



JB HI-FI LIMITED

Annual General Meeting

30th October 2007

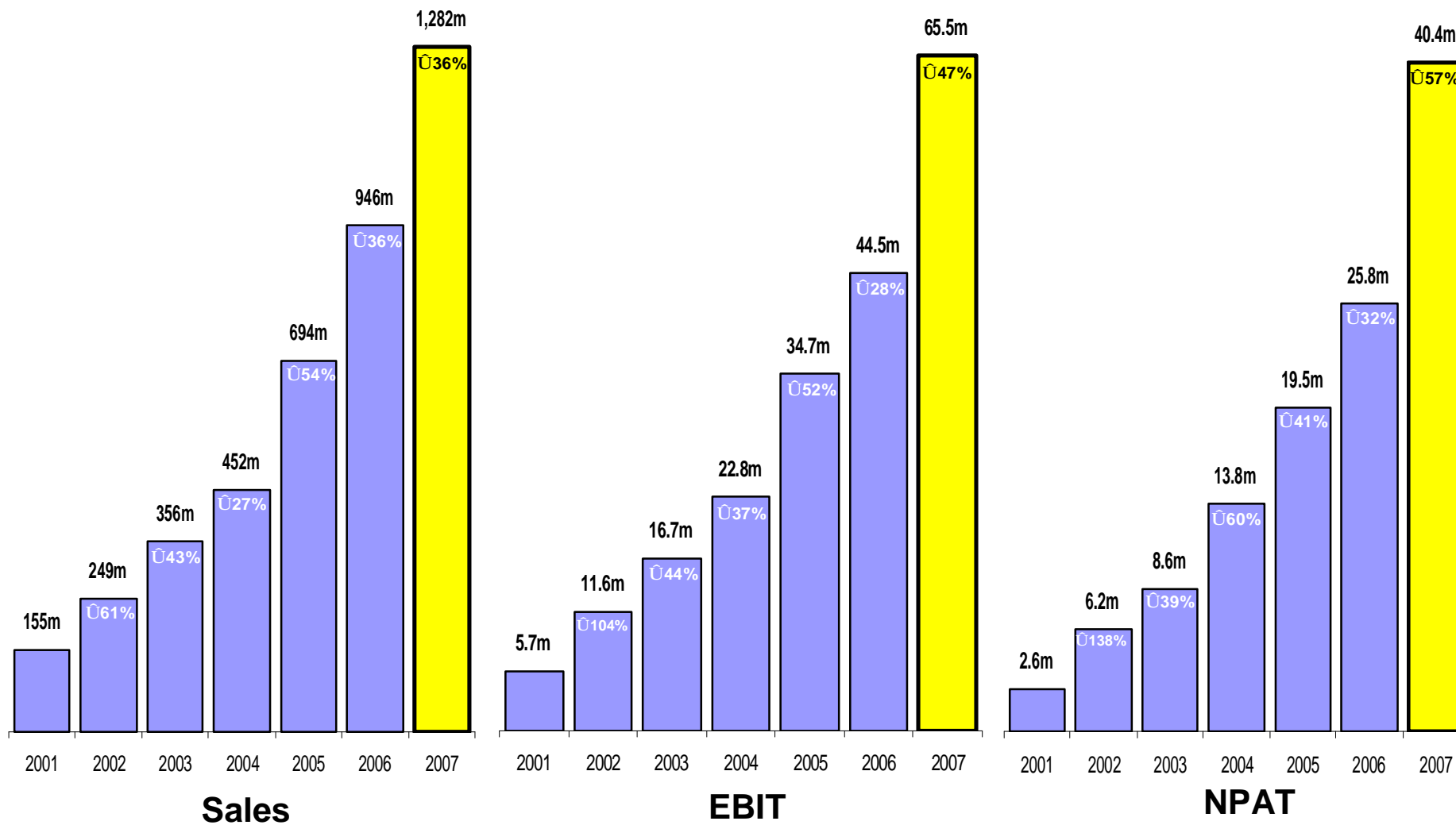
AGENDA

- **Presentations by Chairman and Chief Executive Officer**
 - **Item 1: Tabling & Consideration of 2007 Accounts and Reports**
 - **Item 2: Adoption of remuneration report**
 - **Item 3: Re-election of directors**
 - **Item 4: Approval of grant of Options to Executive Directors in 2007**
 - **Item 5: Increase in Directors' fees**
 - **Other Business**
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CHAIRMAN'S ADDRESS

Mr Patrick Elliott



Strong Shareholder Return:

- | **Dividends of 11.0 cents per share up 45%.**
- | **Since the IPO in October 2003 annual compound growth of 74.1% vs. 19.4% for the ASX 200.***

Sustainable Competitive Advantage:

The company's strategy:

- | Every day focus on lowest cost of doing business.**
- | A broad range of every day low priced products for our customers.**

JB's unique product ranging, mix and branding that drives very high levels of store productivity and a real focus on cost control. Our cost of doing business was 16.0% vs. 17.1%.

This cost advantage is reinforced by:

- | increasing store sales and the new store roll.**
 - | economies of scale driving buying power.**
 - | technology and training.**
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Roll Out Continues:

- | **We have successfully expanded into all mainland states of Australia and we will open a store in Hobart before Christmas.**
 - | **Successful expansion into locations outside the major cities.**
 - | **Continued success in a variety of operation formats including shopping centres, home maker or big box centres and stand alone destination stores.**
 - | **Flexible format provides JB with the flexibility to secure the best possible locations in each area.**
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Diversified Product Offering:

- | **Adoption and increasing penetration of new technology such as plasma and LCD TVs, MP3 players and DVD recorders.**

 - | **Shift of product mix to be an early leader in new technologies promising high growth and significant volume. E.g. Games market and the growing IT/computers market.**

 - | **In May this year the company announced its expansion into mobile consumer electronics, partnering with the telecommunications market leader Telstra.**

 - | **Music and movies provide constant foot traffic.**

 - | **Speakers, hi-fi components and car audio represent a strong and profitable stream of business.**
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Funding of Growth Plans:

- | **Funding of growth via strong levels of cash flow generated from established stores and a prudent level of borrowings.**
 - | **JB is one of the more conservatively geared listed retailers with fixed charges cover of 2.9 times.**
 - | **Interest earned multiple of 8.2 times.**
 - | **In determining level of debt, we consider both operational and financial leverage.**
 - | **JB enjoys one of the lowest rental burdens at 2% of sales.**
 - | **With an established network of over 100 stores in Australia and New Zealand, the Company has moved from being a net investor of cash to a net generator of cash.**
 - | **This should enable the company to increase its dividend rate and consider other capital initiatives.**
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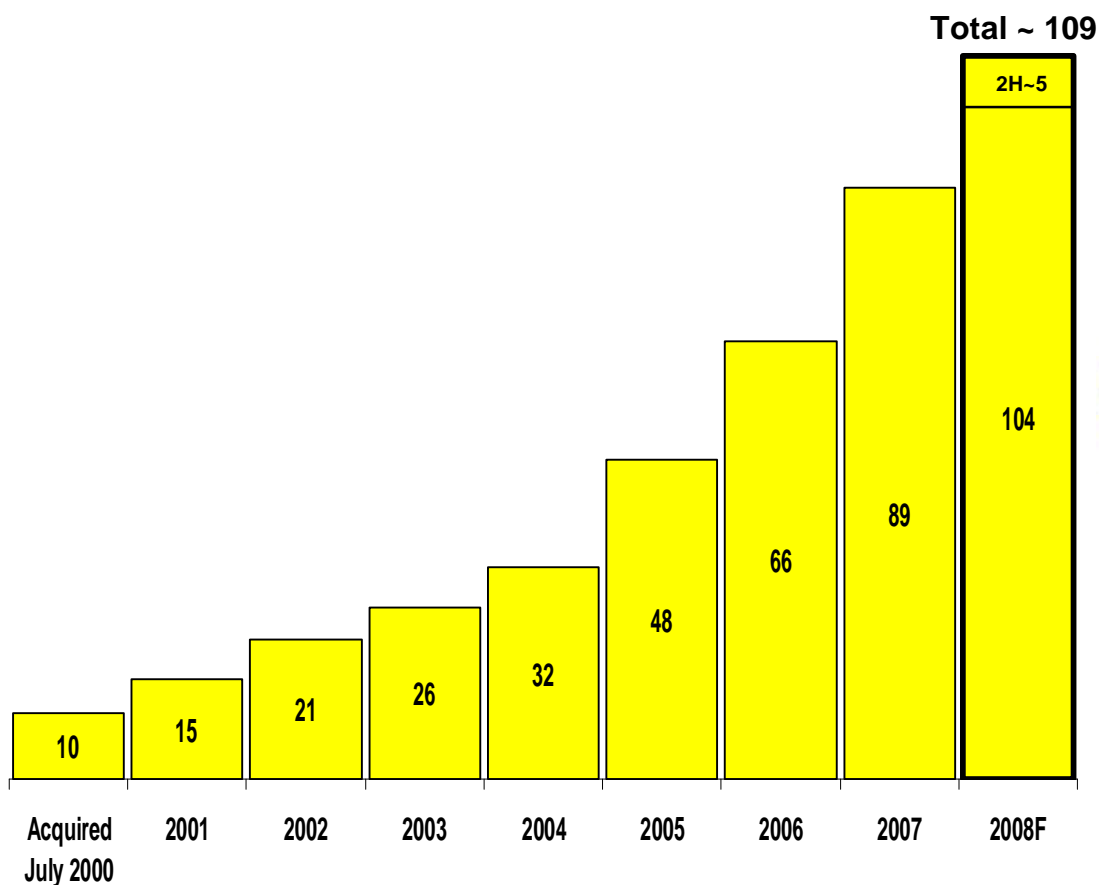
People & Culture:

- | **Our ability to operate profitably and to expand as quickly and successfully as we have is a testament to our people and the company's continued ability to attract and retain them.**
 - | **Store staff are typically enthusiasts of the product categories they work in.**
 - | **Support staff are equally dedicated and responsible for our success to date.**
 - | **We continue to attract high calibre people and motivate them, and we are well positioned to maintain our growth for many more years.**
 - | **Stable and effective senior executive team.**
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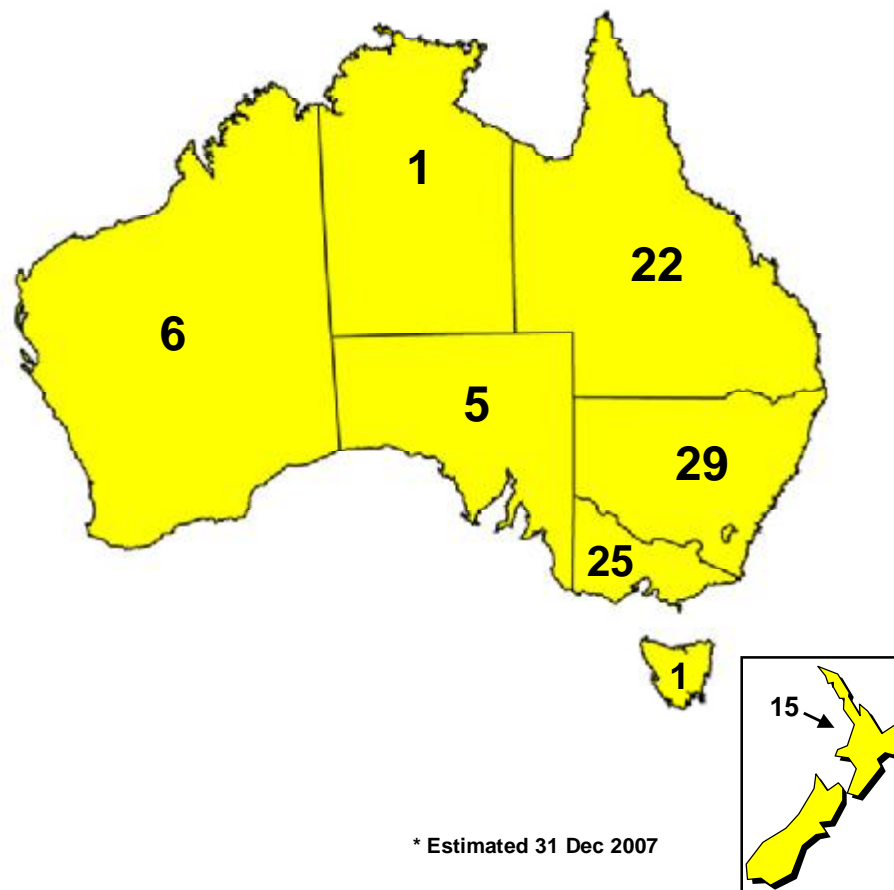
CHIEF EXECUTIVE OFFICER'S ADDRESS

Mr Richard Uechtritz

Store Growth



Total Stores: 104*
(JB Aust. 81, CA 8, JB NZ 4, H&S 11)



* Estimated 31 Dec 2007

ITEM 1

Tabling & Consideration of 2007 Accounts and Reports:

To receive and consider the financial report of the Company for the financial year ended 30 June 2007 together with the directors' report and auditor's reports for the financial year ended 30 June 2007.

Proxies:

In respect to this item of business, the following proxies have been received:

In favour	63,269,494
Against	14,922
Open and undirected	428,818

Also in respect to this item of business, the following proxies have been received nominating the Chairman;

In favour	63,262,623
Against	14,722
Open/undirected	391,194

The Chairman intends voting the open and undirected proxies in favour of the resolution.

ITEM 2

Adoption of remuneration report:

To adopt the Remuneration Report for the year ending 30 June 2007.

Proxies:

In respect to this item of business, the following proxies have been received:

In favour	52,641,551
Against	10,568,908
Open and undirected	428,818

Also in respect to this item of business, the following proxies have been received nominating the Chairman;

In favour	52,634,650
Against	10,568,738
Open/undirected	391,194

The Chairman intends to vote the open and undirected proxies in favour of the resolution.

ITEM 3

Re-election of directors:

In accordance with the Company's Constitution:

- (a) **Mr Patrick Elliot retires by rotation and, being eligible, offers himself for re-election; and**
- (b) **Mr James King retires by rotation and, being eligible, offers himself for re-election.**

Proxies:

In respect to this item of business, the following proxies have been received:

	3(a)	3(b)
In favour	62,961,971	62,948,239
Against	333,060	337,585
Open and undirected	427,154	436,818

Also in respect to this item of business, the following proxies have been received nominating the Chairman;

	3(a)	3(b)
In favour	62,954,900	62,941,168
Against	333,060	337,585
Open and undirected	389,530	399,194

The Chairman intends to vote the open and undirected proxies in favour of the resolution.

ITEM 4

Approval of grant of Options to Executive Directors in 2007:

(a) Approval of grant of Options to an Executive Director – Mr Richard Uechtritz

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

“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be and is hereby given, to the grant of 238,571 Options over Shares in the Company to Mr Richard Uechtritz, exercisable at \$11.00 each, expiring on 19 August 2012, on the terms and conditions described in the Explanatory Notes.”

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

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

“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be and is hereby given, to the grant of 159,047 Options over Shares in the Company to Mr Terry Smart, exercisable at \$11.00 each, expiring on 19 August 2012, on the terms and conditions described in the Explanatory Notes.”

ITEM 4

Approval of grant of Options to Executive Directors in 2007:

Proxies:

In respect to this item of business, the following proxies have been received:

	4(a)	4(b)
In favour	59,883,288	58,122,488
Against	3,327,013	3,329,707
Open and undirected	475,318	475,318

Also in respect to this item of business, the following proxies have been received nominating the Chairman;

	4(a)	4(b)
In favour	59,883,288	58,122,488
Against	3,326,593	3,329,287
Open and undirected	437,694	437,694

The Chairman intends to vote the open and undirected proxies in favour of the resolution.

ITEM 5

Increase in Directors' fees:

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

“That, pursuant to article 9.9 of the Company’s Constitution and ASX Listing Rule 10.17, the total amount or value which may be provided in each year by the Company to its Directors for their services be increased from \$400,000 to \$600,000.”

Proxies:

In respect to this item of business, the following proxies have been received:

In favour	60,397,457
Against	950,042
Open and undirected	141,156

Also in respect to this item of business, the following proxies have been received nominating the Chairman;

In favour	60,397,457
Against	949,622
Open/undirected	141,156

The Chairman intends to vote the open and undirected proxies in favour of the resolution.



OTHER BUSINESS
