

COMPANY ANNOUNCEMENT

16 September 2016

JB Hi-Fi successfully completes Institutional Entitlement Offer

JB-Hi-Fi Limited (“**JB Hi-Fi**”) today announces the successful completion of the institutional component of its fully underwritten 1 for 6.60 pro rata accelerated renounceable entitlement offer (“**Entitlement Offer**”) of new JB Hi-Fi ordinary shares (“**New Shares**”) at an offer price of \$26.20 per New Share (“**Offer Price**”).

- The institutional component of the Entitlement Offer (“**Institutional Entitlement Offer**”) has been successfully completed to raise \$259 million
- The Institutional Entitlement Offer attracted strong demand, with approximately 94% take-up by eligible institutional shareholders at the Offer Price
- Balance of Institutional Entitlement Offer cleared through the bookbuild at \$30.25 per New Share representing a premium of \$4.05 per entitlement above the Offer Price (“**Institutional Shortfall Bookbuild**”)
- The retail component of the Entitlement Offer (“**Retail Entitlement Offer**”) to open on Wednesday, 21 September 2016 at the same Offer Price to raise the remaining \$135 million of the \$394 million equity raising
- JB Hi-Fi is expected to come out of trading halt on Friday, 16 September 2016
- Retail Entitlements may be traded on the ASX on a deferred settlement basis from Monday, 19 September 2016 to Tuesday, 20 September 2016. From Wednesday, 21 September 2016 to Friday 23 September 2016, Retail Entitlements may be traded on the ASX on a normal settlement basis. The Retail Entitlements cannot be acquired or exercised by investors in the United States or that are acting for the account or benefit of investors in the United States.
- The Timetable outlined in the Investor Presentation and the ASX announcement: *Acquisition of The Good Guys - Company Announcement* dated 13 September 2016 is varied so that the date the Retail Entitlements will commence trade on a deferred settlement basis will now be Monday, 19 September 2016. No other changes to the Timetable have been made.

Completion of the Institutional Entitlement Offer represents the first stage of JB Hi-Fi’s \$394 million equity raising, announced on Tuesday, 13 September 2016. The Institutional Entitlement Offer has raised gross proceeds of approximately \$259 million.

JB Hi-Fi’s CEO, Richard Murray said, “The offer attracted strong demand from JB Hi-Fi’s institutional shareholders who took up approximately 94% of the new shares available to them as part of the Institutional Entitlement Offer. The success of the institutional component of the equity raising demonstrates strong support for the acquisition of The Good Guys.”

Approximately 0.6 million New Shares were available in the Institutional Shortfall Bookbuild, which was conducted on Thursday, 15 September 2016. The Institutional Shortfall Bookbuild was well supported with a clearing price of \$30.25 per New Share. This represents a premium of \$4.05 above the Offer Price of \$26.20.

Accordingly, institutional shareholders who elected not to take up their entitlements will receive \$4.05 for each New Share not taken up (less any applicable withholding tax).

New Shares taken up under the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild are expected to be issued on Monday, 26 September 2016, and commence trading on the ASX on the same day.

Retail Entitlement Offer

The Retail Entitlement Offer will raise approximately \$135 million. The Retail Entitlement Offer will open at 9.00am (AEST¹) on Wednesday, 21 September 2016 and close at 5.00pm (AEST) on Friday, 30 September 2016.

For further information about the Retail Entitlement Offer including a timetable, please see the Retail Offer Booklet separately lodged with the ASX today. The Retail Offer Booklet will be also be dispatched to eligible retail shareholders, together with the personalised Entitlement and Acceptance form, on or around Wednesday, 21 September 2016.

Further information

If you have any questions in relation to the Entitlement Offer, please contact the JB Hi-Fi Offer Information Line on 1300 302 417 (within Australia) or +61 3 9415 4136 (outside of Australia) between 8:30am and 5:30pm (AEST) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

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Forward looking statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements can generally be identified by the use of forward looking words such as "believe", "expect", "estimate", "will", "may", "target", "anticipate", "likely", "intend", "should", "could", "predict", "plan", "propose", "potential" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of JB Hi-Fi and cannot be predicted by JB Hi-Fi and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which JB Hi-Fi operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of JB Hi-Fi or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy, likelihood of fulfilment or reasonableness of any forward looking statement or any outcomes expressed or implied in any forward looking statements. Statements about past performance are not necessarily indicative of future performance.

¹ Australian Eastern Standard Time.