

JB Hi-Fi Limited

Macquarie Australia Conference

May 2015



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1. Trading Update



Sales – Solid momentum in 2nd Half

	Sales Growth							
	1QTR		2QTR		3QTR		YTD *	
	Total	Comps.	Total	Comps.	Total	Comps.	Total	Comps.
Australia	(0.8%)	(3.5%)	3.0%	1.5%	8.7%	6.9%	3.5%	1.5%
New Zealand (NZD)	(8.2%)	(8.2%)	(1.5%)	(5.2%)	5.8%	(1.1%)	(1.4%)	(4.9%)
Total	(0.9%)	(3.5%)	2.9%	1.3%	8.7%	6.6%	3.4%	1.4%

Sales

- We have continued to see good sales momentum in the 2nd half.
- In Australia we have seen a pleasing trend of positive comparable sales since Christmas, including an increasing percentage of appliance sales in stores converted to our HOME concept.
- The sales trend in NZ has improved and we see the rollout of HOME as an important next step for JB in the market.
- Comparable sales growth was +6.6% for the 3 months to March 2015.

* YTD 31 March 2015.



1. Trading Update...



Guidance

The Company confirms its current FY15 guidance of:

- Total sales to be circa \$3.6 billion; and
- NPAT to be in the range of \$127.0m to \$131.0m.



2. Future growth



- HOME
- Stores
- Out of store
- Market share gains
- Leveraging our low CODB

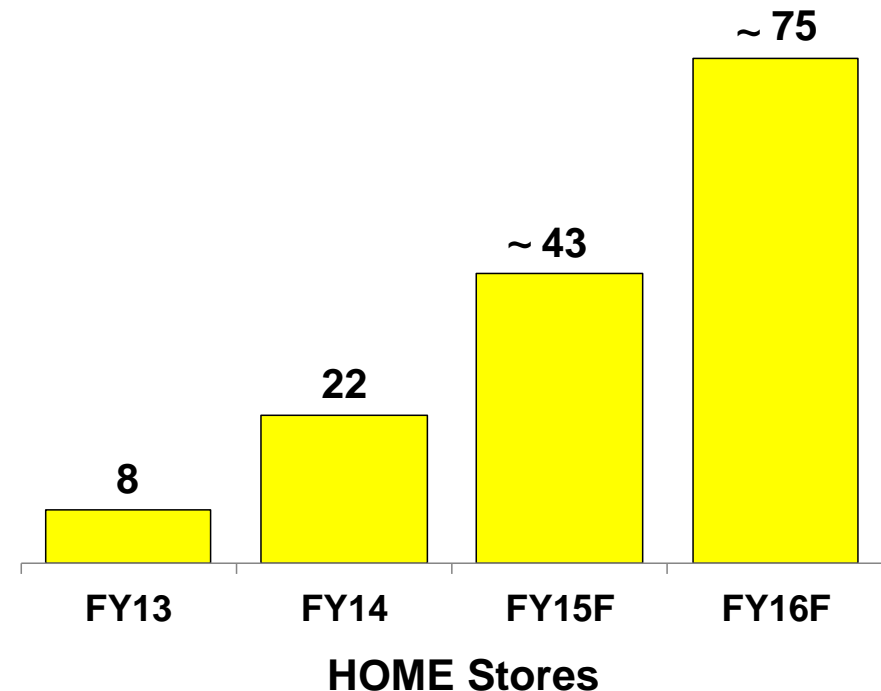


2. Future growth...



JB HI-FI HOME

- Significant growth opportunity as we grow our share of the circa \$4.6 billion home appliances market.
- The HOME stores achieved comparable sales growth of +11.8% in the 3rd quarter (YTD¹: +7.8%).
- We expect to have 43 HOME stores by the end of FY15 and 75 by the end of FY16 across Australia and New Zealand. A number of the conversions previously expected to be completed in the 4th quarter of FY15 will now be completed in early FY16.
- We continue to target annualised incremental sales in the first year post conversion of circa \$3m per annum, rising to circa \$5m over the medium term as our rollout achieves scale.



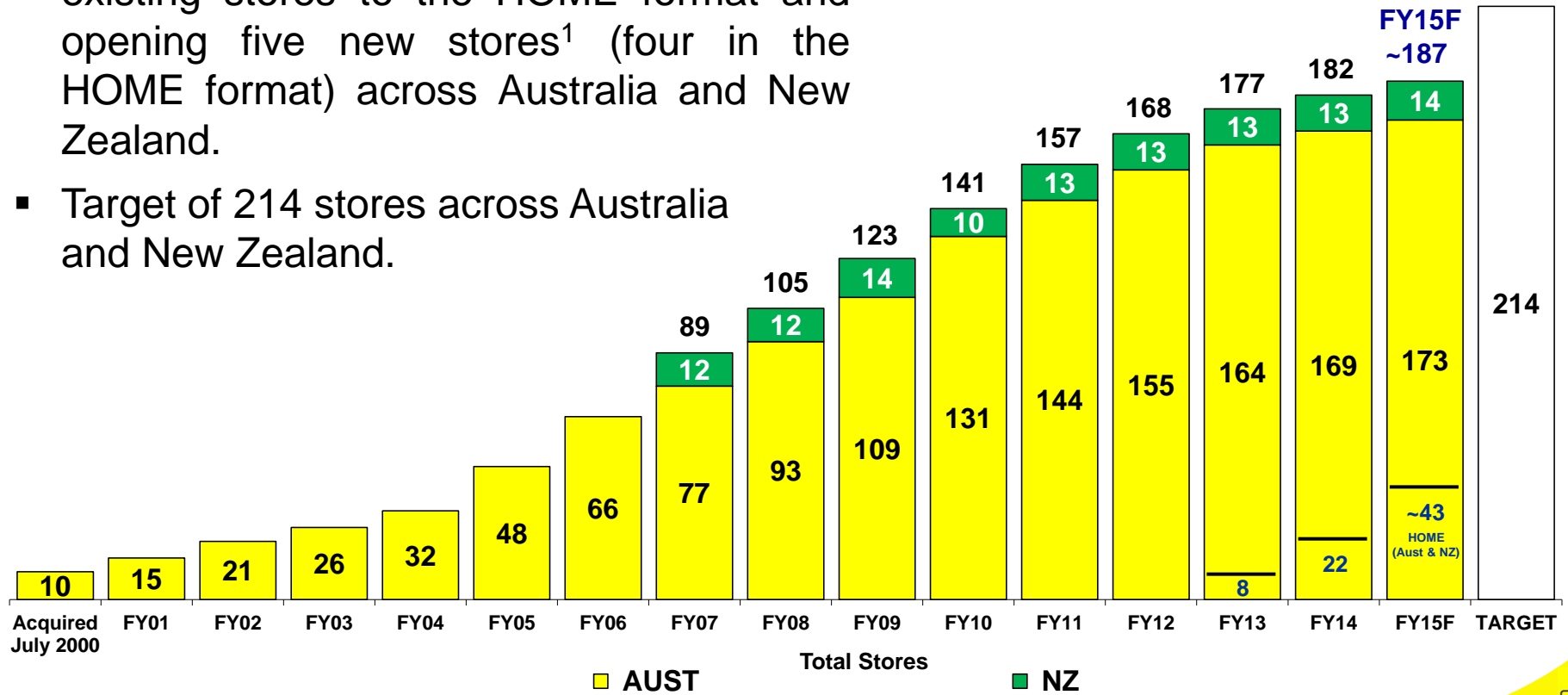


2. Future growth...



STORES

- Continued solid pipeline of properties with opportunities in FY16 and beyond.
- During FY15 we anticipate converting 17¹ existing stores to the HOME format and opening five new stores¹ (four in the HOME format) across Australia and New Zealand.
- Target of 214 stores across Australia and New Zealand.



¹ Effective 5 May 2015, 16 HOME conversions have been completed and five new stores opened.





2. Future growth...



OUT OF STORE

Commercial

- JB HI-FI has continued to see strong growth in its Commercial business.
- Our four divisions provide an integrated offer (product and services) to business and education clients whether large or small.
- We remain on track to deliver on our longer term aspirational sales target of \$500m per annum, through both organic growth and strategic acquisitions.



2. Future growth...

OUT OF STORE

Online & Digital

- We continue to leverage the benefits of a strong online presence combined with our bricks and mortar locations.
- New website launched 1 July 2014 offering an enhanced customer experience with improved search functionality, richer product information and responsive design.
- Our Digital offering allows us to remain relevant, follow consumers' present and future content consumption behaviour, and stay engaged with our customers after the physical purchase has been made.

The screenshot shows the JB Hi-Fi website homepage with a prominent 'GREAT GIFT IDEAS FOR MUM!' banner. The banner features various product categories and promotional offers:

- LISTEN TO UNLIMITED MUSIC:** IT'S ON JB Hi-Fi NOW Music. Includes a 'GREAT GIFT IDEAS FOR MUM!' badge.
- FREE eBooks:** CHECK OUT A SELECTION OF FREE & FEATURED eBooks. Includes a 'GREAT GIFT IDEAS FOR MUM!' badge.
- MOVIES FOR MOTHER'S DAY!** A central banner for movie promotions.
- Product Grid:** A grid of products with prices and 'NOW \$' labels:
 - Acer 8" Icons Tab 8: \$195
 - Sony ESRY13A 55" Full HD Smart LED LCD TV: \$799
 - Lenovo S50-45 15.6" AMD A6 Laptop: \$595 (NOW \$495 -100 OFF)
 - Hisense K880 65" Ultra HD 3D Smart LED LCD TV: \$2295
 - Kobo Glo eReader (Pink): \$159
 - Polaroid 2330 Instant Digital Camera (White): \$299 (NOW \$249 -50 OFF)
 - Samsung Galaxy S4 Edge 32GB (Black): \$145
 - Fitbit Flex Wristband (Violet - JB Exclusive): \$85
- FREE DELIVERY ON JB HI-FI (HOME) WHITEGOODS & APPLIANCES!** A banner for free delivery on home appliances.
- Whitegoods & Appliances:** A section featuring products like the Magic Bullet Deluxe (\$79), SodaStream Source Element Drink Machine (Black) (\$99), Breville The Barista Express (\$649), and the Simpson S99F1343 EZI Sensor Big Front Load Washing Mach... (\$653).



2. Future growth...



MARKET SHARE GAINS

- JB has the ability to bring brands to life and create engagement in categories.
- Reputation for taking the deal and price leadership.
- Leverage our high foot traffic.
- High level of customer service.
- Passionate and knowledgeable staff.
- High level of loyalty and trust from customers.
 - 3rd in the 2015 Corporate Reputation Index released by AMR and the Reputation Institute.





2. Future growth...



LEVERAGING OUR LOW COST OF DOING BUSINESS

- Our low cost of doing business enables us to compete and invest in growth notwithstanding a competitive environment.
- We have the lowest cost of doing business of the major listed retailers in Australia, driven by high sales per square metre and an obsession with not letting waste and inefficiency creep into our cost structure.



3. The JB Model



JB CONTINUES TO EVOLVE!

- It is vital we remain focused on evolving the model to maintain the energy and entertainment factor.
- Constantly working to ensure that we maintain our appeal as a destination to browse, explore and discover.
- Obsession with maintaining engagement with customers.
- To achieve this, our in-store merchandising constantly evolves.

THE LATEST CRAZE TO TAKE OFF JUST LANDED AT JB!

Parrot®

Parrot Bebop Drone
Own the sky with Parrot ultimate full HD drone camera
\$1299

Parrot MiniDrone Rolling Spider
Roll and fly anywhere!
\$139

Parrot AR.Drone 2.0 Elite Edition
Fly & record in HD
\$399

Parrot MiniDrone Jumping Sumo
Roll and jump anywhere!
\$219

JB HI-FI

Customs Will Vary By Store. Download Apps From:
Available on the Google play | Available on the App Store | Available on the Windows Store



QUESTIONS