



JB Hi-Fi Limited
ABN 80 093 220 136

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
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12 September 2014

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 Wednesday, 29 October 2014 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 Monday, 27 October 2014. 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 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 or via 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 2014

Notice is hereby given that the Annual General Meeting of the shareholders of JB Hi-Fi Limited ("**Company**") will be held on Wednesday 29 October 2014 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 2014.

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 2014 be adopted."

Item 3 Re-election of Mr Greg Richards and Mr Richard Uechtritz

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

- (a) "That Mr Greg Richards, 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."
- (b) "That Mr Richard Uechtritz, 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."

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:

- (i) 101,537 options over 101,537 shares in the Company, each option having an exercise price of \$17.72; and
 - (ii) 33,605 options over 33,605 shares in the Company, each option having a \$0 exercise price,
- on the terms and conditions described in the Explanatory Notes."

Dated this 12th day of September 2014.

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 Monday 27 October 2014 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 Monday 27 October 2014**:

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

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

For Intermediary Online subscribers only (custodians) 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 2014 (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 our 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 2014 financial year was a successful year for the Company, with management having delivered record revenue and increased EBIT by 7.5%, NPAT by 10.3% and EPS by 9.1% from the previous financial year. Over the financial year the Company's share price increased almost 9% from \$16.81 at 30 June 2013 to \$18.30 on 30 June 2014. Despite the record revenue result and strong growth in EBIT, the aggregate of fixed pay and Short Term Incentive ("STI") earned by executives for FY2014 slightly decreased compared to FY2013 as a result of executives receiving between 81-85% of available STI in FY2014 as opposed to 100% in FY2013. No options granted to 5 of the 6 executives in previous years actually vested in FY2014, as the performance conditions were not met.

The Company also announced the retirement of Terry Smart as Chief Executive Officer effective from 30 June 2014 and the appointment of Richard Murray to the role. Further details regarding Mr Smart's retirement and Mr Murray's appointment, as well as retention arrangements for senior executives during the CEO transition, are set out in the Remuneration Report.

For the 2014 financial year non-executive directors' fees remained at the level set in October 2010.

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 2014 and 2015 Annual General Meetings, the Corporations Act requires a resolution whether to spill the Board to be put to the 2015 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 of Directors

A profile of each candidate for re-election as a Director is set out below.

(a) Mr Greg Richards
Chairman and Non-Executive Director
B.Ec (Hons)

Greg was appointed to the Board in December 2007 and was appointed Chairman of the Board in June 2012. Greg is a member and Chairman of the Remuneration Committee and was Chairman of the Audit and Risk Management Committee from February 2010 until May 2012. Prior to joining the Board, Greg had over 25 years' experience in the investment banking industry. Most recently he was with Goldman Sachs JBWere for over 19 years where he was an equity partner for 17 years, working primarily in equity capital markets. Greg is also currently a consultant to Onsite Rental Group and involved in a voluntary capacity with several not-for-profit entities.

(b) Mr Richard Uechtritz
Non-Executive Director

Richard has over 20 years' experience in retailing. He was co-founder of Australia's two leading photo chains, Rabbit Photo and Smiths Kodak Express. He was also a director of Kodak (Australasia) Pty Ltd. Richard led the management buy-in of JB Hi-Fi in July 2000 and was CEO and Managing Director until his resignation from these positions in May 2010. Richard re-joined the Board in April 2011 as a non-executive director. He is also a non-executive director of Seven Group Holdings Limited.

The Board has considered the skills, experience and knowledge 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 – 2014

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:

- (i) "Standard Options", each having an exercise price of \$17.72, a service condition and a performance hurdle; and
- (ii) "Zero Exercise Price Options", which do not have an exercise price. Two thirds of the ZEPOs are subject to both performance hurdles and service based vesting conditions ("Performance & Service ZEPOs"). One third of the ZEPOs are subject to service based vesting conditions only ("Service Only ZEPOs").

The Standard Options, Performance & Service ZEPOs and Service Only ZEPOs are together referred to as the "Options".

The Board believes that the combination of Standard Options, Performance & Service ZEPOs and Service Only ZEPOs provide an appropriate balance in seeking to both reward and retain the Company's executives. Despite the strong performance of the Company and the management team during the difficult retail trading conditions of the past few years, the stretching 15-20% and 10-15% CAGR EPS performance hurdles applicable to the Options granted in 2012 and earlier (that became eligible for testing in the past 3 years) have not been met. As a result, no options previously granted to Mr Murray have vested during the past 3 years. Accordingly, to guard against the risk of executives devaluing the long term incentive element of their packages and to give effect to the dual purpose of reward and retention, the Board believes it is appropriate to grant a relatively small proportion of share options which are subject only to a service condition and therefore solely focused on retention of executives. The purpose of these retention share options is to ensure executives remain motivated and continue to value the long term incentive.

Subject to the approval for the grant of Options by shareholder resolution, the grant of Options 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 9).

The Options 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 Options 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



	Standard Options	Performance & Service ZEPOs	Service Only ZEPOs
Number of Options and shares granted	101,537 Standard Options. Each Standard Option is to acquire one share in the Company.	22,403 Performance & Service ZEPOs. Each Performance & Service ZEPO is to acquire one share in the Company.	11,202 Service Only ZEPOs. Each Service Only ZEPO is to acquire one share in the Company.
Issue date	Subject to shareholder approval, the issue of Options will occur no later than 12 months from the date of the 2014 Annual General Meeting.		
Vesting	<p>One third of the Standard Options 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 15 August 2014 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 is subject to the performance hurdle and share price hurdle being satisfied.</p>	<p>One third of the Performance & Service 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 15 August 2014 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 Performance & Service ZEPOs is subject to the performance hurdle being satisfied.</p>	<p>One third of the Service Only 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>If the Company terminates Mr Murray's employment before that time (other than for cause) the Service Only ZEPOs will remain "on foot" and vest in accordance with the original schedule.</p> <p>The effective date of the grant is 15 August 2014.</p>
Expiry	Options will expire 6 years after the effective date of the grant (14 August 2020) if they have not been exercised.		


	Standard Options	Performance & Service ZEPOs	Service Only ZEPOs																																
Performance hurdle	<p>The vesting of the Standard Options and the Performance & Service ZEPOs are subject to a performance hurdle 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>Under the EPS hurdle:</p> <ul style="list-style-type: none"> - If compound annual EPS growth of 5% is achieved, 70% of the relevant Options will vest. - If compound annual EPS growth of 10% or more is achieved, the remaining 30% of the relevant Options will vest. - If compound annual EPS growth of between 5-10% is achieved, a proportion of the remaining 30% of the relevant Options will vest on a linear basis. <p>The base EPS figure is 128.4 cents, being the EPS figure for the financial year ending 30 June 2014.</p> <p>One third of the Standard Options and the Performance & Service 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 2017, 2018 and 2019 financial years. If an EPS hurdle is not achieved in one financial year, any Options 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 2019) on a cumulative EPS growth target.</p> <p>The following table demonstrates how the EPS growth target is tested (and, if applicable, compounded for a retest) based on Options granted in August 2014 and expiring in August 2020 and judged against an EPS hurdle of (i) 5% and (ii) 10%.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Aug 2014</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> </tr> </thead> <tbody> <tr> <td>Options tested</td> <td>Grant</td> <td>n/a</td> <td>n/a</td> <td>Test for first tranche required - based on FY17 results</td> <td>Test for second tranche and retest for first tranche as necessary - based on FY18 results</td> <td>Test for third tranche and retest for first and second tranches as necessary - based on FY19 results</td> <td>No retest. Options expire in Aug 2020</td> </tr> <tr> <td>5% EPS growth</td> <td>Base EPS = 128.4</td> <td>n/a</td> <td>n/a</td> <td>Required EPS = 148.6</td> <td>Required EPS = 156.1</td> <td>Required EPS = 163.9</td> <td>n/a</td> </tr> <tr> <td>10% EPS growth</td> <td>Base EPS = 128.4</td> <td>n/a</td> <td>n/a</td> <td>Required EPS = 170.9</td> <td>Required EPS = 188.0</td> <td>Required EPS = 206.8</td> <td>n/a</td> </tr> </tbody> </table>		Year	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019	Aug 2020	Options tested	Grant	n/a	n/a	Test for first tranche required - based on FY17 results	Test for second tranche and retest for first tranche as necessary - based on FY18 results	Test for third tranche and retest for first and second tranches as necessary - based on FY19 results	No retest. Options expire in Aug 2020	5% EPS growth	Base EPS = 128.4	n/a	n/a	Required EPS = 148.6	Required EPS = 156.1	Required EPS = 163.9	n/a	10% EPS growth	Base EPS = 128.4	n/a	n/a	Required EPS = 170.9	Required EPS = 188.0	Required EPS = 206.8	n/a	<p>Vesting of the Service Only ZEPOs is not subject to any performance hurdle.</p>
Year	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019	Aug 2020																												
Options tested	Grant	n/a	n/a	Test for first tranche required - based on FY17 results	Test for second tranche and retest for first tranche as necessary - based on FY18 results	Test for third tranche and retest for first and second tranches as necessary - based on FY19 results	No retest. Options expire in Aug 2020																												
5% EPS growth	Base EPS = 128.4	n/a	n/a	Required EPS = 148.6	Required EPS = 156.1	Required EPS = 163.9	n/a																												
10% EPS growth	Base EPS = 128.4	n/a	n/a	Required EPS = 170.9	Required EPS = 188.0	Required EPS = 206.8	n/a																												

	Standard Options	Performance & Service ZEPOs	Service Only ZEPOs
Share price condition	<p>The Standard Options are also subject to the following vesting condition which must be satisfied following the satisfaction of the performance hurdle and relevant vesting period:</p> <p>(i) the 5 day volume weighted average share price of the Company's shares exceeds the exercise price. The relevant period for calculating the 5 day volume weighted average share price is any period of 5 consecutive Trading Days (as defined in the ASX Listing Rules) on which Mr Murray is permitted to trade in JB Hi-Fi Limited securities pursuant to the Company's Securities Trading Policy; or</p> <p>(ii) the executive ceases to be engaged by the Company and the 5 day volume weighted average share price of the Company's shares exceeds the exercise price. The relevant period for calculating the 5 day volume weighted average share price is the 5 consecutive Trading Days (as defined in the ASX Listing Rules) prior to the executive ceasing engagement.</p>	<p>There is no share price condition for Performance & Service ZEPOs.</p>	<p>There is no share price condition for Service Only ZEPOs.</p>
Price payable on grant or exercise	<p>No amount will be payable in respect of the grant of the Standard Options.</p> <p>However, the Exercise Price of \$17.72 is the price that Mr Murray will have to pay to acquire a share in the Company upon the exercise of a Standard Option. The Exercise Price for each Standard Option was calculated as being the volume weighted average share price of the Company's shares over the 5 trading days following and including the date of release of the Company's 30 June 2014 full year results (11 August 2014 - 15 August 2014).</p>	<p>No amount will be payable in respect of the grant, or on the exercise, of the Performance & Service ZEPOs</p>	<p>No amount will be payable in respect of the grant, or on the exercise, of the Service Only ZEPOs.</p>

	Standard Options	Performance & Service ZEPOs	Service Only ZEPOs
Exercise period and cessation of employment	<p>Once vested, Options may be exercised at any time up until their expiry subject to the following.</p> <p>The term of each option ("Exercise Period") will be determined as follows, unless the Company determines otherwise:</p> <p>(i) Any unvested Option lapses upon the earlier of:</p> <p>(a) the Option 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 or as set out in the "Vesting" section above in respect of Service Only ZEPOs);</p> <p>(b) 5 pm on 14 August 2020;</p> <p>(c) where an Option holder ceases to be engaged by the Company by reason of death or disability of the Option 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 Options may continue to be held, 6 months after the Option Holder ceases to be employed; and</p> <p>(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</p> <p>(ii) Any vested Option, if unexercised, will expire on the earlier of:</p> <p>(a) the Option 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 Option 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);</p> <p>(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</p> <p>(c) 5 pm on 14 August 2020.</p>		
Trading restrictions	Any shares allocated following exercise of the Options will be subject to trading restrictions set out in the Company's Securities Trading Policy.		
Corporate actions	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the Exercise Period.		
Other required information – ASX Listing Rules	<p>Mr Murray is the only director currently entitled to participate in the JB Plan.</p> <p>In accordance with the approval received from shareholders at the 2013 Annual General Meeting, the Company has granted:</p> <ul style="list-style-type: none"> • 38,414 standard options over 38,414 shares; and • 9,800 zero exercise price options over 9,800 shares <p>to Mr Murray in accordance with that prior approval. The Exercise Price for the standard options is \$18.93.</p> <p>No amount was payable in respect of the grant of any of these options.</p> <p>In accordance with the approval received from shareholders at the 2013 Annual General Meeting, the Company granted the Company's former CEO, Terry Smart, who retired on 30 June 2014:</p> <ul style="list-style-type: none"> • 82,768 standard options over 82,768 shares; and • 21,115 zero exercise price options over 21,115 shares <p>to Mr Smart in accordance with that prior approval. The Exercise Price for the standard options is \$18.93.</p> <p>All of these options lapsed as a result of Mr Smart's retirement. Further details regarding Mr Smart's retirement are set out in the Remuneration Report.</p>		

Lodge your vote:

  **Online:**
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

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 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: 137126

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 11.30am (AEDT) Monday, 27 October 2014**

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 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 Wednesday, 29 October 2014 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 Re-election of Mr Greg Richards as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b Re-election of Mr Richard Uechtritz as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Approval of grant of Options to Executive Director - 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 / /