

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

JB Hi-Fi Limited (**JB Hi-Fi**)

ABN

80 093 220 136

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares in the capital of JB Hi-Fi (each, a New Share) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>Entitlement Offer
9,888,154 New Shares to be issued on 26 September 2016 under the institutional component (including the institutional bookbuild) (Institutional Entitlement Offer) of the pro rata accelerated renounceable entitlement offer (with retail rights trading) announced by JB Hi-Fi on 13 September 2016 (the Entitlement Offer).</p> <p>Approximately 5,146,434 of New Shares are expected to be issued on 11 October 2016 pursuant to the retail component of the Entitlement Offer (and the retail bookbuild) (the Retail Entitlement Offer) (subject to reconciliation of shareholder entitlements and the effects of rounding).</p> |

+ See chapter 19 for defined terms.

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>The New Shares are fully paid ordinary shares.</p>
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, the New Shares will rank equally with existing Ordinary Shares from the date of issue of the New Shares.</p>
<p>5 Issue price or consideration</p>	<p>\$26.20 per New Share under the Entitlement Offer.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As described in the ASX Announcement and Investor Presentation lodged with the ASX on 13 September 2016, the proceeds of the issue will be used to partly fund the acquisition of The Good Guys by JB Hi-Fi.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No.</p>

+ See chapter 19 for defined terms.

6b	The date the security holder resolution under rule 7.1A was passed	Not applicable.
6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable.
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable.
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable.
6f	Number of +securities issued under an exception in rule 7.2	Not applicable.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable.
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	26 September 2016 for the New Shares issued under the Institutional Entitlement Offer. 11 October 2016 for the New Shares issued under the Retail Entitlement Offer.

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		After completion of the Institutional Entitlement Offer, there will be 109,116,430 Ordinary Shares on issue. After completion of the Retail Entitlement Offer, there are expected to be 114,262,864 Ordinary Shares on issue.	Fully paid Ordinary Shares
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		1,168,981	ESOP
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	As per existing Ordinary Shares.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Renounceable.
13	Ratio in which the ⁺ securities will be offered	1 New Share for every 6.60 Ordinary Shares held as at the record date for the Entitlement Offer.
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid Ordinary Shares.
15	⁺ Record date to determine entitlements	7pm (AEST) on 16 September 2016.

⁺ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of shareholders' entitlements under the Entitlement Offer they will be rounded up to the next whole number of New Shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents	<p>For the Institutional Entitlement Offer, all jurisdictions other than Australia, New Zealand, Canada (Ontario, Quebec and British Columbia), Hong Kong, Singapore, Malaysia, Japan, United Kingdom, Germany, Netherlands, Luxembourg, Switzerland, Ireland, France, Austria, Denmark, Norway and United States (Regulation D / section 4(2) offer to US Qualified Institutional investors).</p> <p>For the Retail Entitlement Offer, all jurisdictions other than Australia and New Zealand.</p>
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	<p>12pm (AEST) on 14 September 2016 under the Institutional Entitlement Offer</p> <p>5pm (AEST) on 30 September 2016 under the Retail Entitlement Offer.</p>
20	Names of any underwriters	Macquarie Capital (Australia) Limited
21	Amount of any underwriting fee or commission	2.00% of the total proceeds of the Entitlement Offer.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable.

+ See chapter 19 for defined terms.

25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	<p>No prospectus or product disclosure statement will be issued.</p> <p>The Retail Entitlement Offer Booklet was sent to eligible retail shareholders on 21 September 2016.</p>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	19 September 2016.
29	Date rights trading will end (if applicable)	23 September 2016.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Eligible retail shareholders who wish to sell their entitlements in full on ASX must instruct their broker and provide details as requested from their Entitlement and Acceptance Form.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<p>Eligible retail shareholders who wish to sell part of their entitlements on ASX and accept the balance must:</p> <ul style="list-style-type: none"> • in respect of the part of their entitlement to be sold on ASX, instruct their broker and provide details as requested from their Entitlement and Acceptable Form; and • in respect of the part of their entitlements to be accepted, complete and return their Entitlement and Acceptance Form with the requisite Application Monies or pay the requisite Application Monies by BPAY® by following the instructions set out on their Entitlement and Acceptance Form.
32	How do security holders dispose	Eligible retail shareholders who wish to

+ See chapter 19 for defined terms.

of their entitlements (except by sale through a broker)?

transfer all or part of their entitlements other than on ASX must send a completed Renunciation and Transfer Form (obtained from the JB Hi-Fi Registry or their broker) together with their Entitlement and Acceptance Form and the transferee's requisite Application Monies to the JB Hi-Fi Registry in relation to those entitlements that they wish to transfer. The Transferee's address must be in Australia or New Zealand (unless JB Hi-Fi agrees otherwise) and the transferee must not be in the United States or acting for the accounts or benefit of a person in the United States.

33 +Issue date

Refer to item 7 of this Appendix 3B.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

+ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought Not applicable.

39 +Class of +securities for which quotation is sought Not applicable.

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable.

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

Not applicable.

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Not applicable.	Not applicable.

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company secretary)

Date: 23 September 2016.

Print name: Doug Smith

== == == == ==

+ See chapter 19 for defined terms.