Abstract: Children typically apply a novel label to a novel object, rather than to a familiar object; a phenomenon called Mutual Exclusivity (Markman et al., 2003). A recent explanation is that children tend to associate novel stimuli together (Horst et al., 2011). We show that pragmatic factors may override novelty. In our study two-year-old children first played with a novel object together with E1. Then E1 left the room and E2 brought another three novel objects for the child to manipulate on his/her own. Finally, E1 came back and requested the child to give her the ‘Bitye’. Most children chose the first object, with which they had a common history with E1, even though it was the least novel. This suggests that children understand a novel word by considering to which object the speaker is most likely to have intended to refer.