
Company Information

Name of Entity:

HARVEY NORMAN HOLDINGS LIMITED

Registered Office:

A1 Richmond Road

Homebush West NSW 2140

Telephone: (02) 9201 6111

Facsimile: (02) 9201 6250

ABN or Equivalent Company Reference

54 003 237 545

Share Registry

Registries Limited

Level 2, 28 Margaret Street

SYDNEY

Bankers

Australia & New Zealand Banking

Group Ltd

Auditors

Ernst & Young

Solicitors

Gillis Delaney Brown

Stock Exchange Listing

Harvey Norman Holdings Limited shares are quoted on the Australian Stock Exchange ("ASX").

Key Dates for 2005 Year:

31 August 2004

Announcement of Full Year Profit 30 June 2004

Announcement of Final 2004 Dividend

12 November 2004

Record date for determining entitlement to final dividend

23 November 2004

Annual General Meeting of Shareholders

The Annual General Meeting of the Shareholders of Harvey Norman Holdings Limited will be held at Tattersalls, 181 Elizabeth Street, Sydney, at 11:00am.

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

10 December 2004

Payment of final 2004 dividend

28 February 2005

Announcement of Half Year Profit 31 December 2004

Announcement of Interim 2005 Dividend

19 April 2005

Record date for determining entitlement to interim 2005 dividend

6 May 2005

Payment of interim 2005 dividend

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Financial Highlights

Consolidated profit from ordinary activities before income tax expense and outside equity interests for the 12 months to 30 June 2004 was \$269.31 million, an increase of 15.4% on the previous year. Net profit attributable to members of the parent entity was \$176.05 million, an increase of 16.6% on the previous year.

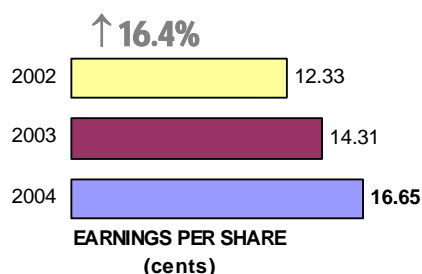
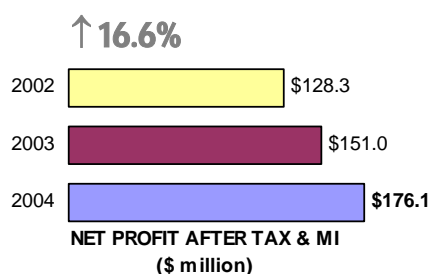
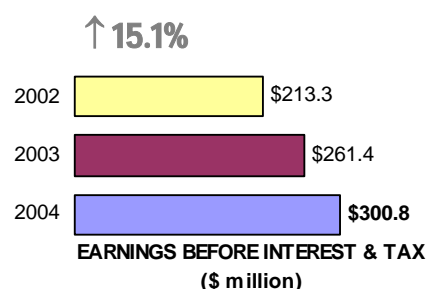
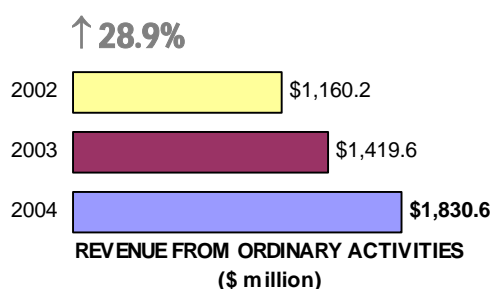
The directors have recommended payment of a final dividend of 4.5c, fully franked on each share, to be paid on 10 December 2004.

Basic earnings per share increased from 14.31 cents to 16.65 cents in respect of each share.

Return on shareholders' funds was 15.2%

	CONSOLIDATED		
	2004 \$000	2003 \$000	% Change
Revenues from ordinary activities *	1,830,553	1,419,616	↑ 28.9%
Profit from ordinary activities before income tax expense and borrowing costs *	300,772	261,404	↑ 15.1%
Borrowing costs *	31,460	28,115	↑ 11.9%
Income tax expense relating to ordinary activities *	82,353	71,613	↑ 15.0%
Net profit for the period attributable to members	176,052	151,049	↑ 16.6%
Basic earnings per share on issue at 30 June (cents)	16.65	14.31	↑ 16.4%
Dividends per share (cents)	7.5	5.0	↑ 50.0%
Net tangible assets per share at 30 June (\$)	1.09	0.90	↑ 21.1%

*Including outside equity interests.



Chairman's Report

Business Performance and Outlook

This has been another successful year for the Harvey Norman group. Once again, I am delighted to announce significant increases in revenue, profit, earnings per share and a continued strengthening of consolidated net assets. The sales performance of the franchised Harvey Norman complexes continue to deliver solid results.

The group consolidated operating profit before tax was \$269.31 million, for the twelve months ended 30 June 2004 compared to \$233.29 million for the prior year, **AN INCREASE of 15.4%**.

The operating profit after tax attributable to members of the company was \$176.05 million compared to \$151.05 million for the prior year, an increase of **16.6%** on the previous twelve-month period. Basic earnings per share increased from 14.31¢ to 16.65¢, an increase of 16.4%.

Sales in all categories of products sold by Harvey Norman franchisees and sold through Harvey Norman owned outlets outside Australia (excluding Pertama Holdings Limited in Singapore), have increased by **15.9%** during the year when compared to the prior year. Like for like sales for the year ended 30 June 2004, when compared to the year ended 30 June 2003 have increased by **9.9%**.

During the twelve months to 30 June 2004, nine new stores or complexes have been opened in Australia and three small lighting stores were sold. The first Harvey Norman store in Ireland opened in Dublin (Swords) on 19 August 2003, and the second, at Dundalk on 2 September 2003. New Zealand sales growth has been bolstered with the opening of five new retail stores or complexes during the year. Since the end of the financial year, four stores have been opened in Australia, and one leased store was closed in Australia.

Our flagship Harvey Norman store in Ljubljana, Slovenia continues to capture more of the local market and has generated a small profit in only its second year of trading. Sales in each month during the reporting period have exceeded sales in the same month in the previous reporting period by at least 25%. Sales for the month of July 2004 exceeded sales in July 2003 by 26.9%. The Board intends to expand the retail presence in Slovenia.

As a market leader in Audio Visual and Information Technology products, Harvey Norman is well placed to continue strong sales growth in a rapidly expanding and more affordable digital technology market place.

In April 2004, the Domayne Alexandria and Space Furniture flagship complex was opened. Domayne Alexandria sets a new retail benchmark and showcases the best local and international designers in a 17,800 square metre complex. Designed as a one-stop retail experience, this homemaker complex takes urban living to a new level. Bathrooms, kitchens, cinema, home office, furniture design, homewares and outdoor living – the presentation is unique and inspirational. This is a world class development that could lead to a new and exciting avenue of growth for the company.

Harvey Norman continues to implement an information technology enhancement program. The program has already resulted in improved productivity and will deliver significant benefits. During the twelve months ended 30 June 2004, the consolidated entity has expensed \$8.6 million of the costs incurred in the program.

Chairman's Report (continued)

Sales

Consolidated Entity

Sales revenue for the consolidated entity, excluding sales revenue from Harvey Norman franchised stores, but including Harvey Norman stores in New Zealand, Slovenia, Ireland and controlled entities including Rebel Sport Limited in Australia, and Pertama Holdings Limited in Singapore and Malaysia, are up 15.7% to \$1.16 billion (2003: \$1.0 billion) for the twelve months ending 30 June 2004. Main factors contributing to the increase were:

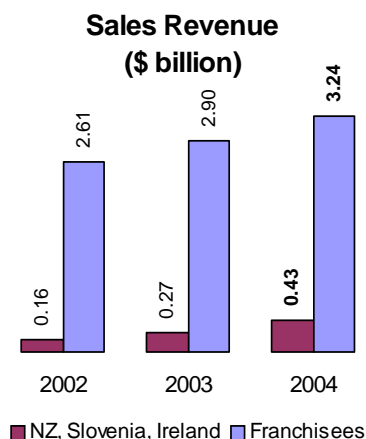
- sales revenue from New Zealand company owned stores was up \$97.2 million or 39.2%, including revenue from five new Harvey Norman stores opened during the year;
- sales revenue from the Slovenian company owned store was \$32.0 million compared to \$17.9 million for the previous nine month period;
- two stores were opened in Ireland – the Dublin (Swords) store was opened in August 2003 and the Dundalk store was opened in September 2003, generating \$44.9 million sales revenue;
- sales revenue from Rebel Sport Limited increased by \$28.6 million or 10.3%, including revenue from two new Rebel stores and two Glue stores opened during the year. There was a significant increase in ski hire revenue due to excellent snow falls;
- sales revenue from Pertama Holdings Limited, Singapore, trading as "Harvey Norman" increased \$24.1 million Singaporean dollars or 6.5%. When sales in Singapore were translated into Australian dollars for the purposes of this report, there was a reduction in the amount of those sales over the previous corresponding year, despite an actual increase in those sales in Singaporean dollars. The exchange rate adopted for the twelve months ending 30 June 2004 was 1.2243 compared with 1.0249 for the twelve months ending 30 June 2003. This is equivalent to a 19.5% fall in the Singaporean dollar compared to the Australian dollar.

Sales from Harvey Norman Franchised Complexes

Sales made by franchisees in Australia do not form part of the financial results of the consolidated entity. Retail sales in Harvey Norman complexes are made by separate independent franchised business entities, that are not consolidated with group results.

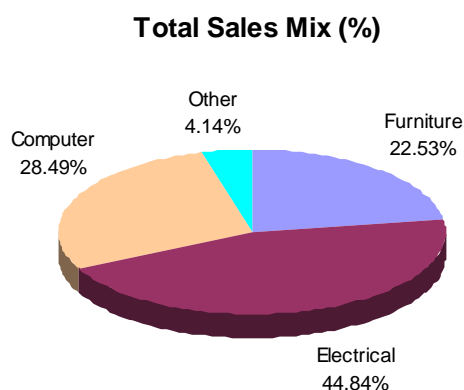
The information below is not intended to be representative of the results of the consolidated entity and partly reflects the results of the independent franchised businesses not included in the consolidated results.

	2002 \$billion	2003 \$billion	2004 \$billion
Sales made by Harvey Norman Stores in New Zealand, Slovenia and Ireland	0.16	0.27	0.43
Sales made by Harvey Norman Franchisees	2.61	2.90	3.24
TOTAL	2.77	3.17	3.67



Chairman's Report (continued)

Sales Mix at 30 June 2004



This graph represents sales from independent franchised "Harvey Norman" complexes together with sales made by Harvey Norman stores in New Zealand, Slovenia and Ireland

Net Profit Attributable to Members

Net profit attributable to members after tax and outside equity interests increased from \$151.05 million for the twelve months ended 30 June 2003, to \$176.05 million for the twelve months ended 30 June 2004, an increase of 16.6%.

Gross revenue from franchised Harvey Norman complexes and rebates received from suppliers increased during the year over the previous year as a result of the opening of new Harvey Norman complexes and improved trading conditions.

The increase in net profit attributable to members has produced a rise in earnings per share from 14.31 cents per share in 30 June 2003 to 16.65 cents per share as at 30 June 2004. This represents an increase of 16.4% when compared with the prior year.

Equity

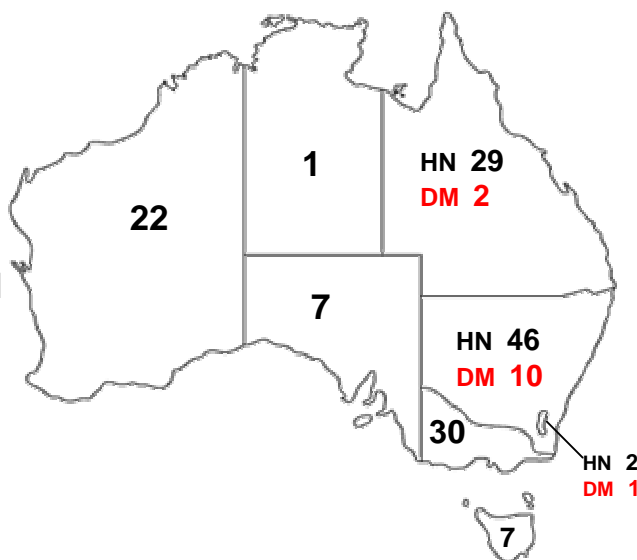
Total equity at 30 June 2004 (consolidated) was \$1.23 billion compared to \$1.03 billion – an increase of \$194.24 million or 18.8%. Of the total equity of \$1.23 billion, an amount of \$70.35 million (2003: \$67.89 million) is attributable to outside equity interests.

Chairman's Report (continued)

Expansion

Australian Market:

- 157 franchised complexes in total
- 9 new franchised complexes opened during 2004 in Australia
- sale of 3 small lighting stores



New Stores:

(from 1 July 2003 to 30 June 2004)

- **QLD**
 - Burleigh Heads
 - Mt. Isa
 - Loganholme
- **NSW**
 - Martin Place
 - Alexandria (Domayne)
- **VIC**
 - Vic Renovations
 - Horsham
 - Waurin Ponds
 - Chirnside Park

This diagram displays the geographic spread of the franchised Harvey Norman ("HN") and Domayne ("DM") complexes in the Australian market as at 30 June 2004.

During the current year, 9 new complexes commenced trading resulting in a combined total of 157 complexes in Australia as at 30 June 2004. Since the end of the financial year, 3 new franchised Harvey Norman complexes were opened, in Bondi Junction (NSW), Norwest (NSW) and Goulburn (NSW) and 1 Domayne complex in Melbourne QV Building (VIC). One leased store in Maddington (WA) was closed subsequent to the end of the financial year.

New Zealand:

- 19 Harvey Norman complexes in total
- 5 new stores opened:
(from 1 July 2003 to 30 June 2004)
 - Wanganui
 - Botany
 - Auckland City (Big Camera)
 - Wellington (City Style)
 - Blenheim

Ireland:

- 2 new stores opened:
(from 1 July 2003 to 30 June 2004)
 - Dublin (Swords)
 - Dundalk

Slovenia:

- flagship Harvey Norman store in Ljubljana

179 Harvey Norman/Domayne Complexes and Harvey Norman Stores
in total as at 30 June 2004

Chairman's Report (continued)

Property Portfolio

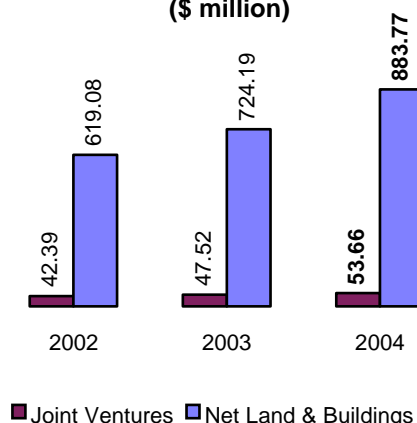
During the year, the Directors have analysed and revalued part of the Group Property Portfolio resulting in an increase of \$71.68 million in the asset revaluation reserve. The asset revaluation reserve was decreased by \$1.67 million as a result of the Riverwood warehouse sale.

The Group Property Portfolio at 30 June 2004 including joint venture property interests (consolidated with property held by Pertama Holdings Limited, Singapore and Rebel Sport Limited) had a book value of \$937.43 million compared to \$771.71 million at 30 June 2003.

The property portfolio excluding property held by Pertama Holdings Limited, Singapore and Rebel Sport Limited at 30 June 2004 was \$933.63 million compared to \$767.13 million for the prior year ended 30 June 2003.

As indicated in the Segment Information note (see page 36), the yield from property investments was 9.3% and the asset return was 4.5%. When accumulated revaluations to 30 June 2004 are excluded the yield was 13.0% and the asset return was 6.3%.

PROPERTY PORTFOLIO
(\$ million)



Summary of Owned & Leased Complexes

	OWNED	LEASED	TOTAL
AUSTRALIA	63	97	160
NEW ZEALAND	12	7	19
SLOVENIA	1	0	1
IRELAND	0	2	2
TOTAL	76	106	182

As at the date of this report on 23 September 2004, the adjacent table depicts the number of Harvey Norman complexes and Harvey Norman stores where land and buildings are either owned or leased by subsidiaries of Harvey Norman Holdings Limited in Australia, New Zealand, Slovenia and Ireland.

During the year, the directors implemented an innovative Commercial Mortgage Backed Securities ("CMBS") program. Fifty-four (54) Harvey Norman complexes in Australia and New Zealand, having a combined book value of \$489.6 million, were independently valued by Knight Frank and Colliers at \$560.5 million facilitating the use of the unrealised gain in these properties by means of the "CMBS" program.

The directors have adopted the independent valuations provided by Knight Frank in Australia and Colliers in New Zealand revaluing fifty-six (56) properties, fifty-four (54) of which were included in the "CMBS" program.

Chairman's Report (continued)

Dividend

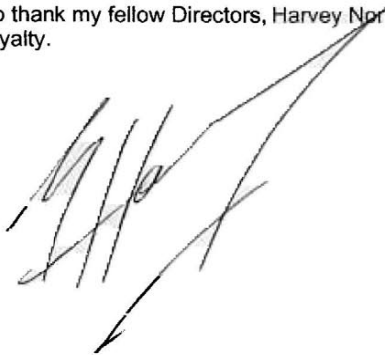
The recommended final dividend is 4.5 cents per share fully franked. No provision is made in the Statement of Financial Position for this recommended final dividend. The total dividend for the year will be 7.5 cents fully franked.

The directors have determined that the final dividend of 4.5 cents per share should include an amount of 1.5 cents per share notionally attributable to the increase in the value of the group property portfolio. This final dividend will be paid on 10 December 2004.

The Company intends to continue to pursue a strategy of steady expansion both within Australia and overseas.

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

G HARVEY
CHAIRMAN

A handwritten signature in black ink, appearing to be 'G Harvey', written over a series of diagonal lines that form a background for the signature.

Directors' Report

Your directors submit their report for the year ended 30 June 2004.

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 – Executive Chairman

Mr. G. Harvey, aged 65, was the co-founder of Harvey Norman in 1982 with Mr. I. Norman. Mr. G. Harvey has overall executive responsibility for the strategic direction of the consolidated entity, and in particular, property investments.

Kay Lesley Page - Managing Director

Ms. Page, aged 47, joined Harvey Norman in 1983 and was appointed a director of Harvey Norman Holdings Limited in 1987.

Ms. Page became Managing Director of the company in February 1999 and has overall executive responsibility for the operations of the consolidated entity, and in particular, marketing.

Raymond John Skippen - Finance Director and Company Secretary

Mr. Skippen, aged 56, became a director of the company in September 1994. Mr. Skippen has over 30 years experience as a chartered accountant, and has overall executive responsibility for the financial, commercial and secretarial management of the consolidated entity.

Arthur Bayly Brew - Director

Mr. Brew, aged 54, 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.

John Evyn Slack-Smith - Director

Mr. Slack-Smith, aged 35, was a Harvey Norman computer franchisee between 1993 and 1999. Mr. Slack-Smith became a director on 5 February 2001. Mr. Slack-Smith has overall executive responsibility for the relationship between the company, Harvey Norman computer franchisees and strategic relationships.

Stephen Patrick Hauville - Director

Mr. Hauville, aged 47, has extensive experience as a Harvey Norman franchisee and retailer, and became a director on 5 February 2001. Mr. Hauville has overall executive responsibility for the relationship between the company, Harvey Norman electrical franchisees and strategic relationships.

Michael John Harvey - Non-Executive Director

Mr. M. Harvey, aged 39, 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, Remuneration and Nomination Committees.

Christopher Herbert Brown - Non-Executive Director

Mr. Brown, aged 54, 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, Remuneration and Nomination Committees.

Ian John Norman - Non-Executive Director

Mr. Norman, aged 65, was co-founder of Harvey Norman with Mr. Gerald Harvey in 1982. Mr. Norman is a member of the Remuneration Committee.

Kenneth William Gunderson-Briggs – Non-Executive Director

Mr. Gunderson-Briggs, aged 43, was appointed a director of Harvey Norman Holdings Limited on 30 June 2003. Mr. Gunderson-Briggs is a chartered accountant and a registered company auditor. He has been involved in public practice since 1982 and a partner in a chartered accounting firm since 1990. His qualifications include a Bachelor of Business and he is a fellow of the Institute of Chartered Accountants. Mr. Gunderson-Briggs is a member of the Audit, Remuneration and Nomination Committees.

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' Report (continued)

Committee Membership

As at the date of this report, the company had an Audit Committee, a Remuneration Committee and a Nomination Committee.

Members acting on the committees of the board during the year were:

Audit Committee

- C.H. Brown (Chairman)
- M.J. Harvey
- K.W. Gunderson-Briggs

Remuneration Committee

- C.H. Brown (Chairman)
- M.J. Harvey
- K.W. Gunderson-Briggs

Nomination Committee

- C.H. Brown (Chairman)
- M.J. Harvey
- K.W. Gunderson-Briggs

Directors' Meetings

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

Board of Committee	Number of Meetings
Full Board	13
Audit	6
Remuneration	1
Nomination	1

Mr C.H. Brown, Mr M.J. Harvey and Mr K.W. Gunderson-Briggs attended the Remuneration Committee meeting and the Nomination Committee meeting held during the year.

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

Director	Board of Directors	Audit Committee
G. Harvey	13 [13]	n/a
K.L. Page	13 [13]	n/a
R.J. Skippen	13 [13]	n/a
A.B. Brew	13 [13]	n/a
J.E. Slack-Smith	13 [13]	n/a
S.P. Hauville	13 [13]	n/a
M.J. Harvey	12 [13]	6 [6]
C.H. Brown	12 [13]	6 [6]
I.J. Norman	11 [13]	n/a
K.W. Gunderson-Briggs	13 [13]	6 [6]

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

In addition, the executive directors held regular meetings for the purpose of signing various documentation. A total of one hundred and twenty (120) such meetings were held during the year. The details of the functions and memberships of the Audit 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		
Director	Ordinary Shares	Options
G. Harvey	311,352,866	1,000,000
I.J. Norman	175,249,660	-
K.L. Page	19,847,257	1,000,000
M.J. Harvey	3,445,553	-
R.J. Skippen	1,376,297	800,000
A.B. Brew	1,149,871	80,000
C.H. Brown	173,467	-
S.P. Hauville	587,907	534,000
J.E. Slack-Smith	166,666	534,000
K. W. Gunderson-Briggs	3,000	-

Directors' Report (continued)

Beneficial Interest

Included in the above shareholdings are the following:

G. Harvey	has a beneficial interest in 142,629,301 shares held by G Harvey Nominees Pty Limited, and 166,667 shares held by HVN Share Plan Pty Limited.
I.J. Norman	has a beneficial interest in 175,249,660 shares held by Dimbulu Pty Limited.
K.L. Page	has a beneficial interest in 1,932,000 shares held by Page Option Trust and 2,204,000 shares held by K. Page Pty Limited in Pertama Holdings Limited. She also has a beneficial interest in 300,000 Harvey Norman Holdings Limited shares held by K. Page Pty Limited, and 166,667 Harvey Norman Holdings Limited shares held by HVN Share Plan Pty Limited.
R.J. Skippen	has a beneficial interest in 1,096,297 shares held by ANZ nominees, and 250,000 shares held by HVN Share Plan Pty Limited.
A.B. Brew	has a beneficial interest in 627,408 shares held by ANZ nominees, and 20,000 shares held by HVN Share Plan Pty Limited.
J.E. Slack-Smith	has a beneficial interest in 166,666 shares held by HVN Share Plan Pty Limited.
S.P. Hauville	has a beneficial interest in 202,446 shares held by Valmarl Pty Ltd and Hauville Superannuation Pty Ltd. He also has a beneficial interest in 975,000 Pertama Holdings Limited shares held by Valmarl Pty Limited and Hauville Superannuation Pty Limited and 166,666 shares in Harvey Norman Holdings Limited held by HVN Share Plan Pty Limited.
M.J. Harvey	has a beneficial interest in 1,248,735 shares held by M.J. Harvey Option Trust.
C.H. Brown	has a beneficial interest in 173,467 shares held by PWSD Pty Limited and Starmoro Pty Limited.
K.W. Gunderson-Briggs	has a beneficial interest in 3,000 shares held by Nosrednug Superannuation Fund Pty Limited.

Share Options

Details of share options are set out in Note 30 and Note 32 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, Slovenia and Ireland
- 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"). Shares in Pertama are listed on the Stock Exchange of Singapore. The principal activities of Pertama are retail, wholesale and export sales of homewares and electrical goods.

The consolidated entity holds a controlling interest in Rebel Sport Limited ("Rebel"). Shares in Rebel are listed on the Australian Stock Exchange. The principal activity of Rebel 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 2004 after income tax expense was \$176.05 million. This represents an increase of 16.6% on the net profit after income tax expense attributable to members for the year ended 30 June 2003.

Dividends

The directors recommend a fully franked dividend of 4.5 cents per share be paid on 10 December 2004 (total dividend, fully franked - \$47,557,355). The following fully franked dividends of the parent entity have also been paid, declared or recommended since the end of the preceding financial year:

Dividend	Payment Date	\$
2003 final fully franked dividend	5 December 2003	26,397,336
2004 interim fully franked dividend	7 May 2004	31,704,903

Directors' Report (continued)

Review of Group Operations

The total equity of the consolidated entity for the year ended 30 June 2004 increased over the previous financial year due to the following:

- Increased revenue from franchisees (excluding rent and interest received)
- Increased rental from tenants
- Revaluation of the group property portfolio
- Increased profit from Harvey Norman New Zealand and Slovenian owned stores
- Increased profit from Pertama Holdings Limited in Singapore
- Increased profit from Rebel Sport Limited

Net profit attributable to members of the parent entity for the year ending 30 June 2004 increased by 16.6% over the previous year, due to increased revenue from franchise fees, improved trading conditions experienced by franchisees, increased profit from Harvey Norman New Zealand and Slovenian owned stores, increased profit from Pertama Holdings Limited in Singapore and increased profit from Rebel Sport Limited.

Significant Changes in the State of Affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year.

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.

Significant Events After Balance Date

There have been no circumstances arising since the end of the year which have significantly affected or may significantly affect:

- the operations;
- the results of those operations; or
- the state of affairs of the entity or consolidated entity in future financial years

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 to the consolidated entity by any Government agency during the year ended 30 June 2004.

Emoluments of Board Members and Senior Executives

Remuneration Policy

On 30 June 2003, the Company established a remuneration committee, consisting of three non-executive directors, one of whom is an independent director. The remuneration committee reviews the performance, and negotiates the remuneration of all executive directors. The remuneration committee reviews recommendations of the managing director and the finance director in relation to all employees of the Company, other than the executive directors. No individual is directly involved in deciding his/her remuneration.

Refer to Note 32. Director and Executive Disclosures for further information on the consolidated entity's remuneration policy.

Directors' Report (continued)

Emoluments of Board Members and Senior Executives (continued)

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

Emoluments of Directors of Harvey Norman Holdings Limited (Parent Entity):

	ANNUAL EMOLUMENTS			SHORT TERM EMOLUMENTS		LONG TERM EMOLUMENTS		TOTAL
	BASE SALARY \$	OTHER \$	SUPER \$	SHARES GRANTED (number)	VALUE \$	OPTIONS GRANTED (number)	AMORTISED COST \$	
G. Harvey	489,000	-	11,000	166,667	387,098	1,000,000	178,636	1,065,734
K.L. Page	489,000	-	11,000	166,667	387,098	1,000,000	178,636	1,065,734
R.J. Skippen	488,998	-	11,002	250,000	580,645	800,000	142,909	1,223,554
A.B. Brew	207,568	54,093	9,352	20,000	46,452	80,000	14,291	331,756
J.E. Slack-Smith	440,247	23,029	36,724	166,666	387,095	534,000	95,392	982,487
S.P. Hauville	436,056	25,000	38,944	166,666	387,095	534,000	95,392	982,487
M.J Harvey	18,349	-	1,651	-	-	-	-	20,000
C.H. Brown	18,349	-	1,651	-	-	-	-	20,000
I.J. Norman	18,349	-	1,651	-	-	-	-	20,000
K.W Gunderson-Briggs	41,284	-	3,716	-	-	-	-	45,000

The listed parent entity, Harvey Norman Holdings Limited, does not have any employees.

During the financial year, pursuant to the Deferred Executive Share Plan ("DEIP"), 936,666 shares were issued as equity compensation benefits to the respective trustees of trusts for the benefit of certain specified directors. Refer to Note 32. Director and Executive Disclosures on page 73 for further information.

Shares under the 2004 and 2005 DEIP have not been included in the directors remuneration disclosures for the year ended 30 June 2004 as they relate to services to be provided by the directors in the future.

During the financial year, pursuant to the Harvey Norman Executive Option Plan ("EOP"), 3,948,000 options were issued as equity compensation benefits to the respective trustees of trusts for the benefit of certain specified directors of the Company. Refer to Note 32. Director and Executive Disclosures on page 72 for further information.

Options under the 2004 and 2005 EOP have not been included in the directors remuneration disclosures for the year ended 30 June 2004 as one of the significant terms of the grant, being the exercise price, cannot be determined until a future date.

Options have been valued at grant date, using the Black Scholes-Merton valuation methodology 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. The value of the options has been apportioned over the vesting period. The amortisation amount disclosed in the above table represents the current year amortisation amount for the year ending 30 June 2004, calculated as the number of days in that financial year over the total number of days in that option vesting period multiplied by the number of options granted at the Black Scholes-Merton value of \$0.5326 per option. The exercise price in respect of each option is \$3.00.

In the previous year (year ended 30 June 2003) the company had disclosed as remuneration, the value of options issued to two executive directors namely J.E. Slack-Smith and S.P. Hauville. Each director was granted 2,000,000 options on 21 November 2000 at a value of \$1.2665 per option to be exercised from 1 July 2003. These options had lapsed on 24 November 2003, prior to the approval of the new Executive Option Plan. As the options had already vested at the beginning of the year, no amount has been recognised for the year ended 30 June 2004 up to the option cancellation date. None of these options were exercised during the year.

Directors' Report (continued)

Emoluments of the five most highly paid executive officers of the company and consolidated entity:

	ANNUAL EMOLUMENTS				LONG TERM EMOLUMENTS		TOTAL \$
	BASE SALARY \$	OTHER \$	CASH BONUS \$	SUPER \$	OPTIONS GRANTED (number)	AMORTISED COST \$	
S.M. Heath	280,000	10,000	-	10,000	3,400,000	941,935	1,241,935
M. Dunkerley	369,356	101,936	-	-	4,000,000	76,307	547,599
Pe Kim Beng @							
Pek Kim Bing	179,815	10,508	336,229	4,733	-	-	531,285
Pek Kem Hua @							
Pek Kim Cheng	131,602	56,830	275,925	2,763	-	-	467,120
R.C.D Champion	267,309	45,065	-	10,000	-	-	322,374

Executives are those directly accountable and responsible for the operational management and strategic direction of the company and consolidated entity. The terms "director" and "officer" have been treated as mutually exclusive for the purposes of this disclosure.

The number of options disclosed in the above table represents those options that have been issued to the executive officers of the consolidated entity that have not vested as at 30 June 2004. These executive officers were executive officers of Rebel Sport Limited and Pertama Holdings Limited and they represent options to subscribe for ordinary shares in those entities.

Options have been valued at grant date, using the Black-Scholes 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. The value of the options has been apportioned over the vesting period. The amortisation amount disclosed in the above table represents the current year amortisation amount for the year ended 30 June 2004, calculated as the number of days in that financial year over the total number of days in that option vesting period multiplied by the number of options granted at the Black-Scholes value. Refer to Note 30. Employee Benefits on pages 64 and 65 for further details of these options.

Directors' Report (continued)

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 \$69,300 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 principles of corporate governance. The company's Statement of Corporate Governance Practices follows the Directors' Report.

Tax Consolidation

Effective 1 July 2002, for the purposes of income taxation, Harvey Norman Holdings Limited and its 100% owned subsidiaries have formed a tax consolidated group. Members of the group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned subsidiaries on a pro-rata basis. In addition the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations.

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	K.L. PAGE Director

Sydney
23 September 2004

Statement of Corporate Governance Practices

The Company is committed to good corporate governance and disclosure. The Company has substantially adopted the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" for the entire financial period, unless otherwise stated. Where the ASX Corporate Governance Council's recommendations have not been adopted by the Company, this is identified and explained below.

1. Lay solid foundations for management and oversight

1.1 Recognise and publish the respective roles and responsibilities of the board and management

The directors of the Company are accountable to shareholders for the proper management of the business and affairs of the Company. The managing director is a member of the board but does not hold the position of chairperson.

The key responsibilities of the board are to:

- establish, monitor and modify the corporate strategies of the Company;
- ensure proper corporate governance;
- monitor the performance of management of the Company;
- ensure that appropriate risk management systems, internal control and reporting systems and compliance frameworks are in place and are operating effectively;
- monitor financial results;
- approve decisions concerning the capital (including capital restructures) and dividend policies of the Company; and
- comply with reporting and other requirements of the law.

The board confirmed the role and responsibilities of the board in a written board charter, which was formally adopted at a meeting of directors of the Company held 18 August 2003.

2. Structure the board to add value

2.1 Composition of the board

The constitution of the Company provides that the number of directors must be not less than three. There are presently ten (10) directors. The executive directors are the Chairman (Mr G. Harvey), Managing Director (Ms K.L. Page), Finance Director (Mr R.J. Skippen), together with Mr A. Brew, Mr J.E. Slack-Smith, Mr S.P. Hauville. All other directors are non-executive directors. One of the non-executive directors, Mr. K.W. Gunderson-Briggs, is an independent director. A majority of the members of the board are not independent directors. The board believes that the individuals on the board can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues, notwithstanding that the chairperson is not an independent director and a majority of the board are not independent directors. The directors are able to obtain independent advice at the expense of the Company. The skills, experience and term of office of each director is disclosed in the Directors' Report.

The board considers a director to be an independent director if that director is a non-executive director (ie is not a member of management) and:

- (i) is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- (ii) within the last three (3) years has not been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- (iii) within the last three (3) years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- (iv) is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (v) has no material contractual relationship with the Company or another group member other than as a director of the Company;
- (vi) has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and

Statement of Corporate Governance Practices (continued)

- (vii) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

Chairperson of the board

The chairperson is an executive director, and therefore not an independent director. The roles of chairperson and managing director are not exercised by the same individual. The board believes that the chairperson is able, and does, bring quality and independent judgement to all relevant issues falling within the scope of the role of a chairperson.

Management of the business of the Company

The business of the Company is conducted by or under the supervision of the managing director and by employees to whom management functions have been delegated by the managing director. The board has delegated responsibility for the day-to-day management of the Company to the managing director. The managing director must consult the board on matters that are sensitive, extraordinary or of a strategic nature.

2.2 Nomination committee

The nomination committee was established by the board on 30 June 2003, and consists of three non-executive directors, one of whom is independent. The responsibilities of the nomination committee include the identification of individuals qualified to become members of the board and to recommend those individuals to the board for nomination as members of the board and committees of the board.

The board confirmed the role and responsibilities of the nomination committee in a written charter, which was formally adopted at a meeting of directors of the Company held 18 August 2003. Details of the membership of the nomination committee, meetings of the nomination committee held, and attendance at meetings of the nomination committee are discussed in the Directors' Report.

The board has assessed the performance of individual directors and the board as a whole, and determined that there is no present need for the appointment of any additional directors. In the circumstances, the nomination committee has had no need to follow any procedure for the selection and appointment of new directors during the reporting period.

3. Promote ethical & responsible decision-making

The Company has:

- (i) clarified the standards of ethical behaviour required of directors and key executives (that is, officers and employees who have the opportunity to materially influence the integrity, strategy and operation of the business and its financial performance) and encourages the observance of those standards; and
- (ii) published the position of the Company concerning the issue of board and employee trading in Company securities.

3.1 Code of conduct

The Company has established a code of conduct to guide the non-executive directors, the managing director, the finance director and other key executives as to:

- (i) the practices and ethical standards necessary to maintain confidence in the integrity of the Company; and
- (ii) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The code of conduct deals with the following matters:

- (i) conflicts of interest - managing situations where the interest of a private individual interferes or appears to interfere with the interests of the Company as a whole;
- (ii) corporate opportunities - preventing directors and key executives from taking advantage of property, information or position, or opportunities arising from these, for personal gain or to compete with the Company;

Statement of Corporate Governance Practices (continued)

- (iii) confidentiality - restricting the use of non-public information except where disclosure is authorised or legally mandated;
- (iv) fair dealing - by all employees with the customers, suppliers, competitors and employees of the Company;
- (v) protection and proper use of the assets of the Company - protecting and ensuring efficient use of assets for legitimate business purposes;
- (vi) compliance with laws and regulations - active promotion of compliance; and
- (vii) encouraging the reporting of unlawful or unethical behaviour - active promotion of ethical behaviour and protection for those who report violations in good faith.

3.2 Trading in Company securities by directors, officers and employees

The Company has a share trading policy. Directors and senior management (and their associates) are prohibited from engaging in short-term trading of Company securities. The policy also restricts the buying or selling of Company securities to three "window" periods (between 24 hours and 30 working days following the release of the annual results, the release of the half-yearly results and the close of the annual general meeting) and such other times as the board permits. In addition, directors and senior management must notify the chairperson before they or their close relatives buy or sell Company securities.

4. Safeguard integrity in financial reporting

The Company has put in place a structure of review and authorisation designed to ensure the truthful and factual presentation of the financial position of the Company. The structure includes:

- (i) review and consideration of the accounts by the audit committee; and
- (ii) a process to ensure the independence and competence of the external auditors of the Company.

4.1 Statement to the board by the managing director and finance director

The board requires the managing director and the finance director to state in writing to the board that the financial reports of the Company present a true and fair view, in all material respects, of the financial condition and operational results of the Company and are in accordance with relevant accounting standards.

4.2 Audit committee - structure and purpose

The board has established an audit committee. The audit committee provides assistance to the board in fulfilling the corporate governance and oversight responsibilities of the board to verify and safeguard the integrity of the financial reporting of the Company. The audit committee maintains free and open communication between the audit committee, the auditors and management of the Company. From 30 June 2003, the audit committee was structured so that it consisted of three members, comprising three non-executive directors (one of whom was and remains independent). From 1 July 2005, the audit committee must consist of not less than three members and the majority of the members of the audit committee must be independent directors.

The chairperson of the audit committee must not be the chairperson of the board of directors. The composition of the audit committee, the meetings held, and the attendance of those meetings is discussed in the Directors' Report.

At least one member of the audit committee must have financial expertise (i.e. is a qualified accountant or other financial professional with experience in financial and accounting matters), and some members who have an understanding of the industry in which the Company operates. The skills and experience of each member of the audit committee is disclosed in the Directors' Report.

The board confirmed the role and responsibilities of the audit committee in a written charter, which was formally adopted at a meeting of directors of the Company held 18 August 2003. The audit committee meets not less than four times each year.

Statement of Corporate Governance Practices (continued)

The purpose of the audit committee is to:

- (i) review and approve audit plans;
- (ii) review and approve the half-year financial report;
- (iii) update the internal and external audit plans;
- (iv) review and approve the annual financial report; and
- (v) meet in private session at least annually to assess the effectiveness of management.

The audit committee makes a report to the board in relation to matters relevant to the role and responsibilities of the committee, including:

- (i) assessment of whether external reporting is consistent with committee members' information and knowledge and is adequate for shareholder needs;
- (ii) assessment of the management processes supporting external reporting;
- (iii) procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners;
- (iv) recommendations for the appointment or removal of an auditor;
- (v) assessment of the performance and independence of the external auditors and whether the audit committee is satisfied that the independence of this function has been maintained having regard to the provision of any non-audit services;
- (vi) assessment of the performance and objectivity of the internal audit function; and
- (vii) the results of its review of risk management and internal compliance and control systems.

The audit committee is empowered to investigate any matter brought to the attention of the audit committee with full access to all books, records, facilities, and personnel of the Company and the authority to engage independent counsel and other advisers as the audit committee determines necessary to carry out the duties of the audit committee.

During the reporting period, the audit committee met with the external auditor to review the independence of the external auditor and discuss the need for rotation of external audit engagement partners. The audit committee determined that there was no need for any change in the external auditor.

5. Timely and balanced disclosure

The Company has established policies and procedures designed to ensure compliance with the ASX Listing Rule requirements such that:

- (i) all investors have equal and timely access to material information concerning the Company, including its financial situation, performance, ownership and governance; and
- (ii) Company announcements are factual and presented in a clear and balanced way.

The Company has established policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance. The board authorises all disclosures necessary to ensure compliance with ASX Listing Rule disclosure requirements.

6. Respect the rights of shareholders

The Company has a communications strategy to promote effective communication with shareholders, subject to privacy laws and the need to act in the best interests of the Company by protecting confidential commercial information, and encourage effective participation at general meetings.

Statement of Corporate Governance Practices (continued)

All relevant disclosures made in accordance with ASX Listing Rule disclosure requirements are placed on the website of the Company after they have been released to, and acknowledged by the ASX.

The Company requests the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

7. Recognise and manage risk

The board or appropriate board committees have established policies on risk oversight and management. In order to carry out this function, the audit committee:

- (i) reviews the financial reporting process of the Company on behalf of the board and reports the results of its activities to the board;
- (ii) discusses with management and the external and internal auditors, the adequacy and effectiveness of the accounting and financial controls, including the policies and procedures of the Company to assess, monitor and manage business risk, and any legal and ethical compliance programmes;
- (iii) reviews with the external and internal auditor any audit problems or difficulties and the response of management;
- (iv) receives reports from the external and internal auditor on the critical policies and practices of the Company;
- (v) makes recommendations to the board on the appointment, reappointment or replacement (subject, if applicable, to shareholder ratification), remuneration, monitoring of the effectiveness, and independence of the external auditors;
- (vi) reviews and assesses the independence of the external auditor;
- (vii) reviews and discusses with the board any ASX press releases, the half-year financial report, Appendix 4E and other reports required to be lodged with the ASX, prior to the filing of these documents with the ASX;
- (viii) establishes procedures for the receipt, retention and treatment of complaints received by the Company (if any) regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding accounting or auditing matters.

The managing director and the finance director state to the board in writing that:

- (i) the statement made by the managing director and director of finance and operations to confirm to the board that the accounts are true and fair and comply with accounting standards, is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board; and
- (ii) the Company's risk management and internal compliance is operating efficiently and effectively in all material respects.

The systems of internal financial control have been determined by senior management of the Company and are designed to provide reasonable, but not absolute protection against fraud, material misstatement or loss. These controls are intended to identify, in a timely manner, control issues that require attention of the board or audit committee.

8. Encourage enhanced performance

The performance of committees, individual directors and key executives is evaluated regularly by the board. The board regularly evaluates the performance of the board.

There has been no formal performance evaluation for the board, the members of the board, committees or individual directors undertaken in the reporting period. The board informally evaluates the performance of the board, the members of the board, committees and individual directors during each meeting of the board. The board believes that the individuals on the board have made quality and independent judgments in the best interests of the Company on all relevant issues during the reporting period. There has been a formal performance evaluation of all key executives (other than the executive directors) during the reporting period.

Statement of Corporate Governance Practices (continued)

9. Remunerate fairly & equally

The Company intends to ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined. On 30 June 2003, the Company established a remuneration committee, consisting of three non-executive directors, one of whom is an independent director. The composition of the remuneration committee, the meetings held, and attendance at those meetings is discussed in the Directors' Report.

The amount of remuneration, and all monetary and non-monetary components, for each of the five highest-paid (non-director) executives during the year, and for all directors, are disclosed in the Directors' Report.

The board confirmed the role and responsibilities of the remuneration committee in a written charter, which was formally adopted at a meeting of directors of the Company, held 18 August 2003.

The responsibilities of the remuneration committee include the review and making of recommendations to the board on:

- (i) executive remuneration and incentive policies;
- (ii) remuneration packages of senior management;
- (iii) the recruitment, retention and termination policies of the Company and procedures for senior management;
- (iv) incentive schemes;
- (v) superannuation arrangements;
- (vi) the remuneration framework for directors.

The remuneration policy of the Company has been designed so that the policy:

- (i) motivates directors and management to pursue the long-term growth and success of the Company within an appropriate control framework; and
- (ii) demonstrates a clear relationship between key executive performance and remuneration.

The remuneration committee reviews the performance, and negotiates the remuneration of all executive directors. The remuneration committee reviews recommendations of the managing director and the finance director in relation to all employees of the Company, other than the executive directors. No individual is directly involved in deciding his/her remuneration. The remuneration committee believes that remuneration packages of executives of the Company involve a balance between fixed and incentive pay, reflecting short and long-term performance objectives, appropriate to the circumstances and goals of the Company. A proportion of the remuneration of executive directors is structured in a manner designed to link rewards to corporate and individual performance.

The Company believes that the members of the remuneration committee can make, and do make, quality and independent judgements in the best interests of the Company on remuneration issues, notwithstanding that the members of the remuneration committee are not all independent.

The remuneration of non-executive directors is different from that of executives. Executive directors are remunerated by means of a salary, and in certain cases, by equity based remuneration. All equity based remuneration is made in accordance with plans approved by shareholders. Non-executive directors are not entitled to any retiring allowance, payable upon their retirement as a director of the Company.

10. Recognise the legitimate interests of stakeholders

The Company has established a code of conduct to guide compliance with legal and other obligations to legitimate stakeholders in the Company. The code of conduct gives guidance to the directors and other key executives about:

- (i) the practices necessary to maintain confidence in the integrity of the Company; and
- (ii) the right of employees to alert management and the board in good faith to potential misconduct without fear of retribution, and, where necessary, recording and investigation of such alerts.

Statement of Financial Position

At 30 June 2004

		CONSOLIDATED		PARENT	
	NOTE	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Current Assets					
Cash assets	29(a)	88,642	26,969	-	-
Receivables	7	764,340	652,735	-	-
Other financial assets	8	2,459	8,624	-	-
Inventories	9	244,381	188,536	-	-
Tax assets	10	-	65	-	-
Other	11	7,713	5,926	-	-
Total current assets		1,107,535	882,855	-	-
Non-Current Assets					
Receivables	12	16,282	11,951	690,014	626,087
Investments accounted for using equity method	39	53,657	47,520	-	-
Other financial assets	14	16,365	16,213	63,121	55,614
Inventories	13	26,584	18,627	-	-
Property, plant and equipment	15	1,129,956	928,588	-	-
Intangible assets	16	11,212	12,014	-	-
Deferred tax assets	17	7,563	7,952	4,591	3,801
Total non-current assets		1,261,619	1,042,865	757,726	685,502
Total Assets		2,369,154	1,925,720	757,726	685,502
Current Liabilities					
Payables	18	553,053	424,634	135	240
Interest-bearing liabilities	19	62,877	25,732	-	-
Tax liabilities	20	25,115	26,076	19,807	20,592
Provisions	21	10,832	8,460	-	-
Other	22	4,823	6,356	-	-
Total current liabilities		656,700	491,258	19,942	20,832
Non-Current Liabilities					
Interest-bearing liabilities	23	472,109	390,787	-	-
Provisions	24	6,694	5,645	-	-
Other	25	5,376	3,993	-	-
Total non-current liabilities		484,179	400,425	-	-
Total Liabilities		1,140,879	891,683	19,942	20,832
NET ASSETS		1,228,275	1,034,037	737,784	664,670
Equity					
Contributed equity	26	246,591	246,591	246,591	246,591
Reserves	27	243,845	171,689	-	-
Retained profits	28(a)	667,493	547,871	491,193	418,079
Parent entity interest		1,157,929	966,151	737,784	664,670
Outside equity interest	28(b)	70,346	67,886	-	-
TOTAL EQUITY	28(c)	1,228,275	1,034,037	737,784	664,670

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

Statement of Financial Position
At 30 June 2004 (continued)

		MEMBERS OF THE PARENT		OUTSIDE EQUITY INTERESTS		CONSOLIDATED	
	NOTE	2004 \$000	2003 \$000	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Interest in the equity of the consolidated entity							
Contributed equity	26	246,591	246,591	58,680	61,175	305,271	307,766
Reserves	27	243,845	171,689	(10,533)	(9,619)	233,312	162,070
Retained profits	28	667,493	547,871	22,199	16,330	689,692	564,201
TOTAL INTEREST IN EQUITY		1,157,929	966,151	70,346	67,886	1,228,275	1,034,037

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

Statement of Financial Performance

Year Ended 30 June 2004

		CONSOLIDATED		PARENT	
	NOTE	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Sales revenue	2	1,156,817	1,000,245	-	-
Cost of sales		(866,450)	(741,114)	-	-
Gross profit		290,367	259,131	-	-
Other revenues	2	670,334	417,423	142,012	136,456
Distribution expenses		(4,338)	(8,903)	-	-
Marketing expenses		(209,922)	(38,283)	-	-
Occupancy expenses		(116,672)	(102,492)	-	-
Administrative expenses		(281,077)	(240,386)	-	-
Borrowing costs	3	(31,460)	(28,115)	-	-
Other expenses from ordinary activities		(51,322)	(27,034)	(467)	(461)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	39	3,402	1,948	-	-
Profit from ordinary activities before income tax expense		269,312	233,289	141,545	135,995
Income tax expense relating to ordinary activities	5	(82,353)	(71,613)	(10,329)	(13,535)
Net profit		186,959	161,676	131,216	122,460
Net profit attributable to outside equity interests		(10,907)	(10,627)	-	-
Net profit attributable to members of the parent entity	28(a)	176,052	151,049	131,216	122,460
Net increase in asset revaluation reserve		70,012	39,620	-	-
Net exchange difference on translation of financial statements of self-sustaining foreign operations	27(b)	2,144	(4,048)	-	-
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity		72,156	35,572	-	-
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of the parent entity		248,208	186,621	131,216	122,460
Basic earnings per share (cents)	6	16.65	14.31	-	-
Diluted earnings per share (cents)	6	16.65	14.31	-	-

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

Statement of Cash Flows

Year Ended 30 June 2004

		CONSOLIDATED		PARENT	
	NOTE	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Cash flows from operating activities			Inflows/(Outflows)		
Net receipts from franchisees	A	568,162	316,035	-	-
Receipts from customers	B	1,156,178	990,306	-	-
Payments to suppliers and employees	C	(1,408,257)	(1,086,461)	(572)	(323)
Distributions received from joint ventures	D	7,224	2,106	-	-
GST paid		(17,559)	(17,939)	-	-
Interest received		4,490	4,690	-	-
Interest and other costs of finance paid	E	(28,480)	(25,801)	-	-
Income taxes paid		(82,859)	(76,047)	(8,807)	(14,189)
Dividends received		490	645	-	-
Trust distributions received			-	38,630	45,189
		199,389	107,534	29,251	30,677
Consumer finance related cash flows:					
Consumer finance loans granted by consolidated entity	F	(25,872)	(20,176)	-	-
Proceeds of sale of consumer finance loans to FAST No. 1 Trust	F	16,749	22,595	-	-
Accommodation fees paid	F	(1,390)	(2,314)	-	-
Trust distribution received	F	83	-	-	-
Repayments received from consumers on consumer finance loans granted by consolidated entity and not sold to FAST No. 1 Trust	F	479	745	-	-
		(9,951)	850	-	-
Net Cash Flows From Operating Activities	29(b)	189,438	108,384	29,251	30,677

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

Statement of Cash Flows

Year Ended 30 June 2004 (continued)

	NOTE	CONSOLIDATED		PARENT	
		2004 \$000	2003 \$000	2004 \$000	2003 \$000
Cash flows from investing activities			Inflows/(Outflows)		
Payment for purchases of property, plant and equipment	G	(197,790)	(161,083)	-	-
Proceeds from sale of property, plant and equipment	H	24,641	2,606	-	-
Proceeds from sale of units in unit trusts	I	2,354	3,079	-	-
Payments for purchase of equity investments	J	(11,141)	(5,307)	(7,507)	-
Proceeds from sale of listed securities		441	41	-	-
Loans repaid/(granted)	K	(5,885)	546	36,358	22,117
Proceeds from repayments of short term investments	L	-	7,970	-	-
Payment for purchase of non-current listed securities		(1,257)	-	-	-
Net Cash Flows (Used in)/From Investing Activities		(188,637)	(152,148)	28,851	22,117
Cash flows from financing activities					
Proceeds from borrowings	M	264,059	101,336	-	-
Dividends paid		(58,102)	(53,135)	(58,102)	(52,794)
Repayment of borrowings	N	(173,531)	(6,318)	-	-
Net Cash Flows From/(Used in) Financing Activities		32,426	41,883	(58,102)	(52,794)
Net increase/(decrease) in cash held		33,227	(1,881)	-	-
Cash at Beginning of Period		21,113	22,994	-	-
Cash at End of Period	29(a)	54,340	21,113	-	-

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

Statement of Cash Flows

Year Ended 30 June 2004 (continued)

Commentary to the Statement of Cash Flows:

- <A> The majority of the increase is attributable to revenue derived by Generic Publications Pty Limited (GPL), a wholly owned subsidiary of Harvey Norman Holdings Limited, in respect of Harvey Norman brand advertising published by GPL. GPL is an accredited media placement company. Franchise fees, rent received from franchisees and asset usage fees have increased as a result of the opening of nine new franchised stores. Franchisee trade creditors have also increased from the previous year producing a net cash inflow. This increase in franchisee trade creditors, the opening of nine new franchised stores, coupled with improved trading conditions of existing stores, have resulted in an increase in overall net receipts from franchisees.
- The increase in receipts from customers can be directly attributable to an increase in sales revenue from company owned stores in New Zealand, Slovenia, Ireland and other controlled entities.
- <C> The increase in payments to suppliers and employees is due to increased payments made for inventory and operating expenses by company owned stores and other controlled entities driven by an increase in sales by those entities. Further, included in the current year cash outflow are advertising expenses paid by GPL.
- <D> The increase in distributions received from joint ventures is primarily due to the commencement of sale of townhouses in the Sylvania Joint Venture and sale of land lots in the third stage of development in the Oslek Developments Joint Venture (Kelso).
- <E> The increase in interest and other costs of finance paid reflects the payment of costs paid in relation to the Commercial Mortgage Backed Securities ("CMBS") program.
- <F> The net consumer finance cash outflow is due to the large June 2004 NCF promotion whereby in excess of \$9 million of consumer finance was advanced, however, the loans were not sold to Financial Assets Specialised Trust No 1 ("F.A.S.T.") until July 2004.
- <G> For the year ended 30 June 2004, payment for purchases of land and buildings totalled \$95.93 million and payment for purchases of plant and equipment totalled \$101.86 million.
- <H> This item includes the proceeds of sale of industrial warehouses in Caringbah and offices/warehouses in Riverwood.
- <I> This relates to the reduction of investment units held in F.A.S.T. The cost of investment units held in F.A.S.T. as at 30 June 2004 was \$6.7 million compared to \$9.0 million as at 30 June 2003.
- <J> This item relates to increased investments in various joint ventures and software licences.
- <K> This item relates to commercial advances made by NCF to independent third parties, under normal commercial terms and conditions.
- <L> There has been no repayment of short-term investments during the current year. The balance of \$7.9 million for the previous corresponding period relates to proceeds from the redemption of a promissory note owned by Rebel Sport Limited.
- <M> The bulk of the proceeds from borrowings relates to funds lent to subsidiaries of Harvey Norman Holdings Limited pursuant to the CMBS program. It also includes monies lent by Directors.
- <N> The repayment of borrowings of \$173.5 million relates to repayment of existing bill debt payable to ANZ out of the proceeds received from the CMBS program facility.

Segment Information

PRIMARY SEGMENT – Business Segments – 30 June 2004

SEGMENT REVENUE				
Sales to Customers Outside the Consolidated Entity	Other Revenues from Outside the Consolidated Entity	Inter-segment Revenue	Share of Net Profit/(Loss) of Equity Accounted Investments	Segment Revenue
2004 \$000	2004 \$000	2004 \$000	2004 \$000	2004 \$000

FRANCHISING AND CORPORATE	-	509,601	-	-	509,601
Retail – New Zealand	345,025	21,391	-	-	366,416
Retail – Rebel Sport	305,432	23,771	-	-	329,203
Retail – Asia	322,858	15,069	-	-	337,927
Retail – Slovenia	32,006	567	-	-	32,573
Other Non-Franchised Retail	151,496	9,503	1,908	-	162,907
TOTAL RETAIL	1,156,817	70,301	1,908	-	1,229,026
Property Investments	-	75,851	-	2,046	77,897
Property Under Construction for Investment	-	360	-	-	360
Property Development for Resale	-	19,208	-	1,356	20,564
TOTAL PROPERTY	-	95,419	-	3,402	98,821
Financial Services	-	8,161	-	-	8,161
Share Trading	-	1,622	-	-	1,622
TOTAL OTHER	-	9,783	-	-	9,783
Eliminations	-	(14,770)	(1,908)	-	(16,678)
CONSOLIDATED	1,156,817	670,334	-	3,402	1,830,553
Unallocated Revenue	-	-	-	-	-
TOTAL REVENUE	1,156,817	670,334	-	3,402	1,830,553

Segment Information (continued)

Business Segments – 30 June 2004

SEGMENT RESULT					
Segment Result Before Interest, Taxation, Depreciation & Amortisation	Interest Expense	Depreciation Expense	Amortisation Expense	Segment Result Before Tax	
2004 \$000	2004 \$000	2004 \$000	2004 \$000	2004 \$000	
FRANCHISING AND CORPORATE	227,466	(13,003)	(42,719)	(652)	171,092
Retail – New Zealand	33,574	(2,954)	(5,511)	-	25,109
Retail – Rebel Sport	35,942	(539)	(7,274)	(2,736)	25,393
Retail – Asia	11,728	(97)	(2,646)	(154)	8,831
Retail – Slovenia	1,831	(76)	(493)	-	1,262
Other Non-Franchised Retail	(1,622)	(2,397)	(2,039)	-	(6,058)
TOTAL RETAIL	81,453	(6,063)	(17,963)	(2,890)	54,537
Property Investments	57,457	(9,906)	(9,687)	-	37,864
Property Under Construction for Investment	(90)	(916)	(13)	-	(1,019)
Property Development for Resale	7,299	(485)	(41)	-	6,773
TOTAL PROPERTY	64,666	(11,307)	(9,741)	-	43,618
Financial Services	5,671	(2,221)	(176)	-	3,274
Share Trading	1,199	(169)	-	-	1,030
TOTAL OTHER	6,870	(2,390)	(176)	-	4,304
Eliminations	(5,542)	1,303	-	-	(4,239)
CONSOLIDATED	374,913	(31,460)	(70,599)	(3,542)	269,312
Unallocated Expenses					-
Income tax expense					(82,353)
Consolidated entity profit from ordinary activities after income tax expense					186,959
Extraordinary items					-
TOTAL RESULT					186,959

Segment Information (continued)

Business Segments – 30 June 2004

	SEGMENT ASSETS			SEGMENT LIABILITIES		
	Segment Assets	Eliminations	Segment Assets After Eliminations	Segment Liabilities	Eliminations	Segment Liabilities After Eliminations
	2004 \$000	2004 \$000	2004 \$000	2004 \$000	2004 \$000	2004 \$000
FRANCHISING AND CORPORATE	3,568,617	(2,697,030)	871,587	2,927,600	(2,697,030)	230,570
Retail – New Zealand	110,444	-	110,444	94,285	-	94,285
Retail – Rebel Sport	127,983	(16,000)	111,983	49,067	(16,000)	33,067
Retail – Asia	110,261	-	110,261	48,770	-	48,770
Retail – Slovenia	27,147	-	27,147	26,894	-	26,894
Other Non-Franchised Retail	88,877	(1,890)	86,987	102,304	(1,890)	100,414
TOTAL RETAIL	464,712	(17,890)	446,822	321,320	(17,890)	303,430
Property Investments	864,072	(23,577)	840,495	477,738	(23,577)	454,161
Property Under Construction for Investment	80,748	(2,897)	77,851	78,577	(2,897)	75,680
Property Development for Resale	59,744	(14,084)	45,660	48,717	(14,084)	34,633
TOTAL PROPERTY	1,004,564	(40,558)	964,006	605,032	(40,558)	564,474
Financial Services	114,138	(37,939)	76,199	80,344	(37,939)	42,405
Share Trading	10,540	-	10,540	-	-	-
TOTAL OTHER	124,678	(37,939)	86,739	80,344	(37,939)	42,405
Eliminations	-	-	-	-	-	-
CONSOLIDATED	5,162,571	(2,793,417)	2,369,154	3,934,296	(2,793,417)	1,140,879

Refer note 38 for other segment information.

Segment Information (continued)

Business Segments Comparative – 30 June 2003

PRIMARY SEGMENT – Comparative 30 June 2003

SEGMENT REVENUE				
Sales to Customers Outside the Consolidated Entity	Other Revenues from Outside the Consolidated Entity	Inter-segment Revenue	Share of Net Profit/(Loss) of Equity Accounted Investments	Segment Revenue
2003 \$000	2003 \$000	2003 \$000	2003 \$000	2003 \$000

FRANCHISING AND CORPORATE	-	303,871	-	-	303,871
Retail – New Zealand	247,789	15,651	-	-	263,440
Retail – Rebel Sport	276,855	20,477	-	-	297,332
Retail – Asia	362,062	6,076	-	-	368,138
Retail – Slovenia	17,928	356	-	-	18,284
Other Non-Franchised Retail	95,611	2,972	5,565	-	104,148
TOTAL RETAIL	1,000,245	45,532	5,565	-	1,051,342
Property Investments	-	68,449	-	1,733	70,182
Property Under Construction for Investment	-	534	-	(27)	507
Property Development for Resale	-	108	-	242	350
TOTAL PROPERTY	-	69,091	-	1,948	71,039
Financial Services	-	8,523	-	-	8,523
Share Trading	-	686	-	-	686
TOTAL OTHER	-	9,209	-	-	9,209
Eliminations	-	(10,280)	(5,565)	-	(15,845)
CONSOLIDATED	1,000,245	417,423	-	1,948	1,419,616
Unallocated Revenue	-	-	-	-	-
TOTAL REVENUE	1,000,245	417,423	-	1,948	1,419,616

Segment Information (continued)

Business Segments Comparative – 30 June 2003

SEGMENT RESULT					
Segment Result Before Interest, Taxation, Depreciation & Amortisation	Interest Expense	Depreciation Expense	Amortisation Expense	Segment Result Before Tax	
2003 \$000	2003 \$000	2003 \$000	2003 \$000	2003 \$000	
FRANCHISING AND CORPORATE	200,788	(10,611)	(38,208)	(652)	151,317
Retail – New Zealand	26,380	(1,983)	(3,007)	-	21,390
Retail – Rebel Sport	34,561	(1,133)	(5,865)	(3,911)	23,652
Retail – Asia	11,378	(212)	(3,273)	(182)	7,711
Retail – Slovenia	(1,754)	(3)	(522)	-	(2,279)
Other Non-Franchised Retail	1,896	(1,659)	(1,238)	-	(1,001)
TOTAL RETAIL	72,461	(4,990)	(13,905)	(4,093)	49,473
Property Investments	49,983	(9,519)	(9,687)	-	30,777
Property Under Construction for Investment	(732)	(925)	(12)	-	(1,669)
Property Development for Resale	151	(416)	-	-	(265)
TOTAL PROPERTY	49,402	(10,860)	(9,699)	-	28,843
Financial Services	6,156	(2,184)	(238)	-	3,734
Share Trading	29	(107)	-	-	(78)
TOTAL OTHER	6,185	(2,291)	(238)	-	3,656
Eliminations	(637)	637	-	-	-
CONSOLIDATED	328,199	(28,115)	(62,050)	(4,745)	233,289
Unallocated Expenses					-
Income tax expense					(71,613)
Consolidated entity profit from ordinary activities after income tax expense					161,676
Extraordinary items					-
TOTAL RESULT					161,676

Segment Information (continued)

Business Segments Comparative – 30 June 2003

	SEGMENT ASSETS			SEGMENT LIABILITIES		
	Segment Assets	Eliminations	Segment Assets After Eliminations	Segment Liabilities	Eliminations	Segment Liabilities After Eliminations
	2003 \$000	2003 \$000	2003 \$000	2003 \$000	2003 \$000	2003 \$000
FRANCHISING AND CORPORATE	1,977,674	(1,292,442)	685,232	1,296,898	(1,292,442)	4,456
Retail – New Zealand	82,922	-	82,922	65,989	-	65,989
Retail – Rebel Sport	122,686	-	122,686	55,557	-	55,557
Retail – Asia	108,845	(897)	107,948	48,004	(897)	47,107
Retail – Slovenia	20,873	-	20,873	20,148	-	20,148
Other Non-Franchised Retail	69,030	(5,240)	63,790	75,516	(5,240)	70,276
TOTAL RETAIL	404,356	(6,137)	398,219	265,214	(6,137)	259,077
Property Investments	713,668	(39,733)	673,935	523,434	(39,733)	483,701
Property Under Construction for Investment	69,955	(4,025)	65,930	77,727	(4,025)	73,702
Property Development for Resale	31,919	(73)	31,846	38,449	(73)	38,376
TOTAL PROPERTY	815,542	(43,831)	771,711	639,610	(43,831)	595,779
Financial Services	79,735	(16,567)	63,168	47,049	(16,567)	30,482
Share Trading	7,390	-	7,390	1,889	-	1,889
TOTAL OTHER	87,125	(16,567)	70,558	48,938	(16,567)	32,371
Eliminations	-	-	-	-	-	-
CONSOLIDATED	3,284,697	(1,358,977)	1,925,720	2,250,660	(1,358,977)	891,683

Refer note 38 for other segment information.

Segment Information (continued)

The consolidated entity operates predominantly in eleven (11) primary segments:

Segment	Description of Segment
Franchising and Corporate Items	Consists of the franchise fees paid by franchisees, and corporate items (other than retailing, property investments and financial services).
Retail - New Zealand	Consists of the wholly-owned operations of the consolidated entity in New Zealand.
Retail - Rebel Sport	Consists of the controlling interest of the consolidated entity in the retail trading operations in Australia trading under the Rebel Sport brand name.
Retail – Asia	Consists of the controlling interest of the consolidated entity in the Singapore retail trading operations under the Harvey Norman and Space brand names.
Retail – Slovenia	Consists of the controlling interest of the consolidated entity in the retail trading operations in Slovenia under the Harvey Norman brand name.
Non-Franchised Retail	Consists of retail trading operations in Australia and Ireland which are controlled by the consolidated entity and does not include any operations of Harvey Norman franchisees.
Property Investments	Consists of land and buildings for each retail site that is fully operational or is ready and able to be tenanted. The revenue and results of this segment consists of rental income and outgoings recovered for each retail site that is owned by the consolidated entity which is fully operational (or ready for operations) as at year-end.
Property Under Construction for Investment	Consists of sites that are currently undergoing construction at year-end intended for leasing. It also includes vacant land that has been purchased for the purposes of generating future investment income.
Property Developments for Resale	Consists of land and buildings acquired by the consolidated entity, to be developed, or currently under development, for the sole purpose of resale at a profit. Such assets are treated as trading stock in the Statement of Financial Position.
Financial Services	This segment primarily refers to credit facilities provided to third parties.
Share Trading	This segment refers to the trading of listed securities.

Segment Information (continued)

Property Segment Analysis

The following table is a detailed analysis of the three different property segments. This analysis calculates the following two ratios which are integral in assessing the performance of the property segments.

	PROPERTY INVESTMENTS		PROPERTY UNDER CONSTRUCTION FOR INVESTMENT		PROPERTY DEVELOPMENT FOR RESALE	
	2004	2003	2004	2003	2004	2003
% of Consolidated Revenue	4.3%	4.9%	0.0%	0.0%	1.1%	0.0%
% of Consolidated Result	14.1%	13.2%	(0.4%)	(0.7%)	2.5%	(0.1%)
Yield %						
[Revenue/Segment Assets After Eliminations]	9.3%	10.4%	0.5%	0.8%	45.0%	1.1%
Return on Assets %						
[Result/Segment Assets After Eliminations]	4.5%	4.6%	(1.3%)	(2.5%)	14.8%	(0.8%)
	2004	2003	2004	2003	2004	2003
	\$000	\$000	\$000	\$000	\$000	\$000
Segment Assets After Eliminations	840,495	673,935	77,851	65,930	45,660	31,846
Less: Accumulated Asset Revaluation	(242,344)	(172,332)	(1,110)	(1,110)	-	-
Segment Assets After Eliminations Less Revaluation	598,151	501,603	76,741	64,820	45,660	31,846
Yield %						
[Revenue/Segment Assets After Eliminations & Revaluations]	13.0%	14.0%	0.5%	0.8%	45.0%	1.1%
Return on Assets %						
[Result/Segment Assets After Eliminations & Revaluations]	6.3%	6.1%	(1.3%)	(2.6%)	14.8%	(0.8%)

Segment Information (continued)

SECONDARY SEGMENT – Geographic Segments

	Segment Revenue		Segment Assets		Acquisition of Property, Plant and Equipment, Intangible Assets and other Non-current Assets	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Australia	1,025,970	757,825	1,989,045	1,616,840	227,056	156,617
New Zealand	373,377	268,177	212,452	173,437	17,832	38,000
Asia	338,454	368,436	114,062	107,450	2,900	1,225
Slovenia	32,602	18,312	49,294	43,565	(223)	5,329
United Kingdom	13,003	12,431	1,374	4,207	396	44
Ireland	49,055	-	31,618	6,716	10,177	4,533
TOTAL	1,832,461	1,425,181	2,397,845	1,952,215	258,138	205,748
Eliminations	(1,908)	(5,565)	(28,691)	(26,495)	-	-
CONSOLIDATED	1,830,553	1,419,616	2,369,154	1,925,720	258,138	205,748

Notes to and forming part of the Financial Statements for the year ended 30 June 2004

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 15.

(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 40) 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) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate of the provision for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

Interest is taken up as income on an accrual basis.

(d) 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 falls 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.

(e) Land and Buildings

It is the policy of the consolidated entity to review annually the value of land and the value of buildings based on the use of the land and buildings by the consolidated entity as a going concern. The directors have elected to carry each of 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 land and buildings as part of its ongoing operations.

(f) 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:

Asset Class	Life
Buildings	20-40 years
Owned Plant and Equipment	3-20 years
Plant and Equipment Under Lease	1-10 years

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

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

(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.

Non-current inventories are held at cost.

(h) 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.

(i) Leases

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.

As lessor

Direct finance leases

Direct finance lease 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.

(j) 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 deferred tax assets 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 is classified as operating cash flows.

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

(k) Cash and Cash Equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value. 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.

(l) Borrowing Costs

Borrowing costs are expensed as incurred.

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

(m) 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 earned, 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.

(n) 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.

(o) 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 39.

(p) Accounting for Investments in 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.

(q) Other Financial Assets

Interests in non-subsidary, 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.

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

(r) Payables and Provisions

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount.

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

(s) Interest-Bearing Liabilities

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.

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

(t) Provisions for Employee Benefits

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 employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to reporting date. 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.

(u) Derivative Financial Instruments

The consolidated entity enters into forward exchange contracts where it agrees to buy specified amounts of foreign currencies in the future at a predetermined exchange rate. The objective is to match the contract with anticipated future cash flows from purchases in foreign currencies, to protect the consolidated entity against the possibility of loss from future exchange rate fluctuations.

Foreign exchange contracts are recognised at the date that the contract is entered into. Except for specific hedges, all resulting exchange differences on settlement or restatement are recognised as revenues or expenses in the Statement of Financial Performance in the current year.

(v) Contributed 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.

(w) Earnings Per Share

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect if 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.

Notes to the Financial Statements (continued)

1. Statement of Significant Accounting Policies (continued)

(x) 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.

(y) Equity Based Compensation

Where shares and or options are issued to qualifying employees under the company's equity based remuneration schemes, no expense has been recorded in the Statement of Financial Performance. Refer to Note 30 Employee Benefits and Note 32 Director and Executive Disclosures for further information.

(z) Changes in Accounting Policies and Comparative Amounts

The accounting policies adopted are consistent with those of the previous year.

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000
2. Revenue From Ordinary Activities				
Revenues from operating activities:				
Revenue from the sale of products	1,156,817	1,000,245	-	-
Other revenues from operating activities:				
Gross revenue from:				
- Franchisees (excluding rent and interest received)	459,088	259,521	-	-
- Rent received from franchisees and other third parties	119,733	108,065	-	-
Trust distribution received from:				
- Other related entities	183	-	-	-
Interest received from:				
- Franchisees	15,847	14,129	-	-
Total other revenues from operating activities	594,851	381,715	-	-
Share of net profit of associates, joint venture entities and partnerships	39	1,948	-	-
Total revenues from operating activities	1,755,070	1,383,908	-	-
Other revenues from non-operating activities:				
Interest received from:				
- Other unrelated parties	4,490	4,690	-	-
Trust distribution received from:				
- Controlled entities	-	-	38,630	45,313
Dividends from:				
- Related parties (wholly owned group)	-	-	103,382	91,134
- Other unrelated parties	490	645	-	-
Other revenue	43,673	27,726	-	9
Gross proceeds from the disposal of plant and equipment	24,641	2,606	-	-
Gross proceeds from the disposal of listed securities	441	41	-	-
Net foreign exchange gains	1,748	-	-	-
Total other revenues from non-operating activities	75,483	35,708	142,012	136,456
Total revenues from ordinary activities	1,830,553	1,419,616	142,012	136,456
Total revenues from ordinary activities is disclosed on the Statement of Financial Performance as follows:				
Sales revenue	1,156,817	1,000,245	-	-
Other revenues from operating activities	594,851	381,715	-	-
Other revenues from non-operating activities	75,483	35,708	142,012	136,456
Total other revenues	670,334	417,423	142,012	136,456
Share of net profit of associates, joint venture entities and partnerships	3,402	1,948	-	-
Total revenues from ordinary activities	1,830,553	1,419,616	142,012	136,456

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000

3. Expenses and Losses/(Gains):

Depreciation and amortisation:

Depreciation of:

- Buildings	9,031	8,176	-	-
- Plant and equipment	61,568	53,874	-	-

Amortisation of:

- Leased plant and equipment	2,736	3,891	-	-
- Goodwill	806	854	-	-

Total depreciation and amortisation	74,141	66,795	-	-
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Borrowing costs:

Interest paid or payable:

- Finance leases	550	1,088	-	-
- Loans from specified directors and personally related entities	773	867	-	-
- Other	30,137	26,160	-	-

Total borrowing costs	31,460	28,115	-	-
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Other expense items:

Net bad debts – written off	1,487	1,145	-	-
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Net charge to provision for doubtful debts	(737)	(848)	-	-
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Costs on disposal and revaluation of assets

- Costs on disposal of plant and equipment (a)	18,511	2,619	-	-
- Costs on disposal of listed securities (b)	424	-	-	-
- Net change in market value of listed securities	(692)	656	-	-

Operating lease rentals (c)	88,933	76,840	-	-
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Provision for obsolescence of inventories	(196)	186	-	-
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Provision for employee benefits	1,460	1,726	-	-
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(a) Net (profit)/loss on disposal of plant and equipment	(6,130)	13	-	-
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(b) Net (profit)/loss on disposal and revaluation of listed securities	(709)	616	-	-
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(c) Comprises:				
Minimum lease payments	88,933	76,840	-	-

4. International Financial Reporting Standards (IFRS)

Harvey Norman Holdings Limited and its Controlled Entities will be required to prepare its first full financial statements compliant with Australian equivalents to IFRS for the year ending 30 June 2006. It must also restate comparative financial statements to be in compliance with IFRS. This will require the preparation of an opening IFRS balance sheet as at 1 July 2004. Additionally, as Harvey Norman Holdings Limited is a disclosing entity which is required to prepare half year financial reports, it must prepare its first IFRS compliant half year financial report as at 31 December 2005 with 31 December 2004 restated IFRS compliant comparatives.

Harvey Norman Holdings Limited allocated significant internal resources to monitor and plan for the transition of IFRS. Each new Australian equivalent of IFRS was evaluated for possible impact to the Group's accounting policies and financial reporting. This process is ongoing and at this stage the impact on the financial report cannot be reliably quantified.

The following areas have been identified as significant for the Group:

Share Based Payments

In accordance with AASB 2 "Share Based Payments", the consolidated entity will be required to determine the fair value of options and other share based payments granted or issued to employees as remuneration. This will involve using a valuation technique such as the Black Scholes Option Pricing Model. A transitional adjustment to recognise the difference between the expense recognised for Australian GAAP and the fair value of all equity instruments granted or issued will be made retrospectively against opening retained earnings at transition date. This is applicable to all share based payments issued or granted after 7 November 2002, which have not vested as at 1 January 2005. An expense will also be recognised in the Statement of Financial Performance evenly over the vesting period during which the vesting conditions of share based payments is to be satisfied. The financial impact of this change has not been measured by the consolidated entity as future equity based remuneration is unknown, however, it is likely that a decrease in net profit will result where the fair value of options is recognised in the Statement of Financial Performance.

Financial Instruments: Recognition and Measurement

In accordance with AASB 139 "Financial Instruments: Recognition Measurement", the Group will be required to recognise all their derivatives on balance sheet, measured at fair value. The consolidated entity will also be required to demonstrate that each hedge is effective in minimising the variability in cash flows attributable to the interest rate risk associated with the consolidated entity's liability in the form of bank bills to its financiers. Where the hedge is considered effective, the gain or loss on the hedging instrument at balance date is taken to equity for cash flow hedges and the Statement of Financial Performance for fair value hedges. Where the hedge is considered ineffective the hedge gain or loss is taken to the Statement of Financial Performance. The financial impact of this change has not been measured, however, it is likely to create volatility in equity reserve balances. New processes relating to the identification of effectiveness testing and tracking of hedges are currently being considered.

The derecognition of securitised trade receivables may not qualify for derecognition under IFRS. If not permitted this would cause the recognition of trade receivables and borrowings.

The effective date of this standard is 1 January 2005, therefore, Harvey Norman Holdings and its Controlled Entities are required to comply with AASB 139 in their first IFRS reporting period (i.e. 30 June 2006), with no comparatives required.

The effects of changes in Foreign Exchange Rates

Under the transitional provisions of AASB 1, "First Time Adoption of Australian Equivalents to International Financial Reporting Standards", on transition to IFRS the consolidated entity has the option to transfer the balance of any foreign currency translation reserve to opening retained earnings. Any gains or losses arising from the translation of monetary items will be recognised in the Statement of Financial Performance except where the monetary item forms part of a reporting entity's net investment in a foreign operation. Reliable estimation of the future financial effects of this change is impracticable as the details of future monetary items are unknown but it is likely to result in a decrease to net profit where the Australian Dollar continues to appreciate against other currencies.

Notes to the Financial Statements (continued)

4. International Financial Reporting Standards (IFRS) (continued)

Goodwill

Goodwill incurred in business acquisitions will no longer be amortised, but instead will be subject to annual impairment testing which may reduce future earnings (see Impairment of Assets below) if there is an impairment loss.

There will be a change to the Group's accounting policy which currently amortises goodwill over a maximum of 20 years.

Impairment of Assets

In accordance with AASB 136 "Impairment of Assets", the recoverable amount of an asset is calculated as the higher of net selling price and value in use. Currently, the consolidated entity determines recoverable amount based on undiscounted cash flows, however, AASB 136 will require the calculation of the present value of future cash flows. Reliable estimates of the future financial effects of this change is impracticable because the conditions under which impairment will be assessed are not yet known, however, it is likely to result in a decrease in net profit where an impairment loss is recognised in the Statement of Financial Performance and a decrease in the carrying value of the relevant asset in the Statement of Financial Position.

Income Taxes

Under AASB 112 "Income Taxes", the consolidated entity will be required to use a comparison of Statement of Financial Position carrying values and tax base values to calculate assessable or deductible temporary differences that form the basis of deferred tax assets and liabilities. Under the new method deferred tax balances will be recognised in the Statement of Financial Position when there is a difference between the carrying value of an asset or liability and its tax base. The most significant area where the carrying value of an asset will differ from its tax base is expected to be assets that have been revalued in prior reporting periods.

Reliable estimation of the future financial effects of this change is impracticable, as the impact of the change has not been measured at this time.

Business Combinations

Under AASB 3 "Business Combinations", Harvey Norman Holdings Limited may revisit historical acquisition accounting treatment. AASB 3 requires that the acquirer recognise separately at acquisition date, the acquiree's identifiable assets, liabilities, and contingent liabilities that satisfy the recognition criteria and remeasure the consideration paid and goodwill. This may result in a reduction to goodwill and equity. It should be noted that under AASB 1 "First time adoption of IFRS", the consolidated entity can choose to apply the exemption to AASB 3 which would result in the current acquisition accounting to remain relatively unchanged. Harvey Norman Holdings Limited has decided to apply this exemption.

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

5. Income Tax

Income Tax Expense

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

Profit from ordinary activities before income tax expense	269,312	233,289	141,545	135,995
Prima facie tax thereon at 30%	80,794	69,987	42,464	40,799

Tax effect of permanent and other differences:

Amortisation of intangible assets	196	196	-	-
Building depreciation	100	103	96	98
Receipt of fully franked dividends	(49)	-	(49)	-
Non deductible asset write offs	217	96	-	-
Sundry items	310	219	6	15
Amounts (over)/under provided in prior years	(576)	148	(511)	(37)
Effect of different rates of tax on overseas income and exchange rate differences	47	78	-	-
Differences between accounting profits and capital gains on sale of assets	(662)	-	(662)	-
Other adjustments to deferred tax balances	-	(512)	-	-
Utilisation of tax losses	(114)	(857)	-	-
Benefit of tax losses and timing differences for the current year not brought to account	1,694	963	-	-
Non deductible provisions relating to overseas entities	396	1,192	-	-
Dividends received	-	-	(31,015)	(27,340)
Increase in tax expense due to:				
- Income tax expense related to current and deferred tax transactions of the wholly-owned subsidiary in the tax consolidated group	-	-	54,102	44,440
- Recovery of income tax expense under a tax sharing agreement	-	-	(54,102)	(44,440)
Total tax effect of permanent and other differences:	1,559	1,626	(32,135)	(27,264)

Total income tax attributable to profit from ordinary activities	82,353	71,613	10,329	13,535
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Tax Consolidation

Effective 1 July 2002, for the purposes of income taxation, Harvey Norman Holdings Limited and its 100% owned subsidiaries have formed a tax consolidated group. Members of the group have entered into a tax sharing agreement in order to allocate income tax expense to the wholly-owned subsidiaries on a pro-rata basis. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote. The head entity of the tax consolidated group is Harvey Norman Holdings Limited.

Notes to the Financial Statements (continued)

	CONSOLIDATED	
	2004	2003
	\$000	\$000

6. Earnings Per Share

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

Net profit	186,959	161,676
Adjustments:		
Net profit attributable to outside equity interests	(10,907)	(10,627)
Earnings used in calculating basic and diluted earnings per share	176,052	151,049
	Number of Shares	
	2004	2003
Weighted average number of ordinary shares used in calculating basic earnings per share	1,057,388,020	1,055,893,449
Effect of dilutive securities:		
- Share Options	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	1,057,388,020	1,055,893,449

The movement in the weighted average number of ordinary shares from the previous corresponding period is due to the issue on 26 November 2003 of 936,666 ordinary shares pursuant to the Deferred Executive Incentive Share Plan ("DEIP"). These shares have been weighted in accordance with the number of days on issue in the relevant period. Refer to Note 32. Director and Executive Disclosures for further information on the terms and conditions of this share issue.

The weighted average number of ordinary shares used in calculating basic earnings per share is greater than the closing number of shares outstanding as at 30 June 2004. This is because the number of ordinary shares outstanding prior to the DEIP share issue is required to be adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest reporting period for which EPS is presented.

During the financial year, pursuant to the Harvey Norman Executive Option Plan ("EOP"), 3,948,000 options were issued as equity compensation benefits to the respective trustees of trusts for the benefit of certain specified directors of the Company. These options have been excluded from the diluted earnings per share calculation as the exercise price of the option exceeded the average market price for the year ended 30 June 2004. Refer to Note 32. Director and Executive Disclosures for further information.

The unexercised 10,500,000 share options with an exercise price of \$3.21 per option and the unexercised 4,000,000 share options with an exercise price of \$4.10 per option, previously issued to associates of executive directors in previous reporting periods, lapsed on 24 November 2003, and have been excluded from the diluted earnings per share calculation for the current period.

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.

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000
7. Receivables (Current)				
Trade debtors	714,173	616,551	-	-
Provision for doubtful debts	(3,101)	(3,283)	-	-
Trade debtors, net	711,072	613,268	-	-
Consumer finance loans	8,717	2,318	-	-
Amounts receivable in respect of finance leases (a)	9,348	7,929	-	-
Non-trade debts receivable from:				
- Related parties	2,389	1,875	-	-
- Other unrelated persons	33,629	28,160	-	-
- Provision for doubtful debts	(815)	(815)	-	-
Non-trade debts receivable, net	35,203	29,220	-	-
Total receivables (current)	764,340	652,735	-	-

- (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	10,372	8,827	-	-
Later than one year but not later than five years	15,850	13,314	-	-
	26,222	22,141	-	-
Future finance revenue:				
Not later than one year	(1,024)	(898)	-	-
Later than one year but not later than five years	(1,440)	(1,363)	-	-
Net finance lease receivables	23,758	19,880	-	-
Reconciled to:				
Receivables (Current)	9,348	7,929	-	-
Receivables (Non-current – Note 12)	14,410	11,951	-	-
	23,758	19,880	-	-

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.

8. Other Financial Assets (Current)

Listed shares	1,837	456	-	-
Other investments	61	529	-	-
Hedge receivable	561	7,639	-	-
Total other financial assets (current)	2,459	8,624	-	-

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

9. Inventories (Current)

Finished goods at cost	248,500	192,851	-	-
Provision for obsolescence	(4,119)	(4,315)	-	-
Total current inventories, net	244,381	188,536	-	-

10. Tax Assets (Current)

Future income tax benefit:				
- Income tax instalments recoverable	-	31	-	-
- Income tax losses	-	34	-	-
Total tax assets (current)	-	65	-	-

11. Other Assets (Current)

Prepayments	6,523	4,990	-	-
Licence Property	1,075	-	-	-
Other current assets	115	936	-	-
Total other assets (current)	7,713	5,926	-	-

12. Receivables (Non-Current)

Consumer finance loans	2,906	774	-	-
Provision for doubtful debts	(1,034)	(774)	-	-
	1,872	-	-	-
Amounts receivable in respect of finance leases	14,410	11,951	-	-
Non-trade debts receivable from wholly owned entities	-	-	673,899	614,457
Tax-related balances with controlled entities	-	-	16,115	11,630
Total receivables (non-current)	16,282	11,951	690,014	626,087

13. Inventories (Non-Current)

Land held for resale at cost	26,308	18,351	-	-
Buildings held for resale at cost	276	276	-	-
Total non-current inventories	26,584	18,627	-	-

This relates to properties that have been acquired for development and resale which are not expected to be developed and sold within the next twelve months.

The aggregate carrying amount of current and non-current inventories at 30 June is \$270.97m (2003: \$207.16m).

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Securities not quoted on prescribed Stock Exchanges – at cost (in wholly owned controlled entities - Note 40)	-	-	54,326	46,825
Units in unit trusts not quoted on prescribed Stock Exchanges – at cost (a)	6,904	9,279	8,795	8,789
Securities quoted on prescribed Stock Exchanges - (in unrelated entities)	8,704	6,934	-	-
Licence property	757	-	-	-
Total other financial assets (non-current)	16,365	16,213	63,121	55,614

(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 \$32.54 million (2003: \$34.27 million). The consolidated entity also holds monies on behalf of FAST relating to these receivables of \$2.08 million (2003: \$2.59 million) at balance date.

In these financial statements, the consolidated entity's interest in FAST is 28.14% (2003: 24.46%) 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 of \$6.72 million (2003: \$9.08 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 2004 was \$1.39 million (2003: \$2.18 million). The weighted average interest rate applicable to commercial paper issued by FAST for the year ended 30 June 2004 was 5.35% (2003: 4.93%)

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

15. Property, Plant and Equipment (Non-Current)

Summary

Land				
- At fair value	512,678	371,348	-	-
Buildings				
- At fair value	371,087	352,843	-	-
- Accumulated depreciation	-	-	-	-
Total buildings	371,087	352,843	-	-
Net land and buildings	883,765	724,191	-	-
Plant and equipment				
- At cost	519,485	423,149	-	-
- Accumulated depreciation	(278,782)	(230,602)	-	-
Net plant and equipment, at cost	240,703	192,547	-	-
Plant and equipment under lease				
- At cost	11,003	20,686	-	-
- Accumulated amortisation	(5,515)	(8,836)	-	-
Net plant and equipment, under lease	5,488	11,850	-	-
Total plant and equipment	246,191	204,397	-	-
Total property, plant and equipment				
- Fair value	883,765	724,191	-	-
- Cost	530,488	443,835	-	-
	1,414,253	1,168,026	-	-
Accumulated depreciation and amortisation	(284,297)	(239,438)	-	-
Total written down amount	1,129,956	928,588	-	-

Valuations

Consistent with methods adopted in prior years, the directors valued each of land and buildings as at 30 June 2004 on the basis of fair value. Fair value has been calculated using the capitalisation method of valuation and having regard to the highest and best use of the land and buildings.

The capitalisation rate reflects the quality of construction, age and quality of improvements and the strength of the tenure of external tenants and Harvey Norman Franchisees in respect of the particular land and buildings, the subject of the valuation.

During the year, the directors implemented an innovative Commercial Mortgage Backed Securities ("CMBS") program. Fifty-four (54) Harvey Norman complexes in Australia and New Zealand, having a combined book value of \$489.6 million, were independently valued by Knight Frank and Colliers at \$560.5 million facilitating the use of the unrealised gain in these properties by means of the "CMBS" program.

The directors have adopted the independent valuations provided by Knight Frank in Australia and Colliers in New Zealand revaluing fifty-six (56) properties, fifty-four (54) of which were included in the "CMBS" program.

Notes to the Financial Statements (continued)

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

Reconciliations

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

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Land				
Fair value				
Opening balance	371,348	332,035	-	-
Additions	65,986	17,963	-	-
Increase resulting from revaluation	71,684	26,061	-	-
Reversal of land at revaluation on sale of property	(1,672)	-	-	-
Disposals	(10,332)	(914)	-	-
Transfer to assets held for resale	-	(5,175)	-	-
Transfers from equity accounted investments	-	1,672	-	-
Transfers from Buildings – revaluation	15,010	-	-	-
Net foreign currency differences arising from self-sustaining foreign operations	654	(294)	-	-
Closing balance	512,678	371,348	-	-
Buildings (a)				
Fair value				
Opening balance	352,843	287,043	-	-
Additions	51,190	63,715	-	-
Disposals	(14,089)	(674)	-	-
Net amount of revaluation increments less decrements	-	10,599	-	-
Reversal of asset value upon revaluation	(6,305)	(6,126)	-	-
Net foreign currency differences arising from self-sustaining foreign operations	2,458	717	-	-
Transfers to Land – revaluation	(15,010)	-	-	-
Transfers to plant and equipment	-	(2,431)	-	-
Closing balance	371,087	352,843	-	-
Accumulated Depreciation				
Opening Balance	-	-	-	-
Depreciation for the year	9,031	8,176	-	-
Disposals	(2,784)	(240)	-	-
Reversal upon revaluation	(6,305)	(7,376)	-	-
Transfers to plant and equipment	-	(530)	-	-
Net foreign currency differences arising from self-sustaining foreign operations	58	(30)	-	-
Closing balance	-	-	-	-
Net book value	371,087	352,843	-	-
Total land and buildings at 30 June 2004	883,765	724,191	-	-

(a) Included in Buildings are buildings under construction at a cost of \$5,257,617 (2003: \$31,869,386).

Notes to the Statement of Financial Position (continued)

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

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000
Plant and equipment				
Cost				
Opening balance	423,149	347,079	-	-
Additions	122,405	88,290	-	-
Disposals	(36,794)	(17,308)	-	-
Transfers from capitalised leased plant and equipment	9,504	5,067	-	-
Transfers from buildings	-	2,431	-	-
Net foreign currency differences arising from self-sustaining foreign operations	1,221	(2,410)	-	-
Closing balance	519,485	423,149	-	-
Accumulated Depreciation				
Opening balance	230,602	183,210	-	-
Depreciation for the year	61,568	53,874	-	-
Disposals	(19,994)	(8,477)	-	-
Transfers from capitalised leased plant and equipment	5,846	3,197	-	-
Transfers from buildings	-	530	-	-
Net foreign currency differences arising from self-sustaining foreign operations	760	(1,732)	-	-
Closing balance	278,782	230,602	-	-
Net book value	240,703	192,547	-	-
Capitalised Leased Plant and Equipment				
Capitalised cost				
Opening balance	20,686	25,926	-	-
Additions	195	166	-	-
Disposals	(374)	(339)	-	-
Transfers to owned plant and equipment	(9,504)	(5,067)	-	-
Closing balance	11,003	20,686	-	-
Accumulated Depreciation				
Opening balance	8,836	8,309	-	-
Amortisation for the period	2,736	3,891	-	-
Transfers to owned plant and equipment	(5,846)	(3,197)	-	-
Disposals	(211)	(167)	-	-
Closing balance	5,515	8,836	-	-
Net book value	5,488	11,850	-	-
Total plant and equipment at 30 June 2004	246,191	204,397	-	-
Total property, plant and equipment at 30 June 2004	1,129,956	928,588	-	-

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

16. Intangible Assets (Non-Current)

Goodwill – at cost	13,838	13,833	-	-
Accumulated amortisation	(2,626)	(1,819)	-	-
Total intangibles, net	11,212	12,014	-	-

This goodwill primarily relates to the goodwill on consolidation resulting from the acquisition of a controlling interest in Rebel Sport Limited.

17. Deferred Tax Assets (Non-Current)

Future income tax benefits attributable to timing differences	7,563	7,952	4,591	3,801
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18. Payables (Current)

Unsecured:				
- Trade creditors and accruals	552,492	416,995	135	240
- Hedge payable	561	7,639	-	-
Total payables (current)	553,053	424,634	135	240

19. Interest-Bearing Liabilities (Current)

Secured:

Non trade amounts owing to:

- Other related parties (a)	2,083	2,594	-	-
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Unsecured:

Bank overdraft	34,302	5,856	-	-
Lease liabilities (b) Note 34(b)(i)	3,046	5,991	-	-

Non trade amounts owing to:

- Specified directors (c)	20,999	10,057	-	-
- Other related parties (c)	2,092	915	-	-
- Other unrelated persons	355	319	-	-

Total interest-bearing liabilities (current)	62,877	25,732	-	-
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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.

20. Tax Liabilities (Current)

Provision for taxation	25,115	26,076	19,807	20,592
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Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

21. Provisions (Current)

Employee entitlements	9,291	8,060	-	-
Other	1,541	400	-	-
Total other provisions (current)	10,832	8,460	-	-

22. Other Liabilities (Current)

Lease incentives	1,730	1,216	-	-
Unearned revenue	3,093	5,140	-	-
Total other liabilities (current)	4,823	6,356	-	-

Unearned revenue mainly refers to the franchise royalty income earned from the finalisation of the sale of the Rebel Sport Master Franchise in New Zealand, which terminates on 31 March 2005.

23. Interest-Bearing Liabilities (Non-Current)

Secured:

Non trade amounts owing to				
- Commercial Mortgage Backed Securities (a)	251,905	-	-	-
Secured bills payable (b)	218,939	386,714	-	-
Lease liabilities - Note 34(b)(i)	1,265	4,073	-	-
Total interest-bearing liabilities (non-current)	472,109	390,787	-	-

(a) Commercial Mortgage Backed Securities (CMBS)

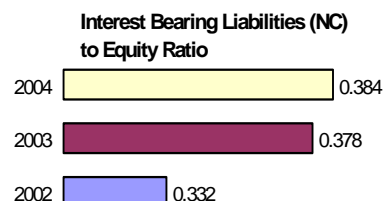
The CMBS facility is secured by a first registered mortgage over fifty-four (54) separate Harvey Norman complexes in Australia and New Zealand. In Australia, the term of the facility is 5 years, expiring on 19 May 2009, with a fixed interest rate of 5.87%. Interest is payable on a quarterly basis, in arrears. In New Zealand, the loan was originally subject to a floating interest rate but was subsequently fixed on 1 July 2004 under a 5-year facility expiring on 19 August 2009.

(b) Bills Payable

Bills payable are secured by a first mortgage over certain 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 an effective average interest rate of 1.7% to 6.6% (2003: 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 2005 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.



This graph represents total non-current interest-bearing liabilities in the consolidated entity as a proportion of total equity in the consolidated entity

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

24. Provisions (Non-Current)

Employee entitlements	1,573	1,344	-	-
Other (a)	5,121	4,301	-	-
Total provisions (non-current)	6,694	5,645	-	-

Movements in provisions

(a) Other

Carrying amount at the beginning of the financial year	4,701	-
Additional provision	2,161	-
Amounts utilised during the year	-	-
Reversal of unused provision	(200)	-
Carrying amount at the end of the financial year	6,662	-
Reconciled to:		
Provisions (Current – Note 21)	1,541	-
Provisions (Non-current)	5,121	-
	6,662	-

Nature of Other Provisions

The majority of the above balance relates to a provision for the minority interest share of losses incurred by a controlled entity within the consolidated group.

25. Other Liabilities (Non-Current)

Lease incentives	4,191	2,804	-	-
Unearned revenue	1,185	1,189	-	-
Total other liabilities (non-current)	5,376	3,993	-	-

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000

26. Contributed Equity

Ordinary shares – fully paid (a)	246,591	246,591	246,591	246,591
Outside equity interests	58,680	61,175	-	-
Total contributed equity	305,271	307,766	246,591	246,591

	Number of Ordinary Shares	
	2004	2003
(a) Movements in issued shares for the year:		
- Beginning of the financial year	1,055,893,449	1,055,893,449
- Shares issued during the current period	936,666	-
End of the financial year	1,056,830,115	1,055,893,449

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. Refer to Note 32. Director and Executive Disclosures for further information on the shares issued during the year ended 30 June 2004.

Share Options

Harvey Norman Holdings Limited

There were 3,948,000 (2003: 14,500,000) options over unissued ordinary shares outstanding as at 30 June 2004. During the financial year, pursuant to the Harvey Norman Executive Option Plan ("EOP"), options were issued as equity compensation benefits to the respective trustees of trusts for the benefit of certain specified directors of the Company. Refer to Note 32. Director and Executive Disclosures on page 72 for further information.

Rebel Sport Limited

There were 4,244,000 (2003: 5,357,000) options over unissued ordinary shares outstanding at 30 June 2004. Rebel Sport Limited operates an Employee Option Incentive scheme which was approved by shareholders on 12 October 1993. Under the terms of this Scheme, the directors may offer options over unissued ordinary shares in Rebel Sport Limited to certain senior management employees of the entity. Refer to Note 30. Employee Benefits on page 65 for further information.

Pertama Holdings Limited, Singapore

There were 5,000,000 (2003: 1,000,000) options over unissued ordinary shares outstanding at 30 June 2004. At an Extraordinary General Meeting of shareholders held on 9 July 2003, shareholders approved the grant of options to Mr Martin Dunkerley and a reduction in the option exercise price of options held by Ms Koh Kee Ai. Refer to Note 30. Employee Benefits on page 64 for further information.

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

27. Reserves

Asset revaluation	243,454	173,442	-	-
Foreign currency translation	391	(1,753)	-	-
Total reserves	243,845	171,689	-	-

These comprise:

(a) Asset Revaluation

The asset revaluation reserve is used to record increments and decrements in the value of land and buildings. The reserve can only be used to pay dividends in limited circumstances.

Movements during the year:

Balance at beginning of year	173,442	133,822	-	-
Share of joint venture partnership's reserve increments arising during the year	-	2,960	-	-
Transfer from asset revaluation reserve on sale of property	(1,672)	-	-	-
Revaluation increments on revaluation of:				
- land and buildings	71,684	36,660	-	-
Balance at end of year	243,454	173,442	-	-

(b) Foreign Currency Translation

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 during the year:

Balance at beginning of year	(1,753)	2,295	-	-
Gain/(loss) on translation of overseas controlled entities	2,144	(4,048)	-	-
Balance at end of year	391	(1,753)	-	-

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

28. Retained Profits and Dividends

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

Retained profits at the beginning of the financial year	547,871	423,219	418,079	322,016
Transfer from asset revaluation reserve on sale of property	1,672	-	-	-
Adjustment arising from adoption of revised accounting standard AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	-	26,738	-	26,738
Reclassification of minority interest dividend provision	-	(341)	-	(341)
Dividends provided for or paid	(58,102)	(52,794)	(58,102)	(52,794)
Net profit	176,052	151,049	131,216	122,460
Retained profits at the end of the financial year	667,493	547,871	491,193	418,079

(b) Outside Equity Interests

Outside equity interests in controlled entities comprise the following:

- Interest in contributed equity	58,680	61,175	-	-
- Interest in reserves	(10,533)	(9,619)	-	-
- Interest in dividends	(4,838)	-	-	-
- Interest in opening retained earnings	16,130	5,703	-	-
- Interest in current year profit	10,907	10,627	-	-

Total Outside Equity Interests	70,346	67,886	-	-
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(c) Equity:

Total equity at the beginning of the financial year	1,034,037	875,894	664,670	568,607
Total changes in equity recognised in the Statement of Financial Performance	248,208	186,621	131,216	122,460
Transactions with owners as owners:				
- Dividends	(58,102)	(52,794)	(58,102)	(52,794)
Adjustment arising from adoption of revised accounting standard AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	-	26,738	-	26,738
Reclassification of minority interest dividend provision	-	(341)	-	(341)
Transfer from asset revaluation reserve on sale of property	1,672	-	-	-
Total changes in outside equity interests	2,460	(2,081)	-	-
Total equity at the reporting date	1,228,275	1,034,037	737,784	664,670

Notes to the Financial Statements (continued)

28. Retained Profits and Dividends (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000
(i) Dividends Paid During the Year				
- Current Year Interim				
Fully franked dividends 3.0 cents per share (2003: 2.5 cents per share)	31,705	26,397	31,705	26,397
- Previous Year Final				
Fully franked dividends 2.5 cents per share (2003: Relates to 2002 Final Dividend of 2.5 cents per share)	26,397	26,397	26,397	26,397
	58,102	52,794	58,102	52,794

The current year interim dividend was paid on 7 May 2004.

The previous year final dividend was paid on 5 December 2003.

The dividend expense balance recognised as at 30 June 2004 is comprised of the current year interim dividend for 2004 of \$31.7 million and the final dividend proposed for year ended 30 June 2003 of \$26.4 million. This totalled \$58.1 million for the year.

(ii) Dividends Proposed and not Recognised as a Liability				
Franked dividends 4.5 cents per share (2003: 2.5 cents)	47,557	26,397	47,557	26,397

(iii) 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%	297,035	255,189
- franking credits that will arise from the payment of income tax payable as at the end of the financial year	19,807	19,336
- franking credits that will be utilised in the payment of proposed final dividend	(20,382)	(11,313)
	296,460	263,212

As of 1 July 2002, Harvey Norman Holdings Limited and its wholly-owned Australian subsidiaries have formed a tax consolidated group pursuant to the tax consolidation legislation, which requires the tax-consolidated group to keep a single franking account. The amount of franking credits available to shareholders of the parent entity (being the head entity in the tax consolidated group) has been measured under the new legislation as those available from the tax consolidated group.

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

29. Statement of Cash Flows

(a) Reconciliation of Cash

Cash on hand	58,642	26,805	-	-
Short term money market deposits	30,000	164	-	-
	88,642	26,969	-	-
Bank overdraft (Note 19)	(34,302)	(5,856)	-	-
Cash at end of period	54,340	21,113	-	-

(b) Reconciliation of net profit after income tax to net operating cash flows:

Net profit after income tax before outside equity interests	186,959	161,676	131,216	122,460
Adjustments for non-cash income and expense items:				
Net foreign exchange (gain)/loss	(1,748)	69	-	-
Bad and doubtful debts	1,487	1,145	-	-
Provision for inventory obsolescence	(196)	186	-	-
Share of joint ventures	(3,822)	158	-	-
Depreciation of property, plant and equipment	70,599	62,050	-	-
Amortisation of leased assets	2,736	3,891	-	-
Amortisation of goodwill	806	854	-	-
Transfers to provisions:				
- Employee entitlements	1,460	1,726	-	-
- Doubtful debts	79	(848)	-	-
(Profit)/loss on disposal and revaluation of:				
- Property, plant and equipment, and listed securities	(6,839)	629	-	-
Adjustment for non-operating cashflows:				
Conversion of non-trade amounts receivable from wholly owned controlled entities as consideration for purchase of investments	-	-	-	(7)
Changes in assets and liabilities net of effects from purchase and sale of controlled entities:				
(Increase)/decrease in assets:				
Receivables	(111,511)	(88,158)	(103,382)	(91,260)
Inventory	(63,606)	(52,423)	-	-
Other current assets	3,687	4,602	-	-
Deferred tax assets	389	(967)	(2,065)	549
Increase/(decrease) in liabilities:				
Payables and other current liabilities	110,430	18,661	(105)	138
Non trade amounts owing to FAST	(511)	(29)	-	-
Income tax payable	(961)	(4,838)	3,587	(1,203)
Net operating cash flows	189,438	108,384	29,251	30,677

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 Number	2003 Number	2004 Number	2003 Number

30. Employee Benefits

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

	3,689	3,161	-	-
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	2004 \$000	2003 \$000	2004 \$000	2003 \$000
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The aggregate employee entitlement liability is comprised of:

Accrued wages, salaries and on costs	3,770	3,737	-	-
Provisions (current – Note 21)	9,291	8,060	-	-
Provisions (non-current – Note 24)	1,573	1,344	-	-

Total employee entitlement provisions	14,634	13,141	-	-
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The consolidated entity makes contributions to complying superannuation funds for the purpose of provision of superannuation benefits for eligible employees of the consolidated entity. 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 consolidated entity.

Share Options

Harvey Norman Holdings Limited

At balance date, the following options over unissued ordinary shares were outstanding and vested (or able to be exercised) by directors of Harvey Norman Holdings Limited:

Grant Date	Expiry Date	Exercise Price	Number of Options Outstanding		Number of Options Vested	
			2004	2003	2004	2003
31/08/1999	24/11/2003	\$3.21	-	10,500,000	-	10,500,000
21/11/2000	24/11/2003	\$4.10	-	4,000,000	-	-
26/11/2003	30/11/2008	\$3.00	3,948,000	-	-	-
			3,948,000	14,500,000	-	10,500,000

Refer to Note 32. Director and Executive Disclosures for further information.

Notes to the Financial Statements (continued)

30. Employee Benefits (continued)

Pertama Holdings Limited, Singapore

At balance date, the following options over unissued ordinary shares were outstanding and vested (or able to be exercised) by directors and employees of Pertama Holdings Limited, Singapore:

Grant Date	Expiry Date	Exercise Price	Number of Options Outstanding		Number of Options Vested	
			2004	2003	2004	2003
09/07/2003	31/01/2008	\$SGD 0.275	4,000,000	-	-	-
16/11/2001	01/10/2010	\$SGD 0.275	1,000,000	1,000,000	-	-
			5,000,000	1,000,000	-	-

On 9 July 2003, at an Extraordinary General Meeting of shareholders, options to subscribe for up to 4,000,000 ordinary shares of par value \$0.25 Singapore Dollars each in the capital of Pertama Holdings Limited, were granted to Mr Martin Dunkerley at the exercise price of \$0.275 Singapore Dollars per option.

The terms of the option agreement entered into between Pertama Holdings Limited and Mr Martin Dunkerley in respect of these 4,000,000 options are:

- The exercise price of these options is subject to annual review by the Board
- The options are exercisable for the period commencing the third anniversary of 31 January 2003 and must be exercised before the fifth anniversary of 31 January 2003

Using the Black-Scholes option-pricing model, the value of these options at grant date is \$0.0613 Singapore Dollars per option or 5.007 cents per option in Australian dollars, translated at an average exchange rate for the year ended 30 June 2004. Thus at grant date, the total value of these options is \$245,200 Singapore Dollars, or \$200,280 Australian dollars.

On 22 November 2001, at an Extraordinary General Meeting of shareholders, options to subscribe for up to 1,000,000 ordinary shares of par value of \$0.25 Singapore Dollars each in the capital of Pertama Holdings Limited, were granted to Ms Koh Kee Ai at the exercise price of \$0.45 Singapore Dollars per option.

On 9 July 2003, at an Extraordinary General Meeting of shareholders of Pertama Holdings Limited, the exercise price in respect of each of the options granted to Ms Koh Kee Ai on 22 November 2001 was reduced from \$0.45 Singapore Dollars to \$0.275 Singapore Dollars per option.

The terms of the revised option agreement (dated 9 July 2003) entered into between Pertama Holdings Limited and Ms Koh Kee Ai in respect of these 1,000,000 options are:

- The exercise price of these options is subject to annual review by the Board
- The options are exercisable for the period commencing the fifth anniversary of 1 October 2000 and must be exercised before the tenth anniversary of 1 October 2000.

Using the Black-Scholes option-pricing model, the value of these options at the date the exercise price was revised is \$0.0605 Singapore Dollars per option or 4.942 cents per option in Australian dollars, translated at an average rate for the year ended 30 June 2004. Thus at grant date, the total value of these options had a value of \$60,500 Singapore Dollars, or \$49,420 Australian dollars.

Notes to the Financial Statements (continued)

30. Employee Benefits (continued)

Rebel Sport Limited Employee Option Incentive Scheme

Rebel Sport Limited ("Rebel") has implemented an Employee Option Incentive Scheme. The disclosure below only relates to that Employee Option Incentive Scheme (the "Rebel Scheme").

The Rebel Scheme was approved by shareholders on 12 October 1993. Under the terms of the Rebel Scheme, the directors may offer options over unissued ordinary shares in Rebel to certain senior management employees of Rebel.

Pursuant to the Rebel Scheme, on 14 July 2003, Rebel granted unlisted options over 450,000 unissued ordinary shares to three employees of the company, at an exercise price of \$2.46 per option. The options were issued free of charge to these employees. Using the Black-Scholes Option Pricing Model, the options issued were valued at \$0.56 per option, or \$252,000 in total.

Prior to 30 June 2003, Rebel granted unlisted options over 500,000 unissued ordinary shares to Karen Bozic, an executive of Rebel, at an exercise price of \$2.22 per option. Karen Bozic became an executive director of Rebel on 22 May 2003, after the grant of options to her. Using the Black-Scholes Option Pricing Model, the options issued to Karen Bozic were valued at \$0.49 per option, or \$247,000 in total.

Under the Rebel Scheme, each of the outstanding options will lapse five years after the date of grant and are exercisable as follows:

- In the first year after grant, no options will be exercisable.
- In the second year after grant, 20% of the options will become exercisable.
- In each successive year, 20% of the options will become exercisable.
- The right to exercise the options is cumulative.
- All of the unexercised options become exercisable thirty days before the fifth anniversary of the grant of the options.

If the relevant employee leaves the employment of Rebel within one year of commencing employment, all of the options held by the relevant employee will lapse. For employees with greater than one year's service, any unexercised options will lapse thirty days after the employee ceases employment with Rebel. During the financial period, 188,000 (2003: 81,000) options issued to 3 (2003: 6) former employees were cancelled.

Options Issued to Directors of Rebel Sport Limited in the Previous Financial Period

At a general meeting of shareholders of Rebel held on 26 September 2002, shareholders approved the grant of 3,400,000 options to Stephen Heath, the Managing Director of Rebel. The options entitle the option holder to subscribe for 3,000,000 ordinary shares at an exercise price of \$0.83 per option ('the first tranche') and 400,000 ordinary shares at \$1.75 per option ('the second tranche'). The options cannot be exercised before 1 October 2005 and expire on 30 September 2007. Using the Black-Scholes Option Pricing Model, each of the first tranche options were valued at \$0.86 per option, or \$2,580,000 in total, and each of the second tranche options were valued at \$0.55 per option, or \$220,000 in total.

None of the options issued to employees or directors (unless subject to Board approval) can be transferred and they will not be quoted on the ASX. Once exercised, each outstanding option entitles the holder to subscribe for one fully paid ordinary share in Rebel.

Notes to the Financial Statements (continued)

30. Employee Benefits (continued)

The following table summarises information about options exercised by employees and directors of Rebel during the financial period ended 30 June 2004:

Grant Date	Exercise Date	Number of Options	Average Exercise Price	Proceeds from Shares Issued \$	Number of Shares Issued	Issue Date	Average Fair Value of Shares Issued
Employees							
Various	Various	575,000	\$0.82	472,000	575,000	Various	\$2.87
Directors							
H. Seskin 3/08/2001	16/09/2003	800,000	\$0.67	536,000	800,000	16/09/2003	\$3.07
		1,375,000		1,008,000	1,375,000		

Mr Seskin resigned as a director on 30 June 2003.

Subsequent to balance date, 4,000 options have been exercised by employees, resulting in the issue of 4,000 ordinary shares.

The following table summarises information about options exercised by employees and directors of Rebel during the financial period ended 30 June 2003:

Grant Date	Exercise Date	Number of Options	Average Exercise Price	Proceeds from Shares Issued \$	Number of Shares Issued	Issue Date	Average Fair Value of Shares Issued
Employees							
Various	Various	255,000	\$0.82	209,000	255,000	Various	\$2.06
Directors							
H. Seskin 3/08/2001	21/03/2003	400,000	\$0.38	152,000	400,000	21/03/2003	\$1.98
I. Dresner 3/08/2001	16/09/2002	800,000	\$0.67	536,000	800,000	16/09/2002	\$2.33
3/08/2001	16/09/2002	400,000	\$0.38	152,000	400,000	16/09/2002	\$2.33
		1,855,000		1,049,000	1,855,000		

Fair value of shares issued is estimated to be the market price of shares of Rebel Sport Limited as at close of trading on their respective issue dates.

Notes to the Financial Statements (continued)

30. Employee Benefits (continued)

At balance date, the following options over unissued ordinary shares were outstanding and vested (or able to be exercised) by employees and directors of Rebel Sport Limited:

Grant Date	Expiry Date	Exercise Price	Number of Options Outstanding		Number of Options Vested	
			2004	2003	2004	2003
02/03/1999	02/03/2004	\$0.82	-	500,000	-	332,000
03/07/2000	03/07/2005	\$0.82	44,000	157,000	28,000	58,000
03/08/2001*	03/08/2006	\$0.67	-	800,000	-	800,000
10/10/2002*	30/09/2007	\$0.83	3,000,000	3,000,000	-	-
10/10/2002*	30/09/2007	\$1.75	400,000	400,000	-	-
04/04/2003*	04/04/2008	\$2.22	500,000	500,000	100,000	-
14/07/2003	14/07/2008	\$2.46	300,000	-	-	-
			4,244,000	5,357,000	128,000	1,190,000

* Options issued to individuals who are or have been directors of Rebel.

Employee Share Plan

An Employee Share Plan was approved by shareholders at the Rebel Annual General Meeting on 8 August 1995. Under the terms of this Plan, the directors may propose in each financial year to issue ordinary shares to eligible employees, up to 500 ordinary shares per employee. All permanent employees, excluding directors, with longer than one year's service with Rebel are classified as eligible employees under this Plan.

There were no ordinary shares issued pursuant to the Plan in the current or previous financial periods.

CONSOLIDATED		PARENT	
2004	2003	2004	2003
\$	\$	\$	\$

31. Remuneration of Auditors

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

- an audit or review of the financial report of the entity and any other entity in the consolidated entity	824,697	660,163	-	-
- other services in relation to the entity and any other entity in the consolidated entity (a)	166,224	113,018	-	-
	990,921	773,181	-	-

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

- an audit or review of the financial report of the entity and any other entity in the consolidated entity	87,526	157,903	-	-
- other services in relation to the entity and any other entity in the consolidated entity	60,862	47,234	-	-
	148,388	205,137	-	-
	1,139,309	978,318	-	-

(a) These services relate to tax compliance and other assurance related services. Total tax compliance services received from Ernst & Young was \$125,159 for the year ended 30 June 2004.

32. Director and Executive Disclosures

(a) Details of Specified Directors and Specified Executives

(i) Specified Directors

G. Harvey	Executive Chairman
K.L. Page	Managing Director
R.J. Skippen	Finance Director and Company Secretary
A.B. Brew	Director
J.E. Slack-Smith	Director
S.P. Hauville	Director
C.H. Brown	Non-Executive Director
M.J. Harvey	Non-Executive Director
I.J. Norman	Non-Executive Director
K.W. Gunderson-Briggs	Non-Executive Director

(ii) Specified Executives

R.C.D. Champion	General Manager – Property
M.L. Anderson	General Manager – Advertising
S. Lindsay	General Manager – Domayne
T. Huckel	General Manager – Furniture and Bedding
C. Mentis	Financial Controller

(b) Remuneration of Specified Directors and Specified Executives

(i) Remuneration Policy

On 30 June 2003, the Company established a remuneration committee, consisting of three non-executive directors, one of whom is an independent director. The remuneration committee reviews the performance, and negotiates the remuneration of all executive directors. The remuneration committee reviews recommendations of the managing director and the finance director in relation to all employees of the Company, other than the executive directors. No individual is directly involved in deciding his/her remuneration. The remuneration committee believes that remuneration packages of executives of the Company involve a balance between fixed and incentive pay, reflecting short and long-term performance objectives, appropriate to the circumstances and goals of the Company. A proportion of the remuneration of executive directors is structured in a manner designed to link rewards to corporate and individual performance.

The Company believes that the members of the remuneration committee can make, and do make, quality and independent judgements in the best interests of the Company on remuneration issues, notwithstanding that the members of the remuneration committee are not all independent.

The remuneration of non-executive directors is different to that of executives. Executive directors are remunerated by means of a salary, and in certain cases, by equity based remuneration. All equity based remuneration is made in accordance with plans approved by shareholders. Non-executive directors are not entitled to any retiring allowance, payable upon their retirement as a director of the Company.

Notes to the Financial Statements (continued)

32. Director and Executive Disclosures (continued)

At the annual general meeting of the company held on 25 November 2003:

- (i) the Deferred Executive Incentive Share Plan ("DEIP"), a summary of which was set out in the Explanatory Notes accompanying the notice of that meeting, was approved by members for all purposes;
- (ii) the Harvey Norman Executive Option Plan ("EOP"), a summary of which was set out in the Explanatory Notes accompanying the notice of that meeting, was approved by members for all purposes;
- (iii) the Board of Directors of the Company was authorised, pursuant to the DEIP, to issue up to 2,576,666 fully paid ordinary shares in the Company to executive directors (as set out in the DEIP table below) in accordance with the DEIP rules and subject to the conditions set out in the Explanatory Notes which accompanied the notice of meeting;
- (iv) the Board of Directors of the Company was authorised, pursuant to the EOP, to issue up to 11,840,000 options to subscribe for up to 11,840,000 fully paid ordinary shares in the Company and to issue 11,840,000 fully paid ordinary shares following the valid exercise of any such options in the Company to executive directors (as set out in the EOP table below) in accordance with the EOP rules and subject to the conditions set out in the Explanatory Notes which accompanied the notice of meeting.

	DEIP TABLE			
	2003	2004	2005	TOTAL
Gerald Harvey	166,667	166,667	166,666	500,000
Kay Lesley Page	166,667	166,667	166,666	500,000
Raymond John Skippen	250,000	200,000	200,000	650,000
Stephen Patrick Hauville	166,666	133,334	133,333	433,333
John Evyn Slack-Smith	166,666	133,334	133,333	433,333
Arthur Bayly Brew	20,000	20,000	20,000	60,000
	936,666	820,002	819,998	2,576,666

	EOP TABLE			
	2003	2004	2005	TOTAL
Gerald Harvey	1,000,000	1,000,000	1,000,000	3,000,000
Kay Lesley Page	1,000,000	1,000,000	1,000,000	3,000,000
Raymond John Skippen	800,000	800,000	800,000	2,400,000
Stephen Patrick Hauville	534,000	533,000	533,000	1,600,000
John Evyn Slack-Smith	534,000	533,000	533,000	1,600,000
Arthur Bayly Brew	80,000	80,000	80,000	240,000
	3,948,000	3,946,000	3,946,000	11,840,000

Notes to the Financial Statements (continued)

32. Director and Executive Disclosures (continued)

(ii) Remuneration of Specified Directors and Specified Executives

Specified Directors		Primary			Post	Equity		TOTAL
		Salary & Fees	Cash Bonus	Other Benefits	Employment Super-annuation	Shares	Options	
		\$	\$	\$	\$	\$	\$	\$
G. Harvey								
	2004	489,000	-	-	11,000	387,098	178,636	1,065,734
	2003	244,450	-	10,400	5,950	-	-	260,800
K.L. Page								
	2004	489,000	-	-	11,000	387,098	178,636	1,065,734
	2003	232,840	-	29,557	5,000	-	-	267,397
R.J. Skippen								
	2004	488,998	-	-	11,002	580,645	142,909	1,223,554
	2003	489,481	-	-	10,519	-	-	500,000
A.B. Brew								
	2004	207,568	-	54,093	9,352	46,452	14,291	331,756
	2003	196,834	-	66,174	8,803	-	-	271,811
J.E. Slack-Smith								
	2004	440,247	-	23,029	36,724	387,095	95,392	982,487
	2003	474,481	-	15,000	10,519	-	971,161	1,471,161
S.P. Hauville								
	2004	436,056	-	25,000	38,944	387,095	95,392	982,487
	2003	442,975	-	15,000	42,025	-	971,161	1,471,161
M.J. Harvey								
	2004	18,349	-	-	1,651	-	-	20,000
	2003	18,349	-	-	1,651	-	-	20,000
C.H. Brown								
	2004	18,349	-	-	1,651	-	-	20,000
	2003	48,349	-	-	4,351	-	-	52,700
I.J. Norman								
	2004	18,349	-	-	1,651	-	-	20,000
	2003	18,349	-	-	1,651	-	-	20,000
K.W. Gunderson-Briggs								
	2004	41,284	-	-	3,716	-	-	45,000
	2003	-	-	-	-	-	-	-
Total Remuneration: Specified Directors								
	2004	2,647,200	-	102,122	126,691	2,175,483	705,256	5,756,752
	2003	2,166,108	-	136,131	90,469	-	1,942,322	4,335,030

Notes to the Financial Statements (continued)

32. Director and Executive Disclosures (continued)

	Primary			Post	Equity		TOTAL
	Salary & Fees	Cash Bonus	Other Benefits	Employment Super-annuation	Shares	Options	
Specified Executives	\$	\$	\$	\$	\$	\$	\$
R.C.D. Champion							
2004	267,309	-	45,065	10,000	-	-	322,374
M.L. Anderson							
2004	209,292	-	18,967	16,240	-	-	244,499
T. Huckel							
2004	185,000	-	35,081	15,300	-	-	235,381
S. Lindsay							
2004	190,000	-	13,000	17,100	-	-	220,100
C. Mentis							
2004	114,802	-	47,737	10,332	-	-	172,871
Total Remuneration:							
Specified Executives							
2004	966,403	-	159,850	68,972	-	-	1,195,225
2003	780,147	-	162,814	57,590	-	-	1,000,551

(c) Remuneration Options: Granted and Vested During the Year

	Vested Number	Granted Number	Grant Date	Terms and Conditions For Each Grant			
				Value Per Option at Grant Date	Exercise Price Per Share	First Exercise Date	Last Exercise Date
Specified Directors				\$	\$		
G. Harvey	-	1,000,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
K.L. Page	-	1,000,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
R.J. Skippen	-	800,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
A.B. Brew	-	80,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
J.E. Slack-Smith	-	534,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
S.P. Hauville	-	534,000	25/11/03	\$0.53	\$3.00	01/09/05	30/11/08
M.J. Harvey	-	-	-	-	-	-	-
C.H. Brown	-	-	-	-	-	-	-
I.J. Norman	-	-	-	-	-	-	-
K.W. Gunderson-Briggs	-	-	-	-	-	-	-
Specified Executives							
R.C.D. Champion	-	-	-	-	-	-	-
M.L. Anderson	-	-	-	-	-	-	-
S. Lindsay	-	-	-	-	-	-	-
T. Huckel	-	-	-	-	-	-	-
C. Mentis	-	-	-	-	-	-	-
	-	3,948,000					

Notes to the Financial Statements (continued)

32. Directors' and Executives' Income (continued)

During the financial year, pursuant to the EOP, options were granted as equity compensation benefits to certain specified directors as disclosed in the Remuneration Options table (refer page 71). No options were granted as equity compensation benefits to the specified executives. The options were issued to the respective trustees of trusts for the benefit of those respective specified directors free of charge. None of the options issued to the respective trustees of trusts for the benefit of the specified directors can be transferred and they will not be quoted on the Australian Stock Exchange ("ASX"). Once exercised, each outstanding option entitles the holder to subscribe for one fully paid ordinary share in the Company.

The issue of options during the financial year pursuant to the EOP was approved by members at the annual general meeting of the company held on 25 November 2003. 3,948,000 options to subscribe for 3,948,000 fully paid ordinary shares were issued to the respective trustees of trusts for the benefit of certain specified directors on 25 November 2003 at an exercise price of \$3.00 per option (the "2003 Options"). The 2003 Options are:

- (i) not capable of exercise prior to 1 September 2005 and will lapse, if not exercised, no later than 30 November 2008;
- (ii) only exercisable whilst the specified director remains an employee of the Company or its subsidiaries;
- (iii) subject to two performance conditions, both of which must be met before the options can be exercised. The performance conditions are:

- Performance Condition 1: Earnings Per Share ("EPS") of the Company must increase by 10% per annum, cumulative, over the qualifying period; and
- Performance Condition 2: HVN Accumulated Total Shareholder Return ("TSR") of the Company must be greater than the ASX 300 Industrials Accumulation Index for two periods of 30 consecutive days during the qualifying period

The qualifying period for the 2003 Options is the year ended 30 June 2004.

The 2003 Options have been valued at grant date using the recognised Black Scholes-Merton valuation methodology 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. Using the Black Scholes-Merton valuation methodology, the value of the 2003 Options was \$0.5326 per option or \$2,102,705 in total. The value of the 2003 Options determined at grant date is recognised as part of remuneration evenly over the vesting period of the options.

Options under the 2004 and 2005 EOP have not been included in the directors remuneration disclosures for the year ended 30 June 2004 as one of the significant terms of the grant, being the exercise price, cannot be determined until a future date.

(d) Option Holdings of Specified Directors and Specified Executives

	Balance at Beginning of Period 01/07/2003	Granted as Remuner- ation	Options Exercised	Lapsed Options	Balance at End of Period 30/06/2004	Vested at 30 June 2004 Total	Not Exercisable
Specified Directors							
G. Harvey	3,000,000	1,000,000	-	(3,000,000)	1,000,000	-	-
K.L. Page	3,000,000	1,000,000	-	(3,000,000)	1,000,000	-	-
R.J. Skippen	3,000,000	800,000	-	(3,000,000)	800,000	-	-
A.B. Brew	1,500,000	80,000	-	(1,500,000)	80,000	-	-
J.E. Slack-Smith	2,000,000	534,000	-	(2,000,000)	534,000	-	-
S.P. Hauville	2,000,000	534,000	-	(2,000,000)	534,000	-	-
M.J. Harvey	-	-	-	-	-	-	-
C.H. Brown	-	-	-	-	-	-	-
I.J. Norman	-	-	-	-	-	-	-
K.W. Gunderson-Briggs	-	-	-	-	-	-	-
Specified Executives							
R.C.D. Champion	-	-	-	-	-	-	-
M.L. Anderson	-	-	-	-	-	-	-
S. Lindsay	-	-	-	-	-	-	-
T. Huckel	-	-	-	-	-	-	-
C. Mentis	-	-	-	-	-	-	-
	14,500,000	3,948,000	-	(14,500,000)	3,948,000	-	-

Notes to the Financial Statements (continued)

32. Directors' and Executives' Income (continued)

On 21 November 2000, with the authority of members in general meeting, options 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) at an exercise price of \$4.10 per option, exercisable from 1 July 2003 (the "November 2000 Options").

On 31 August 1999, with the authority of members in general meeting, options 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), at an exercise price of \$3.212 per option, exercisable from 1 July 2002 (the "August 1999 Options").

Each of the November 2000 Options and the August 1999 Options lapsed, unexercised, before the grant of the 2003 Options.

(e) Shares Issued on Exercise of Remuneration Options

No shares have been issued during the financial year as the 2003 Options are only exercisable from 1 September 2005.

(f) Shareholdings of Specified Directors and Specified Executives

Shares held in Harvey Norman Holdings Limited (number):

	Balance at Beginning of Period 1 July 2003	Granted as Remuneration and held in trust under DEIP	On Exercise of Options	Net Change Other	Balance at End of Period 30 June 2004
Specified Directors					
G. Harvey	311,186,199	166,667	-	-	311,352,866
K.L. Page	18,980,590	166,667	-	700,000	19,847,257
R.J. Skippen	1,186,297	250,000	-	(60,000)	1,376,297
A.B. Brew	1,129,871	20,000	-	-	1,149,871
J.E. Slack-Smith	-	166,666	-	-	166,666
S.P. Hauville	421,241	166,666	-	-	587,907
M.J. Harvey	3,445,553	-	-	-	3,445,553
C.H. Brown	173,467	-	-	-	173,467
I.J. Norman	175,249,660	-	-	-	175,249,660
K.W. Gunderson-Briggs	3,000	-	-	-	3,000
				-	
Specified Executives					
R.C.D. Champion	-	-	-	-	-
M.L. Anderson	-	-	-	-	-
S. Lindsay	-	-	-	-	-
T. Huckel	-	-	-	-	-
C. Mentis	-	-	-	-	-
	511,775,878	936,666	-	640,000	513,352,544

During the financial year, pursuant to the DEIP, shares were issued as equity compensation benefits to the respective trustees of trusts for the benefit of certain specified directors, and held in trust under DEIP, as disclosed in the above table. The DEIP has been designed to allow eligible executives to receive performance bonuses in the form of shares.

To implement and administer the DEIP, a plan trustee company ("Plan Trustee") has been established. The Plan Trustee has subscribed for, and been issued 936,666 new shares in the Company at an issue price of \$3.004 per share. Those shares have been registered in the name of the Plan Trustee, to be held by the respective trustees of trusts for the benefit of those specified directors (the "Participants"), subject to the terms and conditions of the DEIP. If the Performance and Service Conditions set down in the DEIP are satisfied, the shares issued to the Plan Trustee become available to the Participants, subject to the terms and conditions of the DEIP.

Notes to the Financial Statements (continued)

32. Directors' and Executives' Income (continued)

The performance conditions that apply to all DEIP share issues are set out in the table below.

Year of Allocation	2003	2004	2005
Share price	Market price at the date of issue. Must be issued before 30/11/2003	Market price at the date of issue. Must be issued after 31/08/2004 but before 30/11/2004	Market price at the date of issue. Must be issued after 31/08/2005 but before 30/11/2005
Financial year measured (Qualifying Period)	30/06/2004	30/06/2005	30/06/2006
Earnings per share increase	% of shares issued that will vest on 31/08/2004	% of shares issued that will vest on 31/08/2005	% of shares issued that will vest on 31/08/2006
< 5%	0	0	0
5%	50	50	50
6%	60	60	60
7%	70	70	70
8%	80	80	80
9%	90	90	90
10%	100	100	100
> 10%	100	100	100

If the Performance Condition for the relevant year is not met, or only a portion of the Performance Condition is met then those shares issued, but not vested, will be forfeited by the Participant by no later than 31 August in the relevant year. The Performance Condition for DEIP shares allocated in 2003 has been achieved and those shares have become available to Participants, subject to the terms and conditions of the DEIP.

The Service Condition will be deemed met, if the Executive remains employed on 31 August in the year after allocation. The Board will consider pro-rata vesting in its absolute discretion and subject to relevant contract and industrial relations issues. The Service Condition for DEIP shares allocated in 2003 has been satisfied by each of the specified directors.

The value of shares issued as equity compensation benefits pursuant to the DEIP for the year ended 30 June 2004 is calculated by multiplying the issue price of \$3.004 by the number of shares issued to the Plan Trustee for the benefit of each of the Participants. The value recognised as equity compensation benefits has been apportioned over the vesting period and has been calculated as the number of days on issue during the current financial year over the total number of days in the vesting period. The number of shares issued to each of the Participants has not been discounted based on the likelihood of the performance and service conditions being met. The initial valuation presented to members at the annual general meeting in 2003, included a discount factor of 25% representing the historical performance of the consolidated entity in achieving the stipulated performance target. Based on the financial results for year ending 30 June 2004 and the achievement of the required Service Condition, there is no longer any requirement to discount the number of shares that has become available to each of the Participants.

Shares under the 2004 and 2005 DEIP have not been included in the directors remuneration disclosures for the year ended 30 June 2004 as they relate to services to be provided by the directors in the future.

All equity transactions with specified directors, other than those arising from the exercise of remuneration options, have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length, and in any event have been approved by members in general meeting.

Notes to the Financial Statements (continued)

32. Directors' and Executives' Income (continued)

(g) Loans to Specified Directors and Specified Executives

(i) Details of aggregates of loans to specified directors and specified executives including personally-related entities :

	Balance at Beginning of Period 1 July 2003 \$000	Interest Charged \$000	Balance at End of Period 30 June 2004 \$000	Number in Group 30 June 2004
Specified Directors				
2004	-	-	-	-
2003	-	-	-	-
Specified Executives				
2004	919	180	2,663	2
2003	-	-	919	1

(ii) Details of individuals with loans above \$100,000 in the reporting period are as follows:

	Balance at Beginning of Period 1 July 2003 \$000	Interest Charged \$000	Balance at End of Period 30 June 2004 \$000	Highest Owing in Period 30 June 2004 \$000
Specified Executives				
R.C.D. Champion	919	180	2,649	2,791

Terms and Conditions of Loans

The company has not advanced any loans to the specified directors during the year ended 30 June 2004.

There were two loans advanced to specified executives during the current financial year whereby commercial rates of interest were charged, ranging between 6.5% and 8.5%. A secured loan of \$2.77 million was advanced to a joint venture in which R.C.D. Champion, a specified executive, was interested. This loan has been repaid subsequent to the end of the financial year.

(h) Other Transactions and Balances with Specified Directors and Specified Executives

	CONSOLIDATED	
	2004	2003
	\$	\$
(i) Loans from specified directors to subsidiaries of Harvey Norman Holdings Limited:		
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 commercial rates. These loans are unsecured and repayable at call. Refer to Note 19 for balance of loans outstanding at year-end.		
Net amounts received from/(repaid to) entities associated with the above mentioned directors.	10,942,000	(4,155,000)
Interest paid/payable	773,000	867,000

Notes to the Financial Statements (continued)

32. Directors' and Executives' Income (continued)

	CONSOLIDATED	
	2004 \$	2003 \$
<hr/>		
(ii) <i>Legal fees paid to a director-related entity:</i>		
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.	752,105	1,903,000
(iii) <i>Lease of business premises from Ruzden Pty Limited:</i>		
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.	3,758,931	3,527,000
(iv) <i>Income derived by other director-related entities:</i>		
Certain franchises are operated by entities owned or controlled by relatives of specified directors under normal franchisee terms and conditions. Aggregated net income derived by entities owned or controlled by relatives of directors is as disclosed.	596,954	513,000
(v) <i>Perth City West Retail Complex</i>		
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 2004 this has been accounted for as a joint venture entity as disclosed in Note 39. 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 and outgoings paid by the Lessee to Gerald Harvey and the subsidiary of Harvey Norman Holdings Limited for the year ended 30 June 2004 was \$1.404 million and for the year ended 30 June 2003 was \$1.200 million.		
(vi) <i>Byron Bay Everglades Resort</i>		
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 2004, this has been accounted for as a joint venture entity as disclosed in Note 39. 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.		

Notes to the Financial Statements (continued)

33. Related Party Transactions

(a) Ultimate Controlling Entity

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

CONSOLIDATED	
2004	2003
\$	\$

(b) Transactions with other Related Parties

(i) Advertising charges to controlled entities:

Yoogalu Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) charged Rebel Sports Limited for advertising management, production and related services performed on its behalf. The charges were at normal commercial terms and conditions and have been eliminated on consolidation.

6,403,000	221,000
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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 and have been eliminated on consolidation.

60,000	70,000
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Yoogalu Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) charged Harvey Norman Stores (NZ) Pty Limited advertising production charges for advertising services performed on its behalf. The charges were at normal commercial terms and conditions and have been eliminated on consolidation.

60,000	60,000
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(ii) Other related party transactions

Calardu Berrimah Pty Limited, as trustee for Calardu Berrimah Trust (a wholly owned subsidiary of Harvey Norman Holdings Limited) charged Rebel Sport Limited rent and outgoings for retail premises. The charges were at normal terms and conditions and have been eliminated on consolidation.

43,000	138,000
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Derni Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) paid interest to Rebel Sport Limited on funds that Rebel had deposited with Derni. The interest paid was at normal commercial terms and conditions and has been eliminated on consolidation.

1,303,000	636,000
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Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

34. Commitments

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

Not later than one year	73,645	34,521	-	-
Later than one year but not later than five years	20,263	-	-	-
	93,908	34,521	-	-

(b) Lease expenditure commitments:

(i) Finance lease rentals are payable as follows:

Not later than one year	3,456	6,897	-	-
Later than one year but not later than five years	1,529	4,787	-	-
Minimum finance lease payments	4,985	11,684	-	-
Deduct future finance charges	(270)	(845)	-	-
Deduct future GST recoverable	(404)	(775)	-	-
Total finance lease liabilities	4,311	10,064	-	-
Disclosed as follows:				
Current liabilities (refer Note 19)	3,046	5,991	-	-
Non-current liabilities (refer Note 23)	1,265	4,073	-	-
	4,311	10,064	-	-

Rebel leases certain store fit-out assets, computers, motor vehicles and ski hire equipment under finance leases expiring from one to five years. At the end of the lease term, Rebel 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 15 for net book value of capitalised lease assets) but rank behind the security held by the bankers of Rebel.

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

Not later than one year	94,254	95,473	-	-
Later than one year but not later than five years	266,996	285,900	-	-
Later than five years	164,618	163,171	-	-
	525,868	544,544	-	-
Deduct future GST recoverable	(9,663)	(8,009)	-	-
Total operating lease liabilities	516,205	536,535	-	-

Notes to the Financial Statements (continued)

34. Commitments (continued)

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.

CONSOLIDATED		PARENT	
2004 \$000	2003 \$000	2004 \$000	2003 \$000

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

Not later than one year	35,193	5,850	-	-
	35,193	5,850	-	-

Notes to the Financial Statements (continued)

	CONSOLIDATED		PARENT	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

35. 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

45,573	19,445	-	-
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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.

-	-	255,262	348,744
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Total contingent liabilities	45,573	19,445	255,262	348,744
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36. Financing Arrangements

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

	2004 CONSOLIDATED		
	Accessible \$000	Drawn-down \$000	Unused \$000
Bank Bill Standby Arrangements	300,306	218,939	81,367
Bank Overdraft	49,754	31,562	18,192
Commercial Mortgage Backed Securities	251,905	251,905	-
Total financing facilities	601,965	502,406	99,559

	2003 CONSOLIDATED		
	Accessible \$000	Drawn-down \$000	Unused \$000
Bank Bill Standby Arrangements	567,685	386,714	180,971
Bank Overdraft	4,729	-	4,729
Total financing facilities	572,414	386,714	185,700

Notes to the Financial Statements (continued)

36. Financing Arrangements (continued)

The consolidated entity has \$320 million of the Bank Bill standby arrangement facility on four fixed interest rate swaps as follows:

Interest Swap Principal	Fixed Interest Rate	Expiry Date
100,000,000	5.64%	18 May 2009
150,000,000	6.21%	19 May 2009
40,000,000	6.37%	19 May 2009
30,000,000	6.52%	19 May 2009

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.

For additional financing facilities not disclosed above, refer to Notes 19 and 32(h)(i) for details in relation to loans by directors to Dorni Pty Limited (a wholly owned subsidiary of Harvey Norman Holdings Limited) and other financing.

37. 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.

Notes to the Financial Statements (continued)

37. 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.

2004	Principal Subject to Floating interest rate \$000	Fixed interest rate maturing in				Total \$000	Average interest rate	
		1 year or less \$000	Over 1 to 5 years \$000	More than 5 years \$000	Non- interest bearing \$000		Floating	Fixed
Financial assets								
Cash	53,344	30,000	-	-	5,298	88,642	0.31% - 5.35%	5.25%
Consumer finance loans	-	3	268	-	11,352	11,623	-	9.0%
Finance lease receivables	23,758	-	-	-	-	23,758	8.0% - 12.0%	-
Trade debtors	-	-	-	-	714,173	714,173	-	-
Other financial assets	-	-	-	-	18,006	18,006	-	-
Non-trade debtors & loans	33,837	-	-	-	2,181	36,018	6.49%-12.0%	-
	110,939	30,003	268	-	751,010	892,220		
Financial liabilities								
Bank overdraft	34,302	-	-	-	-	34,302	0.0%-9.35%	-
Payables	-	-	-	-	552,492	552,492	-	-
Finance lease liabilities	-	2,907	1,404	-	-	4,311	-	8.0-8.19%
Hedge payable	-	-	-	-	561	561	-	-
Other loans	23,446	-	-	-	2,083	25,529	0.0%-8.0%	-
	57,748	2,907	1,404	-	555,136	617,195		
Bills payable	218,939	-	-	-	-	218,939	1.73%-6.55%	-
CMBS	251,905	-	-	-	-	251,905	5.88%-6.19%	-
Interest rate swaps (a)	(320,000)	-	320,000	-	-	-	5.88%-6.19%	5.97-6.52%
	150,844	-	320,000	-	-	470,844		
	208,592	2,907	321,404	-	555,136	1,088,039		

(a) The consolidated entity is required to pay interest costs at various floating rates of interest on bank bills and on the CMBS loan. In order to protect part of the loans from exposure to increasing interest rates, the consolidated entity has entered into several interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates. The swaps currently in place as at 30 June 2004 cover approximately 68.0% of the non-current interest bearing liabilities outstanding at year-end.

Notes to the Financial Statements (continued)

37. Financial Instruments (continued)

2003	Principal Subject to Floating interest rate \$000	Fixed interest rate maturing in			Non- interest bearing \$000	Total \$000	Average interest rate	
		1 year or less \$000	Over 1 to 5 years \$000	More than 5 years \$000			Floating	Fixed
Financial assets								
Cash	26,024	-	-	-	945	26,969	1.3% – 4.6%	-
Consumer finance loans	-	11	165	-	2,916	3,092	-	9.0%
Finance lease receivables	19,880	-	-	-	-	19,880	8.0 - 12.0%	-
Trade debtors	-	-	-	-	616,551	616,551	-	-
Other financial assets	-	-	-	-	24,837	24,837	-	-
Non-trade debtors & loans	27,363	582	-	-	2,089	30,034	7.0% – 12%	9.5%
	73,267	593	165	-	647,338	721,363		
Financial liabilities								
Bank overdraft	5,685	171	-	-	-	5,856	2.8% - 9.1%	5.5%
Payables	-	-	-	-	429,335	429,335	-	-
Finance lease liabilities	-	5,991	4,073	-	-	10,064	-	6.0% - 8.1%
Hire purchase liabilities	-	-	-	-	-	-	-	-
Other loans	10,057	-	-	-	3,828	13,885	5.2%	-
	15,742	6,162	4,073	-	433,163	459,140		
Bills payable	386,714	-	-	-	-	386,714	4.9% - 6.6%	-
Interest rate swaps	(300,000)	-	300,000	-	-	-	-	4.99%-5.6%
	86,714	-	300,000	-	-	386,714		
	102,456	6,162	304,073	-	433,163	845,854		

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

Notes to the Financial Statements (continued)

37. 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.

	CONSOLIDATED					
	Average Exchange Rate		2004		2003	
	2004	2003	Buy \$000	Sell \$000	Buy \$000	Sell \$000
Currency						
Euro						
6 months or less	57.19	56.71	561	-	1,712	-
US Dollar						
4 months or less	-	61.56	-	-	8,636	-
Total			561	-	10,348	-

(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			
	2004		2003	
	Carrying amount per Statement of Financial Position \$000	Net Fair Value \$000	Carrying amount per Statement of Financial Position \$000	Net Fair Value \$000
Financial assets				
Other financial assets:				
- Current	-	-	-	-
- Non-current	8,704	9,900	6,934	11,790
Financial liabilities				
Interest-Bearing Liabilities:				
- Interest Rate Swap	320,000	317,181	300,000	295,736

The carrying amounts shown in the table are included in the Statement of Financial Position under the indicated captions. In the current year, investment securities carried at cost in "Other Financial Assets" (Non-Current) are:

- Briscoe Group Limited, with a carrying value of \$4,785,779 and a net fair value, based on the market value at 30 June 2004, of \$5,982,224.

The interest rate swaps are recorded in the books at \$320,000,000 and the fair value, based on the market value at 30 June 2004, is \$317,181,374 (2003: \$295,736,109 on a fixed interest rate swap of \$300 million).

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

Notes to the Financial Statements (continued)

37. Financial Instruments (continued)

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.

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:

CONSOLIDATED		
Location of credit risk	2004 \$000	2003 \$000
Australia	720,410	631,109
New Zealand	11,645	15,493
Singapore	37,628	66,206
Slovenia	8,000	7,477
United Kingdom	-	944
Ireland	1,110	134
Total	778,793	721,363

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

Notes to the Financial Statements (continued)

38. Other Segment Information

	Equity Accounted Investments included in Segment Assets		Non-cash Expenses other than Depreciation and Amortisation		Acquisition of Property, Plant and Equipment, Intangible Assets and other Non-current Assets	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000	2004 \$000	2003 \$000
FRANCHISING AND CORPORATE	-	-	964	566	89,464	57,630
Retail – New Zealand	-	-	688	434	6,196	10,364
Retail – Rebel Sport	-	-	360	262	6,959	11,444
Retail – Asia	-	-	2,237	1,706	3,178	1,225
Retail – Slovenia	-	-	327	72	110	-
Other Non-Franchised Retail	-	-	234	866	12,551	7,400
TOTAL RETAIL	-	-	3,846	3,340	28,994	30,433
Property Investments	28,114	30,674	(3,822)	158	95,518	62,020
Property Under Construction for Investment	6,467	3,615	-	-	442	6,067
Property Development for Resale	19,076	13,231	-	-	12,446	20,610
TOTAL PROPERTY	53,657	47,520	(3,822)	158	108,406	88,697
Financial Services	-	-	44	47	29,504	28,533
Share Trading	-	-	-	-	1,770	455
TOTAL OTHER	-	-	44	47	31,274	28,988
Eliminations	-	-	-	-	-	-
CONSOLIDATED	53,657	47,520	1,032	4,111	258,138	205,748

Notes to the Financial Statements (continued)

	CONSOLIDATED Investment		CONSOLIDATED Share of net profit/(loss)	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000

39. Associates and Joint Venture Entities

Joint venture entities	53,657	47,520	3,402	1,948
Total accounted for using equity method	53,657	47,520	3,402	1,948

Investments in Partnerships:

Details of material interests in partnerships are as follows:

Name and Principal activities	Ownership interest		Carrying amount	
	2004	2003	CONSOLIDATED 2004 \$000	2003 \$000
Lighting Partnership				
- Lighting retail business	99.9%	99.9%	-	-
			-	-

Notes to the Financial Statements (continued)

39. Details of Associates and Joint Venture Entities (continued)

Investments in joint venture entities:

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

Name and Principal activities	Ownership Interest		Contribution to Net Profit/(Loss)	
	2004 %	2003 %	2004 \$000	2003 \$000
Noarlunga Shopping complex	50%	50%	1	(45)
Warwick Shopping complex	33.33%	33.33%	60	65
Perth City West Shopping complex	50%	50%	871	729
Bathurst Shopping complex and warehouse	50%	50%	54	57
Kelso Development of land for resale	50%	50%	865	252
Tweed Heads – Stage 1 Shopping complex	50%	50%	625	540
Warrawong (a) Shopping complex	62.5%	62.5%	307	304
Tweed Heads Traders Way Building development	50%	50%	(15)	(6)
Sylvania Residential development	40%	40%	608	1
Byron Bay Residential/convention development	50%	50%	(102)	(5)
Warrawong 151 – 155 King St (a) Shopping complex	62.5%	62.5%	-	(5)
Warrawong Homestarters Retail shop	50%	50%	128	61
Mentone Shopping complex/residential development	50%	-	-	-
			3,402	1,948

(a) These joint ventures have not been consolidated as the consolidated entity does not have control over operating and financing decisions, and all joint venture parties participate equally in decision making.

Notes to the Financial Statements (continued)

39. Details of Associates and Joint Venture Entities (continued)

Aggregate carrying amounts of joint venture entities

CONSOLIDATED 2004				
	Retained Profits \$000	Other Reserves \$000	Cost \$000	Total carrying amount \$000
Balance at the beginning of the year	-	4,034	43,486	47,520
Movements during the year:				
Investments acquired	-	-	9,959	9,959
Distributions received	(3,402)	-	(3,822)	(7,224)
Share of net profit	3,402	-	-	3,402
Balance at the end of the year	-	4,034	49,623	53,657

CONSOLIDATED 2003				
	Retained Profits \$000	Other Reserves \$000	Cost \$000	Total carrying amount \$000
Balance at the beginning of the year	-	1,469	39,380	40,849
Movements during the year:				
Investments acquired	-	-	6,345	6,345
Reclassification of Bennetts Green to Fixed Assets	-	(395)	(2,081)	(2,476)
Revaluation of Share of Land in Joint Venture during the current year	-	2,960	-	2,960
Distributions received	(1,948)	-	(158)	(2,106)
Share of net profit	1,948	-	-	1,948
Balance at the end of the year	-	4,034	43,486	47,520

Financial summary of joint venture entities

CONSOLIDATED		
	2004 \$000	2003 \$000
Current assets	54,774	26,815
Non-current assets	58,941	62,770
Current liabilities	(5,903)	(107)
Non-current liabilities	-	-
Net Assets	107,812	89,478
Revenues	17,658	8,395
Expenses	(10,204)	(4,831)
Profit from ordinary activities before income tax expense	7,454	3,564
Income tax expense relating to ordinary activities	-	-
Net profit	7,454	3,564
Share of net profit of joint venture entities	3,402	1,948

Notes to the Financial Statements (continued)

39. Details of Associates and Joint Venture Entities (continued)

Investments in associated entities:

Details of material interests in associates are as follows:

Name and Principal activities	Ownership Interest		CONSOLIDATED Carrying amount	
	2004 %	2003 %	2004 %	2003 %
Misstar Pty Ltd Agent Company for lighting partnership stores	99.9%	99.9%	-	-
Bossee Pty Ltd Buying Agent for lighting partnership stores	50%	50%	-	-

Aggregate carrying amounts of associates

The aggregate carrying amounts of associates is \$4 (2003: \$4).

Financial summary of associates

	CONSOLIDATED	
	2004 \$000	2003 \$000
Current assets	1,114	1,173
Non-current assets	-	-
Current liabilities	(1,114)	(23)
Non-current liabilities	-	(1,150)
Net Assets	-	-
Revenues	232	269
Expenses	(232)	(269)
Profit from ordinary activities before income tax expense	-	-
Income tax expense relating to ordinary activities	-	-
Net profit	-	-
Share of net profit of associated entities	-	-

Notes to the Financial Statements (continued)

40. 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

250 Brompton Road Limited^{1,12,14}
A.C.N. 098 004 570 Pty Limited¹
Abari Pty Limited^{1,6,7}
Achiever Computers Pty Ltd¹
Aloku Pty Limited
Anwarah Pty Limited
Apptoo Pty Limited^{1,6,7}
Apptoo Air Pty Limited^{1,6,7}
Arisit Pty Limited^{1,2,18}
Arlenu Pty Limited
Armcom WA Pty Limited^{1,6,7}
Armidale Holdings Pty Limited^{1,22}
Arpayo Pty Limited
Aspley Electrics Pty Limited^{1,6}
Aspley Furniture Pty Limited^{1,6,7}
Aspleycom Pty Limited^{1,6,7}
Aspleyburn Qld Pty Limited^{1,6,7}
Aubdirect Pty Limited¹
Ayrcom Pty Limited^{1,6,7}
Australian Business Skills Centre Pty Limited^{1,6,24}
Balwondy Pty Limited
Barrayork Pty Limited¹
Becto Pty Limited¹⁹
Bedden Pty Limited^{1,6}
Bedpark Pty Limited^{1,6,7}
Bellevue Hill Pty Limited¹
Belmonters Pty Limited^{1,6,7}
Belmcom Pty Limited^{1,6,7}
Berlect Pty Limited^{1,6,7}
Bernlect Pty Limited^{1,6,7}
Bestest Pty Limited
Bossee Pty Limited^{1,2}
Bradiz Pty Limited
Braxpine Pty Limited
Brownell Pty Limited^{1,6}
Bunburybed Pty Limited^{1,6,7}
Bundallbed Pty Limited^{1,6,7}
Bundcomm Pty Limited^{1,6,7}
Byron Bay Facilities Pty Limited^{1,6,25}
Byron Bay Management Pty Limited^{1,6,26}
Caesar Mosaics Pty Limited^{1,6}
Calardu Pty Limited
Calardu Alexandria DM Pty Limited
Calardu Alice Springs Pty Limited¹
Calardu Armadale WA Pty Limited¹
Calardu Armidale Pty Limited¹
Calardu Auburn Pty Limited¹
Calardu Ballarat Pty Limited¹
Calardu Ballina Pty Limited¹
Calardu Bathurst Pty Limited¹
Calardu Beaufort Street Pty Limited^{1,6}
Calardu Belrose DM Pty Limited¹
Calardu Berri (SA) Pty Limited¹

Name

Calardu Berrimah Pty Limited¹
Calardu Broadmeadow Pty Limited¹
Calardu Broadmeadows VIC Pty Limited^{1,6}
Calardu Browns Plains Pty Limited^{1,6}
Calardu Bunbury (WA) Pty Limited
Calardu Bundall Pty Limited¹
Calardu Campbelltown Pty Limited¹
Calardu Cannington Pty Limited
Calardu Caringbah Pty Limited¹
Calardu Caringbah (Taren Point) Pty Limited¹
Calardu Chatswood Pty Limited¹
Calardu Crows Nest Pty Limited¹
Calardu Darwin Pty Limited¹
Calardu Dubbo Pty Limited^{1,6}
Calardu Frankston Pty Limited¹
Calardu Fyshwick DM Pty Limited¹
Calardu Gordon Pty Limited¹
Calardu Guildford Pty Limited¹
Calardu Hervey Bay Pty Limited^{1,6}
Calardu Hobart Pty Limited¹
Calardu Hoppers Crossing Pty Limited¹
Calardu Horsham Pty Limited¹
Calardu Joondalup Pty Limited
Calardu Kalgoorlie Pty Limited¹
Calardu Kalgoorlie Oswald St Pty Limited^{1,6}
Calardu Karana Downs Pty Limited¹
Calardu Karratha Pty Limited^{1,6}
Calardu Kemblawarra Pty Limited¹
Calardu Launceston Pty Limited¹
Calardu Loganholme Pty Limited¹
Calardu Maitland Pty Limited¹
Calardu Mandurah Pty Limited¹
Calardu Maribyrnong Pty Limited
Calardu Marion Pty Limited
Calardu Maryborough Pty Limited¹
Calardu Melville Pty Limited
Calardu Mentone Pty Limited^{1,6}
Calardu Midland Pty Limited^{1,6}
Calardu Milton Pty Limited¹
Calardu Morayfield Pty Limited¹
Calardu Moss Vale Pty Limited¹
Calardu Mount Isa Pty Limited¹
Calardu Mt Gambier Pty Limited¹
Calardu Mudgee Pty Limited¹
Calardu Munno Para Pty Limited¹
Calardu Noarlunga Pty Limited¹
Calardu Noosa Pty Limited
Calardu North Ryde Pty Limited¹
Calardu Northbridge Pty Limited⁶
Calardu Nowra Pty Limited¹
Calardu Penrith Pty Limited
Calardu Perth City West Pty Limited¹
Calardu Port Macquarie Pty Limited

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

Calardu Preston Pty Limited
 Calardu Queensland Pty Limited
 Calardu Richmond Pty Limited
 Calardu Rockingham Pty Limited
 Calardu Roselands Pty Limited¹
 Calardu Sale Pty Limited¹
 Calardu Silverwater Pty Limited^{1,6}
 Calardu South Australia Pty Limited
 Calardu Springvale Pty Limited^{1,6}
 Calardu Swan Hill Pty Limited^{1,6}
 Calardu Sylvania Pty Limited¹
 Calardu Taree Pty Limited¹
 Calardu Thebarton Pty Limited¹
 Calardu Townsville Pty Limited^{1,6}
 Calardu Tweed Heads Pty Limited
 Calardu Tweed Heads Traders Way Pty Limited¹
 Calardu Vicfurn Pty Limited¹
 Calardu Victoria Pty Limited
 Calardu Warrawong Pty Limited¹
 Calardu Warrawong (Homestarters) Pty Limited¹
 Calardu Warrnambool Pty Limited
 Calardu Warwick Pty Limited¹
 Calardu West Gosford Pty Limited¹
 Calardu Whyalla Pty Limited¹
 Calardu Wivenhoe Pty Limited¹
 Cannkin Pty Limited^{1,6,7}
 Canntapp Pty Limited^{1,6,7}
 Cardfurn Pty Limited^{1,6,7}
 Carfurn Pty Limited^{1,6}
 Carinel Pty Limited^{1,6,7}
 Carlondo Pty Limited
 Charmela Pty Limited
 Cityel Pty Limited^{1,6}
 Clambruno Pty Limited
 Comalla Pty Limited^{1,6,7}
 Comjoon Pty Limited^{1,6,7}
 Commack Pty Limited^{1,6,7}
 Compark Pty Limited^{1,6,7}
 Concomp Pty Limited^{1,6}
 Conlect Pty Limited^{1,6,7}
 Craigcom Pty Limited^{1,6,7}
 Cropp Pty Limited¹
 D.M. Alexandria Franchisor Pty Limited
 D.M. Alexandria Leasing Pty Limited^{1,6}
 D.M. Alexandria Licencing Pty Limited^{1,6}
 D.M. Auburn Franchisor Pty Limited
 D.M. Auburn Leasing Pty Limited¹
 D.M. Auburn Licencing Pty Limited^{1,6}
 D.M. Bundall Franchisor Pty Limited
 D.M. Bundall Leasing Pty Limited¹
 D.M. Fyshwick Franchisor Pty Limited⁶
 D.M. Fyshwick Leasing Pty Limited^{1,6}
 D.M. Kotara Franchisor Pty Limited
 D.M. Kotara Leasing Pty Limited¹
 D.M. Leicht Franchisor Pty Limited^{1,6}
 D.M. Liverpool Franchisor Pty Limited
 D.M. Liverpool Leasing Pty Limited¹

Name

D.M. Penrith Franchisor Pty Limited
 D.M. Penrith Leasing Pty Limited¹
 D.M. QVH Franchisor Pty Limited
 D.M. QVH Leasing Pty Limited^{1,6}
 D.M. Warrawong Franchisor Pty Limited
 D.M. Warrawong Leasing Pty Limited¹
 Daldere Pty Limited
 Dallet Pty Limited^{1,6,7}
 Dandolena Pty Limited
 Darfurn Pty Limited^{1,6,7}
 Darwel Pty Limited^{1,6,7}
 Darwincom Pty Limited^{1,6,7}
 Derni Pty Limited
 Divonda Pty Limited
 Domain Holdings Pty Limited¹
 Domayne Holdings Limited^{1,8,9}
 Domayne Pty Limited¹
 Domayne Online.com Pty Limited¹
 Domayne P.E.M. Pty Limited
 Domayne Plant & Equipment Pty Limited
 Dubbo JV Pty Limited^{1,6}
 Durslee Pty Limited
 Edbrook Pty Limited⁵
 Edbrook Everton Park Pty Limited¹
 Electall Pty Limited^{1,6}
 Electwarr Pty Limited^{1,6}
 Electen Pty Limited^{1,6,7}
 Elgrav Pty Limited^{1,6,7}
 Enfurn Pty Limited^{1,6,7}
 Enlect Pty Limited^{1,6,7}
 Evbed Pty Limited^{1,6,7}
 Farane Pty Limited
 Fieldel Pty Limited^{1,6,7}
 Flormonda Pty Limited
 Forgetful Pty Limited¹
 Furnbury Pty Limited^{1,6,7}
 Furnkal Pty Limited^{1,6,7}
 Furnland Pty Limited^{1,6,7}
 Furnpro Pty Limited^{1,6,7}
 Galdcom Pty Limited^{1,6,7}
 Gambfurn Pty Limited^{1,6,7}
 Ganoru Pty Limited
 Generic Publications Pty Limited^{1,6}
 Geracom Pty Limited^{1,6,7}
 Geraldton WA Pty Limited¹
 Gestco Pty Limited
 Gestco Greensborough Pty Limited
 Gladroc Pty Limited^{1,6,7}
 Gravfurn Pty Limited^{1,6,7}
 Glo Light Pty Limited^{1,23}
 H.N. Adelaide CK Franchisor Pty Limited⁶
 H.N. Adelaide CK Leasing Pty Limited^{1,6}
 H.N. Albany Franchisor Pty Limited
 H.N. Albany Leasing Pty Limited¹
 H.N. Albury Franchisor Pty Limited
 H.N. Albury Leasing Pty Limited¹
 H.N. Armadale WA Franchisor Pty Limited⁶

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

H.N. Armadale WA Leasing Pty Limited^{1,6}
H.N. Armidale Franchisor Pty Limited
H.N. Armidale Leasing Pty Limited¹
H.N. Aspley Franchisor Pty Limited
H.N. Aspley Leasing Pty Limited¹
H.N. Auburn Franchisor Pty Limited
H.N. Auburn Leasing Pty Limited¹
H.N. Ayr Franchisor Pty Limited
H.N. Ayr Leasing Pty Limited¹
H.N. Bairnsdale Franchisor Pty Limited
H.N. Bairnsdale Leasing Pty Limited¹
H.N. Balgowlah Franchisor Pty Limited
H.N. Balgowlah Leasing Pty Limited¹
H.N. Ballarat Franchisor Pty Limited
H.N. Ballarat Leasing Pty Limited¹
H.N. Bathurst Franchisor Pty Limited
H.N. Bathurst Leasing Pty Limited¹
H.N. Belmont Franchisor Pty Limited
H.N. Belmont Leasing Pty Limited¹
H.N. Bendigo Franchisor Pty Limited
H.N. Bendigo Leasing Pty Limited¹
H.N. Bernoth Franchisor Pty Limited
H.N. Bernoth Leasing Pty Limited¹
H.N. Bernoth Plant & Equipment Pty Limited
H.N. Blacktown Franchisor Pty Limited
H.N. Blacktown Leasing Pty Limited¹
H.N. Bondi Junction Franchisor Pty Limited^{1,6}
H.N. Bondi Junction Leasing Pty Limited^{1,6}
H.N. Broadway on the Mall Franchisor Pty Limited
H.N. Broadway on the Mall Leasing Pty Limited¹
H.N. Broadway (Sydney) Franchisor Pty Limited
H.N. Broadway (Sydney) Leasing Pty Limited¹
H.N. Browns Plains Franchisor Pty Limited
H.N. Browns Plains Leasing Pty Limited¹
H.N. Bunbury Franchisor Pty Limited
H.N. Bunbury Leasing Pty Limited¹
H.N. Bundaberg Franchisor Pty Limited
H.N. Bundaberg Leasing Pty Limited¹
H.N. Bundall Franchisor Pty Limited
H.N. Bundall Leasing Pty Limited¹
H.N. Burleigh Heads Franchisor Pty Limited⁶
H.N. Burleigh Heads Leasing Pty Limited^{1,6}
H.N. Busselton Franchisor Pty Limited
H.N. Busselton Leasing Pty Limited¹
H.N. Cairns Franchisor Pty Limited
H.N. Cairns Leasing Pty Limited¹
H.N. Campbelltown Franchisor Pty Limited
H.N. Campbelltown Leasing Pty Limited¹
H.N. Cannington W.A. Franchisor Pty Limited
H.N. Cannington W.A. Leasing Pty Limited¹
H.N. Carindale Franchisor Pty Limited
H.N. Carindale Leasing Pty Limited¹
H.N. Caringbah Franchisor Pty Limited
H.N. Caringbah Leasing Pty Limited¹
H.N. Chatswood Franchisor Pty Limited
H.N. Chatswood Leasing Pty Limited¹

Name

H.N. Chirnside Park Leasing Pty Limited^{1,6}
H.N. City Cross Franchisor Pty Limited^{1,6}
H.N. City Cross Leasing Pty Limited^{1,6}
H.N. City West Franchisor Pty Limited
H.N. City West Leasing Pty Limited¹
H.N. Coffs Harbour Franchisor Pty Limited
H.N. Coffs Harbour Leasing Pty Limited¹
H.N. Cranbourne Franchisor Pty Limited
H.N. Cranbourne Leasing Pty Limited¹
H.N. Dalby Franchisor Pty Limited
H.N. Dalby Leasing Pty Limited¹
H.N. Dandenong Franchisor Pty Limited
H.N. Dandenong Leasing Pty Limited¹
H.N. Darwin Franchisor Pty Limited
H.N. Darwin Leasing Pty Limited¹
H.N. Deniliquin Franchisor Pty Limited
H.N. Deniliquin Leasing Pty Limited¹
H.N. Dubbo Franchisor Pty Limited
H.N. Dubbo Leasing Pty Limited¹
H.N. Enfield Franchisor Pty Limited
H.N. Enfield Leasing Pty Limited¹
H.N. Everton Park Franchisor Pty Limited
H.N. Everton Park Leasing Pty Limited¹
H.N. Fortitude Valley Franchisor Pty Limited⁶
H.N. Fortitude Valley Leasing Pty Limited^{1,6}
H.N. Fremantle Franchisor Pty Limited
H.N. Fremantle Leasing Pty Limited¹
H.N. Fyshwick Franchisor Pty Limited
H.N. Fyshwick Leasing Pty Limited¹
H.N. Geelong Franchisor Pty Limited
H.N. Geelong Leasing Pty Limited¹
H.N. Geraldton Leasing Pty Limited¹
H.N. Geraldton WA Franchisor Pty Limited
H.N. Gladstone Franchisor Pty Limited
H.N. Gladstone Leasing Pty Limited¹
H.N. Gordon Franchisor Pty Limited
H.N. Gordon Leasing Pty Limited¹
H.N. Gosford Leasing Pty Limited¹
H.N. Grafton Franchisor Pty Limited
H.N. Grafton Leasing Pty Limited¹
H.N. Greensborough Franchisor Pty Limited
H.N. Greensborough Leasing Pty Limited¹
H.N. Griffith Franchisor Pty Limited
H.N. Griffith Leasing Pty Limited¹
H.N. Hamilton Franchisor Pty Limited
H.N. Hamilton Leasing Pty Limited¹
H.N. Hervey Bay Franchisor Pty Limited
H.N. Hervey Bay Leasing Pty Limited¹
H.N. Hoppers Crossing Franchisor Pty Limited⁶
H.N. Hoppers Crossing Leasing Pty Limited^{1,6}
H.N. Horsham Franchisor Pty Limited⁶
H.N. Horsham Leasing Pty Limited^{1,6}
H.N. Indooroopilly Franchisor Pty Limited
H.N. Indooroopilly Leasing Pty Limited¹
H.N. Innisfail Franchisor Pty Limited
H.N. Innisfail Leasing Pty Limited¹

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

H.N. Chirnside Park Franchisor Pty Limited⁶
H.N. Inverell Leasing Pty Limited¹
H.N. Joondalup Franchisor Pty Limited
H.N. Joondalup Leasing Pty Limited¹
H.N. Kalgoorlie Franchisor Pty Limited
H.N. Kalgoorlie Leasing Pty Limited¹
H.N. Karratha Franchisor Pty Limited
H.N. Karratha Leasing Pty Limited¹
H.N. Kawana Waters Franchisor Pty Limited
H.N. Kawana Waters Leasing Pty Limited¹
H.N. Knox Towerpoint Franchisor Pty Limited
H.N. Knox Towerpoint Leasing Pty Limited¹
H.N. Leichhardt Franchisor Pty Limited
H.N. Leichhardt Leasing Pty Limited¹
H.N. Lismore Franchisor Pty Limited
H.N. Lismore Leasing Pty Limited¹
H.N. Liverpool Franchisor Pty Limited
H.N. Liverpool Leasing Pty Limited¹
H.N. Loganholme Franchisor Pty Limited⁶
H.N. Loganholme Leasing Pty Limited^{1,6}
H.N. Loughran Contracting Pty Limited¹
H.N. Mackay Franchisor Pty Limited
H.N. Mackay Leasing Pty Limited¹
H.N. Maddington Franchisor Pty Limited
H.N. Maddington Leasing Pty Limited¹
H.N. Maitland Franchisor Pty Limited
H.N. Maitland Leasing Pty Limited¹
H.N. Mandurah Franchisor Pty Limited
H.N. Mandurah Leasing Pty Limited¹
H.N. Maribyrnong Franchisor Pty Limited
H.N. Maribyrnong Leasing Pty Limited¹
H.N. Marion Franchisor Pty Limited
H.N. Marion Leasing Pty Limited¹
H.N. Maroochydore Franchisor Pty Limited⁶
H.N. Maroochydore Leasing Pty Limited^{1,6}
H.N. Martin Place Sydney Franchisor Pty Limited⁶
H.N. Martin Place Sydney Leasing Pty Limited^{1,6}
H.N. Midland Franchisor Pty Limited
H.N. Midland Leasing Pty Limited¹
H.N. Mildura Franchisor Pty Limited
H.N. Mildura Leasing Pty Limited¹
H.N. Moe Franchisor Pty Limited
H.N. Moe Leasing Pty Limited¹
H.N. Moorabbin Franchisor Pty Limited
H.N. Moorabbin Leasing Pty Limited¹
H.N. Moore Park Franchisor Pty Limited
H.N. Moore Park Leasing Pty Limited¹
H.N. Morayfield Franchisor Pty Limited
H.N. Morayfield Leasing Pty Limited¹
H.N. Moree Leasing Pty Limited¹
H.N. Morley Franchisor Pty Limited
H.N. Morley Leasing Pty Limited¹
H.N. Moss Vale Franchisor Pty Limited
H.N. Moss Vale Leasing Pty Limited¹
H.N. Mt Gambier Franchisor Pty Limited
H.N. Mt Gambier Leasing Pty Limited¹
H.N. Mt Gravatt Franchisor Pty Limited
H.N. Mt Gravatt Leasing Pty Limited¹

Name

H.N. Inverell Franchisor Pty Limited
H.N. Mt Isa Franchisor Pty Limited⁶
H.N. Mt Isa Leasing Pty Limited^{1,6}
H.N. Mudgee Franchisor Pty Limited
H.N. Mudgee Leasing Pty Limited¹
H.N. Munno Para Franchisor Pty Limited
H.N. Munno Para Leasing Pty Limited¹
H.N. Newcastle Franchisor Pty Limited
H.N. Newcastle Leasing Pty Limited¹
H.N. Noarlunga Franchisor Pty Limited
H.N. Noarlunga Leasing Pty Limited¹
H.N. Noosa Franchisor Pty Limited
H.N. Noosa Leasing Pty Limited¹
H.N. Norwest Franchisor Pty Limited^{1,6}
H.N. Norwest Leasing Pty Limited^{1,6}
H.N. Nowra Franchisor Pty Limited
H.N. Nowra Leasing Pty Limited¹
H.N. Nunawading Franchisor Pty Limited
H.N. Nunawading Leasing Pty Limited¹
H.N. O'Connor Franchisor Pty Limited
H.N. O'Connor Leasing Pty Limited¹
H.N. Oakleigh CK Franchisor Pty Limited⁶
H.N. Oakleigh CK Leasing Pty Limited^{1,6}
H.N. Orange Franchisor Pty Limited
H.N. Orange Leasing Pty Limited¹
H.N. Osborne Park Franchisor Pty Limited
H.N. Osborne Park Leasing Pty Limited¹
H.N. Oxley Franchisor Pty Limited
H.N. Oxley Leasing Pty Limited¹
H.N. Parkes Franchisor Pty Limited
H.N. Parkes Leasing Pty Limited¹
H.N. Penrith Franchisor Pty Limited
H.N. Penrith Leasing Pty Limited¹
H.N. Peppermint Grove Franchisor Pty Limited⁶
H.N. Peppermint Grove Leasing Pty Limited^{1,6}
H.N. Port Hedland Franchisor Pty Limited
H.N. Port Hedland Leasing Pty Limited¹
H.N. Port Kennedy Franchisor Pty Limited
H.N. Port Kennedy Leasing Pty Limited¹
H.N. Port Macquarie Franchisor Pty Limited
H.N. Port Macquarie Leasing Pty Limited¹
H.N. Preston Franchisor Pty Limited
H.N. Preston Leasing Pty Limited¹
H.N. Riverwood Franchisor Pty Limited¹
H.N. Riverwood Leasing Pty Limited¹
H.N. Rockhampton Franchisor Pty Limited
H.N. Rockhampton Leasing Pty Limited¹
H.N. Sale Franchisor Pty Limited
H.N. Sale Leasing Pty Limited¹
H.N. Shepparton Franchisor Pty Limited
H.N. Shepparton Leasing Pty Limited¹
H.N. South Tweed Franchisor Pty Limited
H.N. South Tweed Leasing Pty Limited¹
H.N. Southland Franchisor Pty Limited
H.N. Southland Leasing Pty Limited¹
H.N. Swan Hill Franchisor Pty Limited
H.N. Swan Hill Leasing Pty Limited¹
H.N. Tamworth Franchisor Pty Limited

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

H.N. Tamworth Leasing Pty Limited¹
H.N. Taree Leasing Pty Limited¹
H.N. Toowoomba Franchisor Pty Limited
H.N. Toowoomba Leasing Pty Limited¹
H.N. Townsville Franchisor Pty Limited
H.N. Townsville Leasing Pty Limited¹
H.N. Traralgon Franchisor Pty Limited
H.N. Traralgon Leasing Pty Limited¹
H.N. Wagga Franchisor Pty Limited
H.N. Wagga Leasing Pty Limited¹
H.N. Wangaratta Franchisor Pty Limited
H.N. Wangaratta Leasing Pty Limited¹
H.N. Warragul Franchisor Pty Limited
H.N. Warragul Leasing Pty Limited¹
H.N. Warrawong Franchisor Pty Limited
H.N. Warrawong Leasing Pty Limited¹
H.N. Warrnambool Franchisor Pty Limited
H.N. Warrnambool Leasing Pty Limited¹
H.N. Warwick (WA) Franchisor Pty Limited
H.N. Warwick (WA) Leasing Pty Limited¹
H.N. Warwick Franchisor Pty Limited
H.N. Warwick Leasing Pty Limited¹
H.N. Watergardens Franchisor Pty Limited
H.N. Watergardens Leasing Pty Limited¹
H.N. Waurm Ponds Franchisor Pty Limited⁶
H.N. Waurm Ponds Leasing Pty Limited^{1,6}
H.N. West Gosford Franchisor Pty Limited
H.N. Whyalla Franchisor Pty Limited
H.N. Whyalla Leasing Pty Limited¹
H.N. Wiley Park Franchisor Pty Limited
H.N. Wiley Park Leasing Pty Limited¹
H.N. Windsor Franchisor Pty Limited
H.N. Windsor Leasing Pty Limited¹
H.N. Woden Franchisor Pty Limited
H.N. Woden Leasing Pty Limited¹
H.N. Wonthaggi Franchisor Pty Limited
H.N. Wonthaggi Leasing Pty Limited¹
H.N. Young Franchisor Pty Limited
H.N. Young Leasing Pty Limited¹
Haproc Pty Limited^{1,6}
Hardly Normal Discounts Pty Limited
Hardly Normal Pty Limited
Hardly Normal Limited^{1,8,9}
Harvey Cellars Pty Limited¹
Harvey Liquor Pty Limited¹
Harvey Norman (ACT) Pty Limited
Harvey Norman Burnie Franchisor Pty Limited
Harvey Norman Burnie Leasing Pty Limited¹
Harvey Norman Commercial Your Solution
Provider Pty Limited¹
Harvey Norman Computer Club Pty Limited¹
Harvey Norman Computer Training Pty Limited¹
Harvey Norman Contracting Pty Limited¹
Harvey Norman Corporate Air Pty Limited^{1,6}
Harvey Norman Devonport Franchisor Pty Limited
Harvey Norman Devonport Leasing Pty Limited¹
Harvey Norman Energy Pty Limited

Name

Harvey Norman Export Pty Limited
Harvey Norman Europe d.o.o.^{1,11}
Harvey Norman Fitouts Pty Limited¹
Harvey Norman Gamezone Pty Limited¹
Harvey Norman Glenorchy Franchisor Pty Limited
Harvey Norman Glenorchy Leasing Pty Limited¹
Harvey Norman Hobart Franchisor Pty Limited
Harvey Norman Hobart Leasing Pty Limited¹
Harvey Norman Home Cellars Pty Limited¹
Harvey Norman Home Loans Pty Limited¹
Harvey Norman Home Starters Pty Limited¹
Harvey Norman Launceston Franchisor Pty Limited
Harvey Norman Launceston Leasing Pty Limited¹
Harvey Norman Leasing Pty Limited¹
Harvey Norman Leasing (Dublin) Limited^{1,6,20}
Harvey Norman Leasing (Dundalk) Limited^{1,6,20}
Harvey Norman Leasing (N.Z.) Limited^{1,8,9}
Harvey Norman Limited^{1,9}
Harvey Norman Loughran Plant & Equipment
Pty Limited¹
Harvey Norman Mortgage Service Pty Limited¹
Harvey Norman Music Pty Limited¹
Harvey Norman Net. Works Pty Limited
Harvey Norman (N.S.W.) Pty Limited¹
Harvey Norman Online.com Pty Limited¹
Harvey Norman Ossia (Asia) Pte Limited^{1,10,16,17}
Harvey Norman P.E.M. Pty Limited¹
Harvey Norman Plant and Equipment Pty Limited¹
Harvey Norman Properties (N.Z.) Limited^{1,8,9}
Harvey Norman (QLD) Pty Limited⁵
Harvey Norman Rental Pty Limited¹
Harvey Norman Retailing Pty Limited
Harvey Norman Rosney Franchisor Pty Limited
Harvey Norman Rosney Leasing Pty Limited¹
Harvey Norman Security Pty Limited¹
Harvey Norman Shopfitting Pty Limited
Harvey Norman Singapore Pte Limited^{1,10,15,16}
Harvey Norman Stores Pty Limited
Harvey Norman Stores (N.Z.) Pty Limited
Harvey Norman Stores (W.A.) Pty Limited¹
Harvey Norman Superlink Pty Limited¹
Harvey Norman Tasmania Pty Limited
Harvey Norman Technology Pty Limited
Harvey Norman The Bedding Specialists Pty Limited^{1,6}
Harvey Norman The Computer Specialists Pty Limited^{1,6}
Harvey Norman The Electrical Specialists Pty Limited^{1,6}
Harvey Norman The Furniture Specialists Pty Limited^{1,6}
Harvey Norman Trading (Ireland) Limited^{1,6,20}
Harvey Norman Trading d.o.o.^{1,11}
Harvey Norman Ulverstone Franchisor Pty Limited
Harvey Norman Ulverstone Leasing Pty Limited¹
Harvey Norman Victoria Pty Limited
Havrex Pty Limited⁵
HN Byron No. 2 Pty Limited^{1,6}
HN Byron No. 3 Pty Limited^{1,6}
HNL Pty Limited¹
Hodberg Pty Limited⁴

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

Hodvale Pty Limited⁴
Home Mart Furniture Pty Limited¹
Home Mart Pty Limited¹
Hoxco Pty Limited⁵
Indolect Pty Limited^{1,6}
Inniscom Pty Limited^{1,6,7}
Jartoso Pty Limited
J.M. Auburn Franchisor Pty Limited
J.M. Campbelltown Leasing Pty Limited¹
J.M. Caringbah Franchisor Pty Limited
J.M. Caringbah Leasing Pty Limited¹
J.M. Contracting Services Pty Limited
J.M. Leasing Pty Limited¹
J.M. Marrickville Franchisor Pty Limited
J.M. Marrickville Leasing Pty Limited¹
J.M. Newcastle Franchisor Pty Limited
J.M. Plant & Equipment Hire Pty Limited¹
J.M. Share Investment Pty Limited¹
J.M. West Gosford Franchisor Pty Limited
J.M. West Gosford Leasing Pty Limited¹
Jondarlo Pty Limited
Joondapp Pty Limited^{1,6,7}
Joyce Mayne Home Cellars Pty Limited¹
Joyce Mayne Kotara Leasing Pty Limited¹
Joyce Mayne Liverpool Leasing Pty Limited¹
Joyce Mayne Penrith Pty Limited¹
Joyce Mayne Shopping Complex Pty Limited¹
Kalel Pty Limited^{1,6,7}
Kalinya Development Pty Limited¹
Kambaldu Pty Limited
Kawel Pty Limited^{1,6,7}
Kawfurn Pty Limited^{1,6,7}
Kawlect Pty Limited^{1,6}
Kita Pty Limited¹
Koodero Pty Limited
Korinti Pty Limited
Lamino Pty Limited
Lectapp Pty Limited^{1,6}
Lesandu Pty Limited
Lesandu Adelaide City Pty Limited^{1,6}
Lesandu Adelaide CK Pty Limited^{1,6}
Lesandu Albany Pty Limited¹
Lesandu Alexandria DM Pty Limited^{1,6}
Lesandu Alexandria (JM) Pty Limited^{1,6}
Lesandu Auburn Stone Pty Limited^{1,6}
Lesandu Ayr Pty Limited¹
Lesandu Bairnsdale Pty Limited¹
Lesandu Balgowlah Pty Limited¹
Lesandu Bathurst Pty Limited¹
Lesandu Bella Vista Pty Limited^{1,6}
(formerly Lesandu Castle Hill DM Pty Limited)
Lesandu Belmont Pty Limited¹
Lesandu Bondi Junction Pty Limited^{1,6}
Lesandu Brisbane City Pty Limited¹
Lesandu Broadway Pty Limited¹
Lesandu Browns Plains Pty Limited¹
Lesandu Burleigh Heads Flooring Pty Limited^{1,6}

Name

Lesandu Busselton Pty Limited¹
Lesandu Cannington Pty Limited^{1,6}
Lesandu Carindale Pty Limited¹
Lesandu Castle Hill Pty Limited^{1,6}
Lesandu Charmhaven Pty Limited^{1,6}
Lesandu Chatswood Express Pty Limited^{1,6}
Lesandu Chatswood Pty Limited¹
Lesandu Cheltenham Pty Limited¹
Lesandu Chirnside Park Pty Limited^{1,6}
Lesandu Cleveland Pty Limited^{1,6}
Lesandu Cranbourne Pty Limited¹
Lesandu Dalby Pty Limited¹
Lesandu Deniliquin Pty Limited¹
Lesandu Engadine Pty Limited¹
Lesandu Erina Flooring Pty Limited^{1,6}
Lesandu Fremantle Pty Limited¹
Lesandu Fyshwick Pty Limited¹
Lesandu Gaven Pty Limited^{1,6}
Lesandu Goulburn Pty Limited^{1,6}
Lesandu Grafton Pty Limited¹
Lesandu Griffith Pty Limited¹
Lesandu Hamilton (VIC) Pty Limited¹
Lesandu Hamilton Pty Limited¹
Lesandu Hervey Bay Pty Limited¹
Lesandu Horsham Pty Limited^{1,6}
Lesandu Indoorsopilly Pty Limited
Lesandu Innisfail Pty Limited¹
Lesandu Joondalup Pty Limited^{1,6}
Lesandu Kalgoorlie Pty Limited¹
Lesandu Knox Towerpoint Pty Limited¹
Lesandu Leichhardt M Pty Limited¹
Lesandu Light Street DM Pty Limited¹
Lesandu Lismore Pty Limited¹
Lesandu Loganholme Pty Limited^{1,6}
Lesandu Maddington Pty Limited¹
Lesandu Mandurah Pty Limited¹
Lesandu Marion Pty Limited¹
Lesandu Maroochydore Flooring Pty Limited^{1,6}
Lesandu McGraths Hill (JM) Pty Limited^{1,6}
Lesandu Melbourne City DM Pty Limited¹
Lesandu Mentone Pty Limited^{1,6}
Lesandu Midland Pty Limited¹
Lesandu Mile End Pty Limited^{1,6}
Lesandu Moe Pty Limited¹
Lesandu Moree Pty Limited^{1,6}
Lesandu Morley Pty Limited¹
Lesandu Mornington Pty Limited¹
Lesandu Moss Vale Pty Limited¹
Lesandu Mt Gravatt Pty Limited¹
Lesandu Mt Isa Pty Limited^{1,6}
Lesandu Munno Para Pty Limited^{1,6}
Lesandu Muswellbrook Pty Limited^{1,6}
Lesandu Noarlunga Pty Limited¹
Lesandu Noosa Pty Limited¹
Lesandu Nowra Pty Limited¹
Lesandu Oakleigh CK Pty Limited^{1,6}
Lesandu Orange Pty Limited¹

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

Lesandu Osborne Park Pty Limited^{1,6}
 Lesandu Penrith DM Pty Limited¹
 Lesandu Peppermint Grove Pty Limited^{1,6}
 Lesandu Perth City West Pty Limited¹
 Lesandu Richmond (VIC) Pty Limited¹
 Lesandu Riverwood Pty Limited^{1,6}
 Lesandu S.A. Pty Limited¹
 Lesandu Sale Pty Limited¹
 Lesandu Silverwater Pty Limited^{1,6}
 Lesandu Stanmore Pty Limited¹
 Lesandu Swan Hill Pty Limited¹
 Lesandu Sydenham Pty Limited¹
 Lesandu Sydney City SS Pty Limited^{1,6}
 Lesandu Tamworth Pty Limited¹
 Lesandu Taree Home Mart Pty Limited^{1,6}
 Lesandu Tasmania Pty Limited¹
 Lesandu Townsville Pty Limited¹
 Lesandu Tweed Heads Pty Limited
 Lesandu Tweed Heads Flooring Pty Limited^{1,6}
 Lesandu Underwood Pty Limited¹
 Lesandu W.A. Pty Limited
 Lesandu W.A. Furniture Pty Limited^{1,6}
 Lesandu Wagga Wagga Pty Limited¹
 Lesandu Wangaratta Pty Limited¹
 Lesandu Warragul Pty Limited¹
 Lesandu Warwick (WA) Pty Limited¹
 Lesandu Warwick Pty Limited¹
 Lesandu Waurin Ponds Pty Limited^{1,6}
 Lesandu West Gosford DM Pty Limited¹
 Lesandu Wonthaggi Pty Limited¹
 Letode Pty Limited^{1,6,7}
 Lexeri Pty Limited
 Lightcorp Pty Limited¹
 Lighting Venture Pty Limited
 Lodare Pty Limited
 Loreste Pty Limited
 Lunacom Pty Limited^{1,6,7}
 Lunorcom Pty Limited^{1,6}
 Mackayfurn Pty Limited^{1,6,7}
 Macklect Pty Limited^{1,6,7}
 Mallap Pty Limited^{1,6}
 Mallet Pty Limited^{1,6,7}
 Malle Pty Limited^{1,6,7}
 Malvis Pty Limited
 Mandurel Pty Limited^{1,6,7}
 Mantcom Pty Limited^{1,6,7}
 Manutu Pty Limited
 Maradoni Pty Limited
 Marfloor Pty Limited^{1,6}
 Marinski Pty Limited
 Marncom Pty Limited^{1,6}
 Marnfurn Pty Limited^{1,6,7}
 Mega Flooring Depot Pty Limited^{1,6}
 Micomp Pty Limited^{1,6,7}
 Midstore Pty Limited^{1,6,7}
 Misstar Pty Limited^{1,2}
 Moralect Pty Limited^{1,6,7}

Name

Moraycom Pty Limited^{1,6,7}
 Morayfurn Pty Limited^{1,6,7}
 Morris Pty Limited^{1,6,7}
 Munnobed Pty Limited^{1,6,7}
 Munnofurn Pty Limited^{1,6}
 Murray Street Development Pty Limited¹
 Murraybed Pty Limited^{1,6}
 Nedcroft Pty Limited
 Network Consumer Finance Pty Limited
 Network Consumer Finance (Ireland) Limited^{1,6,20}
 Network Consumer Finance (N.Z.) Limited^{1,8,9}
 Noarfurn Pty Limited^{1,6}
 Noarlect Pty Limited^{1,6}
 Nomadale Pty Limited⁵
 Noosafurn Pty Limited^{1,6,7}
 Norrap Pty Limited^{1,6,7}
 Norman Ross Pty Limited
 Oldmist Pty Limited
 Omdale Pty Limited^{1,6}
 Osbeds Pty Limited^{1,6}
 Osbornel Pty Limited^{1,6,7}
 Oslek Developments Pty Limited¹
 Osraidi Pty Limited
 Otharna Pty Limited^{1,6}
 Oxapel Pty Limited^{1,6}
 Pertama Holdings Limited^{1,10,16,17}
 P & E Adelaide CK Pty Limited^{1,6}
 P & E Albany Pty Limited¹
 P & E Albury Pty Limited¹
 P & E Armadale WA Pty Limited^{1,6}
 P & E Armidale Pty Limited¹
 P & E Aspley Pty Limited¹
 P & E Auburn Pty Limited
 P & E Ayr Pty Limited¹
 P & E Bairnsdale Pty Limited¹
 P & E Balgowlah Pty Limited
 P & E Ballarat Pty Limited¹
 P & E Bathurst Pty Limited¹
 P & E Belmont Pty Limited¹
 P & E Bendigo Pty Limited¹
 P & E Blacktown Pty Limited¹
 P & E Bondi Junction Pty Limited^{1,6}
 P & E Broadmeadow Pty Limited¹
 P & E Broadway on The Mall Pty Limited¹
 P & E Broadway Pty Limited¹
 P & E Browns Plains Pty Limited¹
 P & E Bunbury Pty Limited¹
 P & E Bundaberg Pty Limited¹
 P & E Bundall Pty Limited
 P & E Burleigh Heads Pty Limited^{1,6}
 P & E Burnie Pty Limited^{1,7}
 P & E Busselton Pty Limited¹
 P & E Cairns Pty Limited¹
 P & E Campbelltown Pty Limited¹
 P & E Cannington Pty Limited¹
 P & E Carindale Pty Limited¹
 P & E Caringbah Pty Limited¹

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name

P & E Chatswood Pty Limited¹
P & E Chirnside Park Pty Limited^{1,6}
P & E City Cross Pty Limited^{1,6}
P & E City West Pty Limited¹
P & E Coffs Harbour Pty Limited¹
P & E Cranbourne Pty Limited¹
P & E Crows Nest Pty Limited¹
P & E Dalby Pty Limited¹
P & E Dandenong Pty Limited¹
P & E Darwin Pty Limited¹
P & E Deniliquin Pty Limited¹
P & E Devonport Pty Limited^{1,7}
P & E Dili Pty Limited¹
P & E Dubbo Pty Limited¹
P & E Enfield Pty Limited¹
P & E Everton Park Pty Limited¹
P & E Fortitude Valley Pty Limited^{1,6}
P & E Fremantle Pty Limited¹
P & E Fyshwick Pty Limited^{1,7}
P & E Geelong Pty Limited¹
P & E Geraldton Pty Limited¹
P & E Gladstone Pty Limited¹
P & E Glenorchy Pty Limited^{1,7}
P & E Gordon Pty Limited¹
P & E Gosford Pty Limited¹
P & E Grafton Pty Limited¹
P & E Greensborough Plaza Pty Limited¹
P & E Griffith Pty Limited¹
P & E Hamilton Pty Limited¹
P & E Hervey Bay Pty Limited¹
P & E Hobart City Pty Limited^{1,7}
P & E Homewest Pty Limited¹
P & E Hoppers Crossing Pty Limited^{1,6}
P & E Horsham Pty Limited^{1,6}
P & E Indooroopilly Pty Limited¹
P & E Innisfail Pty Limited¹
P & E Inverell Pty Limited¹
P & E Joondalup Pty Limited¹
P & E Kalgoorlie Pty Limited¹
P & E Karratha Pty Limited¹
P & E Kawana Waters Pty Limited¹
P & E Knox Towerpoint Pty Limited¹
P & E Launceston Pty Limited^{1,7}
P & E Leichhardt Pty Limited¹
P & E Lismore Pty Limited¹
P & E Liverpool Pty Limited¹
P & E Loganholme Pty Limited^{1,6}
P & E Mackay Pty Limited¹
P & E Maclean Pty Limited¹
P & E Maddington Pty Limited¹
P & E Maitland Pty Limited¹
P & E Mandurah Pty Limited¹
P & E Maribyrnong Pty Limited¹
P & E Marion Pty Limited¹
P & E Maroochydore Pty Limited^{1,6}
P & E Marrickville Pty Limited¹

Name

P & E Martin Place Sydney Pty Limited^{1,6}
P & E Midland Pty Limited¹
P & E Mildura Pty Limited¹
P & E Moe Pty Limited^{1,6}
P & E Moorabbin Pty Limited¹
P & E Moore Park Pty Limited¹
P & E Morayfield Pty Limited¹
P & E Moree Pty Limited¹
P & E Morley Pty Limited¹
P & E Moss Vale Pty Limited¹
P & E Mt Gambier Pty Limited¹
P & E Mt Gravatt Pty Limited¹
P & E Mt Isa Pty Limited^{1,6}
P & E Mudgee Pty Limited¹
P & E Munno Para Pty Limited^{1,6}
P & E Newcastle Pty Limited¹
P & E Noarlunga Pty Limited¹
P & E Noosa Pty Limited¹
P & E Nowra Pty Limited¹
P & E Nunawading Pty Limited¹
P & E O'Connor Pty Limited¹
P & E Oakleigh CK Pty Limited^{1,6}
P & E Orange Pty Limited¹
P & E Osborne Park Pty Limited¹
P & E Oxley Pty Limited¹
P & E Parkes Pty Limited¹
P & E Penrith Pty Limited¹
P & E Peppermint Grove Pty Limited^{1,6}
P & E Port Hedland Pty Limited¹
P & E Port Kennedy Pty Limited¹
P & E Port Macquarie Pty Limited¹
P & E Preston Pty Limited¹
P & E Riverwood Pty Limited¹
P & E Rockhampton Pty Limited¹
P & E Rosny Pty Limited^{1,7}
P & E Sale Pty Limited¹
P & E Shepparton Pty Limited¹
P & E Shopfitters Pty Limited¹
P & E Southland Pty Limited¹
P & E Swan Hill Pty Limited¹
P & E Tamworth Pty Limited¹
P & E Taree Pty Limited¹
P & E Toowoomba (B) Pty Limited¹
P & E Toowoomba Pty Limited¹
P & E Townsville Pty Limited¹
P & E Traralgon Pty Limited¹
P & E Tweed Heads Pty Limited¹
P & E Ulverstone Pty Limited^{1,7}
P & E Wagga Pty Limited¹
P & E Wangaratta Pty Limited¹
P & E Warragul Pty Limited¹
P & E Warrawong Pty Limited¹
P & E Warrnambool Pty Limited¹
P & E Warwick (Qld) Pty Limited¹
P & E Warwick (WA) Pty Limited¹
P & E Watergardens Pty Limited¹

40. Controlled Entities and Unit Trusts (continued)
Shares held by Harvey Norman Holdings Limited (continued)

Name	Name
P & E Wauru Ponds Pty Limited ^{1,6}	Waggafurn Pty Limited ¹
P & E Whyalla Pty Limited ¹	Warfurn Pty Limited ^{1,6}
P & E Wiley Park Pty Limited ¹	Warian Pty Limited ^{1,6}
P & E Woden Pty Limited ^{1,7}	Warrafloor Pty Limited ^{1,6}
P & E Wonthaggi Pty Limited ¹	Warrare Pty Limited ^{1,6}
P & E Young Pty Limited ¹	Warwickcom Pty Limited ^{1,6,7}
Parkborne Pty Limited ^{1,6,7}	Warwickel Pty Limited ^{1,6,7}
Parkcom Pty Limited ^{1,6,7}	Warungi Pty Limited
PEM Alexandria Pty Limited ^{1,6}	Waytango Pty Limited
PEM Auburn Pty Limited ¹	Webzone Pty Limited ¹
PEM Bundall Pty Limited ^{1,6}	Westerncom Pty Limited ^{1,6,7}
PEM Campbelltown Pty Limited ¹	Westfurn Pty Limited ^{1,6,7}
PEM Caringbah Pty Limited ^{1,6}	Whitgo Pty Limited ^{1,6}
PEM Corporate Pty Limited ¹	Whycom Pty Limited ^{1,6,7}
PEM Fyshwick Pty Limited ^{1,7}	Winfurn Pty Limited ^{1,6,7}
PEM Gosford Pty Limited ¹	Wytharra Pty Limited
PEM Kotara Pty Limited ¹	Yoogalu Pty Limited
PEM Liverpool Pty Limited ¹	Zabella Pty Limited
PEM Penrith Pty Limited ¹	Zavarte Pty Limited
PEM QVH Pty Limited ^{1,6}	Zirdano Pty Limited
PEM Warrawong Pty Limited ¹	Zirdanu Pty Limited
Plainscom Pty Limited ^{1,6,7}	
Plezero Pty Limited	
Prestbed Pty Limited ^{1,6,7}	
R. Reynolds Nominees Pty Limited ¹	
Recline A Way Franchisor Pty Limited ^{1,6}	
Rosieway Pty Limited	
Sarsha Pty Limited	
Setto Pty Limited	
Shakespir Pty Limited ^{1,6}	
Signature Computers Pty Limited ¹	
Solaro Pty Limited	
Space Furniture Limited ^{1,12,14}	
Space Furniture Pte Limited ^{1,10,16}	
Space Furniture Pty Limited ^{1,2,18}	
Stonetess Pty Limited	
Stores Securitisation Pty Limited	
Stores Securitisation (NZ) Limited	
Strathloro Pty Limited	
Stupendous Pty Limited ²¹	
Superguard Pty Limited ¹	
(formerly Supagard Pty Limited)	
Swanel Pty Limited ^{1,6,7}	
Swaneto Pty Limited	
Swanpark Pty Limited ⁵	
Tatroko Pty Limited	
Tessera Stones & Tiles Pty Limited ¹³	
The Byron At Byron Pty Limited ¹	
Tisira Pty Limited	
Toowel Pty Limited ^{1,6,7}	
Townel Pty Limited ^{1,6,7}	
Townfurn Pty Limited ^{1,6}	
Tralgfurn Pty Limited ^{1,6,7}	
Ventama Pty Limited ³	
Wadins Pty Limited	
Wanalti Pty Limited	

40. Controlled Entities and Unit Trusts (continued)

Shares held by Harvey Norman Holdings Limited (continued)

1. Company is not part of the class order described in Note 41.
2. Harvey Norman Holdings Limited owns 99.9% of shares in Misstar Pty Limited and 50% of Bossee Pty Limited, and 51% of the shares in Space Furniture Pty Limited and Arisit Pty Limited.
3. Shares held by Sarsha Pty Limited.
4. Shares held by Harvey Norman Retailing Pty Limited.
5. Shares held by Harvey Norman Stores Pty Limited.
6. These companies were acquired during the year.
7. These companies were disposed of during the year.
8. Shares held by Harvey Norman Limited.
9. These companies are incorporated in New Zealand.
10. This company is incorporated in Singapore.
11. This company is incorporated in Slovenia.
12. This company is incorporated in the UK.
13. Shares held by Stonetess 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 8.47% 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 2001, 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 2004 Becto Pty Limited held 54.99% of the shares in Rebel Sport Limited.
20. These companies are incorporated in Ireland.
21. Shares held by Calardu Pty Limited.
22. Shares held by Calardu Armidale Pty Limited.
23. Lighting Venture Pty Limited owns 50.1% of shares in Glo Light Pty Limited.
24. Yoogalu Pty Ltd holds 50.5% of the shares in Australian Business Skills Centre Pty Limited.
25. HN Byron No 3 Pty Limited holds 50% of the shares in Byron Bay Facilities Pty Limited.
26. Yoogalu Pty Ltd holds 50% of the shares in Byron Bay Management Pty Limited.

40. Controlled Entities and Unit Trusts (continued)

Units in Unit Trusts held by Harvey Norman Holdings Limited

Name

098 004 570 No. 2 Trust
 Abari No. 3 Trust
 Albany Stores No. 2 Trust
 Ablect No. 2 Trust****
 Albstore No. 2 Trust****
 Albwood No. 2 Trust****
 Aldrum No. 2 Trust****
 Altcrest No. 2 Trust****
 Anwarah No. 2 Trust
 Appcann No. 2 Trust
 Appconn No. 2 Trust****
 Appjoon No. 2 Trust****
 Applect No. 2 Trust
 Apptoo No. 2 Trust
 Apptoo Air No. 2 Trust**
 Armcom WA No. 2 Trust**
 Artza No. 2 Trust****
 Aspelect No. 2 Trust****
 Aspley Electrics No. 2 Trust**
 Aspley Furniture No. 2 Trust**
 Aspleybed No. 2 Trust****
 Aspleycom No. 2 Trust**
 Aspleyl No. 2 Trust****
 Aspleyurn No. 2 Trust
 Aspleyurn Qld No. 2 Trust**
 Aubdirect No. 2 Trust
 Auburnapp No. 2 Trust
 Auburnbed No. 2 Trust****
 Auburncom No. 2 Trust
 Auburnfloor No. 2 Trust****
 Australian Business Skills Centre Trust***
 Avocoe No. 2 Trust****
 Ayrcom No. 2 Trust**
 Bagron No. 2 Trust****
 Bathard No. 2 Trust
 Becto Trust
 Bedden No. 2 Trust**
 Beddington No. 2 Trust
 Bedmac No. 2 Trust****
 Bedpark No. 2 Trust****
 Belmcom No. 2 Trust
 Belmonsters No. 2 Trust**
 Bena No. 2 Trust
 Berlect No. 2 Trust**
 Bernel No. 2 Trust
 Bernlect 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****
 Brownsell No. 2 Trust**
 Bunburybed No. 2 Trust**
 Bunburyurn No. 2 Trust

Name

Bundafurn No. 2 Trust
 Bundall Computers No. 2 Trust
 Bundallbed No. 2 Trust
 Bundallcom No. 2 Trust
 Bundallcom (Qld) No. 2 Trust
 Bundcomm No. 2 Trust
 Busselton WA No. 2 Trust
 Cairncom No. 2 Trust****
 Cairnfurn No. 2 Trust
 Cairnsel No. 2 Trust
 Calardu ACT Trust
 Calardu Adderley Street Trust
 Calardu Alexandria DM Trust
 Calardu Alice Springs Trust
 Calardu Armadale WA Trust
 Calardu Armidale Trust
 Calardu Aspley Trust
 Calardu Auburn No. 1 Trust
 Calardu Auburn No. 2 Trust
 Calardu Auburn No. 3 Trust
 Calardu Auburn No. 4 Trust
 Calardu Auburn No. 5 Trust
 Calardu Auburn No. 6 Trust
 Calardu Auburn No. 7 Trust
 Calardu Auburn No. 8 Trust
 Calardu Auburn No. 9 Trust
 Calardu Ballarat Trust
 Calardu Ballina Trust
 Calardu Bathurst Trust
 Calardu Beaufort Street Trust
 Calardu Belrose DM Trust
 Calardu Bellevue Hill Trust
 Calardu Bennetts Green Trust
 Calardu Bennetts Green Warehouse Trust
 Calardu Berri Trust
 Calardu Berrimah Trust
 Calardu Brickworks (S.A.) Trust
 Calardu Broadmeadow No. 1 Trust
 Calardu Broadmeadow No. 2 Trust
 Calardu Broadmeadows VIC Trust
 Calardu Brookvale Trust
 Calardu Browns Plains Trust
 Calardu Bunbury Trust
 Calardu Bundaberg Trust
 Calardu Bundall Trust
 Calardu Campbelltown Trust
 Calardu Cannington Trust
 Calardu Caringbah Trust
 Calardu Caringbah (Taren Point) Trust
 Calardu Crows Nest Trust
 Calardu Crows Nest No. 2 Trust
 Calardu Darwin Trust
 Calardu Denuo Berri Trust
 Calardu Dubbo Trust**
 Calardu Frankston Trust
 Calardu Fyshwick DM Trust

40. Controlled Entities and Unit Trusts (continued)

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

Name

Calardu Gordon Trust
 Calardu Guildford Trust
 Calardu Hervey Bay Trust**
 Calardu Hobart Trust
 Calardu Hoppers Crossing Trust
 Calardu Horsham Trust
 Calardu Joondalup Trust
 Calardu Kalgoorlie Trust
 Calardu Kalgoorlie Oswald St Trust**
 Calardu Karana Downs Trust
 Calardu Karratha Trust**
 Calardu Kemblawarra Trust
 Calardu Launceston Trust
 Calardu Loganholme Trust
 Calardu Mackay Trust
 Calardu Maitland Trust
 Calardu Mandurah Trust
 Calardu Maribyrnong Trust
 Calardu Maribyrnong 1995 Trust
 Calardu Marion Trust
 Calardu Maryborough Trust
 Calardu Melville Trust
 Calardu Mentone Trust
 Calardu Midland Trust
 (formerly Calardu Thomastown Trust)
 Calardu Milton Trust
 Calardu Morayfield Trust
 Calardu Moss Vale Trust
 Calardu Mt Isa Trust
 Calardu Mt. Gambier Trust
 Calardu Mudgee Trust
 Calardu Munno Para Trust
 Calardu Noarlunga Trust
 Calardu Noosa Trust
 Calardu North Ryde Trust
 Calardu Northbridge Trust
 Calardu Nowra Trust
 Calardu No. 1 Trust
 Calardu No. 2 Trust
 Calardu No. 3 Trust
 Calardu Oxley Trust
 Calardu Penrith Trust
 Calardu Perth City West Trust
 Calardu Port Macquarie Trust
 Calardu Preston Trust
 Calardu Richmond Trust
 Calardu Rockingham Trust
 Calardu Rockhampton Trust
 Calardu Rosebery Trust
 Calardu Roselands Trust
 Calardu Sale Trust
 Calardu Silverwater Trust
 Calardu Springvale Trust**
 Calardu Swan Hill Trust
 Calardu Sylvania Trust
 Calardu Taree Trust
 Calardu Thebarton Trust

Name

Calardu Thomastown Victoria Trust
 Calardu Toowoomba Trust
 Calardu Townsville Trust
 Calardu Tweed Heads Trust
 Calardu Tweed Heads Traders Way Trust
 Calardu Vicfurn Trust
 Calardu Warrawong Trust
 Calardu Warrawong (Home Starters) Trust
 Calardu Warrawong No. 1 Trust
 Calardu Warrnambool Trust
 Calardu Warwick Trust
 Calardu West Gosford Trust
 Calardu Whyalla Trust
 Calardu Wivenhoe Trust
 Cannapp No. 2 Trust
 Cannbed No. 2 Trust****
 Canncomp No. 2 Trust****
 Cannfurn No. 2 Trust****
 Cannfurn WA No. 2 Trust
 Cannkin No. 2 Trust**
 Canntapp No. 2 Trust
 Canntur No. 2 Trust****
 Carfurn No. 2 Trust**
 Cardfurn No. 2 Trust
 Carincom No. 2 Trust****
 Carinel No. 2 Trust
 Carinfurn No. 2 Trust****
 Caringel No. 2 Trust
 CBG Trust
 Charmela No. 2 Trust
 Cherrion No. 2 Trust
 Cityel No. 2 Trust**
 Cityfurn No. 2 Trust****
 Cityslik No. 2 Trust
 Claret No. 2 Trust****
 Comalla No. 2 Trust**
 Comben Nominees No. 2 Trust
 Comberg No. 2 Trust****
 Comborne No. 2 Trust
 Combun WA No. 2 Trust****
 Combund No. 2 Trust****
 Combund Qld No. 2 Trust****
 Comjoon No. 2 Trust**
 Comkalg No. 2 Trust
 Comken No. 2 Trust
 Commac No. 2 Trust****
 Commack No. 2 Trust**
 Commount No. 2 Trust
 Commwin No. 2 Trust****
 Compark No. 2 Trust**
 Compcall No. 2 Trust
 Computawin No. 2 Trust****
 Comtown No. 2 Trust
 Concomp No. 2 Trust**
 Conlect No. 2 Trust**
 Connapp No. 2 Trust
 Connel No. 2 Trust****

40. Controlled Entities and Unit Trusts (continued)

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

Name

Connorfurn No. 2 Trust
 Connrapp No. 2 Trust****
 Copee No. 2 Trust****
 Cosgrove Shopfitting Services No. 2 Trust
 Craigcom No. 2 Trust**
 Dalel No. 2 Trust
 Dallett No. 2 Trust**
 Darfurn No. 2 Trust**
 Darwel No. 2 Trust**
 Darwincom No. 2 Trust**
 Darwinel No. 2 Trust****
 Elbunda No. 2 Trust
 Elcann No. 2 Trust****
 Electall No. 2 Trust**
 Electapp No. 2 Trust****
 Electberg No. 2 Trust****
 Electbern No. 2 Trust
 Electbund No. 2 Trust****
 Electen No. 2 Trust**
 Electmac No. 2 Trust****
 Electoo No. 2 Trust
 Electos No. 2 Trust
 Electown No. 2 Trust
 Electpark No. 2 Trust
 Electwarr No. 2 Trust**
 Electway No. 2 Trust
 Electwind No. 2 Trust
 Elenfield No. 2 Trust****
 Elgrav No. 2 Trust
 Emohy No. 2 Trust
 Enbed No. 2 Trust
 Encomp No. 2 Trust****
 Encomputers No. 2 Trust****
 Enfurn No. 2 Trust**
 Enlect No. 2 Trust**
 Evbed No. 2 Trust**
 Evcom No. 2 Trust****
 Everlect No. 2 Trust
 Evertoncomp No. 2 Trust****
 Evfurn No. 2 Trust
 Evtel No. 2 Trust
 Fashdash No. 2 Trust****
 Fieldcom No. 2 Trust
 Fieldel No. 2 Trust**
 Fillinde No. 2 Trust****
 Finab No. 2 Trust****
 Floorchat No. 2 Trust****
 Fremantel No. 2 Trust****
 Fremcom No. 2 Trust****
 Furnbury No. 2 Trust**
 Furncairn No. 2 Trust
 Furnchat No. 2 Trust****
 Furncon No. 2 Trust****
 Furncom No. 2 Trust****
 Furnkal No. 2 Trust**
 Furnland No. 2 Trust**
 Furnley No. 2 Trust****

Name

Furnliv No. 2 Trust****
 Furnmac No. 2 Trust****
 Furnmac QLD No. 2 Trust****
 Furnmount No. 2 Trust****
 Furnmil No. 2 Trust****
 Furnpark No. 2 Trust****
 Furnpro No. 2 Trust**
 Furntown No. 2 Trust
 Furnwind No. 2 Trust****
 Galdcom No. 2 Trust
 Gambcom No. 2 Trust****
 Gambfurn No. 2 Trust**
 Geevarne No. 2 Trust****
 Geracom No. 2 Trust**
 Geraldcom No. 2 Trust
 Geraldton Store No. 2 Trust****
 Geraldton WA No. 1 Trust****
 Geraldton WA No. 2 Trust****
 Gerel No. 2 Trust
 Gladroc No. 2 Trust****
 Gladstone FEC No. 2 Trust
 Gladstone Retailers No. 2 Trust****
 Gladstone Stores Trust****
 Gladstores No. 2 Trust
 Gladstores Qld No. 2 Trust
 Glaydon No. 2 Trust****
 Gordinia No. 2 Trust****
 Gravcomp No. 2 Trust****
 Gravfurn No. 2 Trust**
 Hamptonfurn No. 2 Trust
 Hangova No. 2 Trust****
 Happee No. 2 Trust****
 Haproc 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
 Havnet No. 2 Trust
 Havoscu No. 2 Trust****
 Herveycom 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****

40. Controlled Entities and Unit Trusts (continued)
Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

Name

Igniz No. 2 Trust
Indolect No. 2 Trust**
Indorel No. 2 Trust
Inniscom No. 2 Trust**
Jamacar No. 2 Trust****
Jinfurn No. 2 Trust
Joonapp No. 2 Trust
Joonbed No. 2 Trust
Jooncom No. 2 Trust
Joondalup Warehousing Services Trust
Joondalup Administrative Services Trust
Joondapp No. 2 Trust**
Joonfurn No. 2 Trust
Kaboola No. 2 Trust
Kalcom No. 2 Trust****
Kalel No. 2 Trust**
Kalinya Unit Trust
Kalfurn No. 2 Trust
Kalgoorlie WA No. 2 Trust****
Kanfara No. 2 Trust****
Karra WA No. 2 Trust****
Karratha WA No. 2 Trust****
Kawcomp No. 2 Trust****
Kawel No. 2 Trust
Kawfurn No. 2 Trust**
Kawlect 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****
Keyko No. 2 Trust****
Kilcarva No. 2 Trust****
Krimshaw No. 2 Trust****
Kroomba No. 2 Trust****
Lamino Investments No. 1 Trust
Lamino Investments No. 2 Trust
Lamino Investments No. 3 Trust
Lamino Investments No. 4 Trust
Lamino Investments No. 5 Trust
Lamino Investments No. 6 Trust
Lectapp No. 2 Trust**
Lesandu Albury Trust
Lesandu Campbelltown Trust
Lesandu Fairfield Trust
Lesandu Gordon Trust
Lesandu Gosford Trust
Lesandu Miranda Trust
Lesandu Newcastle Trust
Lesandu No. 1 Trust
Lesandu Penrith Trust
Lesandu Tamworth Trust
Lesandu Warrawong Trust
Lesandu Warringah Mall Trust
Letode No. 2 Trust****
Liscom No. 2 Trust

Name

Lodare No. 2 Trust****
Luckyme No. 2 Trust****
Lunacom No. 2 Trust**
Lunorcom No. 2 Trust**
Maccom No. 2 Trust****
Macfurn (QLD) No. 2 Trust****
Mackayel No. 2 Trust****
Mackayfurn No. 2 Trust
Macklect No. 2 Trust
Maddel No. 2 Trust****
Maddingcom No. 2 Trust****
Makdon No. 2 Trust****
Makfindi No. 2 Trust****
Mallap No. 2 Trust**
Mallett No. 2 Trust**
Mallel No. 2 Trust**
Malvis No. 2 Trust****
Mandurel No. 2 Trust**
Mantcom No. 2 Trust**
Marcomp No. 2 Trust
Marfloor No. 2 Trust**
Marionbed No. 2 Trust****
Marioncom No. 2 Trust
Marncom No. 2 Trust**
Marnfurn No. 2 Trust**
Marouli No. 2 Trust****
Marionfurn No. 2 Trust
Masorie No. 2 Trust****
Mayfurn No. 2 Trust****
Meadowel No. 2 Trust****
Mickie No. 2 Trust****
Micomp No. 2 Trust**
Midlancom No. 2 Trust****
Midstore No. 2 Trust**
Milblu No. 2 Trust****
Millintar No. 2 Trust****
Moracraft No. 2 Trust****
Moralect No. 2 Trust
Moraybed No. 2 Trust
Moraycom No. 2 Trust****
Morayel No. 2 Trust****
Morayfurn No. 2 Trust**
Morlel No. 2 Trust
Morrics No. 2 Trust**
Mountfurn No. 2 Trust****
Mozzpex No. 2 Trust****
Munnobed No. 2 Trust**
Munnocom No. 2 Trust
Munnofurn No. 2 Trust**
Murray Street Development Trust
Murraybed No. 2 Trust**
Nargista No. 2 Trust****
Natley No. 2 Trust****
Nekdil No. 2 Trust****
Noarbed No. 2 Trust****
Noarcom No. 2 Trust**
Noarfurn No. 2 Trust**

40. Controlled Entities and Unit Trusts (continued)
Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

Name

Noarlect No. 2 Trust**
 Noosacom No. 2 Trust****
 Noosafurn No. 2 Trust**
 Norrap No. 2 Trust
 Noxfurn No. 2 Trust
 Omdale No. 2 Trust**
 Osbcomm No. 2 Trust
 Osbeds No. 2 Trust
 Osbornel No. 2 Trust**
 Oslect No. 2 Trust
 Oslek Developments Trust
 Osraidi No. 2 Trust****
 Otharna No. 2 Trust**
 Oxapel No. 2 Trust
 Oxcom No. 2 Trust
 Oxleycom No. 2 Trust****
 Oxleyel No. 2 Trust**
 Oxleyfurn No. 2 Trust****
 Parkapp No. 2 Trust****
 Parkborne No. 2 Trust**
 Parkcom No. 2 Trust**
 Parkel No. 2 Trust
 Parklect No. 2 Trust
 Piatan No. 2 Trust****
 Plainscom No. 2 Trust**
 Plainsel No. 2 Trust
 Port Hedland WA No. 2 Trust****
 Portcom No. 2 Trust****
 Portlandel No. 2 Trust****
 Posharnu No. 2 Trust****
 Prestbed No. 2 Trust**
 Pulpy No. 2 Trust****
 Quandallo No. 2 Trust****
 Quinlea No. 2 Trust****
 Rajola No. 2 Trust****
 Ranano No. 2 Trust****
 Resum No. 2 Trust****
 Rocfurn No. 2 Trust****
 Rockcom No. 2 Trust
 Roowin No. 2 Trust****
 Rozborn No. 2 Trust****
 Rudari No. 2 Trust****
 Rustona No. 2 Trust
 Salel No. 2 Trust
 Sardonnu No. 2 Trust****
 Saywarre No. 2 Trust****
 Skyjump No. 2 Trust****
 Spirarzo No. 2 Trust
 Sungo No. 2 Trust****
 Swanel No. 2 Trust**
 Swedon No. 2 Trust****
 Sydney No. 1 Trust
 Tampar No. 2 Trust****
 Tandulu No. 2 Trust****

Name

Tarshellu No. 2 Trust****
 Tenalaw No. 2 Trust****
 Tifcon No. 2 Trust****
 Toocom No. 2 Trust
 Toofurn No. 2 Trust****
 Toowel No. 2 Trust**
 Townfurn No. 2 Trust**
 Torcarsa No. 2 Trust****
 Tortah No. 2 Trust****
 Townel No. 2 Trust
 The Calardu Trust
 Tralfurn No. 2 Trust
 Trialli No. 2 Trust****
 Trivea No. 2 Trust****
 Truen No. 2 Trust****
 Upoes No. 2 Trust****
 Valerinar No. 2 Trust****
 Valrado No. 2 Trust****
 Venusway No. 2 Trust****
 Vidara No. 2 Trust****
 Wacom No. 2 Trust
 Warel No. 2 Trust
 Warfurn No. 2 Trust**
 Warian No. 2 Trust**
 Warraffloor No. 2 Trust**
 Warrare No. 2 Trust**
 Wartonu No. 2 Trust****
 Warwickcom No. 2 Trust**
 Warwickel No. 2 Trust
 Watfurn No. 2 Trust****
 Westerncom No. 2 Trust**
 Westfurn No. 2 Trust**
 Whitgo No. 2 Trust**
 Whycom No. 2 Trust****
 Whyfurn No. 2 Trust****
 Whylect No. 2 Trust****
 Wickcom No. 2 Trust
 Wickfurn No. 2 Trust****
 Wincomp No. 2 Trust
 Windsor Commercial No. 2 Trust****
 Windsorcom No. 2 Trust****
 Winfurn No. 2 Trust**
 Yallect No. 2 Trust
 Yoogalu Albury Trust
 Yoogalu Campbelltown Trust
 Yoogalu Fairfield Trust
 Yoogalu Gordon Trust
 Yoogalu Gosford Trust*
 Yoogalu Lismore Trust*
 Yoogalu Miranda Trust
 Yoogalu Newcastle Trust
 Yoogalu Warrawong Trust
 Yoogalu Warringah Mall Trust
 Zoderme No. 2 Trust

40. Controlled Entities and Unit Trusts (continued)
Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

Key to Note 40 – Controlled Entities and Unit Trusts

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

**These trusts were acquired during the year.

***Some of the units in this trust are held by
Yoogalu Pty Limited, a wholly owned subsidiary
of Harvey Norman Holdings Limited.

****These trusts were vested during the year.

Notes to the Financial Statements (continued)

41. Deed of Cross Guarantee

Certain controlled entities (refer Note 40) have entered into a deed of cross guarantee dated 1 June 2004 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. 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 40) marked ¹ 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 2004

	CONSOLIDATED	
	2004	2003
	\$000	\$000
Current Assets		
Cash assets	43,608	-
Receivables	707,107	595,502
Other financial assets	2,459	8,624
Inventories	92,165	65,948
Other	4,769	2,614
Total current assets	850,108	672,688
Non-Current Assets		
Receivables	16,282	11,951
Investments accounted for using equity method	53,657	47,520
Other financial assets	106,327	105,679
Inventories	26,584	18,627
Property, plant and equipment	1,062,300	856,559
Intangible assets	-	-
Deferred tax assets	5,484	4,822
Total non-current assets	1,270,634	1,045,158
Total Assets	2,120,742	1,717,846
Current Liabilities		
Payables	466,640	342,918
Interest-bearing liabilities	-	14,440
Tax liabilities	20,051	19,724
Provisions	5,827	4,199
Other	1,576	3,640
Total current liabilities	494,094	384,921
Non-Current Liabilities		
Payables	-	-
Interest-bearing liabilities	467,266	368,546
Provisions	6,135	654
Other	2,786	64
Total non-current liabilities	476,187	369,264
Total Liabilities	970,281	754,185
NET ASSETS	1,150,461	963,661
Equity		
Contributed equity	246,591	246,591
Reserves	248,729	175,708
Retained profits	655,141	541,362
TOTAL EQUITY	1,150,461	963,661

Notes to the Financial Statements (continued)

41. Deed of Cross Guarantee (continued)

(b) Harvey Norman Holdings Limited Closed Group
Statement of Financial Performance for year ended 30 June 2004

	CONSOLIDATED	
	2004	2003
	\$000	\$000
Sales revenue	422,460	264,304
Cost of sales	(323,888)	(197,981)
Gross profit	98,572	66,323
Other revenues	625,363	388,516
Distribution expenses	(1,331)	(920)
Marketing expenses	(172,925)	(16,473)
Occupancy expenses	(66,727)	(66,145)
Administrative expenses	(175,236)	(125,968)
Borrowing costs	(27,150)	(25,147)
Other expenses	(47,490)	(17,258)
Share of net profit of associates, joint venture entities and partnerships accounted for using the equity method	3,402	1,948
Profit from ordinary activities before income tax expense	236,478	204,876
Income tax expense relating to ordinary activities	(72,049)	(63,742)
Net profit	164,429	141,134
Net profit attributable to Outside equity interests	-	(143)
Net profit attributable to Members of the parent entity	164,429	140,991

(c) Harvey Norman Holdings Limited Closed Group
Retained Profits

Retained profits at the beginning of the financial year	541,362	425,609
Adjustment arising from adoption of revised accounting standard AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	-	26,738
Profit from ordinary activities after income tax expense	164,429	140,991
Dividends paid	(50,650)	(51,976)
Retained profits at the end of the financial year	655,141	541,362

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 2004 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 41 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	K.L. PAGE Director

Sydney
23 September 2004

Independent Audit Report

to members of Harvey Norman Holdings Limited

Matters relating to the Electronic Presentation of the Audited Financial Report

This audit report relates to the financial report of Harvey Norman Holdings Limited (the company) and the consolidated entity for the year ended 30 June 2004 included on the company's web site. The company's directors are responsible for the integrity of the company's web site. We have not been engaged to report on the integrity of the company's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Harvey Norman Holdings Limited (the company) and the consolidated entity, for the year ended 30 June 2004. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and the consolidated entity, and that complies with Accounting Standards in Australia, in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independent audit report

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

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 financial position of Harvey Norman Holdings Limited and the consolidated entity at 30 June 2004 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 financial reporting requirements in Australia.



Ernst & Young



Craig M. Jackson
Partner
Sydney
23 September 2004

Shareholder Information

Distribution of Shareholdings as at 15 September 2004

Size of Holding	Ordinary Shareholders
1 – 1,000	6,430
1,001 – 5,000	10,293
5,001 – 10,000	2,194
10,001 – 100,000	1,702
100,001 and over	213
	<hr/>
	20,832
	<hr/>
Number of Shareholders	
With less than a marketable parcel	501
	<hr/>

Voting Rights

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

Twenty Largest Shareholders as at 16 September 2004

Number of Ordinary Shares	Shareholder
175,249,660	Dimbulu Pty Limited
168,556,898	Mr Gerald Harvey
142,629,301	G Harvey Nominees Pty Limited
49,990,575	Ms Margaret Lynette Harvey
42,855,286	National Nominees Limited
42,474,925	Westpac Custodian Nominees
41,262,167	JP Morgan Nominees Australia Limited
40,604,934	Citicorp Nominees Pty Limited
28,991,922	Citicorp Nominees Pty Limited
18,980,590	Ms Kay Lesley Page
18,194,226	Citicorp Nominees Pty Limited
18,118,200	Enbear Pty Limited
15,709,302	RBC Global Services Australia Nominees Pty Limited
13,554,285	Citicorp Nominees Pty Limited
13,267,403	Citicorp Nominees Pty Limited
10,206,666	Cogent Nominees Pty Limited
9,811,731	Citicorp Nominees Pty Limited
8,624,883	Queensland Investment Corporation
8,048,148	ANZ Nominees Limited
6,498,372	Citicorp Nominees Pty Limited
	<hr/>
873,629,474	
	<hr/>

Total held by twenty largest shareholders as a percentage 82.67%.

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

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

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

BONDI

Shop 5016, Westfield Shopping Centre
500 Oxford Street
Bondi Junction 2022
Phone (02) 8305 8800

BROADWAY

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

CHATSWOOD (Electrical & Computers only)

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

CHATSWOOD EXPRESS

380 Victoria Avenue
Chatswood 2067
Phone (02) 8440 5013

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

MARTIN PLACE

19-29 Martin Place
MLC Centre
Sydney CBD 2000
Phone (02) 8236 6600

Directory of "Harvey Norman" Shopping Complexes (continued)

MOORE PARK

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

NORWEST

Unit 20
Homemaker Collection
4 - 6 Celebration Drive
Bella Vista 2153
Phone (02) 8884 8800

PENRITH

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

WILEY PARK

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

WILEY PARK (Hardware)

1155 Canterbury Road
Roselands 2196
Phone (02) 9740 1153

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
Karatla Lane
Erina 2250
Phone (02) 4365 9500

GOULBURN

180-186 Auburn Street
Goulburn 2580
Phone (02) 4824 3000

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

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

Directory of "Harvey Norman" Shopping Complexes (continued)

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

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

BERNOTHS - TOOWOOMBA

675 Ruthven Street
Toowoomba 4350
Phone (07) 4632 9444

Directory of "Harvey Norman" Shopping Complexes (continued)

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

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

LOGANHOLME

3890 - 3892 Pacific Highway
Loganholme 4129
Phone: (07) 3440 9200

MAROOCHYDORE

Unit 6
Sunshine Homemaker Centre
Maroochydore 4558
Phone: (07) 5479 3711

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

BUNDABERG

125 Takalvan Street
Bundaberg 4670
Phone (07) 4151 1570

BUNDALL (GOLD COAST)

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

BURLEIGH HEADS

Unit 2, 50 Kortum Drive
West Burleigh 4219
Phone (07) 5568 6000

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

Directory of "Harvey Norman" Shopping Complexes (continued)

QUEENSLAND COUNTRY

AYR

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

MT ISA

33 – 35 Miles Street
Mt Isa 4825
Phone (07) 4743 5220

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

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

CHIRNSIDE PARK

286 Maroondah Highway
Mooroolbark 3138
Phone (03) 9722 4400

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

HOPPERS CROSSING

Unit 1, 201-219 Old Geelong Road
Hoppers Crossing 3029
Phone: (03) 8734 0000

KNOX

Shop 8001, Knox City Centre
Capital City Boulevard
Wantirna South 3125
Phone: (03) 9881 3700

Directory of "Harvey Norman" Shopping Complexes (continued)

MARIBYRNONG (Highpoint)

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

MELBOURNE QV

Cnr Swanston & Lonsdale Streets
Level 4
9 - 13 Upper Terrace QV
Melbourne 3000
Phone: (03) 8664 4300

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

SOUTHLAND (Cheltenham)

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

VICTORIA RENOVATIONS

1430 Dandenong Road
OAKLEIGH 3166
Phone: (03) 9540 5555

WATERGARDENS

450 Melton Highway
Taylors Lakes 3037
Phone: (03) 9449 6300

GEELONG

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

HAMILTON

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

HORSHAM

148 Firebrace Street
Horsham 3400
Phone: (03) 5381 5000

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

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

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

Directory of "Harvey Norman" Shopping Complexes (continued)

WESTERN AUSTRALIA PERTH SUBURBAN

WARRNAMBOOL

84 Raglan Parade
Warrnambool 3280
Phone (03) 5564 7700

WAURN PONDS

33 Princes Highway
Waurm Ponds 3216
Phone (03) 5240 6200

WONTHAGGI

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

SOUTH AUSTRALIA ADELAIDE SUBURBAN

ADELAIDE RENOVATIONS

144 Magill Road
Norwood 5067
Phone: (08) 8132 8000

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

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

ARMADALE

10 Prospect Road
Armadale 6112
Phone (08) 9498 4400

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

MANDURAH

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

MIDLAND

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

MORLEY

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

Directory of "Harvey Norman" Shopping Complexes (continued)

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

PEPPERMINT GROVE

Shop 1A
The Grove Shopping Centre
460 Stirling Highway
Peppermint Grove 6011
Phone: (08) 9285 5700

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

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

BIG CAMERA (AUCKLAND)

National Bank Centre, Cnr Queen & Victoria Streets
Auckland CBD
Phone: 0011 649 377 6412

BLENHEIM

19-21 Maxwell Road
Blenheim
Phone: 0011 643 520 9700

BOTANY

500 Ti Rakau Drive
Botany Downs
Phone: 0011 649 272 5700

CHRISTCHURCH

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

CITY STYLE (WELLINGTON)

Capital Gateway, 34 Thorndon Quay
Wellington CBD
Phone: 0011 644 499 4751

DUNEDIN

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

HAMILTON

10-16 The Boulevard
Te Rapa
Hamilton
Phone: 0011 647 850 7300

Directory of "Harvey Norman" Shopping Complexes (continued)

HASTINGS

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

INVERCARGILL

245 Tay
Invercargill
Phone: 0011 643 219 9100

MANUKAU

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

MT MAUNGANUI

2-10 Owens Place
Mt Maunganui
Phone: 0011 647 572 7200

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

WANGANUI

287 Victoria Street
Wanganui
Phone: 0011 646 349 6000

WELLINGTON

77-87 Tory Street
Wellington
Phone: 0011 644 381 4250

WHANGAREI

5 Gumdigger Place
Whangarei
Phone: 0011 649 470 0300

DOMAYNE

ALEXANDRIA

84 O'Riordan Street
Alexandria 2015
Phone: (02) 8339 7000

AUBURN

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

BUNDALL

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

CAMPBELLTOWN

22A Blaxland Road
Campbelltown 2560
Phone: (02) 4627 4311

CARINGBAH

212 Taren Point Road
Caringbah 2229
Phone: (02) 8536 5200

FORTITUDE VALLEY

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

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

Directory of "Harvey Norman" Shopping Complexes (continued)

IRELAND

LIVERPOOL

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

MELBOURNE QV

Cnr Swanston & Lonsdale Streets
Level 4
9 - 13 Upper Terrace QV
Melbourne 3000
Phone: (03) 8664 4300

PENRITH

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

WARRAWONG

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

DUNDALK

Units 2-7 Dundalk Retail Park
Inner Relief Road
Dundalk, Co Louth
Phone: 0011 353 42 939 6600

SWORDS

Units 5, 6 & 7
Airside Retail Park
Swords Road
Swords, Co Dublin
Phone: 0011 353 1 890 9900

JOYCE MAYNE

MT DRUITT

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

LIGHTING SHOWROOMS

CROWS NEST

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

SLOVENIA

LJUBLJANA

Letaliska 3d
1000 Ljubljana
Phone: 0011 386 1585 5000

Directory of “Harvey Norman” Shopping Complexes (continued)

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

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