



JB Hi-Fi Limited
ABN 80 093 220 136

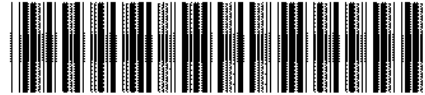
All correspondence to:

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

000001
JBH



MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



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 Carlton Crest Hotel, 65 Queens Road, Melbourne on Tuesday, 26 October 2004 at 11:00am.

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 11:00am on Sunday, 24 October 2004.

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 look forward to your attendance at the meeting.

Yours sincerely

Mr Patrick Elliott
Chairman

Encl:

Notice of Annual General Meeting
Tuesday, 26 October 2004

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 Carlton Crest Hotel Melbourne, 65 Queens Road, Melbourne on Tuesday, 26 October 2004 at 11:00am.

Ordinary Business:

- 1 Presentations by Chairman and Chief Executive Officer
- 2 To receive and consider the financial report of the Company for the financial year ended 30 June 2004 together with the directors' report and auditors' reports for the financial year ended 30 June 2004.
- 3 **To elect Directors.**

In accordance with the Company's Constitution:

- (a) Mr Patrick Elliott retires by rotation and offers himself for re-election;
- (b) Mr Terry Smart retires by rotation and offers himself for re-election;
- (a) Mr Gary Levin retires by rotation and offers himself for re-election;
- (b) Mr James King having been appointed by the Board on 10 May 2004 retires and offers himself for election.

Special Business:

4 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, the total amount or value which may be provided in each year by the Company to its Directors for their services be increased from \$250,000 to \$400,000.

Note: The Company will disregard any votes cast on resolution 4 by a Director of the Company and by any associate of such Director unless the vote 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
- the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 23rd September 2004

By order of the Board

Mr Richard Murray
Company Secretary

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 7.00pm (Melbourne time) on Sunday 24 October 2004 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 appointor'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) 9596 9816 by no later than 11.00 a.m., Sunday 24 October, 2004.

Item 3 – Election of Directors

Mr Elliott, Mr Smart and Mr Levin retire by rotation in accordance with the Company's constitution. Each of these directors offers themselves for re-election.

Mr King was appointed a director on 10 May 2004 and, in accordance with the Company's constitution, holds office only until the next Annual General Meeting. Mr King offers himself for election as a director.

The Board recommends that shareholders vote in favour of the resolutions electing or re-electing each of Messrs Elliott, Smart, Levin and King as a director.

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

Mr Patrick Elliott
Chairman
B.Comm LLB, MBA (Hon), CA
(Appointed Director 13 June 2000)

Mr Elliott is an executive director of Macquarie Direct Investment Limited, the private equity division of Macquarie Bank Limited, as well as associated investee companies including Financial Network Services (Holdings) Pty Ltd and Space Health Clubs Pty Ltd. He is also Chairman of the Australian Venture Capital Association Limited.

Mr Terry Smart
Executive Director
(Appointed Director 26 July 2000)

Mr Smart is a former director of Kodak's retail operations and General Manager of Operations. During his career with JB Hi-Fi he has led the implementation of the company's management information system, including a point of sale system, in-store reporting systems and an electronic data interface with the company's major suppliers.



Mr Gary Levin
Non-Executive Director
B.Comm, LLB
(Appointed Director 1 November 2000)

Mr Levin is currently Managing Director of Environmental Infrastructure Limited and EarthPower Technologies Sydney Pty Ltd. He was formally the founder and Managing Director of TLC Dry Cleaners and a previous joint Managing Director of Rabbit Photo Holdings Limited. He has over 20 years experience running public and private companies in the retail, real estate and renewable energy fields. He was admitted to the Bar of New South Wales in 1978 and is a member of the New South Wales Bar Association.

Mr James King
Non-Executive Director
B.Comm
(Appointed Director 10 May 2004)

Mr King has had over twenty five years experience in fast moving consumer goods in major multi-national corporations in Australia and the Asia/Pacific markets. He was formally with Foster's Group Limited as Senior Vice President Strategy & Business Development, 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 on the Advisory Board of the Juvenile Diabetes Research Foundation (VIC).

Item 4 – Increase in Directors' Fees – Ordinary Resolution

The approval of shareholders is sought to increase the total amount or value of the remuneration which may be provided in each year by the Company to its Directors for their services as Directors to \$400,000 in total.

This is an increase of \$150,000 over the present maximum of \$250,000 per annum, which is contained in article 9.9 of the Company's constitution.

No fees are paid to Managing or Executive Directors for their services as a Director. Their remuneration for services as a Managing or an Executive Director is not included in the maximum aggregate amount for the purpose of this resolution.

It is not intended to use the increased maximum amount immediately.

The proposed increase in the maximum total amount or value:

- Provides scope to appoint additional Non-Executive Directors to the Board;
- Accommodates increases in fees payable to each Non-Executive Director based on a review of fees paid by comparable companies and, where appropriate, recommendations by external remuneration consultants;
- Reflects the increased size and complexity of the Company and demands on Non-Executive Directors having regard to the additional responsibilities of Directors, the increased role of both the Board and its committees and increased time commitment expected from Directors.



JB Hi-Fi Limited
ABN 80 093 220 136

Proxy Form

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
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Mark this box with an 'X' if you have made any changes to your address details (see reverse)



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SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



Appointment of Proxy

I/We being a member/s of JB Hi-Fi Limited and entitled to attend and vote hereby appoint



the Chairman
of the Meeting
(mark with an 'X')

OR



If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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 Carlton Crest Hotel Melbourne, 65 Queens Road, Melbourne on Tuesday, 26 October 2004 at 11:00am and at any adjournment of that meeting.



IMPORTANT: FOR ITEM 4 BELOW

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Item 4 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 4 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 4.

Voting directions to your proxy - please mark



to indicate your directions

- Item 3(a) To re-elect Mr Patrick Elliott as a director
- Item 3(b) To re-elect Mr Terry Smart as a director
- Item 3(c) To re-elect Mr Gary Levin as a director
- Item 3(d) To elect Mr James King as a director
- Item 4 Approve the increase in directors' fees

For Against Abstain*

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/ /

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How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

- | | |
|--------------------|--|
| Individual: | where the holding is in one name, the holder must sign. |
| Joint Holding: | where the holding is in more than one name, all of the securityholders should sign. |
| Power of Attorney: | to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place. |

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 11:00am on Tuesday, 26 October 2004. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

- | | |
|-----------|--|
| IN PERSON | Registered Office - 14 Spink Street, BRIGHTON VICTORIA 3186 AUSTRALIA
Share Registry - Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia |
| BY MAIL | Registered Office - 14 Spink Street, BRIGHTON VICTORIA 3186 AUSTRALIA
Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001 Australia |
| BY FAX | 61 3 9473 2555 |