



**JB Hi-Fi Limited**  
ABN 80 093 220 136

**All correspondence to:**  
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[www.computershare.com](http://www.computershare.com)



11 September 2015

Dear Shareholder,

I have pleasure in inviting you to attend our Annual General Meeting and have enclosed the Notice of Meeting, which sets out the items of business. The Meeting will be held at the Computershare Conference Centre, 'Yarra Falls', 452 Johnston Street, Abbotsford, Victoria 3067 on Thursday, 29 October 2015 at 11.30 am (AEDT).

If you are attending this Meeting, please bring this letter with you to facilitate your registration into the Meeting.

If you are unable to attend the Meeting, you are encouraged to complete the enclosed Proxy Form. The Proxy Form should be returned in the envelope provided or faxed to our Share Registry (Computershare Investor Services Pty Ltd) on 1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia) so that it is received by 11.30 am (AEDT) on Tuesday, 27 October 2015. Alternatively, it can be faxed to the Company on (03) 8530 7611 by this time.

As an alternative to returning the Proxy Form, you can also vote online at [www.investorvote.com.au](http://www.investorvote.com.au) by following the instructions on your Proxy Form.

Corporate shareholders will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's Share Registry.

Further detail about proxies and corporate representatives is set out in the Explanatory Notes to the Notice of Meeting.

I also enclose an Annual Report (if you indicated that you wanted to receive this document). Electronic copies of the Annual Report are also available from the Company's website: [www.jbhifi.com.au](http://www.jbhifi.com.au) or via [www.investorvote.com.au](http://www.investorvote.com.au).

I look forward to your attendance at the meeting.

Yours sincerely,

**Mr Greg Richards**  
Chairman

Encl:

For personal use

## **NOTICE OF ANNUAL GENERAL MEETING 2015**

Notice is hereby given that the Annual General Meeting of the shareholders of JB Hi-Fi Limited (“**Company**”) will be held on Thursday 29 October 2015 at 11.30 am (AEDT) at the Computershare Conference Centre, ‘Yarra Falls’, 452 Johnston Street, Abbotsford, Victoria 3067.

### **AGENDA**

**Item 1 Financial and other Reports**

To receive and consider the Financial Report, the Directors’ Report and Auditor’s Report for the financial year ended 30 June 2015.

**Item 2 Remuneration Report**

To consider and, if thought fit, to pass the following non-binding resolution as an ordinary resolution:

“That the Remuneration Report (which forms part of the Directors’ Report) for the financial year ended 30 June 2015 be adopted.”

**Item 3 Election of Ms Wai Tang and re-election of Mr Gary Levin and Ms Beth Laughton**

To elect or re-elect Directors of the Company, each election to be voted on separately:

- (a) “That Ms Wai Tang, being a Director of the Company appointed since the last Annual General Meeting, who retires pursuant to the Company’s Constitution, and, being eligible, offers herself for election, is elected as a Director of the Company.”
- (b) “That Mr Gary Levin, being a Director of the Company who retires by rotation pursuant to the Company’s Constitution, and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”
- (c) “That Ms Beth Laughton, being a Director of the Company who retires by rotation pursuant to the Company’s Constitution, and, being eligible, offers herself for re-election, is re-elected as a Director of the Company.”

**Item 4 Approval of grant of Options to Executive Director**

To approve the grant of options to the Executive Director, Mr Richard Murray.

“That approval be and is hereby given to the grant to Mr Richard Murray of 55,144 zero exercise price options over 55,144 shares in the Company, on the terms and conditions described in the Explanatory Notes.”

Dated this 11<sup>th</sup> day of September 2015.

By order of the Board.



Doug Smith  
Company Secretary  
JB Hi-Fi Limited

## **EXPLANATORY NOTES**

### **Voting entitlements**

The Board has determined, in accordance with the Company's Constitution and the Corporations Act 2001 (Cth), that all of the Company's Shares that are quoted securities at 7.00 pm (AEDT) on Tuesday 27 October 2015 will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time ("**Entitlement Time**"). Only holders of ordinary shares in the Company as at the Entitlement Time are entitled to attend and vote at the Annual General Meeting.

In accordance with the Corporations Act and the ASX Listing Rules, the Company will disregard any votes cast on certain resolutions by certain persons who are prohibited from voting on those resolutions. Details of any voting exclusions applicable to a specific resolution are set out in the Explanatory Notes for the resolutions below.

### **Proxies**

A shareholder entitled to attend and vote at the Annual General Meeting has the right to appoint a proxy, who need not be a shareholder of the Company. A shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To be effective, the Proxy Form must be deposited at the Company's Share Registry (details below) by **11.30 am (AEDT) on Tuesday 27 October 2015**:

#### *By Mail*

Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne Victoria 3001

#### *By Fax*

1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia)

#### *Online*

[www.investorvote.com.au](http://www.investorvote.com.au)

To use this facility please follow the instructions on your enclosed Proxy Form.

For Intermediary Online subscribers only (custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com).

Alternatively, the Proxy Form may be faxed to JB Hi-Fi Limited on (03) 8530 7611 by the time specified above.

Further information about the appointment of proxies is set out on the Proxy Form. In particular, please note that specific laws apply to voting on resolutions regarding the remuneration of key management personnel (as named in the Remuneration Report). To ensure that your vote counts, please carefully consider the proxy appointment instructions on the Proxy Form.

### **Corporate Representatives**

A shareholder or proxy that is a corporation and entitled to attend and vote at the Annual General Meeting may appoint an individual to act as its corporate representative.

Evidence of appointment of a corporate representative must be in accordance with section 250D of the Corporations Act and be lodged with the Company's Share Registry prior to commencement of the Meeting. A form of this certificate may be obtained from the Company's Share Registry.

## Agenda Items

### 2. Remuneration Report

The Directors' Report for the year ended 30 June 2015 (which is contained in the Company's Annual Report) contains a Remuneration Report, which sets out the policy for the remuneration of key management personnel (which includes the Directors and certain senior executives).

The Corporations Act requires that a resolution be put to a vote that the Remuneration Report be adopted. The vote is advisory only and does not bind the Company or its Directors. However, when considering the future remuneration arrangements of the Company, the Remuneration Committee and the Board will take into account feedback from its shareholders in relation to the Company's remuneration strategy, including the discussion and vote on this resolution.

The Company's remuneration strategy recognises the need to appropriately reward, incentivise and retain key employees. The Company aims to achieve this by setting competitive remuneration packages that include a mix of fixed remuneration and short and long term incentives.

As set out in the Annual Report the 2015 financial year has been a successful year for the Company, with management having delivered record revenue (increased by 4.8%), EBIT (increased by 5.1%) and EPS (increased by 7.4%). Over the period the Company's share price increased almost 6.5% from \$18.30 on 30 June 2014 to \$19.48 on 30 June 2015. Notwithstanding this performance, total executive remuneration has decreased from FY2014 as detailed in the Annual Report.

- **Remuneration Packages:** Richard Murray was appointed as CEO on 1 July 2014 with Nick Wells appointed CFO at this time. Remuneration packages for Richard and Nick were significantly lower than the packages for their predecessors in these roles.
- **Fixed Pay:** Fixed remuneration packages for the four executives who had been in their role for more than a year increased by between 3.0% and 5.0% from FY2014 to FY2015.
- **Short term incentive:** The Company's short term incentive plan rewards performance against both financial and non-financial measures. Between 63% - 71% of the available short term incentive ("STI") was paid to each executive compared to FY2014 for which between 81% - 85% was paid.
- **Long-term incentives:** As was the case in 2013 and 2014, no options issued to executives in previous years vested in FY2015.
- **Fees for Non-Executive Directors:** As noted in both the 2014 and 2015 Annual Reports, following a benchmarking analysis and remuneration recommendation, for FY2015 the fees for non-executive directors were increased for the first time since October 2010, in order to ensure that the remuneration levels remained competitive and that the Company is able to continue to attract and retain high calibre directors. Non-executive director remuneration remains within the amount determined by the Company in its Annual General Meeting on 12 October 2011 being \$1,250,000.

In setting FY2016 executive remuneration packages, the Company has decided to make a number of significant changes. These are:

- the introduction of deferred STI - To further enhance alignment with shareholder interests, the Company will introduce a component of deferred short term incentive for all executives. Executives will receive 90% of the FY2016 STI to which they are entitled in cash and the remaining 10% in shares which will be subject to a restriction on sale/disposal for 1 year after issue. It is the Company's intention to review the percentage of STI that will be subject to deferral with a view to increasing the deferred component in the next few years. The achievement of STI will continue to be subject to Group and individual performance targets;
- making all long-term incentives ("LTI") subject to both service and performance based conditions - Retention based LTI grants were made to executives in FY15 in the context of the CEO transition and to recognise the lack of vesting under the LTI, notwithstanding strong company performance. With the Company now through the CEO transition period, the Company no longer considers retention based grants to be necessary and all of the FY2016 LTI grant will be subject to both performance and service based conditions;
- the LTI award will consist entirely of zero exercise price options ("Zepos") - LTI grants previously comprised a combination of traditional options (with an exercise price) and Zepos. Given the fluctuation of the Company's share price over recent years (which has largely been influenced by external factors beyond the control of the executives), there is a risk that even where performance conditions are met, the exercise price under the traditional options will not exceed the market price and therefore hold no value for executives, notwithstanding the delivery of strong company performance. Accordingly, the Company no longer considers traditional options to be an appropriate instrument to give effect to its objectives of rewarding and motivating executives; and
- changes to the vesting schedule for LTIs – 2016 LTIs will require compound EPS growth of between 4% - 8% (FY2015: 5%-10%), with 50% vesting if 5% EPS growth is achieved (FY2015: 70% vesting at 5% EPS growth).

As a result of provisions in the Corporations Act known generally as the “two strikes rule”, shareholders should note that the result of the vote on this Item may affect next year’s Annual General Meeting. If 25% or more of the votes cast are “against” the adoption of the Remuneration Report at the 2015 and 2016 Annual General Meetings, the Corporations Act requires a resolution whether to spill the Board to be put to the 2016 AGM. The Directors therefore encourage shareholders to apply the same level of diligence as for the binding resolutions below in casting their vote on this Item 2.

**The Board recommends that shareholders vote in favour of this non-binding resolution.**

The Corporations Act prohibits any votes being cast on Item 2 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel of the Company (which includes the Directors and the Chairman) or a closely related party of that member. However, such a person may cast a vote on Item 2 if they do so as a proxy for a person who is permitted to vote and either:

- i. the proxy is appointed by writing that specifies the way in which the proxy is to vote on the resolution; or
- ii. the proxy is the Chairman and the appointment of the Chairman does not specify the way in which the Chairman is to vote on the resolution but expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of the key management personnel of the Company.

### 3. *Election and Re-election of Directors*

Ms Tang has been appointed as a Director by the Board with effect from 14 September 2015 and, in accordance with the Company’s Constitution, holds office until the conclusion of the Annual General Meeting unless elected at the Meeting. Ms Tang will be a member of the Company’s Audit & Risk Management Committee with effect from 14 September 2015. Ms Tang offers herself for election as a Director.

Mr Levin and Ms Laughton retire by rotation in accordance with the Company’s Constitution and offer themselves for re-election as Directors.

Mr James King has indicated that he will retire from the Board with effect from the conclusion of the Annual General Meeting and is not seeking re-election.

A profile of each candidate seeking election or re-election as a Director, and any other information that the Company believes to be relevant to the decision on whether or not to elect or re-elect such person, is set out below.

**a. Ms Wai Tang**  
**Non-Executive Director**  
**BAppSC, MBA, GAICD**

Wai has extensive retail industry experience and knowledge gained through senior executive and board roles. Her former senior executive roles included Operations Director for Just Group and Chief Executive Officer of the Just Group sleepwear business, Peter Alexander. Prior to joining the Just Group, Wai was General Manager of Business Development for Pacific Brands. Wai was also co-founder of the Happy Lab retail confectionery concept. Wai is a non-executive director and member of the audit & risk and nominations committees of Federation Centres, and a non-executive director of Kikki K and the Melbourne Festival. Wai’s former directorships include Speciality Fashion Group and the Melbourne Fashion Festival.

The Board notes that Federation Centres has ownership interests in a number of shopping centres in which the Company currently leases stores. The Board is of the opinion that Wai is an independent director on the basis that individual leasing arrangements at both the Company and Federation Centres are generally determined at a managerial level rather than Board or Board Committee level. In addition, the Company’s internal protocols provide that Wai would be excluded from any discussion and decision making where any conflict of interest arises between Wai’s role as a director of the Company and her role as a director of Federation Centres.

As recommended by the ASX Corporate Governance Principles and Recommendations, the Company has conducted checks as to Wai’s character, experience, education, criminal record and bankruptcy history, and no material adverse information has been revealed by these checks.

**b. Mr Gary Levin**  
**Non-Executive Director**  
**B.Comm, LLB**

Gary has over 30 years’ experience on the boards of public and private companies in the retail, investment and renewable energy fields in both executive and non-executive roles. He is currently on the board of Baby Bunting Group Ltd and a number of private investment companies. Gary holds a Bachelor of Commerce and Bachelor of Laws from the University of New South Wales and is a member of the New South Wales Bar Association and the Australian Institute of Company Directors. Gary has been a director of JB Hi-Fi since listing in 2003 and for the 3 years prior to that, and is also a member of the Remuneration Committee and the Audit and Risk Management Committee.

The Company is of the opinion that, notwithstanding his length of service, Gary is an independent director. Gary has a deep understanding of the Company and its business and continues to provide valuable input to the Board. Having considered the issue of independence, the Company believes that Gary has not formed associations with management (or other stakeholders) that might interfere with, or compromise, his ability to exercise independent, unfettered judgement or act in the best interests of the Company.

It is Gary's current intention to retire from the Board with effect from the conclusion of the Company's 2016 Annual General Meeting and this will be considered further nearer the time in the context of the Company's Board succession plans.

c. **Ms Beth Laughton**  
**Non-Executive Director**  
**B.Ec, FAICD, FCA**

After qualifying as a Chartered Accountant, Beth spent over 25 years in corporate finance, providing mergers and acquisition advice and arranging equity funding for companies in a range of industries including specialty retail. For 12 years her primary focus was on information technology, telecommunications and entertainment. She is also a member of the Board of GPT Funds Management Limited and of its Audit, Compliance & Risk Management Committee and of the Defence SA Advisory Board and its Audit & Risk Management Committee. Beth was a non-executive director and Chairman of the Audit Committee of Sydney Ferries from 2004 to 2010, a non-executive director of Port Adelaide Maritime Corporation from 2006 to 2007, a non-executive director and member of the Audit Committee of the ASX listed Australand Property Group companies between May 2012 and October 2014, and Chair of the Audit Committee and a Non-Executive Director of CRC Care Pty Ltd from March 2012 to December 2014. Beth was appointed to the JB Hi-Fi Board in May 2011 and became Chair of the Audit & Risk Management Committee on 1 June 2012.

The Board notes that GPT Funds Management Limited is the responsible entity for the GPT Wholesale Shopping Centre Fund and that this Fund has ownership interests in a number of shopping centres in which the Company currently leases stores. The Board is of the opinion that Beth is an independent director on the basis that individual leasing arrangements at both the Company and GPT are generally determined at a managerial level rather than Board level. In addition, the Company's internal protocols provide that Beth would be excluded from any discussion and decision making where any conflict of interest arises between Beth's role as a director of the Company and her role as a director of GPT Funds Management Limited.

**The Board has considered the skills, experience, knowledge and independence of each candidate and recommends (with each director abstaining in respect of their own election) that shareholders vote in favour of these resolutions.**

4. *Approval of grant of Options to Executive Director – 2015*

The Board believes that a significant portion of the Executive Director's and senior management's remuneration should be linked to sustained growth in long term shareholder wealth. In that regard, the Company operates an equity based incentive plan as part of its long term remuneration strategy.

Under ASX Listing Rule 10.14, shareholder approval is required in order for a director to be issued securities under an employee incentive scheme. Accordingly, shareholder approval is sought for the grant to the Executive Director, Mr Richard Murray, of 55,144 zero exercise price options ("Zepos"). As detailed in the Explanatory Notes for Item 2 and in Appendix 1, each of the Zepos is subject to both performance hurdles and a service based vesting condition.

Subject to the approval for the grant of these Zepos by shareholder resolution, the grant of Zepos to Mr Murray will not be included in any 15% calculation for the purposes of ASX Listing Rule 7.1 (by virtue of the application of Listing Rule 7.2 Exception 14).

The Zepos to be granted to Mr Murray will be granted pursuant to and subject to the JB Hi-Fi Executive Option Plan (JB Plan). The key terms of the Zepos to be granted to Mr Murray are summarised in the Table set out in Appendix 1.

**The Board (with Mr Murray abstaining), recommend that shareholders vote in favour of this Item 4.**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Item 4 by or on behalf of Mr Murray and any of his associates. In addition, the Corporations Act provides that a member of the Company's key management personnel (including the Directors and the Chairman) who are disclosed in the Remuneration Report, and their closely related parties, are not permitted to cast a vote as a proxy on these resolutions. However, these restrictions will not apply where:

- i. a vote is cast by a person as a proxy for a person who is permitted to vote, in accordance with a direction on the proxy form; or
- ii. where the appointment does not specify the way in which the proxy is to vote on the resolution, the proxy is the Chairman and the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of members of the key management personnel of the Company.

**Appendix 1: Summary of Options to be granted to R Murray**

<b>Number and value of Zepos granted</b>	<p>55,144 Zepos</p> <p>Each Zepo is to acquire one share in the Company.</p> <p>The value of the grant is \$960,000, based upon the 5 day VWAP commencing on the day after the date of release of the Company's FY2015 full year results (11 August 2015 - 17 August 2015) which was \$20.66.</p>								
<b>Issue date</b>	<p>Subject to shareholder approval, the issue of Zepos will occur no later than 12 months from the date of the 2015 Annual General Meeting.</p>								
<b>Price payable on grant or exercise</b>	<p>No amount will be payable in respect of the grant, or on the exercise, of the Zepos.</p>								
<b>Vesting</b>	<p>One third of the Zepos will generally be eligible to vest and become exercisable on each of the third, fourth and fifth anniversaries of the effective date of the grant, provided that Mr Murray remains employed by the Company at this time.</p> <p>The effective date of the grant is 14 August 2015 in order to align the 3, 4 and 5 year vesting periods with performance hurdle testing which will take place in August of each year.</p> <p>Vesting of the Zepos is subject to the performance hurdles being satisfied.</p>								
<b>Expiry</b>	<p>Zepos will expire 6 years after the effective date of the grant (13 August 2021) if they have not been exercised.</p>								
<b>Performance hurdles</b>	<p>The vesting of the Zepos is subject to performance hurdles related to earnings per share ("EPS"). The Board considers EPS growth to be an appropriate performance measure as it drives longer term shareholder return and is a performance metric within management's control to deliver.</p> <p>The following vesting schedule will apply:</p> <table border="1"> <thead> <tr> <th>Compound annual EPS growth achieved</th> <th>Portion of grant vesting</th> </tr> </thead> <tbody> <tr> <td>4%</td> <td>40%</td> </tr> <tr> <td>5%</td> <td>50%</td> </tr> <tr> <td>8%</td> <td>100%</td> </tr> </tbody> </table> <p>Where compound annual EPS growth is between 4% and 5%, up to 10% will vest on a linear basis.</p> <p>Where compound annual EPS growth is between 5% and 8%, the remaining 50% will vest on a linear basis.</p> <p>The base EPS figure is 137.91 cents, being the EPS figure for the financial year ending 30 June 2015.</p> <p>One third of the Zepos will be tested (generally around August each year following the release of the Company's full year results) against the EPS hurdle following the end of the 2018, 2019 and 2020 financial years. If an EPS hurdle is not achieved in one financial year, any Zepos that do not vest will be aggregated with those in the next tranche, and will be retested in the following financial year (up to and including 2020) on a cumulative EPS growth target.</p>	Compound annual EPS growth achieved	Portion of grant vesting	4%	40%	5%	50%	8%	100%
Compound annual EPS growth achieved	Portion of grant vesting								
4%	40%								
5%	50%								
8%	100%								

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<b>Performance hurdles (contd)</b>	<p>The following table demonstrates how the EPS growth target is tested (and, if applicable, compounded for a retest) based on Zepos granted in August 2015 and expiring in August 2021 and judged against an EPS hurdle of (i) 4% and (ii) 8%.</p> <table border="1" data-bbox="352 280 1442 869"> <thead> <tr> <th>Year</th> <th>Aug 2015</th> <th>Aug 2016</th> <th>Aug 2017</th> <th>Aug 2018</th> <th>Aug 2019</th> <th>Aug 2020</th> <th>Aug 2021</th> </tr> </thead> <tbody> <tr> <td><b>Zepos tested</b></td> <td>Grant</td> <td>n/a</td> <td>n/a</td> <td>Test for first tranche required - based on FY18 results</td> <td>Test for second tranche and retest for first tranche as necessary - based on FY19 results</td> <td>Test for third tranche and retest for first and second tranches as necessary - based on FY20 results</td> <td>No retest. Zepos expire in Aug 2021</td> </tr> <tr> <td><b>4% EPS growth</b></td> <td>Base EPS = 137.91</td> <td>n/a</td> <td>n/a</td> <td>Required EPS = 155.13</td> <td>Required EPS = 161.34</td> <td>Required EPS = 167.79</td> <td>n/a</td> </tr> <tr> <td><b>8% EPS growth</b></td> <td>Base EPS = 137.91</td> <td>n/a</td> <td>n/a</td> <td>Required EPS = 173.73</td> <td>Required EPS = 187.63</td> <td>Required EPS = 202.64</td> <td>n/a</td> </tr> </tbody> </table>	Year	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019	Aug 2020	Aug 2021	<b>Zepos tested</b>	Grant	n/a	n/a	Test for first tranche required - based on FY18 results	Test for second tranche and retest for first tranche as necessary - based on FY19 results	Test for third tranche and retest for first and second tranches as necessary - based on FY20 results	No retest. Zepos expire in Aug 2021	<b>4% EPS growth</b>	Base EPS = 137.91	n/a	n/a	Required EPS = 155.13	Required EPS = 161.34	Required EPS = 167.79	n/a	<b>8% EPS growth</b>	Base EPS = 137.91	n/a	n/a	Required EPS = 173.73	Required EPS = 187.63	Required EPS = 202.64	n/a
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<b>Exercise period and cessation of employment</b>	<p>Once vested, Zepos may be exercised at any time up until their expiry subject to the following.</p> <p>The term of each Zepto ("Exercise Period") will be determined as follows, unless the Company determines otherwise:</p> <ul style="list-style-type: none"> <li>(i) Any unvested Zepto lapses upon the earlier of: <ul style="list-style-type: none"> <li>(a) the holder ceasing to be employed by the Company or a related body corporate for any reason (other than in the circumstance set out in (c) below);</li> <li>(b) 5 pm on 13 August 2021;</li> <li>(c) where a holder ceases to be engaged by the Company by reason of death or disability of the holder or a family member and the Board waives any unsatisfied vesting conditions and/or makes a determination that some or all of the unvested Zepos may continue to be held, 6 months after the holder ceases to be employed; and</li> <li>(d) immediately on the occurrence of a change of control of the Company (being when a person or entity becomes entitled to be the registered holder of 100% of the shares in the Company); and</li> </ul> </li> <li>(ii) Any vested Zepto, if unexercised, will expire on the earlier of: <ul style="list-style-type: none"> <li>(a) the holder ceasing to be employed by the Company or a Related Body Corporate for a "bad leaver" cause as specified under the JB Plan (including for example, where the holder commits a serious breach of contract with the Company or is convicted of a criminal offence which might injure the reputation of the Company);</li> <li>(b) immediately on the occurrence of a change of control of the Company (being when a person or entity becomes entitled to be the registered holder of 100% of the shares in the Company); and</li> <li>(c) 5 pm on 13 August 2021.</li> </ul> </li> </ul>																																
<b>Trading restrictions</b>	<p>Any shares allocated following exercise of the Zepos will be subject to the trading restrictions set out in the Company's Securities Trading Policy.</p>																																
<b>Corporate actions</b>	<p>There are no participation rights or entitlements inherent in the Zepos and holders will not be entitled to participate in new issues of capital offered to shareholders during the Exercise Period.</p>																																



**Other required information – ASX Listing Rules**



Mr Murray is the only director currently entitled to participate in the JB Plan.

In accordance with the approval received from shareholders at the 2014 Annual General Meeting, the Company has granted:

- 101,537 standard options over 101,537 shares; and
- 33,605 zero exercise price options over 33,605 shares

to Mr Murray in accordance with that prior approval.

## Lodge your vote:

  **Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number:**

**SRN/HIN:**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 11.30 am (AEDT) Tuesday 27 October 2015**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of JB Hi-Fi Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of JB Hi-Fi Limited to be held at Computershare Conference Centre, "Yarra Falls", 452 Johnston Street, Abbotsford, Victoria on Thursday, 29 October 2015 at 11.30am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 & 4 (except where I/we have indicated a different voting intention below) even though Items 2 & 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2 & 4 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

### ORDINARY BUSINESS

	For	Against	Abstain
Item 2 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3a Election of Ms Wai Tang as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b Re-election of Mr Gary Levin as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3c Re-election of Ms Beth Laughton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Approval of grant of Options to Executive Director - Mr Richard Murray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_