



JB Hi-Fi Limited
ABN 80 093 220 136

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2555
www.computershare.com

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, 13 October 2010 at 11.30 am (AEDT).

If you are attending this meeting, please bring this letter with you to facilitate 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 on 61 3 9473 2555 so that it is received by 11.30 am (AEDT) on Monday, 11 October 2010.

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.

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

I look forward to your attendance at the meeting.

Yours sincerely,

Mr Patrick Elliott
Chairman

Encl:

For personal use only



JB Hi-Fi Limited
ABN 80 093 220 136

Lodge your vote:



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

For your vote to be effective it must be received by 11.30am (AEDT) Monday 11 October 2010

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 as they choose. 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

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 information tab, "Downloadable 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.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:



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

This Document is printed on Greenhouse Friendly™ ENVI Laser Carbon Neutral Paper

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, 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, 13th October 2010 at 11.30am (AEDT) and at any adjournment of that meeting.

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 James King as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3b Re-election of Mr Greg Richards as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

Item 4 Approval of grant of Options to Mr Terry Smart	<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.

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 / / _____

Notice of Annual General Meeting
Wednesday 13 October 2010

JB Hi-Fi Limited ABN 80 093 220 136

Notice is hereby given that the Annual General Meeting of the shareholders of JB Hi-Fi Limited ("**Company**") will be held at the Computershare Conference Centre, 'Yarra Falls', 452 Johnston Street, Abbotsford, Victoria 3067 on Wednesday 13 October 2010 at 11.30 am (AEDT).

Ordinary Business:

Item 1 Consider Accounts and Reports

To receive and consider the financial report of the Company for the financial year ended 30 June 2010 together with the directors' report and auditor's reports for the financial year ended 30 June 2010.

Item 2 Remuneration Report

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

"That the Remuneration Report for year ending 30 June 2010 be adopted."

Item 3 Re-election of Mr James King and Mr Greg Richards

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

- (a) "In accordance with the Company's Constitution, Mr James King retires by rotation and, being eligible, offers himself for re-election."
- (b) "In accordance with the Company's Constitution, Mr Greg Richards retires by rotation and, being eligible, offers himself for re-election."

Special Business:

Item 4 Approval of grant of Options to Executive Director - 2010

Approval of grant of Options to an Executive Director – Mr Terry Smart

"That pursuant to ASX Listing Rules, including Rule 10.14 and for all other purposes, approval be and is hereby given, to the grant of 111,528 Options over Shares in the Company to Mr Terry Smart, exercisable at \$19.75 each, on the terms and conditions described in the Explanatory Notes."

Item 4 - Exclusion from Voting on Resolution 4

The Company will disregard any votes cast on Resolution 4 by Mr Smart and any associate of his. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Other Business:

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

Dated this 6th day of September 2010.

By order of the Board.



Richard Murray
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, that all of the Company's Shares that are quoted securities at 7.00 pm (AEDT) on Monday 11 October 2010 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.

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. If a shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy's appointment and, if signed by the appointer's attorney, the authority under which the appointment was signed or a certified copy of the authority, must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne Victoria 3001 or by facsimile to Computershare on (03) 9473 2555 or to the Company on (03) 8530 7611.

Item 2 Remuneration Report

The directors' report for the year ended 30 June 2010 contains a Remuneration Report, which sets out the policy for the remuneration of the Directors and the Company Secretary. The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory only and does not bind the Directors or the Company.

Item 3 - Election of Directors

Mr King and Mr Richards retire by rotation in accordance with the Company's Constitution. Each of these Directors offers themselves for re-election as a Director.

The Board recommends that shareholders vote in favour of the resolutions re-electing each of Messrs King and Richards as a Director.

The following information has been provided by each candidate in support of their re-election as a Director.

Mr James King

Non-Executive Director

B.Comm, FAICD

Mr King has over 30 years experience in major companies in Australia and internationally. He was previously with Foster's Group Limited as Managing Director Carlton & United Breweries and Managing Director Foster's Asia. Prior to joining Fosters, he spent six years in Hong Kong as President of Kraft Foods (Asia Pacific). He is currently a non-executive director of Navitas Ltd, Trust Company Ltd and Pacific Brands Ltd. Mr King is also Chairman of Juvenile Diabetes Research Foundation (Victoria) and on the Council of Xavier College. Mr King is a Fellow of the Australian Institute of Company Directors. Mr King was appointed to the Board in October 2003 and was Chairman from March 2006 until September 2007. Mr King is currently a member of the Audit and Risk Management Committee.

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

Mr Richards has 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. He is also currently involved as a consultant to Upstream Print Solutions Group and works in a voluntary capacity with several not-for-profit entities. Mr Richards was appointed to the Board in December 2007. Mr Richards is currently the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee.

Item 4 – Approval of Issue of Options to Executive Director - 2010

Shareholder approval is sought for the grant to Mr Smart of 111,528 Options over 111,528 Shares.

There are presently a total of 109,147,279 Shares on issue and the Options proposed to be granted to Mr Smart represents approximately 0.10% of the current issued Shares. During the 12 months prior to the date of this notice, the Shares traded in the range of \$18.30 to \$23.62.

Since the last approval of Options to the Executive Directors at the Annual General Meeting on 14 October 2009, the Company has granted the following Options in accordance with that prior approval:

- (a) Mr Uechtritz has been granted 174,656 Options over 174,656 Shares; and
- (b) Mr Smart has been granted 92,311 Options over 92,311 Shares.

The Non-Executive Directors of the Company (none of whom have any personal interests in the outcome of this resolution) consider that the proposed grant of Options to Mr Smart in 2010 is reasonable given the circumstances of the Company, and each recommend in favour of approval by shareholders.

The Options vest in three approximately equal tranches, on the second, third and fourth anniversary of issue if the performance criteria are satisfied. Once vested, they may be exercised anytime (subject to the Company's Share Trading Policy) up until their expiry. See below for the rules on when the Options expire.

The Options to be granted to Mr Smart will be granted pursuant and subject to the JB Executive Option Plan (JB Plan). Under the JB Plan, the key terms of the Options are summarised as follows:

- The Options vest in three approximately equal tranches, on the second, third and fourth anniversary of their issue if the performance criteria are satisfied;
- The vesting of each tranche of Options is subject to a performance criteria related to earnings per share. In order for 70% of the Options in each tranche to vest, a compound annual earnings per share growth of 10% is necessary with the vesting of the remaining 30% of Options requiring a compound annual earnings per share growth of 15% being obtained;
- The Options have a nil issue price. The Exercise Price is \$19.75 per Option. The Exercise Price is calculated as being the closing volume weighted average share price of the Company's shares over the 5 trading days post and including the date of release of the Company's 30 June 2010 full year results (9 August 2010);
- Subject to shareholder approval, the effective date of the grant of options to Mr Smart is 13 August 2010.
- The term of each option ("Exercise Period") will be determined as follows. Each Option lapses where the Option:
 - (i) has not vested in and become exercisable by the Option holder, the earlier of (a) - immediately upon the Option holder ceasing to be employed or engaged by the Company or a Related Body

Corporate for any reason (other than death or disability); and (b) 5 pm on the date which is 5 years from the date the Option is granted to the Option holder; and (c) subject to Board approval, 6 months after the Option holder ceases to be engaged by the Company by reason of death or disability of the Option holder or a family member, and (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) or

- (ii) has vested in and become exercisable by the Option holder, the earlier of (a) immediately upon the Option holder ceasing to be employed or engaged by the Company or a Related Body Corporate for cause as determined under the JB Plan (including for example, commits a breach of contract with the Company or is convicted of a criminal offence which might injure the reputation of the Company); and (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 (c) 5 pm on the date which is 5 years from the date the Option is granted to the Option holder.
- There are no participating 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;
 - If at any time the issued capital of the Company is reconstructed or there is a pro-rata issue of shares, all rights of an Option holder are to be changed as provided in the JB Plan and consistent with ASX Listing Rules 6.22.2 and 7.22.
 - The grant of Options in the Company will occur no later than 12 months from the date of the Annual General Meeting.

The Company intends to use the proceeds raised from the exercise of the Options for general corporate funding requirements.

If Resolution 4 is passed, the Options will be granted to Mr Smart, who is a Director of the Company. Accordingly, approval for the grant of Options is required pursuant to ASX Listing Rule 10.14.