu Munno Para Pty Limited <sup>1</sup>
Braxpine Pty Limited	Calardu Noarlunga Pty Limited <sup>1</sup>
Broadmall Pty Limited <sup>1,6</sup>	Calardu Noosa Pty Limited <sup>1</sup>
Bunburyfurn Pty Limited <sup>1,6,7</sup>	Calardu North Ryde Pty Limited <sup>1</sup>
Bundall Computers Pty Limited <sup>1,6</sup>	Calardu Nowra Pty Limited <sup>1</sup>
Cairncom Pty Limited <sup>1,6,7</sup>	Calardu Penrith Pty Limited
Cairnfurn Pty Limited <sup>1,6,7</sup>	Calardu Perth City West Pty Limited <sup>1</sup>
Calardu Pty Limited	Calardu Port Macquarie Pty Limited
Calardu Alexandria DM Pty Limited <sup>1</sup>	Calardu Preston Pty Limited
Calardu Alice Springs Pty Limited <sup>1</sup>	Calardu Queensland Pty Limited
Calardu Armadale WA Pty Limited <sup>1</sup>	Calardu Richmond Pty Limited
Calardu Armidale Pty Limited <sup>1,6</sup>	Calardu Rockingham Pty Limited
Calardu Auburn Pty Limited <sup>1</sup>	Calardu Roselands Pty Limited <sup>1</sup>
Calardu Ballarat Pty Limited <sup>1</sup>	Calardu Sale Pty Limited <sup>1,6</sup>
Calardu Ballina Pty Limited <sup>1</sup>	Calardu South Australia Pty Limited
Calardu Bathurst Pty Limited <sup>1</sup>	Calardu Sylvania Pty Limited <sup>1,6</sup>
Calardu Belrose DM Pty Limited <sup>1</sup>	Calardu Taree Pty Limited <sup>1</sup>
Calardu Berri (SA) Pty Limited <sup>1</sup>	Calardu Thebarton Pty Limited <sup>1</sup>
Calardu Berrimah Pty Limited <sup>1</sup>	Calardu Tweed Heads Pty Limited
Calardu Bowral Pty Limited <sup>1</sup>	Calardu Tweed Heads Traders Way Pty Limited <sup>1</sup>
Calardu Broadmeadow Pty Limited <sup>1</sup>	Calardu Vicfurn Pty Limited <sup>1</sup>
Calardu Bunbury (WA) Pty Limited <sup>1</sup>	Calardu Victoria Pty Limited
Calardu Bundall Pty Limited <sup>1</sup>	Calardu Warrawong Pty Limited <sup>1</sup>
Calardu Campbelltown Pty Limited <sup>1</sup>	Calardu Warrawong (Homestarters) Pty Limited <sup>1,6</sup>
Calardu Cannington Pty Limited	Calardu Warrnambool Pty Limited
Calardu Caringbah Pty Limited <sup>1</sup>	Calardu Warwick Pty Limited <sup>1</sup>
Calardu Caringbah (Taren Point) Pty Limited <sup>1</sup>	Calardu West Gosford Pty Limited <sup>1</sup>
Calardu Chatswood Pty Limited <sup>1</sup>	Calardu Whyalla Pty Limited <sup>1</sup>

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

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

Name	Name
Calardu Wivenhoe Pty Limited <sup>1</sup>	Furncom Pty Limited <sup>1,6,7</sup>
Cannapp Pty Limited <sup>1,6,7</sup>	Furnmount Pty Limited <sup>1,7</sup>
Canntur Pty Limited <sup>1,6</sup>	Furntown Pty Limited <sup>1,6,7</sup>
Carincom Pty Limited <sup>1,6,7</sup>	Ganoru Pty Limited
Carlando Pty Limited	Geraldcom Pty Limited <sup>1,6,7</sup>
Charmela Pty Limited	Geraldton Store Pty Limited <sup>1,6,7</sup>
Clambruno Pty Limited	Geraldton WA Pty Limited <sup>1</sup>
Comberg Pty Limited <sup>1,6,7</sup>	Gestco Pty Limited
Comborne Pty Limited <sup>1,6</sup>	Gestco Greensborough Pty Limited <sup>1</sup>
Combund Qld Pty Ltd <sup>1,6,7</sup>	Gladstone FEC Pty Limited <sup>1,6,7</sup>
Comken Pty Limited <sup>1,7</sup>	Gladstores Qld Pty Limited <sup>1,6,7</sup>
Connrapp Pty Limited <sup>1,6</sup>	Glo Light Pty Limited <sup>1,6</sup>
Connel Pty Limited <sup>1,6,7</sup>	H.N. Albany Franchisor Pty Limited
Cosgrove Shopfitting Services Pty Limited <sup>1,6,7</sup>	H.N. Albany Leasing Pty Limited <sup>1</sup>
Cropp Pty Limited <sup>1</sup>	H.N. Albury Franchisor Pty Limited
D.M. Auburn Franchisor Pty Limited	H.N. Albury Leasing Pty Limited <sup>1</sup>
D.M. Auburn Leasing Pty Limited <sup>1</sup>	H.N. Armidale Franchisor Pty Limited
D.M. Bundall Franchisor Pty Limited <sup>1,6</sup>	H.N. Armidale Leasing Pty Limited <sup>1</sup>
D.M. Bundall Leasing Pty Limited <sup>1,6</sup>	H.N. Aspley Franchisor Pty Limited
D.M. Kotara Franchisor Pty Limited	H.N. Aspley Leasing Pty Limited <sup>1</sup>
D.M. Kotara Leasing Pty Limited <sup>1</sup>	H.N. Auburn Franchisor Pty Limited
D.M. Liverpool Franchisor Pty Limited	H.N. Auburn Leasing Pty Limited <sup>1</sup>
D.M. Liverpool Leasing Pty Limited <sup>1</sup>	H.N. Ayr Franchisor Pty Limited
D.M. Penrith Franchisor Pty Limited	H.N. Ayr Leasing Pty Limited <sup>1</sup>
D.M. Penrith Leasing Pty Limited <sup>1</sup>	H.N. Bairnsdale Franchisor Pty Limited
D.M. Warrawong Franchisor Pty Limited <sup>1</sup>	H.N. Bairnsdale Leasing Pty Limited <sup>1</sup>
D.M. Warrawong Leasing Pty Limited <sup>1</sup>	H.N. Balgowlah Franchisor Pty Limited
Daldere Pty Limited	H.N. Balgowlah Leasing Pty Limited <sup>1</sup>
Dalel Pty Limited <sup>1,6</sup>	H.N. Ballarat Franchisor Pty Limited
Dandolena Pty Limited	H.N. Ballarat Leasing Pty Limited <sup>1</sup>
Derni Pty Limited	H.N. Bathurst Franchisor Pty Limited <sup>1</sup>
Divonda Pty Limited	H.N. Bathurst Leasing Pty Limited <sup>1</sup>
Domain Holdings Pty Limited <sup>1</sup>	H.N. Belmont Franchisor Pty Limited
Domayne Holdings Limited <sup>1,8,9</sup>	H.N. Belmont Leasing Pty Limited <sup>1</sup>
Domayne Pty Limited <sup>1</sup>	H.N. Bendigo Franchisor Pty Limited
Domayne Online.com Pty Limited <sup>1</sup>	H.N. Bendigo Leasing Pty Limited <sup>1</sup>
Domayne P.E.M. Pty Limited	H.N. Bernoth Franchisor Pty Limited
Domayne Plant & Equipment Pty Limited	H.N. Bernoth Leasing Pty Limited <sup>1</sup>
Durslee Pty Limited	H.N. Bernoth Plant & Equipment Pty Limited <sup>1</sup>
Edbrook Pty Limited <sup>5</sup>	H.N. Blacktown Franchisor Pty Limited
Edbrook Everton Park Pty Limited <sup>1</sup>	H.N. Blacktown Leasing Pty Limited <sup>1</sup>
Elbunda Pty Limited <sup>1,6</sup>	H.N. Broadway on the Mall Franchisor Pty Limited <sup>1</sup>
Electapp Pty Limited <sup>1,6,7</sup>	H.N. Broadway on the Mall Leasing Pty Limited <sup>1</sup>
Electburn Pty Limited <sup>1,6</sup>	H.N. Broadway (Sydney) Franchisor Pty Limited
Electoo Pty Limited <sup>1,6,7</sup>	H.N. Broadway (Sydney) Leasing Pty Limited <sup>1</sup>
Electos Pty Limited <sup>1,6,7</sup>	H.N. Browns Plains Franchisor Pty Limited
Electown Pty Limited <sup>1,6,7</sup>	H.N. Browns Plains Leasing Pty Limited <sup>1</sup>
Electway Pty Limited <sup>1,6</sup>	H.N. Bunbury Franchisor Pty Limited
Electwind Pty Limited <sup>1,7</sup>	H.N. Bunbury Leasing Pty Limited <sup>1</sup>
Elenfield Pty Limited <sup>1,6,7</sup>	H.N. Bundaberg Franchisor Pty Limited
Enbed Pty Limited <sup>1,6</sup>	H.N. Bundaberg Leasing Pty Limited <sup>1</sup>
Evcom Pty Limited <sup>1,6,7</sup>	H.N. Bundall Franchisor Pty Limited
Evtel Pty Limited <sup>1,6</sup>	H.N. Bundall Leasing Pty Limited <sup>1</sup>
Farane Pty Limited	H.N. Busselton Franchisor Pty Limited <sup>1</sup>
Finab Pty Limited <sup>1,6,7</sup>	H.N. Busselton Leasing Pty Limited <sup>1</sup>
Flormonda Pty Limited	H.N. Cairns Franchisor Pty Limited
Forgetful Pty Limited <sup>1</sup>	H.N. Cairns Leasing Pty Limited <sup>1</sup>

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

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

##### Name

H.N. Campbelltown Franchisor Pty Limited  
H.N. Campbelltown Leasing Pty Limited<sup>1</sup>  
H.N. Cannington W.A. Franchisor Pty Limited  
H.N. Cannington W.A. Leasing Pty Limited<sup>1</sup>  
H.N. Carindale Franchisor Pty Limited  
H.N. Carindale Leasing Pty Limited<sup>1</sup>  
H.N. Caringbah Franchisor Pty Limited  
H.N. Caringbah Leasing Pty Limited<sup>1</sup>  
H.N. Chatswood Franchisor Pty Limited<sup>1</sup>  
H.N. Chatswood Leasing Pty Limited<sup>1</sup>  
H.N. City West Franchisor Pty Limited  
H.N. City West Leasing Pty Limited<sup>1</sup>  
H.N. Coffs Harbour Franchisor Pty Limited  
H.N. Coffs Harbour Leasing Pty Limited<sup>1</sup>  
H.N. Cranbourne Franchisor Pty Limited  
H.N. Cranbourne Leasing Pty Limited<sup>1</sup>  
H.N. Dalby Franchisor Pty Limited  
H.N. Dalby Leasing Pty Limited<sup>1</sup>  
H.N. Dandenong Franchisor Pty Limited  
H.N. Dandenong Leasing Pty Limited<sup>1</sup>  
H.N. Darwin Franchisor Pty Limited<sup>1</sup>  
H.N. Darwin Leasing Pty Limited<sup>1</sup>  
H.N. Deniliquin Franchisor Pty Limited<sup>1</sup>  
H.N. Deniliquin Leasing Pty Limited<sup>1</sup>  
H.N. Dubbo Franchisor Pty Limited  
H.N. Dubbo Leasing Pty Limited<sup>1</sup>  
H.N. Enfield Franchisor Pty Limited  
H.N. Enfield Leasing Pty Limited<sup>1</sup>  
H.N. Everton Park Franchisor Pty Limited  
H.N. Everton Park Leasing Pty Limited<sup>1</sup>  
H.N. Fairfield Franchisor Pty Limited<sup>1</sup>  
H.N. Fremantle Franchisor Pty Limited  
H.N. Fremantle Leasing Pty Limited<sup>1</sup>  
H.N. Fyshwick Franchisor Pty Limited  
H.N. Fyshwick Leasing Pty Limited<sup>1</sup>  
H.N. Geelong Franchisor Pty Limited  
H.N. Geelong Leasing Pty Limited<sup>1</sup>  
H.N. Geraldton Leasing Pty Limited<sup>1</sup>  
H.N. Geraldton WA Franchisor Pty Limited  
H.N. Gladstone Franchisor Pty Limited  
H.N. Gladstone Leasing Pty Limited<sup>1</sup>  
H.N. Gordon Franchisor Pty Limited  
H.N. Gordon Leasing Pty Limited<sup>1</sup>  
H.N. Gosford Leasing Pty Limited<sup>1</sup>  
H.N. Grafton Franchisor Pty Limited  
H.N. Grafton Leasing Pty Limited<sup>1</sup>  
H.N. Greensborough Franchisor Pty Limited<sup>1,6</sup>  
H.N. Greensborough Leasing Pty Limited<sup>1</sup>  
H.N. Griffith Franchisor Pty Limited<sup>1</sup>  
H.N. Griffith Leasing Pty Limited<sup>1</sup>  
H.N. Hamilton Franchisor Pty Limited  
H.N. Hamilton Leasing Pty Limited<sup>1</sup>  
H.N. Hervey Bay Franchisor Pty Limited  
H.N. Hervey Bay Leasing Pty Limited<sup>1</sup>  
H.N. Indooroopilly Franchisor Pty Limited  
H.N. Indooroopilly Leasing Pty Limited<sup>1</sup>

##### Name

H.N. Innisfail Franchisor Pty Limited  
H.N. Innisfail Leasing Pty Limited<sup>1</sup>  
H.N. Inverell Franchisor Pty Limited  
H.N. Inverell Leasing Pty Limited<sup>1</sup>  
H.N. Joondalup Franchisor Pty Limited  
H.N. Joondalup Leasing Pty Limited<sup>1</sup>  
H.N. Kalgoorlie Franchisor Pty Limited  
H.N. Kalgoorlie Leasing Pty Limited<sup>1</sup>  
H.N. Karratha Franchisor Pty Limited  
H.N. Karratha Leasing Pty Limited<sup>1</sup>  
H.N. Kawana Waters Franchisor Pty Limited  
H.N. Kawana Waters Leasing Pty Limited<sup>1</sup>  
H.N. Knox Towerpoint Franchisor Pty Limited  
H.N. Knox Towerpoint Leasing Pty Limited<sup>1</sup>  
H.N. Leichhardt Franchisor Pty Limited<sup>1,6</sup>  
H.N. Leichhardt Leasing Pty Limited<sup>1,6</sup>  
H.N. Lismore Franchisor Pty Limited  
H.N. Lismore Leasing Pty Limited<sup>1</sup>  
H.N. Liverpool Franchisor Pty Limited  
H.N. Liverpool Leasing Pty Limited<sup>1</sup>  
H.N. Loughran Contracting Pty Limited<sup>1</sup>  
H.N. Mackay Franchisor Pty Limited  
H.N. Mackay Leasing Pty Limited<sup>1</sup>  
H.N. Maddington Franchisor Pty Limited  
H.N. Maddington Leasing Pty Limited<sup>1</sup>  
H.N. Maitland Franchisor Pty Limited  
H.N. Maitland Leasing Pty Limited<sup>1</sup>  
H.N. Mandurah Franchisor Pty Limited  
H.N. Mandurah Leasing Pty Limited<sup>1</sup>  
H.N. Maribyrnong Franchisor Pty Limited  
H.N. Maribyrnong Leasing Pty Limited<sup>1</sup>  
H.N. Marion Franchisor Pty Limited  
H.N. Marion Leasing Pty Limited<sup>1</sup>  
H.N. Midland Franchisor Pty Limited  
H.N. Midland Leasing Pty Limited<sup>1</sup>  
H.N. Mildura Franchisor Pty Limited<sup>1</sup>  
H.N. Mildura Leasing Pty Limited<sup>1</sup>  
H.N. Moe Franchisor Pty Limited  
H.N. Moe Leasing Pty Limited<sup>1</sup>  
H.N. Moorabbin Franchisor Pty Limited  
H.N. Moorabbin Leasing Pty Limited<sup>1</sup>  
H.N. Moore Park Franchisor Pty Limited  
H.N. Moore Park Leasing Pty Limited<sup>1</sup>  
H.N. Morayfield Franchisor Pty Limited  
H.N. Morayfield Leasing Pty Limited<sup>1</sup>  
H.N. Moree Leasing Pty Limited<sup>1</sup>  
H.N. Morley Franchisor Pty Limited  
H.N. Morley Leasing Pty Limited<sup>1</sup>  
H.N. Moss Vale Franchisor Pty Limited  
H.N. Moss Vale Leasing Pty Limited<sup>1</sup>  
H.N. Mt Gambier Franchisor Pty Limited<sup>1</sup>  
H.N. Mt Gambier Leasing Pty Limited<sup>1</sup>  
H.N. Mt Gravatt Franchisor Pty Limited  
H.N. Mt Gravatt Leasing Pty Limited<sup>1</sup>  
H.N. Mudgee Franchisor Pty Limited<sup>1,6</sup>  
H.N. Mudgee Leasing Pty Limited<sup>1</sup>

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

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

Name	Name
H.N. Munno Para Franchisor Pty Limited <sup>1,6</sup>	H.N. Wangaratta Franchisor Pty Limited
H.N. Munno Para Leasing Pty Limited <sup>1,6</sup>	H.N. Wangaratta Leasing Pty Limited <sup>1</sup>
H.N. Newcastle Franchisor Pty Limited	H.N. Warragul Franchisor Pty Limited
H.N. Newcastle Leasing Pty Limited <sup>1</sup>	H.N. Warragul Leasing Pty Limited <sup>1</sup>
H.N. Noarlunga Franchisor Pty Limited	H.N. Warrnambool Franchisor Pty Limited
H.N. Noarlunga Leasing Pty Limited <sup>1</sup>	H.N. Warrnambool Leasing Pty Limited <sup>1</sup>
H.N. Noosa Franchisor Pty Limited	H.N. Warrawong Franchisor Pty Limited
H.N. Noosa Leasing Pty Limited <sup>1</sup>	H.N. Warrawong Leasing Pty Limited <sup>1</sup>
H.N. Nowra Franchisor Pty Limited	H.N. Watergardens Franchisor Pty Limited <sup>1,6</sup>
H.N. Nowra Leasing Pty Limited <sup>1</sup>	H.N. Watergardens Leasing Pty Limited <sup>1,6</sup>
H.N. Nunawading Franchisor Pty Limited	H.N. Warwick (WA) Franchisor Pty Limited
H.N. Nunawading Leasing Pty Limited <sup>1</sup>	H.N. Warwick (WA) Leasing Pty Limited <sup>1</sup>
H.N. O'Connor Franchisor Pty Limited	H.N. Warwick Franchisor Pty Limited <sup>1</sup>
H.N. O'Connor Leasing Pty Limited <sup>1</sup>	H.N. Warwick Leasing Pty Limited <sup>1</sup>
H.N. Orange Franchisor Pty Limited	H.N. West Gosford Franchisor Pty Limited
H.N. Orange Leasing Pty Limited <sup>1</sup>	H.N. Whyalla Franchisor Pty Limited
H.N. Oxley Franchisor Pty Limited	H.N. Whyalla Leasing Pty Limited <sup>1</sup>
H.N. Oxley Leasing Pty Limited <sup>1</sup>	H.N. Wiley Park Franchisor Pty Limited
H.N. Osborne Park Franchisor Pty Limited	H.N. Wiley Park Leasing Pty Limited <sup>1</sup>
H.N. Osborne Park Leasing Pty Limited <sup>1</sup>	H.N. Windsor Franchisor Pty Limited
H.N. Parkes Franchisor Pty Limited	H.N. Windsor Leasing Pty Limited <sup>1</sup>
H.N. Parkes Leasing Pty Limited <sup>1</sup>	H.N. Woden Franchisor Pty Limited
H.N. Penrith Franchisor Pty Limited	H.N. Woden Leasing Pty Limited <sup>1</sup>
H.N. Penrith Leasing Pty Limited <sup>1</sup>	H.N. Wonthaggi Franchisor Pty Limited
H.N. Port Hedland Franchisor Pty Limited	H.N. Wonthaggi Leasing Pty Limited <sup>1</sup>
H.N. Port Hedland Leasing Pty Limited <sup>1</sup>	H.N. Young Franchisor Pty Limited
H.N. Port Kennedy Franchisor Pty Limited	H.N. Young Leasing Pty Limited <sup>1</sup>
H.N. Port Kennedy Leasing Pty Limited <sup>1</sup>	Hardly Normal Discounts Pty Limited
H.N. Port Macquarie Franchisor Pty Limited	Hardly Normal Pty Limited
H.N. Port Macquarie Leasing Pty Limited <sup>1</sup>	Hardly Normal Limited <sup>1,8,9</sup>
H.N. Preston Franchisor Pty Limited	Harvey Cellars Pty Limited <sup>1</sup>
H.N. Preston Leasing Pty Limited <sup>1</sup>	Harvey Liquor Pty Limited <sup>1</sup>
H.N. Riverwood Franchisor Pty Limited <sup>1</sup>	Harvey Norman (ACT) Pty Limited
H.N. Riverwood Leasing Pty Limited <sup>1</sup>	Harvey Norman Burnie Franchisor Pty Limited
H.N. Rockhampton Franchisor Pty Limited	Harvey Norman Burnie Leasing Pty Limited <sup>1</sup>
H.N. Rockhampton Leasing Pty Limited <sup>1</sup>	Harvey Norman Commercial Your Solution Provider Pty Limited <sup>1</sup>
H.N. Sale Franchisor Pty Limited	Harvey Norman Computer Club Pty Limited <sup>1</sup>
H.N. Sale Leasing Pty Limited <sup>1</sup>	Harvey Norman Computer Training Pty Limited <sup>1</sup>
H.N. Shepparton Franchisor Pty Limited	Harvey Norman Contracting Pty Limited <sup>1</sup>
H.N. Shepparton Leasing Pty Limited <sup>1</sup>	Harvey Norman Devonport Franchisor Pty Limited
H.N. South Tweed Franchisor Pty Limited	Harvey Norman Devonport Leasing Pty Limited <sup>1</sup>
H.N. South Tweed Leasing Pty Limited <sup>1</sup>	Harvey Norman Energy Pty Limited
H.N. Southland Franchisor Pty Limited	Harvey Norman Export Pty Limited <sup>1</sup>
H.N. Southland Leasing Pty Limited <sup>1</sup>	Harvey Norman Europe d.o.o. <sup>1,11</sup>
H.N. Swan Hill Franchisor Pty Limited	Harvey Norman Fitouts Pty Limited <sup>1</sup>
H.N. Swan Hill Leasing Pty Limited <sup>1</sup>	Harvey Norman Gamezone Pty Limited <sup>1</sup>
H.N. Tamworth Franchisor Pty Limited	Harvey Norman Glenorchy Franchisor Pty Limited
H.N. Tamworth Leasing Pty Limited <sup>1</sup>	Harvey Norman Glenorchy Leasing Pty Limited <sup>1</sup>
H.N. Taree Leasing Pty Limited <sup>1</sup>	Harvey Norman Hobart Franchisor Pty Limited
H.N. Toowoomba Franchisor Pty Limited	Harvey Norman Hobart Leasing Pty Limited <sup>1</sup>
H.N. Toowoomba Leasing Pty Limited <sup>1</sup>	Harvey Norman Home Cellars Pty Limited <sup>1</sup>
H.N. Townsville Franchisor Pty Limited	Harvey Norman Home Loans Pty Limited <sup>1</sup>
H.N. Townsville Leasing Pty Limited <sup>1</sup>	Harvey Norman Home Starters Pty Limited <sup>1,6</sup>
H.N. Traralgon Franchisor Pty Limited	Harvey Norman Launceston Franchisor Pty Limited
H.N. Traralgon Leasing Pty Limited <sup>1</sup>	Harvey Norman Launceston Leasing Pty Limited <sup>1</sup>
H.N. Wagga Franchisor Pty Limited	
H.N. Wagga Leasing Pty Limited <sup>1</sup>	

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

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

Name	Name
Harvey Norman Leasing Pty Limited <sup>1</sup>	Jondarlo Pty Limited
Harvey Norman Leasing (N.Z.) Limited <sup>1,8,9</sup>	Joondalup Administrative Services Pty Limited <sup>1,6</sup>
Harvey Norman Limited <sup>1,9</sup>	Joondalup Warehousing Services Pty Limited <sup>1,6</sup>
Harvey Norman Loughran Plant & Equipment Pty Limited <sup>1</sup>	Joyce Mayne Home Cellars Pty Limited <sup>1</sup>
Harvey Norman Mortgage Service Pty Limited <sup>1</sup>	Joyce Mayne Kotara Leasing Pty Limited <sup>1</sup>
Harvey Norman Music Pty Limited <sup>1</sup>	Joyce Mayne Liverpool Leasing Pty Limited <sup>1</sup>
Harvey Norman Net. Works Pty Limited	Joyce Mayne Penrith Pty Limited <sup>1</sup>
Harvey Norman (N.S.W.) Pty Limited <sup>1</sup>	Joyce Mayne Shopping Complex Pty Limited <sup>1</sup>
Harvey Norman Online.com Pty Limited <sup>1</sup>	Kalcom Pty Limited <sup>1,6,7</sup>
Harvey Norman Ossia (Asia) Pte Limited <sup>1,10,16,17</sup>	Kalgoorlie WA Pty Limited <sup>1,6,7</sup>
Harvey Norman P.E.M. Pty Limited <sup>1</sup>	Kalina Development Pty Limited <sup>1</sup>
Harvey Norman Plant and Equipment Pty Limited <sup>1</sup>	Kambaldu Pty Limited
Harvey Norman Properties (N.Z.) Limited <sup>1,8,9</sup>	Karra WA Pty Limited <sup>1,6</sup>
Harvey Norman (QLD) Pty Limited <sup>5</sup>	Kawcomp Pty Limited <sup>1,7</sup>
Harvey Norman Rental Pty Limited <sup>1</sup>	Kenbed Pty Limited <sup>1,6,7</sup>
Harvey Norman Retailing Pty Limited	Kennybed Pty Limited <sup>1,6</sup>
Harvey Norman Rosney Franchisor Pty Limited	Kenfurn Pty Limited <sup>1,7</sup>
Harvey Norman Rosney Leasing Pty Limited <sup>1</sup>	Kita Pty Limited <sup>1</sup>
Harvey Norman Shopfitting Pty Limited	Koodero Pty Limited
Harvey Norman Singapore Pte Limited <sup>1,10,15,16</sup>	Korinti Pty Limited
Harvey Norman Stores Pty Limited	Lamino Pty Limited
Harvey Norman Stores (N.Z.) Pty Limited	Lesandu Pty Limited
Harvey Norman Stores (W.A.) Pty Limited <sup>1</sup>	Lesandu Albany Pty Limited <sup>1</sup>
Harvey Norman Superlink Pty Limited <sup>1</sup>	Lesandu Ayr Pty Limited <sup>1</sup>
Harvey Norman Tasmania Pty Limited	Lesandu Bairnsdale Pty Limited <sup>1</sup>
Harvey Norman Technology Pty Limited	Lesandu Balgowlah Pty Limited <sup>1</sup>
Harvey Norman Trading d.o.o. <sup>1,11</sup>	Lesandu Bathurst Pty Limited <sup>1</sup>
Harvey Norman Ulverstone Franchisor Pty Limited	Lesandu Belmont Pty Limited <sup>1</sup>
Harvey Norman Ulverstone Leasing Pty Limited <sup>1</sup>	Lesandu Brisbane City Pty Limited <sup>1</sup>
Harvey Norman Victoria Pty Limited	Lesandu Broadway Pty Limited <sup>1</sup>
Havrex Pty Limited <sup>5</sup>	Lesandu Browns Plains Pty Limited <sup>1</sup>
HNL Pty Limited <sup>1</sup>	Lesandu Busselton Pty Limited <sup>1</sup>
HNMS Pty Limited <sup>1,6,7</sup>	Lesandu Carindale Pty Limited <sup>1</sup>
HNMS Production Pty Limited <sup>1,6,7</sup>	Lesandu Castle Hill DM Pty Limited <sup>1,6</sup>
Hobart City Computers Pty Limited <sup>1,6</sup>	Lesandu Chatswood Pty Limited <sup>1</sup>
Hodberg Pty Limited <sup>4</sup>	Lesandu Chettlenham Pty Limited <sup>1</sup>
Hodvale Pty Limited <sup>4</sup>	Lesandu Cranbourne Pty Limited <sup>1</sup>
Home Mart Furniture Pty Limited <sup>1,6</sup>	Lesandu Dalby Pty Limited <sup>1</sup>
Home Mart Pty Limited <sup>1,6</sup>	Lesandu Deniliquin Pty Limited <sup>1</sup>
Hoxco Pty Limited <sup>5</sup>	Lesandu Engadine Floor Coverings Pty Limited <sup>1</sup>
Jartoso Pty Limited	Lesandu Fremantle Pty Limited <sup>1</sup>
Jinfurn Pty Limited <sup>1,6,7</sup>	Lesandu Fyshwick Pty Limited <sup>1,6</sup>
J.M. Auburn Franchisor Pty Limited	Lesandu Grafton Pty Limited <sup>1</sup>
J.M. Campbelltown Franchisor Pty Limited	Lesandu Griffith Pty Limited <sup>1</sup>
J.M. Campbelltown Leasing Pty Limited <sup>1</sup>	Lesandu Hamilton (VIC) Pty Limited <sup>1</sup>
J.M. Caringbah Franchisor Pty Limited	Lesandu Hamilton Pty Limited <sup>1</sup>
J.M. Caringbah Leasing Pty Limited <sup>1</sup>	Lesandu Hervey Bay Pty Limited <sup>1</sup>
J.M. Contracting Services Pty Limited	Lesandu Indooroopilly Pty Limited
J.M. Leasing Pty Limited <sup>1</sup>	Lesandu Innisfail Pty Limited <sup>1</sup>
J.M. Marrickville Franchisor Pty Limited	Lesandu Kalgoorlie Pty Limited <sup>1,6</sup>
J.M. Marrickville Leasing Pty Limited <sup>1</sup>	Lesandu Knox Towerpoint Pty Limited <sup>1</sup>
J.M. Newcastle Franchisor Pty Limited	Lesandu Leichhardt M Pty Limited <sup>1,6</sup>
J.M. Plant & Equipment Hire Pty Limited <sup>1</sup>	Lesandu Light Street DM Pty Limited <sup>1</sup>
J.M. Share Investment Pty Limited <sup>1</sup>	Lesandu Lismore Pty Limited <sup>1</sup>
J.M. West Gosford Franchisor Pty Limited	Lesandu Maddington Pty Limited <sup>1</sup>
J.M. West Gosford Leasing Pty Limited <sup>1</sup>	Lesandu Mandurah Pty Limited <sup>1</sup>
	Lesandu Marion Pty Limited <sup>1</sup>

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

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

Name	Name
Lesandu Melbourne City DM Pty Limited <sup>1</sup>	Nomadale Pty Limited <sup>5</sup>
Lesandu Midland Pty Limited <sup>1</sup>	Noosacom Pty Limited <sup>1,6,7</sup>
Lesandu Moe Pty Limited <sup>1</sup>	Norman Ross Pty Limited
Lesandu Morley Pty Limited <sup>1</sup>	Oldmist Pty Limited
Lesandu Mornington Pty Limited <sup>1</sup>	Oslect Pty Limited <sup>1,6</sup>
Lesandu Moss Vale Pty Limited <sup>1</sup>	Oslek Developments Pty Limited <sup>1</sup>
Lesandu Mt Gravatt Pty Limited <sup>1</sup>	Osraidi Pty Limited
Lesandu Noarlunga Pty Limited <sup>1</sup>	Parkel Pty Limited <sup>1,6,7</sup>
Lesandu Noosa Pty Limited <sup>1</sup>	Pertama Holdings Limited <sup>1,10,16,17</sup>
Lesandu Nowra Pty Limited <sup>1</sup>	P & E Albany Pty Limited <sup>1,6</sup>
Lesandu Orange Pty Limited <sup>1</sup>	P & E Albury Pty Limited <sup>1,6</sup>
Lesandu Penrith DM Pty Limited <sup>1</sup>	P & E Armidale Pty Limited <sup>1,6</sup>
Lesandu Perth City West Pty Limited <sup>1</sup>	P & E Aspley Pty Limited <sup>1,6</sup>
Lesandu Richmond (VIC) Pty Limited <sup>1</sup>	P & E Auburn Pty Limited <sup>1,6</sup>
Lesandu S.A. Pty Limited <sup>1</sup>	P & E Ayr Pty Limited <sup>1,6</sup>
Lesandu Sale Pty Limited <sup>1</sup>	P & E Bairnsdale Pty Limited <sup>1,6</sup>
Lesandu Stanmore Pty Limited <sup>1</sup>	P & E Balgowlah Pty Limited <sup>1,6</sup>
Lesandu Swan Hill Pty Limited <sup>1</sup>	P & E Ballarat Pty Limited <sup>1,6</sup>
Lesandu Sydenham Pty Limited <sup>1</sup>	P & E Bathurst Pty Limited <sup>1,6</sup>
Lesandu Tamworth Pty Limited <sup>1</sup>	P & E Belmont Pty Limited <sup>1,6</sup>
Lesandu Tasmania Pty Limited <sup>1</sup>	P & E Bendigo Pty Limited <sup>1,6</sup>
Lesandu Townsville Pty Limited <sup>1</sup>	P & E Blacktown Pty Limited <sup>1,6</sup>
Lesandu Tweed Heads Pty Limited <sup>1</sup>	P & E Broadmeadow Pty Limited <sup>1,6</sup>
Lesandu Underwood Pty Limited <sup>1</sup>	P & E Broadway on The Mall Pty Limited <sup>1,6</sup>
Lesandu W.A. Pty Limited	P & E Broadway Pty Limited <sup>1,6</sup>
Lesandu Wagga Wagga Pty Limited <sup>1</sup>	P & E Browns Plains Pty Limited <sup>1,6</sup>
Lesandu Wangaratta Pty Limited <sup>1</sup>	P & E Bunbury Pty Limited <sup>1,6</sup>
Lesandu Warragul Pty Limited <sup>1</sup>	P & E Bundaberg Pty Limited <sup>1,6</sup>
Lesandu Warwick (WA) Pty Limited <sup>1</sup>	P & E Bundall Pty Limited <sup>1,6</sup>
Lesandu Warwick Pty Limited <sup>1</sup>	P & E Burnie Pty Limited <sup>1,6</sup>
Lesandu West Gosford DM Pty Limited <sup>1</sup>	P & E Busselton Pty Limited <sup>1,6</sup>
Lesandu Wonthaggi Pty Limited <sup>1</sup>	P & E Cairns Pty Limited <sup>1,6</sup>
Lexeri Pty Limited	P & E Campbelltown Pty Limited <sup>1,6</sup>
Lightcorp Pty Limited <sup>1</sup>	P & E Cannington Pty Limited <sup>1,6</sup>
Lighting Venture Pty Limited <sup>1,6</sup>	P & E Carindale Pty Limited <sup>1,6</sup>
Lodare Pty Limited	P & E Caringbah Pty Limited <sup>1,6</sup>
Loreste Pty Limited	P & E Chatswood Pty Limited <sup>1,6</sup>
Maccom Pty Limited <sup>1,6,7</sup>	P & E City West Pty Limited <sup>1,6</sup>
Mackayel Pty Limited <sup>1,6,7</sup>	P & E Coffs Harbour Pty Limited <sup>1,6</sup>
Malvis Pty Limited	P & E Cranbourne Pty Limited <sup>1,6</sup>
Manutu Pty Limited	P & E Crows Nest Pty Limited <sup>1,6</sup>
Maradoni Pty Limited	P & E Dalby Pty Limited <sup>1,6</sup>
Marcomp Pty Limited <sup>1,6,7</sup>	P & E Dandenong Pty Limited <sup>1,6</sup>
Marinski Pty Limited	P & E Darwin Pty Limited <sup>1,6</sup>
Marionbed Pty Limited <sup>1</sup>	P & E Deniliquin Pty Limited <sup>1,6</sup>
Marionfurn Pty Limited <sup>1,6</sup>	P & E Devonport Pty Limited <sup>1,6</sup>
Mayfurn Pty Limited <sup>1,6</sup>	P & E Dili Pty Limited <sup>1,6</sup>
Meadowel Pty Limited <sup>1,6</sup>	P & E Dubbo Pty Limited <sup>1,6</sup>
Mickie Pty Limited <sup>1,6,7</sup>	P & E Enfield Pty Limited <sup>1,6</sup>
Midlancom Pty Limited <sup>1,6</sup>	P & E Everton Park Pty Limited <sup>1,6</sup>
Misstar Pty Limited <sup>1,2</sup>	P & E Fremantle Pty Limited <sup>1,6</sup>
Morayel Pty Limited <sup>1,6,7</sup>	P & E Fyshwick Pty Limited <sup>1,6</sup>
Murray Street Development Pty Limited <sup>1</sup>	P & E Geelong Pty Limited <sup>1,6</sup>
Nedcroft Pty Limited	P & E Geraldton Pty Limited <sup>1,6</sup>
Network Consumer Finance Pty Limited	P & E Gladstone Pty Limited <sup>1,6</sup>
Network Consumer Finance (N.Z.) Limited <sup>1,8,9</sup>	P & E Glenorchy Pty Limited <sup>1,6</sup>

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

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

##### Name

P & E Gordon Pty Limited<sup>1,6</sup>  
P & E Gosford Pty Limited<sup>1,6</sup>  
P & E Grafton Pty Limited<sup>1,6</sup>  
P & E Greensborough Plaza Pty Limited<sup>1,6</sup>  
P & E Griffith Pty Limited<sup>1,6</sup>  
P & E Hamilton Pty Limited<sup>1,6</sup>  
P & E Hervey Bay Pty Limited<sup>1,6</sup>  
P & E Hobart City Pty Limited<sup>1,6</sup>  
P & E Homewest Pty Limited<sup>1,6</sup>  
P & E Indooroopilly Pty Limited<sup>1,6</sup>  
P & E Innisfail Pty Limited<sup>1,6</sup>  
P & E Inverell Pty Limited<sup>1,6</sup>  
P & E Joodalup Pty Limited<sup>1,6</sup>  
P & E Kalgoorlie Pty Limited<sup>1,6</sup>  
P & E Karratha Pty Limited<sup>1,6</sup>  
P & E Kawana Waters Pty Limited<sup>1,6</sup>  
P & E Knox Towerpoint Pty Limited<sup>1,6</sup>  
P & E Launceston Pty Limited<sup>1,6</sup>  
P & E Leichhardt Pty Limited<sup>1,6</sup>  
P & E Lismore Pty Limited<sup>1,6</sup>  
P & E Liverpool Pty Limited<sup>1,6</sup>  
P & E Mackay Pty Limited<sup>1,6</sup>  
P & E Maclean Pty Limited<sup>1,6</sup>  
P & E Maddington Pty Limited<sup>1,6</sup>  
P & E Maitland Pty Limited<sup>1,6</sup>  
P & E Mandurah Pty Limited<sup>1,6</sup>  
P & E Maribyrnong Pty Limited<sup>1,6</sup>  
P & E Marion Pty Limited<sup>1,6</sup>  
P & E Marrickville Pty Limited<sup>1,6</sup>  
P & E Midland Pty Limited<sup>1,6</sup>  
P & E Mildura Pty Limited<sup>1,6</sup>  
P & E Moe Pty Limited<sup>1,6</sup>  
P & E Moorabbin Pty Limited<sup>1,6</sup>  
P & E Moore Park Pty Limited<sup>1,6</sup>  
P & E Morayfield Pty Limited<sup>1,6</sup>  
P & E Moree Pty Limited<sup>1,6</sup>  
P & E Morley Pty Limited<sup>1,6</sup>  
P & E Moss Vale Pty Limited<sup>1,6</sup>  
P & E Mt Gambier Pty Limited<sup>1,6</sup>  
P & E Mt Gravatt Pty Limited<sup>1,6</sup>  
P & E Mudgee Pty Limited<sup>1,6</sup>  
P & E Newcastle Pty Limited<sup>1,6</sup>  
P & E Noalunga Pty Limited<sup>1,6</sup>  
P & E Noosa Pty Limited<sup>1,6</sup>  
P & E Nowra Pty Limited<sup>1,6</sup>  
P & E Nunawading Pty Limited<sup>1,6</sup>  
P & E O'Connor Pty Limited<sup>1,6</sup>  
P & E Orange Pty Limited<sup>1,6</sup>  
P & E Osborne Park Pty Limited<sup>1,6</sup>  
P & E Oxley Pty Limited<sup>1,6</sup>  
P & E Parkes Pty Limited<sup>1,6</sup>  
P & E Penrith Pty Limited<sup>1,6</sup>  
P & E Port Hedland Pty Limited<sup>1,6</sup>  
P & E Port Kennedy Pty Limited<sup>1,6</sup>  
P & E Port Macquarie Pty Limited<sup>1,6</sup>  
P & E Preston Pty Limited<sup>1,6</sup>  
P & E Riverwood Pty Limited<sup>1,6</sup>

##### Name

P & E Rockhampton Pty Limited<sup>1,6</sup>  
P & E Rosny Pty Limited<sup>1,6</sup>  
P & E Sale Pty Limited<sup>1,6</sup>  
P & E Shepparton Pty Limited<sup>1,6</sup>  
P & E Shopfitters Pty Limited<sup>1,6</sup>  
P & E Southland Pty Limited<sup>1,6</sup>  
P & E Swan Hill Pty Limited<sup>1,6</sup>  
P & E Tamworth Pty Limited<sup>1,6</sup>  
P & E Taree Pty Limited<sup>1,6</sup>  
P & E Toowoomba ( B ) Pty Limited<sup>1,6</sup>  
P & E Toowoomba Pty Limited<sup>1,6</sup>  
P & E Townsville Pty Limited<sup>1,6</sup>  
P & E Traralgon Pty Limited<sup>1,6</sup>  
P & E Tweed Heads Pty Limited<sup>1,6</sup>  
P & E Ulverstone Pty Limited<sup>1,6</sup>  
P & E Wagga Pty Limited<sup>1,6</sup>  
P & E Wangaratta Pty Limited<sup>1,6</sup>  
P & E Warragul Pty Limited<sup>1,6</sup>  
P & E Warrarong Pty Limited<sup>1,6</sup>  
P & E Warrnambool Pty Limited<sup>1,6</sup>  
P & E Warwick (Qld) Pty Limited<sup>1,6</sup>  
P & E Warwick (WA) Pty Limited<sup>1,6</sup>  
P & E Watergardens Pty Limited<sup>1,6</sup>  
P & E Whyalla Pty Limited<sup>1,6</sup>  
P & E Wiley Park Pty Limited<sup>1,6</sup>  
P & E Woden Pty Limited<sup>1,6</sup>  
P & E Wonthaggi Pty Limited<sup>1,6</sup>  
P & E Young Pty Limited<sup>1,6</sup>  
PEM Auburn Pty Limited<sup>1,6</sup>  
PEM Campbelltown Pty Limited<sup>1,6</sup>  
PEM Corporate Pty Limited<sup>1,6</sup>  
PEM Gosford Pty Limited<sup>1,6</sup>  
PEM Kotara Pty Limited<sup>1,6</sup>  
PEM Liverpool Pty Limited<sup>1,6</sup>  
PEM Penrith Pty Limited<sup>1,6</sup>  
PEM Warrarong Pty Limited<sup>1,6</sup>  
Plezero Pty Limited  
Portcom Pty Limited<sup>1,6,7</sup>  
R. Reynolds Nominees Pty Limited<sup>1</sup>  
Rosieway Pty Limited  
Rocfurn Pty Limited<sup>1,6</sup>  
Sarsha Pty Limited  
Setto Pty Limited  
Signature Computers Pty Limited<sup>1</sup>  
Solaro Pty Limited  
Space Furniture Limited<sup>1,12,14</sup>  
Space Furniture Pte Limited<sup>1,10,16</sup>  
Space Furniture Pty Limited<sup>1,2,18</sup>  
Stonetess Pty Limited<sup>1</sup>  
Strathloro Pty Limited  
Stupendous Pty Limited  
Supagard Pty Limited<sup>1</sup>  
Swaneto Pty Limited  
Swanpark Pty Limited<sup>5</sup>  
Tatroko Pty Limited  
Tessera Stones & Tiles Pty Limited<sup>1,13,18</sup>  
Tisara Pty Limited<sup>1</sup>

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

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

##### Name

Ventama Pty Limited <sup>3</sup>	1. Company is not part of the class order described in Note 40.
Wadins Pty Limited	2. Harvey Norman Holdings Limited owns 50% of
Wanalti Pty Limited	Shares in Misstar Pty Limited and Bossee Pty
Waggafurn Pty Limited <sup>1</sup>	Limited, and 51% of the shares in Space Furniture
Warungi Pty Limited	Pty Limited and Arisit Pty Limited.
Waytango Pty Limited	3. Shares held by Sarsha Pty Limited.
Webzone Pty Limited <sup>1</sup>	4. Shares held by Harvey Norman Retailing Pty Limited.
Whyfurn Pty Limited <sup>1,6</sup>	5. Shares held by Harvey Norman Stores Pty Limited.
Whylect Pty Limited <sup>1,6</sup>	6. These companies were acquired during the year.
Wickcom Pty Limited <sup>1,6</sup>	7. These companies were disposed of during the year.
Wytharra Pty Limited	8. Shares held by Harvey Norman Limited.
Yoogalu Pty Limited	9. These companies are incorporated in New Zealand.
Zabella Pty Limited	10. This company is incorporated in Singapore.
Zaverte Pty Limited	11. This company is incorporated in Slovenia.
Zirdano Pty Limited	12. This company is incorporated in the UK.
Zirdanu Pty Limited	13. Yoogalu Pty Limited owns 50% of shares in Tessera Stones
	& Tiles Pty Limited.
	14. Space Furniture Pty Limited owns 70% of shares in
	250 Brompton Road Limited and 100% of shares in Space
	Furniture Limited.
	15. Shares held by Setto 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.
	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.
	19. On 28 July 21, Becto Pty Limited, a wholly owned subsidiary
	of Harvey Norman Holdings Limited, acquired a controlling
	interest in Rebel Sport Limited. From this date the financial
	statements of Rebel Sport Limited have been consolidated into
	the financial statements of the consolidated entity. As at 30
	June 2002 Becto Pty Limited held 53.87% of the shares in
	Rebel Sport Limited.

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

##### Name

098 004 570 No. 2 Trust\*\*  
Albany Stores No. 2 Trust  
Alblect No. 2 Trust\*\*  
Albstore No. 2 Trust\*\*  
Aldrum No. 2 Trust  
Alcrest No. 2 Trust\*\*  
Anwarah No. 2 Trust  
Appcann No. 2 Trust  
Appconn 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

##### Name

Auburncom No. 2 Trust\*\*  
Auburnfloor No. 2 Trust\*\*  
Avocoe No. 2 Trust  
Bagron No. 2 Trust  
Bathard No. 2 Trust\*\*  
Becto Trust  
Bedmac No. 2 Trust  
Bena No. 2 Trust  
Bernel No. 2 Trust  
Bertoli No. 2 Trust  
Big Apple Trust  
Blanrex No. 2 Trust\*\*  
Bogardo No. 2 Trust  
Bowes No. 2 Trust  
Bradiz No. 2 Trust  
Broadmall No. 2 Trust\*\*

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

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

Name	Name
Bunburyfurn No. 2 Trust**	Calardu Hoppers Crossing Trust
Bundafurn No. 2 Trust	Calardu Horsham Trust
Bundall Computers No. 2 Trust**	Calardu Joondalup Trust
Bundallcom No. 2 Trust	Calardu Kalgoorlie Trust
Bundallcom (Qld) No. 2 Trust	Calardu Karana Downs Trust**
Busselton WA No. 2 Trust	Calardu Kemblawarra Trust**
Cairncom No. 2 Trust**	Calardu Launceston Trust
Cairnfurn No. 2 Trust**	Calardu Loganholme Trust
Calardu ACT Trust	Calardu Mackay Trust
Calardu Adderley Street Trust	Calardu Maitland Trust
Calardu Alexandria DM Trust	Calardu Mandurah Trust**
Calardu Alice Springs Trust	Calardu Maribyrnong Trust
Calardu Armadale WA Trust	Calardu Maribyrnong 1995 Trust
Calardu Armidale Trust**	Calardu Marion Trust
Calardu Aspley Trust	Calardu Maryborough Trust
Calardu Auburn No. 1 Trust	Calardu Melville Trust
Calardu Auburn No. 2 Trust	Calardu Milton Trust
Calardu Auburn No. 3 Trust	Calardu Morayfield Trust
Calardu Auburn No. 4 Trust	Calardu Mt Isa Trust**
Calardu Auburn No. 5 Trust	Calardu Mt. Gambier Trust
Calardu Auburn No. 6 Trust	Calardu Mudgee Trust**
Calardu Auburn No. 7 Trust	Calardu Munno Para Trust**
Calardu Auburn No. 8 Trust	Calardu Noarlunga Trust
Calardu Auburn No. 9 Trust	Calardu Noosa Trust
Calardu Ballarat Trust	Calardu North Ryde Trust
Calardu Ballina Trust	Calardu Nowra Trust
Calardu Bathurst Trust	Calardu No. 1 Trust
Calardu Belrose DM Trust	Calardu No. 2 Trust
Calardu Bellevue Hill Trust**	Calardu No. 3 Trust
Calardu Bennetts Green Trust	Calardu Oxley Trust
Calardu Bennetts Green Warehouse Trust	Calardu Penrith Trust
Calardu Berri Trust	Calardu Perth City West Trust
Calardu Berrimah Trust	Calardu Port Macquarie Trust
Calardu Moss Vale Trust (formerly Calardu Bowral Trust)	Calardu Preston Trust
Calardu Brickworks (S.A.) Trust	Calardu Richmond Trust
Calardu Broadmeadow No. 1 Trust	Calardu Rockingham Trust
Calardu Broadmeadow No. 2 Trust	Calardu Rockhampton Trust
Calardu Brookvale Trust	Calardu Rosebery Trust
Calardu Browns Plains Trust**	Calardu Roselands Trust
Calardu Bunbury Trust	Calardu Sale Trust**
Calardu Bundaberg Trust	Calardu Sylvania Trust**
Calardu Bundall Trust	Calardu Taree Trust
Calardu Campbelltown Trust	Calardu Thebarton Trust
Calardu Cannington Trust	Calardu Thomastown Trust
Calardu Caringbah Trust	Calardu Toowoomba Trust
Calardu Caringbah (Taren Point) Trust	Calardu Tweed Heads Trust
Calardu Crows Nest Trust**	Calardu Tweed Heads Traders Way Trust
Calardu Crows Nest No. 2 Trust**	Calardu Vicfurn Trust
Calardu Darwin Trust**	Calardu Warrawong Trust
Calardu Denuo Berri Trust	Calardu Warrawong (Home Starters) Trust**
Calardu Fyshwick DM Trust	Calardu Warrawong No. 1 Trust
Calardu Frankston Trust	Calardu Warrnambool Trust
Calardu Gordon Trust	Calardu Warwick Trust
Calardu Guildford Trust	Calardu West Gosford Trust
Calardu Hobart Trust	Calardu Whyalla Trust
	Calardu Wivenhoe Trust

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

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

##### Name

Cannapp No. 2 Trust\*\*  
Cannbed No. 2 Trust  
Cannfurn No. 2 Trust  
Cannfurn WA No. 2 Trust  
Canntur No. 2 Trust\*\*  
Carincom No. 2 Trust\*\*  
Carinfurn No. 2 Trust  
CBG Trust  
Charmela No. 2 Trust  
Cherrion No. 2 Trust  
Cityslik No. 2 Trust  
Claret No. 2 Trust  
Comben Nominees No. 2 Trust  
Comberg No. 2 Trust\*\*  
Comborne No. 2 Trust\*\*  
Combund No. 2 Trust  
Combund Qld No. 2 Trust\*\*  
Comken No. 2 Trust  
Commac No. 2 Trust  
Commount No. 2 Trust  
Commwin No. 2 Trust  
Computawin No. 2 Trust  
Connap No. 2 Trust  
Connel No. 2 Trust\*\*  
Connrap No. 2 Trust\*\*  
Copee No. 2 Trust  
Cosgrove Shopfitting Services No. 2 Trust\*\*  
Dalel No. 2 Trust\*\*  
Elbunda No. 2 Trust\*\*  
Elcann No. 2 Trust  
Electapp No. 2 Trust\*\*  
Electberg No. 2 Trust  
Electbern No. 2 Trust\*\*  
Electbund No. 2 Trust  
Electmac No. 2 Trust  
Electoo No. 2 Trust\*\*  
Electos No. 2 Trust\*\*  
Electown No. 2 Trust\*\*  
Electway No. 2 Trust\*\*  
Electwind No. 2 Trust  
Elenfield No. 2 Trust\*\*  
Enbed No. 2 Trust\*\*  
Encomp No. 2 Trust  
Evcom No. 2 Trust\*\*  
Evtel No. 2 Trust\*\*  
Fashdash No. 2 Trust  
Fillinde No. 2 Trust  
Finab No. 2 Trust\*\*  
Floorchat No. 2 Trust  
Furnchat No. 2 Trust  
Furncon No. 2 Trust  
Furnley No. 2 Trust  
Furncom No. 2 Trust\*\*  
Furnmac No. 2 Trust  
Furnmac QLD No. 2 Trust  
Furnmount No. 2 Trust

##### Name

Furnmil No. 2 Trust  
Furntown No. 2 Trust\*\*  
Furnwind No. 2 Trust  
Geevarne No. 2 Trust  
Geraldcom No. 2 Trust\*\*  
Geraldton Store No. 2 Trust\*\*  
Geraldton WA No. 1 Trust  
Geraldton WA No. 2 Trust  
Gladstone FEC No. 2 Trust\*\*  
Gladstone Stores Trust  
Gladstores Qld No. 2 Trust\*\*  
Glaydon No. 2 Trust  
Gordinia No. 2 Trust  
Gravcomp No. 2 Trust  
Hangova No. 2 Trust  
Happee 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 Shopfitting Trust\*\*  
Harvey Norman Tasmania Agent Unit Trust  
Harvey Norman Ulverstone Franchisor Unit Trust  
Harvey Norman No. 1 Trust  
Havoscu No. 2 Trust  
HNMS No. 2 Trust\*\*  
HNMS Production No. 2 Trust\*\*  
Hobart City Computers No. 2 Trust\*\*  
Hopcorp No. 2 Trust  
Hoxgold No. 2 Trust  
Jamacar No. 2 Trust  
Jinfurn No. 2 Trust\*\*  
Joonapp No. 2 Trust  
Kaboola No. 2 Trust  
Kalcom No. 2 Trust\*\*  
Kalinya Unit Trust  
Kalfurn No. 2 Trust  
Kalgoorlie WA No. 2 Trust\*\*  
Kanfare No. 2 Trust  
Karra WA No. 2 Trust\*\*  
Karratha WA No. 2 Trust  
Kawcomp No. 2 Trust  
Kazron No. 2 Trust  
Kenbed No. 2 Trust\*\*  
Kenfurn No. 2 Trust  
Kennybed No. 2 Trust\*\*  
Kenpel No. 2 Trust  
Keybare No. 2 Trust

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

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

Name	Name
Keyko No. 2 Trust	Oslek Developments Trust
Kilcarva No. 2 Trust	Osraidi No. 2 Trust
Krimshaw No. 2 Trust	Oxcom No. 2 Trust
Kroomba No. 2 Trust	Oxleycom No. 2 Trust
Joondalup Warehousing Services Trust**	Parkel No. 2 Trust**
Joondalup Administrative Services Trust**	Piatan No. 2 Trust
Lamino Investments No. 1 Trust	Port Hedland WA No. 2 Trust
Lamino Investments No. 2 Trust	Portcom No. 2 Trust**
Lamino Investments No. 3 Trust	Posharnu No. 2 Trust
Lamino Investments No. 4 Trust	Pulpy No. 2 Trust
Lamino Investments No. 5 Trust	Quandallo No. 2 Trust
Lamino Investments No. 6 Trust	Quinlea No. 2 Trust
Lesandu Albury Trust	Rajola No. 2 Trust
Lesandu Campbelltown Trust	Ranano No. 2 Trust
Lesandu Fairfield Trust	Resum No. 2 Trust
Lesandu Gordon Trust	Rocfurn No. 2 Trust**
Lesandu Gosford Trust	Roowin No. 2 Trust
Lesandu Miranda Trust	Rozborn No. 2 Trust
Lesandu Newcastle Trust	Rudari No. 2 Trust
Lesandu No. 1 Trust	Rustona No. 2 Trust
Lesandu Penrith Trust	Sardonnu No. 2 Trust
Lesandu Tamworth Trust	Saywarre No. 2 Trust
Lesandu Warrawong Trust	Skyjump No. 2 Trust
Lesandu Warringah Mall Trust	Sungo No. 2 Trust
Liscom No. 2 Trust	Swedon No. 2 Trust
Lodare No. 2 Trust	Sydney No. 1 Trust
Luckyme No. 2 Trust	Tampar No. 2 Trust
Maccom No. 2 Trust**	Tandulu No. 2 Trust
Macfurn (QLD) No. 2 Trust	Tarshellu No. 2 Trust
Mackayel No. 2 Trust	Tenalaw No. 2 Trust
Makdon No. 2 Trust	Tifcon No. 2 Trust
Makfindi No. 2 Trust	Toocom No. 2 Trust
Malvis No. 2 Trust	Torcarsa No. 2 Trust
Marcomp No. 2 Trust**	Tortah No. 2 Trust
Marionbed No. 2 Trust	The Calardu Trust
Marioncom No. 2 Trust	Trialli No. 2 Trust
Marouli No. 2 Trust	Trivea No. 2 Trust
Marionfurn No. 2 Trust**	Truen No. 2 Trust
Masorie No. 2 Trust	Uconu No. 1 Trust
Mayfurn No. 2 Trust**	Upoes No. 2 Trust
Meadowel No. 2 Trust**	Valerinar No. 2 Trust
Mickie No. 2 Trust**	Valrado No. 2 Trust
Midlancom No. 2 Trust**	Venusway No. 2 Trust
Milblu No. 2 Trust	Vidara No. 2 Trust
Millintar No. 2 Trust	Wartonu No. 2 Trust
Moracroft No. 2 Trust	Watfurn No. 2 Trust
Morayel No. 2 Trust**	Whyfurn No. 2 Trust**
Mozzplex No. 2 Trust	Whylect No. 2 Trust**
Murray Street Development Trust	Wickcom No. 2 Trust**
Nargista No. 2 Trust	Wincomp No. 2 Trust
Natley No. 2 Trust	Windsorcom No. 2 Trust
Nekdil No. 2 Trust	Yoogalu Albury Trust
Noosacom No. 2 Trust**	Yoogalu Campbelltown Trust
Oscomm No. 2 Trust	Yoogalu Fairfield Trust
Oslect No. 2 Trust**	Yoogalu Gordon Trust

### **39. Controlled Entities and Unit Trusts (continued)**

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

**Name**

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.

## 40. Deed of Cross Guarantee

Certain controlled entities (refer Note 39) 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 Investments Commission these companies are relieved from the requirements to prepare financial statements.

Controlled Entities (Refer Note 39) marked <sup>1</sup> are not party to 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 2002

	CONSOLIDATED	
	2002	2001
	\$000	\$000
<b>Current Assets</b>		
Cash assets	15,744	22,683
Receivables	558,005	524,579
Other financial assets	2,471	8,458
Inventories	86,461	74,451
Other	7,966	15,995
<b>Total current assets</b>	<b>670,647</b>	<b>646,166</b>

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

	CONSOLIDATED	
	2002	2001
	\$000	\$000
<b>Non-Current Assets</b>		
Receivables	9,700	12,291
Investments accounted for using equity method	42,387	36,460
Other financial assets	75,375	10,455
Property, plant and equipment	744,731	653,138
Intangible assets	445	692
Deferred tax assets	3,639	2,292
<b>Total non-current assets</b>	<b>876,277</b>	<b>715,328</b>
<b>Total Assets</b>	<b>1,546,924</b>	<b>1,361,494</b>
<b>Current Liabilities</b>		
Payables	339,402	321,154
Interest-bearing liabilities	24,613	101,615
Tax liabilities	30,047	30,258
Provisions	29,808	23,791
Other	2,600	1,314
<b>Total current liabilities</b>	<b>426,470</b>	<b>478,132</b>
<b>Non-Current Liabilities</b>		
Payables	32	-
Interest-bearing liabilities	267,384	228,188
Provisions	630	511
Other	715	1,555
<b>Total non-current liabilities</b>	<b>268,761</b>	<b>230,254</b>
<b>Total Liabilities</b>	<b>695,231</b>	<b>708,386</b>
<b>NET ASSETS</b>	<b>851,693</b>	<b>653,108</b>
<b>Equity</b>		
Contributed equity	291,687	193,227
Reserves	134,397	115,871
Retained profits	425,609	344,010
<b>TOTAL EQUITY</b>	<b>851,693</b>	<b>653,108</b>

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

##### (b) Harvey Norman Holdings Limited Closed Group Statement of Financial Performance for year ended 30 June 2002

	CONSOLIDATED	
	2002	2001
	\$000	\$000
Sales revenue	508,044	325,482
Cost of sales	(409,420)	(263,028)
Gross profit	98,624	62,454
Other revenues	356,913	321,995
Distribution expenses	(12,899)	(9,882)
Marketing expenses	(18,968)	(7,578)
Occupancy expenses	(67,752)	(55,715)
Administrative expenses	(126,945)	(104,659)
Borrowing costs	(21,070)	(22,405)
Other expenses	(23,672)	(21,812)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	879	623
Profit from ordinary activities before income tax expense	185,110	163,021
Income tax expense relating to ordinary activities	(58,790)	(56,524)
Net profit	126,320	106,497
Net profit attributable to Outside equity interests	(263)	(1,322)
Net profit attributable to Members of the parent entity	126,057	105,175
Increase in asset revaluation reserve	20,059	28,028
Net exchange difference on Translation of financial report of Self-sustaining foreign operations	167	3,237
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity	20,226	31,265
Total changes in equity other than those resulting from transactions with owners as owners	146,283	136,440

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Harvey Norman Holdings Limited, we state that:

- (1) In the opinion of the directors:
  - (a) the financial statements and notes of the company and of the consolidated entity are in accordance with 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 2002 and of their performance for the year ended on that date; and
    - (ii) complying with Accounting Standards and Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (2) In the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 40 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the board.

**G HARVEY**  
Chairman

**R.J. SKIPPEN**  
Director

**A.B. BREW**  
Director

Sydney  
26 September 2002

# 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 2002, as set out on pages 12 to 75, including the Directors' Declaration. The financial report includes the financial statements of Harvey Norman Holdings Limited, and the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at 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 2002 and of their performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Corporations Regulations (2001); and
- (b) other mandatory professional reporting requirements in Australia.

**ERNST & YOUNG**

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

Sydney  
26 September 2002

# SHAREHOLDER INFORMATION

## Distribution of Shareholdings as at 17 September 2002

Size of Holding	Ordinary Shareholders
1 – 1,000	5,484
1,001 – 5,000	8,059
5,001 – 10,000	1,453
10,001 – 100,000	1,383
100,001 and over	195
	<b>16,574</b>
<hr/>	
Number Shareholders	
With less than a marketable parcel	536

## Voting Rights

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

## Twenty Largest Shareholders as at 17 September 2002

Number of Ordinary Shares	Shareholder
166,556,898	Mr Gerald Harvey
155,001,250	Dimbulu Pty Limited
142,629,301	G Harvey Nominees Pty Limited
50,793,368	Citicorp Nominees Pty Limited
50,671,285	JP Morgan Nominees Australia Limited
49,990,575	Ms Margaret Lynette Harvey
30,240,435	National Nominees Limited
27,683,893	Westpac Custodian Nominees
26,950,133	Citicorp Nominees Pty Limited
26,673,208	Citicorp Nominees Pty Limited
25,664,559	Citicorp Nominees Pty Limited
20,248,410	Dimbulu Pty Limited
18,604,813	NRMA Nominees Pty Limited
18,364,033	Citicorp Nominees Pty Limited
18,118,200	Enbear Pty Limited
12,914,781	Ms Kay Lesley Page
11,684,856	Citicorp Nominees Pty Limited
11,254,486	Citicorp Nominees Pty Limited
10,259,209	Commonwealth Custodial Services Limited
7,418,259	AMP Life Limited
<b>881,721,952</b>	

Total held by twenty largest shareholders as a percentage 83.50%.

# 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

250 Parramatta Road  
Auburn 2144  
Phone (02) 9202 4888

#### AUBURN (Renovations & Seconds)

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

#### BALGOWLAH

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

#### BALGOWLAH (HOMESTARTERS)

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

### LEICHHARDT (Manchester Only)

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

### LIVERPOOL

Liverpool Mega Centre  
Orangetown Road  
Liverpool 2170  
Phone (02) 9600 3333

### MARRICKVILLE

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

### MOORE PARK

Level 2, North SupaCenta  
Cnr South Dowling Street  
& Dacey Avenue  
Kensington 2033  
Phone (02) 9662 9888

### PENRITH

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

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

### **WILEY PARK**

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

### **WILEY PARK (Hardware)**

1155 Canterbury Road  
Roselands 2196  
Phone (02) 9740 1153

### **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

#### **BROADMEADOW (HOMESTARTERS)**

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

#### **COFFS HARBOUR**

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

#### **DENILQUIN**

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

#### **DUBBO**

195 Cobra Street  
Dubbo 2830  
Phone (02) 6826 5000

#### **FRISCO HOME FURNISHERS (NEWCASTLE)**

391 Hillsborough Road  
Warners Bay NSW 2282  
Phone (02) 4954 3344

### **GOSFORD (ERINA)**

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

### **GRAFTON**

125 Prince Street  
Grafton 2460  
Phone (02) 6643 3266

### **GRIFFITH**

Cnr Jondaryn &  
Willandra Avenues  
Griffith 2680  
Phone (02) 6961 0300

### **INVERELL**

50 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 1  
10 Clarence Street  
Moss Vale 2577  
Phone: (02) 4869 4561

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## **MUDGEES**

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

## **NEWCASTLE (BENNETTS GREEN)**

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

## **NOWRA**

Cnr Central Avenue  
& Princess Highway  
Nowra 2541  
Phone (02) 4421 1300

## **ORANGE**

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

## **PARKES**

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

## **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  
7-23 Hammond Avenue  
Wagga 2650  
Phone (02) 6933 7000

## **WARRAWONG**

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

## **WARRAWONG (HOMESTARTERS)**

Lot 12 King Street  
Warrawong 2502  
Phone (02) 4276 5000

## **YOUNG**

326 Boorowa Street  
Young 2594  
Phone (02) 6382 5744

## **NORTHERN TERRITORY**

### **DARWIN**

644 Stuart Highway  
Berrimah 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  
28 – 48 Browns Plains Road  
Browns Plains 4118  
Phone: (07) 3380 0600

#### **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

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

### **FORTITUDE VALLEY**

Brisbane City Gate  
Shop 1, 1058 Ann Street  
Fortitude Valley 4006  
Tel. (07) 3620 6600

### **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

#### **BERNOTHS - TOOWOOMBA**

675 Ruthven Street  
Toowoomba 4350  
Phone (07) 4632 9444

#### **BUNDABERG**

125 Takalvan Street  
Bundaberg 4670  
Phone (07) 4151 1570

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

29-45 Ashmore Road  
Bundall 4217  
Phone (07) 5584 3111

#### **CAIRNS**

101 Spence Street  
Portsmith 4870  
Phone (07) 4051 8499

#### **DALBY**

58 Patrick Street  
Dalby 4405  
Phone: (07) 4672 4444

#### **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**

52/57 Ernest 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

#### **TOOWOOMBA (HOMESTARTERS)**

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

#### **TOWNSVILLE**

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

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

### **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) 6420 6615

#### **GLENORCHY**

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

#### **HOBART CITY**

171 Murray Street  
Hobart 7000  
Phone: (03) 6230 1100

#### **LAUNCESTON**

Cnr William and  
Charles Streets  
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 Reibey Street  
Ulverstone 7315  
Phone: (03) 6425 1944

### **VICTORIA**

#### **MELBOURNE SUBURBAN**

#### **CRANBOURNE**

Cnr South Gippsland Highway &  
Thompson Road  
Cranbourne 3977  
Phone (03) 5991 0000

#### **DANDENONG**

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

#### **GREENSBOROUGH(Electrical & Computers only)**

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

#### **KNOX**

Shop 8001, Knox City Centre  
Capital City Boulevard  
Wantirna South 3125  
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**

121 Bell Street  
Preston 3072  
Phone (03) 9269 3300

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

### **SOUTHLAND (Cheltenham)**

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

### **WATERGARDENS**

450 Melton Highway  
Taylors Lakes 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

#### **GEELONG**

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

#### **HAMILTON**

Shop 10  
Hamilton Central Plaza  
Gray Street  
Hamilton 3300  
Phone: (03) 5551 3500

#### **MILDURA**

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

#### **MOE**

19 Moore 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

### **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 9000

### **WARRNAMBOOL**

84 Raglan Parade  
Warrnambool 3280  
Phone (03) 5564 7700

### **WONTHAGGI**

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

## **SOUTH AUSTRALIA**

### **ADELAIDE SUBURBAN**

#### **ENFIELD**

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

#### **MARION**

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

#### **MUNNO PARRA**

Lot 2005, Main North Road  
Smithfield 5114  
Phone (08) 8254 0700

#### **NOARLUNGA**

Seaman Drive  
Noarlunga 5168  
Phone (08) 8329 5400

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## SOUTH AUSTRALIAN COUNTRY

### MT GAMBIER

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

### 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) 9215 8600

#### 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

## 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

## 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) 9243 2300

## WESTERN AUSTRALIA COUNTRY

### ALBANY

136 Lockyer Avenue  
Albany 6330  
Phone (08) 9841 1628

### BUNBURY

34 Denning Road  
East Bunbury 6230  
Phone (08) 9722 0111

### BUSSELTON

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

### GERALDTON (Furniture & Bedding)

38 Chapman Road  
Geraldton 6530  
Phone (08) 9964 0111

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## **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 8000

## **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

### **HASTINGS**

303 St Aubyns Street East  
Hastings  
Phone: 0011 646 873 7150

### **MANUKAU**

Manukau SupaCenta  
Ronwood Avenue  
Manukau City  
Auckland  
Phone: 0011 649 262 7050

## **MT WELLINGTON**

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

## **NEW PLYMOUTH**

Cnr Smart & Devon Roads  
New Plymouth  
Phone: 0011 646 759 2900

## **PALMERSTON NORTH**

361-371 Main Steet West  
Palmerston North  
Phone: 0011 646 350 0400

## **PORIRUA**

19 Parumoana Street  
Porirua  
Wellington  
Phone: 0011 644 237 2600

## **WAIRAU PARK**

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

## **DOMAYNE**

### **AUBURN**

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

### **BUNDALL**

Cnr Racecourse &  
Ashmore Roads  
Bundall 4217  
Phone: (07) 5553 2100

### **CAMPBELLTOWN**

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

### **FORTITUDE VALLEY**

Brisbane City Gate  
Shop 1, 1058 Ann Street  
Fortitude Valley 4006  
Phone: (07) 3620 6600

# DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

## **FYSHWICK**

80 Collie Street  
Fyshwick 2604  
Phone: (02) 6126 2500

## **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 Druitt 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) 4367 6444

## **PENRITH**

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

## **EAST TIMOR**

### **DILI**

Cruzamento Das Ruas Dr  
Antonio Carvalho E  
Belarmino Lobo Dili  
Phone: 08 8947 1475

## **SLOVENIA**

### **LJUBLJANA**

Letaliska 3d  
1000 Ljubljana  
Phone: 0011 386 1585 5000

## **SINGAPORE**

### **HARVEY NORMAN BUKIT PANJANG**

No. 1 Jelebu Road  
#03-08/09 Bukit Panjang Plaza  
Singapore 677743  
Phone: 0011 65 6767 1402

### **HARVEY NORMAN CENTREPOINT**

176 Orchard Road  
#03-08 Centrepoint  
Singapore 238843  
Phone: 0011 65 6732 8686

### **HARVEY NORMAN FUNAN CENTRE**

109 North Bridge Road  
#02-02/08 Funan Centre  
Singapore 170097  
Phone: 0011 65 6334 5432

### **HARVEY NORMAN HOUGANG MALL**

90 Hougang Avenue 10  
#02-13 NTUC Hougang Mall  
Singapore 538766  
Phone: 0011 65 6488 2305

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

### **HARVEY NORMAN NORTHPOINT**

930 Yishun Avenue 2  
#B02-05/09 Northpoint Shopping Centre  
Singapore 769098  
Phone: 0011 65 6757 7695

### **HARVEY NORMAN PARKWAY**

80 Marine Parade Road  
#02-34/36 Parkway Parade  
Singapore 449269  
Phone: 0011 65 6346 4705

### **HARVEY NORMAN RAFFLES CITY**

252 North Bridge Road  
#03-22 Raffles City Shopping Centre  
Singapore 179103  
Phone: 0011 65 6339 6777

### **HARVEY NORMAN SUNTEC CITY**

3 Temasek Boulevard  
#02-001 Suntec City Mall  
Singapore 038983  
Phone: 0011 65 6332 3463

### **HARVEY NORMAN TAMPINES MART**

No. 9 Tampines Mart  
#02-01 Tampines Street 32  
Singapore 529286  
Phone: 0011 65 6789 3818

### **HARVEY NORMAN WESTMALL**

No. 1 Bt Batok Central Link  
#03-06/09 West Mall  
Singapore 658713  
Phone: 0011 65 6794 2812

### **HARVEY NORMAN MILLENIA WALK**

No. 9 Raffles Boulevard  
#02-27 Millenia Walk  
Singapore 039596  
Phone: 0011 65 6311 9988