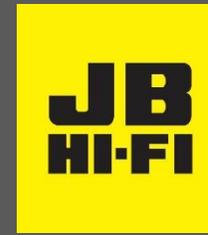


JB Hi-Fi Limited

HY20 Results Presentation



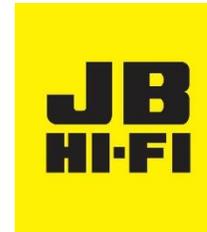
Agenda

- **Group overview**
- **JB HI-FI Australia and JB HI-FI New Zealand**
- **The Good Guys**
- **Group Balance Sheet and Cash Flow**
- **Group FY20 Trading Update and Outlook**
- **Investment Checklist**

Richard Murray
Group CEO

Nick Wells
Group CFO

Group Overview



Group Model

Two iconic Australian retail brands



Product offering

Leading retailer of **technology** and consumer electronics

Leading retailer of **home appliances** and consumer electronics

Target customer base / demographic

Strong position with a **young tech-savvy** demographic

Strong position with **home-making families** and Gen X demographics

Value proposition

Best brands at low prices

Customer focus

Exceptional customer service provided by **passionate, knowledgeable team members**

Multi-channel

In-store, online, commercial

leveraging a **Group support function** and underpinned by **5 unique competitive advantages**

1

Scale

2

Low Cost Operating Model

3

Quality Store Locations

4

Supplier Partnerships

5

Multichannel Capability

Group Model

Underpinned by 5 unique competitive advantages

1 Scale

- #1 player in Australian market with opportunity for further consolidation
- Global supplier relevance
- Spread investments across a large base and drive efficiencies

2 Low Cost Operating Model

- Low CODB relative to retail peers driven by:
 - Productive floor space with high sales per square metre
 - Continued focus on productivity and minimising unnecessary expenditure
- Enabler for maintaining low prices (gross margins of ~21.5%) and responding to market prices

3 Quality Store Locations

- JB HI-FI**
- Major shopping centres, CBD, homemaker centres, airports
 - High foot traffic and convenient locations
- The Good Guys**
- Leading homemaker centres and standalones
 - Destination locations, easily accessible

4 Supplier Partnerships

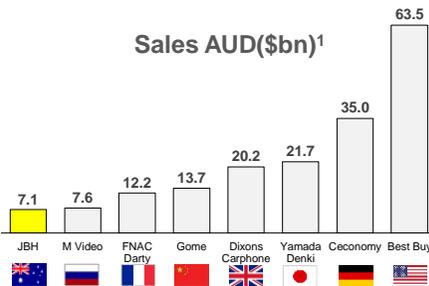
- Strong partnerships with all major suppliers, both locally and globally
- Store locations and high traffic websites provide suppliers with high visibility for their product
- Knowledgeable team members assist to inform the customer of product benefits
- Dual brand retail approach provides:
 - Ranging and merchandising optionality
 - Ability to execute strategic initiatives at scale

5 Multichannel Capability

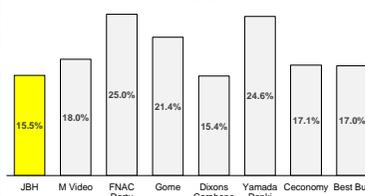
- Integrated, high quality in-store and online offer that provides customers with choice on how to transact with us
- Store network provides:
 - Fast online fulfillment, via delivery from store or click and collect
 - Online customers with after sales service and support
- National Commercial business supporting corporate, government and education customers



Sales AUD(\$bn)¹



CODB¹



¹ Source: JBH FY19 Sales and CODB and other market leading companies' data as reported in their most recent full year result translated to AUD.

Group HY20 Performance

HY20 Group Performance

AUD	HY20 (Statutory)	HY20 (Pre AASB 16)	HY19 (Pre AASB 16)	Growth (Pre AASB 16)	
Total sales (\$m)	3,995.2	3,995.2	3,843.7	151.5	3.9% ▲
Earnings before interest and tax (\$m)	263.0	255.6	236.6	19.0	8.0% ▲
Net profit after tax (\$m)	170.6	174.4	160.1	14.3	8.9% ▲
Earnings per share (basic ¢)	148.5	151.8	139.4	+12 cps	8.9% ▲
Dividend per share (¢)	99.0	99.0	91.0	+8 cps	8.8% ▲

- The Statutory results for HY20 reflect the adoption of the new Accounting Standard AASB 16 *Leases*. The Group has adopted AASB 16 using the modified retrospective approach and, as a result, prior period comparatives have not been restated. To allow for prior period comparison, all HY20 results disclosed in this presentation are pre application of AASB 16 ("Pre AASB 16") and exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre AASB 16 results

Group HY20 Performance

HY20 Divisional Performance

	HY20 ¹	HY19	Growth (Pre AASB 16)	
	(Pre AASB 16)	(Pre AASB 16)	\$m	%
Sales (\$m)				
- JB HI-FI Australia	2,722.4	2,591.3	131.1	5.1% ▲
- JB HI-FI New Zealand (NZD)	132.8	131.8	1.0	0.8% ▲
- The Good Guys	1,147.5	1,130.7	16.8	1.5% ▲
Total Sales (AUDm)	3,995.2	3,843.7	151.5	3.9% ▲
EBIT (\$m)				
- JB HI-FI Australia	204.5	191.9	12.6	6.5% ▲
- JB HI-FI New Zealand (NZD)	1.1	1.1	(0.0)	(2.4%) ▼
- The Good Guys	50.1	43.7	6.4	14.7% ▲
Total EBIT (AUDm)	255.6	236.6	19.0	8.0% ▲
EBIT Margin (%)				
- JB HI-FI Australia	7.51%	7.41%		+10 bps ▲
- JB HI-FI New Zealand	0.83%	0.86%		(3 bps) ▼
- The Good Guys	4.36%	3.86%		+50 bps ▲
Total EBIT Margin (%)	6.40%	6.16%		+24 bps ▲

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

Group Highlights

Group HY20 Financial achievements¹

- Sales up 3.9% to \$4.0bn with positive comparable sales growth across all three divisions
- Pre AASB16 EBIT up 8.0% to \$255.6m with strong growth in earnings and record results for both JB HI-FI Australia and The Good Guys
- Pre AASB16 NPAT up 8.9% to \$174.4m (Statutory NPAT up 6.6% to \$170.6m)
- Pre AASB 16 EPS up 8.9% to 151.8cps
- Dividend per share of 99.0cps, up 8.8%, representing approximately 65% of Pre AASB 16 NPAT

Group Operational achievements

- Sustainability policy implemented - our commitment to having a positive impact on our people, our environment and our community
- New combined Support Office completed enabling the sharing of best practice whilst maintaining individual brand DNA
- Established Group IT and Group HR functions
- Launched Group entry level TV offer FFALCON with strong adoption from customers and staff
- Commenced consolidation of 18 Bulky Goods DC's into 7 Group Home Delivery Centres with Sydney transitioned in September and Melbourne and Brisbane underway
- Continued expansion of our Group Commercial businesses product and service offering
- Supporting the communities and wildlife impacted by the bushfires with over \$560,000 in contributions from the Group, our team members and customers

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

JB HI-FI Australia and New Zealand



JB Hi-Fi Australia HY20 Performance

AUD	HY20 ¹ (Pre AASB 16)	HY19 (Pre AASB 16)	Growth (Pre AASB 16)
Sales (\$m)	2,722.4	2,591.3	5.1% ▲
Gross Profit (\$m)	600.8	573.6	4.8% ▲
Gross Margin (%)	22.07%	22.13%	(6 bps) ▼
Cost of Doing Business (%)	13.86%	13.96%	(10 bps) ▼
EBITDA (\$m)	223.5	211.8	5.5% ▲
<i>EBITDA Margin (%)</i>	8.21%	8.17%	+4 bps ▲
EBIT (\$m)	204.5	191.9	6.5% ▲
<i>EBIT Margin (%)</i>	7.51%	7.41%	+10 bps ▲
Stores (#)	199	196 ²	+3 stores ▲

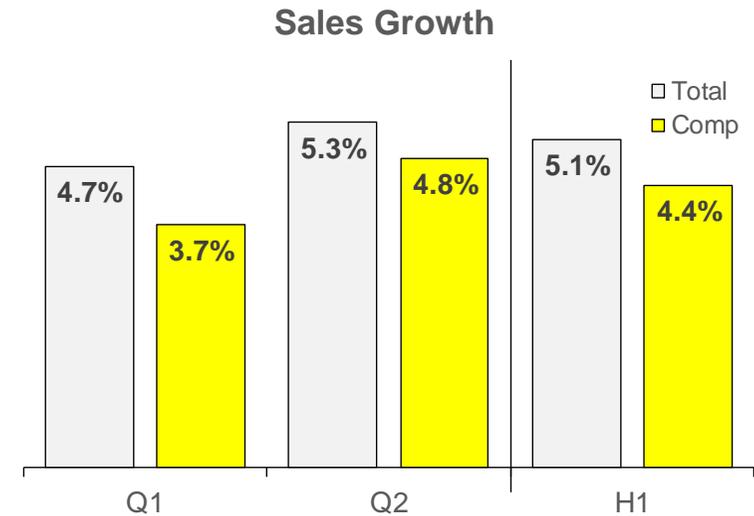
¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² As at 30 June 2019

JB Hi-Fi Australia HY20 Performance

HY20 Sales

- Total sales grew by 5.1% to \$2.72 billion, with comparable sales up 4.4%. Sales momentum has been strong through the half, but it was pleasing to deliver 4.8% comparable sales growth in the key Christmas quarter
- Hardware and Services¹ sales were up 7.8%, with comparable sales up 7.0% driven by the Communications, Audio, Computers, Visual and Accessories categories
- Software sales were down 18.2% with comparable sales down 17.9% as a result of continued declines in the Movies and Music categories, and a significant decline in the Games Software category as we cycled strong new release titles in the pcp. Software sales were 8.3% of total sales (HY19: 10.6%)
- Online sales grew 18.3% (HY19: 21.0%) to \$170.8 million or 6.3% of total sales (HY19: 5.6%), as we continue to invest in and evolve our Online offer
- The Commercial business recorded strong sales growth as we continue to expand our product and service offering



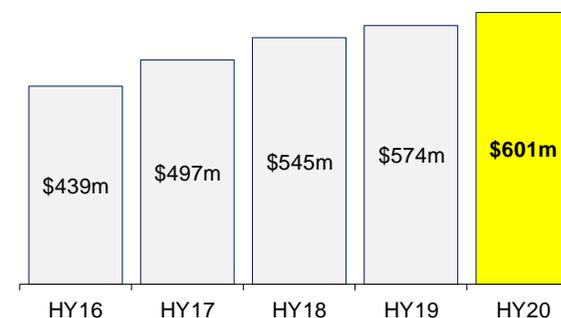
¹ Hardware & Services is defined as all sales excluding the Movies, Music and Games Software categories

JB Hi-Fi Australia HY20 Performance

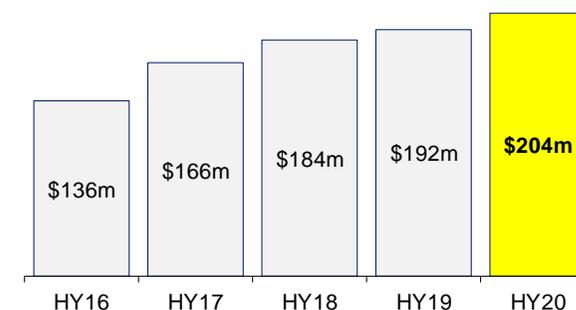
HY20 Earnings¹

- We are a sales led organisation with a focus on growing top line sales and gross profit dollars. HY20 Gross profit increased by 4.8% to \$600.8 million whilst gross margin was down 6 bps at 22.1%, driven by:
 - sales mix, as we manage the decline in higher margin software categories and an acceleration of growth in low margin brands and categories. This was particularly evident in Q2 as we saw strong growth in Communications and Apple branded product; and
 - price investment to reinforce our market leadership
- CODB was 13.9%, down 10 bps. CODB in absolute terms grew 4.3%. Our low CODB is a key competitive advantage and is maintained through our continued focus on productivity, minimising unnecessary expenditure and leveraging our scale
- EBITDA grew 5.5% driven by sales growth and cost control
- Depreciation declined by 4.4% as we continue to manage our investment in the store network
- EBIT was up 6.5% to \$204.5 million with EBIT margin up 10 bps to 7.5%

Gross Profit



EBIT \$ (Pre AASB 16)¹



¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

JB Hi-Fi New Zealand HY20 Performance

NZD	HY20 ¹	HY19	Growth
	(Pre AASB 16)	(Pre AASB 16)	(Pre AASB 16)
Sales (\$m)	132.8	131.8	0.8% ▲
Gross Profit (\$m)	23.0	23.1	(0.1%) ▼
Gross Margin (%)	17.36%	17.51%	(16 bps) ▼
Cost of Doing Business (%)	15.76%	15.66%	+10 bps ▲
EBITDA (\$m)	2.1	2.4	(13.2%) ▼
<i>EBITDA Margin (%)</i>	1.59%	1.85%	(26 bps) ▼
EBIT (\$m)	1.1	1.1	(2.5%) ▼
<i>EBIT Margin (%)</i>	0.83%	0.86%	(3 bps) ▼
Stores (#)	14	14 ²	-

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² As at 30 June 2019



JB Hi-Fi New Zealand HY20 Performance

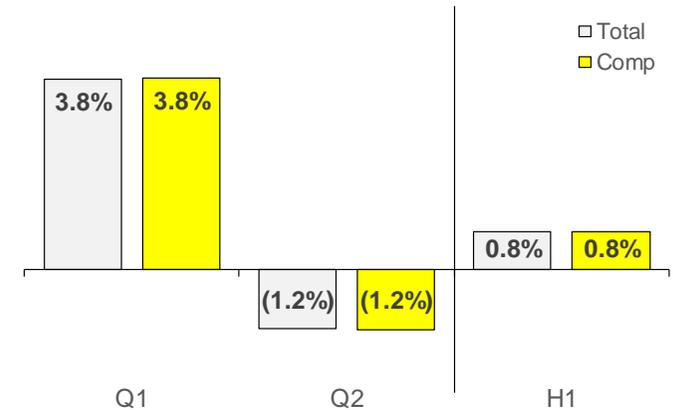
HY20 Sales

- Total sales were up 0.8% to NZD132.8 million, with comparable sales up 0.8%. Whilst Q2 sales moderated as we cycled strong comparable sales in the pcp (HY19 Q2 comparable sales growth of 14.4%), we are pleased with the progress made over the last 18 months
- The key growth categories were Communications, Small Appliances, Accessories and Fitness
- Online sales grew 22.3% to NZD9.6 million or 7.3% of total sales (HY19: 6.0%)

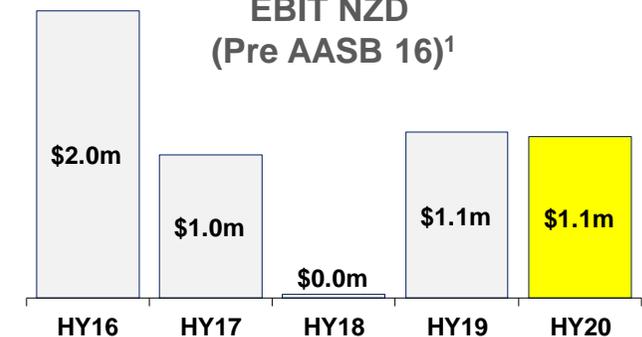
HY20 Earnings¹

- Gross margin was down 16 bps to 17.4% primarily due to sales mix
- CODB was 15.8%, up 10 bps, and in absolute terms up 1.4% as store wages remained well controlled
- EBITDA was NZD2.1 million, down NZD0.3 million or 13.2%, primarily driven by the gross margin decline
- Depreciation declined by 22.6%, as we continue to manage our investment in the store network
- EBIT was NZD1.1 million, in line with the pcp

Sales Growth



EBIT NZD
(Pre AASB 16)¹



¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

JB HI-FI Australia and New Zealand Focus Areas

JB HI-FI continues to execute well, whilst positioning for future growth

FY20 Focus Areas

Sales	<ul style="list-style-type: none"> • Continue driving sales across all channels - in-store, online and commercial • Focus on growing top line sales and gross profit dollars
Category evolution	<ul style="list-style-type: none"> • Expansion of Communications and Connected Tech • Optimise category space allocation to maintain productivity of floor space
Stores	<ul style="list-style-type: none"> • Continue investment in and optimisation of the store network to maximise profitability (In JB Hi-Fi Australia 3 stores opened in 1HY20 and 3 stores will close in 2HY20)
Airports	<ul style="list-style-type: none"> • Roll out of small format stores in domestic airport locations
New Zealand	<ul style="list-style-type: none"> • Continue to execute on strategy to improve performance in New Zealand
Services	<ul style="list-style-type: none"> • National rollout of TV install service with positive customer feedback and strong supplier engagement
eCommerce	<ul style="list-style-type: none"> • Successful migration to Shopify Plus, completed in September 2019, providing the foundation to continue to expand and enhance our digital offering
Productivity	<ul style="list-style-type: none"> • Simplify processes and drive productivity, with a focus on improved stock flow into store and back of house operations

The Good Guys



The Good Guys HY20 Performance

AUD	HY20 ¹ (Pre AASB 16)	HY19 (Pre AASB 16)	Growth (Pre AASB 16)
Sales (\$m)	1,147.5	1,130.7	1.5% ▲
Gross Profit (\$m)	237.6	233.2	1.9% ▲
Gross Margin (%)	20.71%	20.62%	+8 bps ▲
Cost of Doing Business (%)	15.79%	16.18%	(38 bps) ▼
EBITDA (\$m)	56.4	50.3	12.2% ▲
<i>EBITDA Margin (%)</i>	4.92%	4.45%	+47 bps ▲
EBIT (\$m)	50.1	43.7	14.7% ▲
<i>EBIT Margin (%)</i>	4.36%	3.86%	+50 bps ▲
Stores (#)	105	105 ²	-

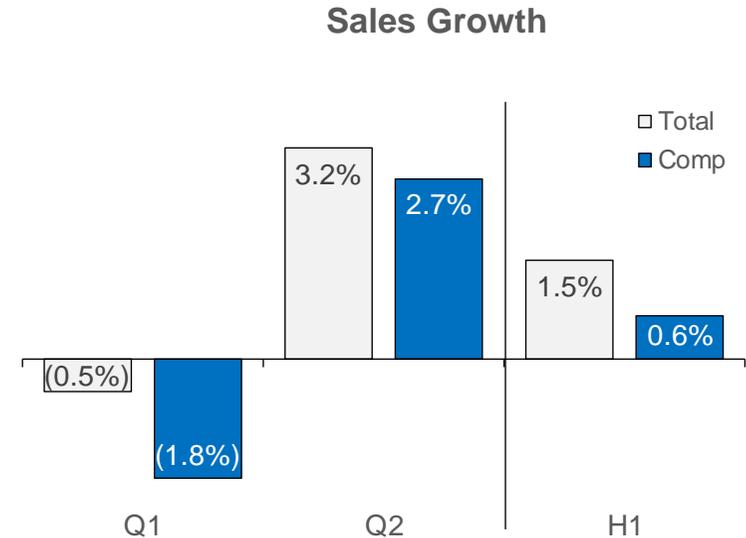
¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² As at 30 June 2019

The Good Guys HY20 Performance

HY20 Sales

- Total sales grew by 1.5% to \$1.15 billion, with comparable sales up 0.6%. Sales momentum improved through the half with 2.7% comparable sales growth in the key Christmas quarter
- The key growth categories were Dishwashers, Floorcare, Cooking, Communications and Computers. We were pleased with our performance in the large Home Appliance categories in a challenging market
- Online sales were up 12.6% to \$79.6 million or 6.9% of total sales (HY19: 6.3%) with strong sales on The Good Guys website partially offset by a decline in third party marketplace sales

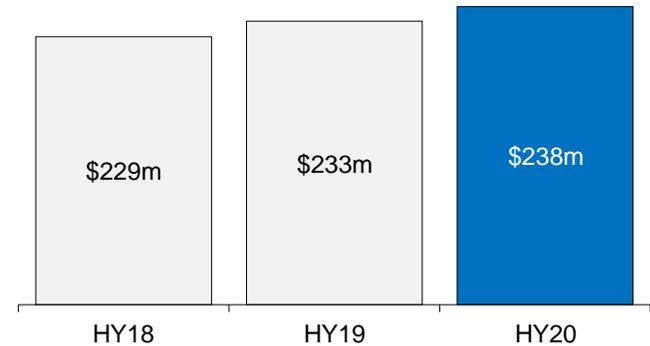


The Good Guys HY20 Performance

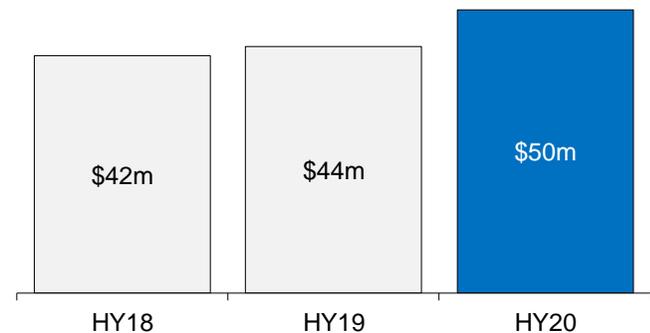
HY20 Earnings¹

- Gross profit was \$237.6 million with gross margin up 8 bps to 20.7%, driven by improvements in gross margin partially offset by sales mix
- CODB was 15.8%, down 38 bps, and in absolute terms declined 0.9% as store wages remained well controlled and the business benefited from productivity initiatives implemented in 2HY19
- Sales growth, gross margin expansion and cost control drove strong EBITDA growth of 12.2%
- Depreciation declined by 4.6% as pre-acquisition IT investment is now fully amortised
- EBIT was up 14.7% to \$50.1 million while EBIT margin was up 50 bps to 4.4%

Gross Profit



EBIT \$ (Pre AASB 16)¹



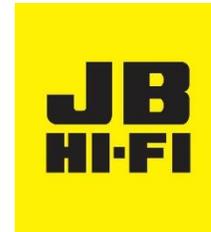
¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

The Good Guys Focus Areas

Strong first half results with continued opportunities for improvement

FY20 Focus Areas	
Sales	<ul style="list-style-type: none"> Continue to focus on driving sales - in-store, online and commercial
Category evolution	<ul style="list-style-type: none"> Establish leading position in the growing Connected Home Appliances market Improve Cooking offer and in-store experience National rollout of Telco services in partnership with Telstra
Stores	<ul style="list-style-type: none"> Continue the store upgrade program that focuses on adjacencies, improved customer flow and showcasing the home appliance categories
Supplier relationships	<ul style="list-style-type: none"> Continue to build on supplier relationships Work with suppliers to create branded in-store displays and improved visual merchandising Introduction of SMEG into the portable appliances range Rollout of Miele Cooking into 17 stores in 2HY20
Delivery experience	<ul style="list-style-type: none"> Utilise Group supply chain capability to consolidate carriers and provide customers an enhanced delivery experience
Productivity	<ul style="list-style-type: none"> Roll out of technology to streamline in-store processes
eCommerce	<ul style="list-style-type: none"> Leverage multichannel capability to further connect the online and in-store experience

Group Balance Sheet and Cash Flow

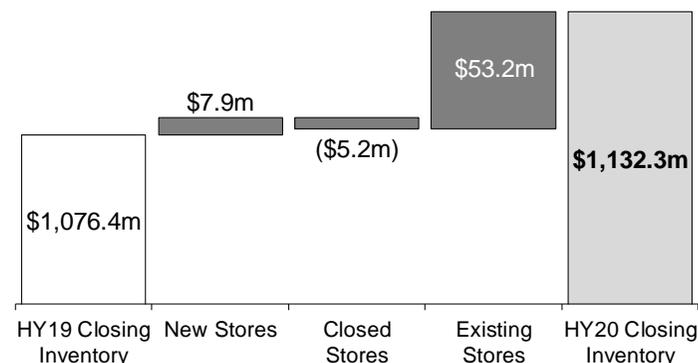


Group Balance Sheet and Cash Flow

Group Balance Sheet

AUDm	HY20 (Statutory)	HY20 ¹ (Pre AASB 16)	FY19 (Pre AASB 16)	HY19 (Pre AASB 16)
Cash	76.8	76.8	119.2	117.1
Receivables	386.6	386.6	254.4	311.2
Inventories	1,132.3	1,132.3	886.7	1,076.4
Other	37.6	37.8	34.6	41.2
Total Current Assets	1,633.3	1,633.5	1,294.9	1,545.9
Fixed Assets	189.5	191.7	191.5	206.8
Intangibles & Goodwill	1,031.4	1,037.2	1,037.3	1,037.3
Other	59.7	39.6	43.5	50.5
Right of Use Asset	724.0	-	-	-
Total Non-Current Assets	2,004.6	1,268.5	1,272.3	1,294.6
Total Assets	3,637.9	2,902.0	2,567.2	2,840.5
Payables	1,025.1	1,025.1	672.7	1,015.5
Other	288.3	294.8	272.8	295.1
Lease Liabilities	162.7	-	-	-
Total Current Liabilities	1,476.1	1,320.0	945.5	1,310.6
Borrowings	292.3	292.3	439.1	330.8
Other	123.7	138.7	138.5	143.9
Lease Liabilities	648.5	-	-	-
Total Non-Current Liabilities	1,064.5	431.0	577.6	474.7
Total Liabilities	2,540.6	1,751.0	1,523.1	1,785.3
Net Assets	1,097.3	1,151.0	1,044.1	1,055.2
Net Debt	215.5²	215.5	319.9	213.7

Inventory Bridge – HY19 to HY20



- Inventory was well controlled with inventory turnover up 8 bps to 6.2x (HY19: 6.1x)
- Receivables were up year on year due primarily to the later Black Friday promotional period (ending in Dec this year vs Nov last year) changing the timing of promotional support claims to Suppliers
- Payables, which ordinarily would grow in line with inventory, were impacted by the earlier purchasing of inventory to capitalise on the increasingly important Black Friday promotional period

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² Net Debt excluding AASB 16 Lease Liability

Group Balance Sheet and Cash Flow

Group Cash Flow Statement

AUDm	HY20 (Statutory)	HY20 ¹ (Pre AASB 16)	HY19 (Pre AASB 16)
Statutory EBITDA	372.1	281.9	264.3
Change in Working Capital	(17.7)	(20.3)	84.5
Net Interest Paid	(4.8)	(4.8)	(6.5)
Interest on lease liabilities	(12.8)	-	-
Income Tax Paid	(57.7)	(57.7)	(58.6)
Other	5.2	5.2	(3.4)
Net Cash Flow from Operations	284.5	204.4	280.3
Purchases of P&E (net)	(26.2)	(26.2)	(36.4)
Net Cash Flow from Investing	(26.2)	(26.2)	(36.4)
Free Cash Flow²	258.2	178.1	243.9
Proceeds / (Repayment) of borrowings	(147.0)	(147.0)	(139.2)
Repayment of lease liabilities	(80.1)	-	-
Proceeds from issue of equity	1.1	1.1	1.8
Shares acquired by the employee share trust	(16.2)	(16.2)	(8.9)
Share issue costs	-	-	-
Dividends Paid	(58.6)	(58.6)	(52.8)
Net Cash Flow from Financing	(300.8)	(220.7)	(199.1)
Net Change in Cash Position	(42.5)	(42.5)	44.8
Effect of exchange rates	(0.0)	(0.0)	0.3
Cash at the end of Period	76.8	76.8	117.1
Net Debt at the end of Period	215.5³	215.5	213.7

Group Performance Indicators

	HY20 ¹ (Pre AASB 16)	HY19 (Pre AASB 16)
Fixed Charge Ratio	3.0x	2.9x
Interest Cover	46.0x	33.2x
Gearing Ratio	0.7	0.8
Return on Invested Capital	18.7%	18.6%

- Operating cash flows and operating cash conversion, whilst down on the pcp due to the Black Friday timing differences year on year, continue to be strong
- Capex remains in line with expectations as we continue to invest in the store portfolio, our digital propositions and strategic initiatives
- In line with prior years, Net Debt at 31 December is seasonally low. We expect Net Debt at 30 June 2020 to be in the range of \$240 million to \$270 million, a reduction of circa \$50 million to \$80 million year on year

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² Free Cash Flow = Net Cash Flow from Operations less Purchases of P&E (net)

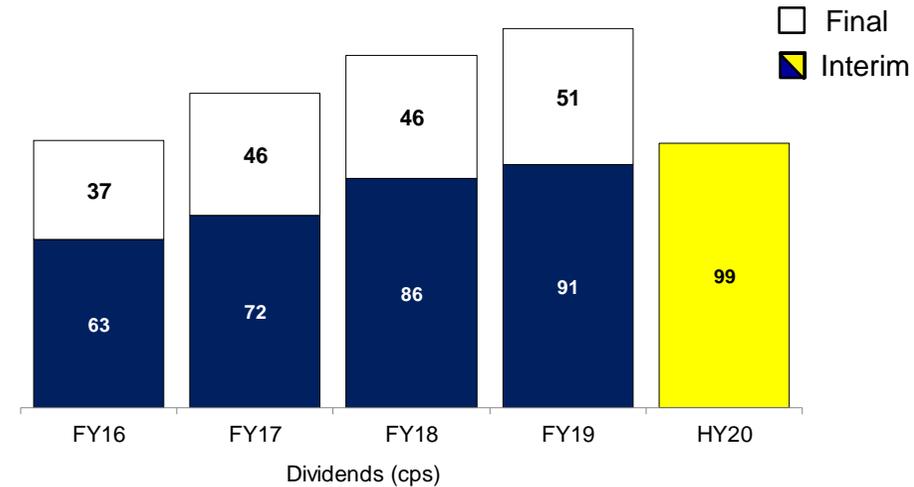
³ Net Debt excluding AASB 16 Lease Liability

Group Balance Sheet and Cash Flow

Capital Management

- The Board regularly reviews the Company's capital structure and believes the current dividend payout ratio of 65% appropriately balances the distribution of profit to shareholders, the repayment of debt and the reinvestment of earnings for future growth
- The interim dividend is 99 cents per share (cps) fully franked, up 8.8% from the pcp, representing 65% of Pre AASB 16 NPAT. The record date for the interim dividend is 21 February 2020, with payment to be made on 6 March 2020

HY20 dividend up 8.8% to 99 cps



Group Balance Sheet and Cash Flow

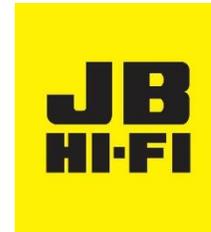
Impact of new lease accounting standard AASB 16 Leases

AASB 16 Leases was adopted on 1 July 2019 and has significantly changed the HY20 reported results however has had no economic impact on the Group, its cashflows, debt covenants or shareholder value. The impact of the adoption of AASB 16 is as follows:

Balance Sheet	<ul style="list-style-type: none"> ▪ Recognition of right of use asset and lease liability ▪ Total Assets – initial increase of \$764.9 million on 1 July 2019 (\$735.9 million at 31 December 2019) ▪ Total Liabilities – initial increase of \$814.8 million on 1 July 2019 (\$789.6 million at 31 December 2019) ▪ Net Asset impact – initial reduction of \$49.9 million on 1 July 2019 (\$53.7 million at 31 December 2019)
Profit and Loss	<ul style="list-style-type: none"> ▪ Increase in HY20 EBIT of \$7.4 million and HY20 EBITDA of \$90.2 million as a result of operating lease expenses being replaced by depreciation and finance costs ▪ Overall HY20 NPAT impact – reduction of \$3.8 million ▪ Expected FY20 NPAT impact – reduction of \$6.5 million to \$7.5 million
Cashflow	<ul style="list-style-type: none"> ▪ Increase in HY20 operating cashflows of \$80.1 million offset by increase in HY20 financing cashflows of \$80.1 million ▪ No impact to net cashflows
Comparatives	<ul style="list-style-type: none"> ▪ AASB 16 has been adopted from 1 July 2019 prospectively with no prior period restatement

Reconciliations detailing the impact of the adoption of AASB 16 on HY20 reported results are set out in Appendix I

FY20 Trading Update and Outlook



Group FY20 Trading Update and Outlook

January 2020 sales update:

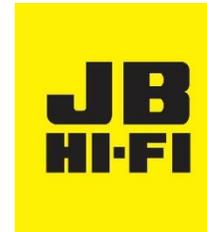
- Total sales growth for JB HI-FI Australia was 6.5% (January 2019: 3.0%) with comparable sales growth of 6.0% (January 2019 : 1.5%)
- Total sales growth for JB HI-FI New Zealand was -1.6% (January 2019 : -1.8%) with comparable sales growth of -1.6% (January 2019 : 4.1%)
- Total sales growth for The Good Guys was 1.4% (January 2019 : 1.8%) with comparable sales growth of 1.4% (January 2019 : 0.3%)

We are pleased with the Q2 and January sales momentum in Australia, however we continue to see growth in low margin categories and a bias in customer purchasing towards key promotional periods

FY20 Guidance:

- In FY20 the Group expects:
 - Total Group sales to be circa \$7.33 billion, comprising:
 - JB HI-FI Australia \$4.93 billion;
 - JB HI-FI New Zealand (NZD) \$0.24 billion; and
 - The Good Guys \$2.18 billion
 - Total Group NPAT, pre application of AASB 16, to be in the range of \$265m to \$270m, an increase of 6.1% to 8.1% on the pcp

Investment Checklist



Investment Checklist

Unique and relevant brands



Flexible business model – history of category growth and development



Diversity of product categories across brands



Scale operator, market leader



Global best in class metrics including low cost of doing business and high sales per square metre



High quality store portfolio and unrivalled customer service



Multichannel capability



Experienced management team



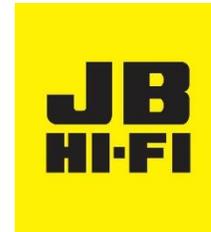
High return on invested capital



Shareholder return focused – through proactive capital management and dividend policies



Appendices



Appendix I

a) Group Profit and Loss reconciliation to Pre application AASB 16 results

AUDm	HY20 (Statutory)	AASB 16 Impact	HY20 (Pre AASB 16)
Sales	3,995.2	-	3,995.2
Gross Profit	860.2	-	860.2
Gross Margin	21.53%		21.53%
EBITDA	372.1	(90.2)	281.9
Depreciation & Impairment	109.1	82.9	26.3
EBIT	263.0	(7.4)	255.6
EBIT Margin	6.58%		6.40%
Net Interest	17.8	12.8	5.0
Profit before Tax	245.2	5.4	250.6
Tax Expense	74.6	1.6	76.2
NPAT	170.6	3.8	174.4
Headline Statistics:			
Dividends per share (¢)	99.0	-	99.0
Earnings per share (basic ¢)	148.5	3.3	151.8
Cost of doing business	12.22%	+226 bps	14.48%

Earnings per Share reconciliation

NPAT (AUDm)	170.6	3.8	174.4
Weighted average number of ordinary shares (m)	114.9	-	114.9
Earnings per share (basic ¢)	148.5	3.3	151.8

b) 5 year Group Profit and Loss

HY20 (Pre AASB 16)	HY19 (Pre AASB 16)	HY18 (Pre AASB 16)	HY17 ¹ (Pre AASB 16)	HY16 (Pre AASB 16)
3,995.2	3,843.7	3,689.8	2,616.2	2,116.8
860.2	828.0	793.9	571.1	459.6
21.53%	21.54%	21.52%	21.83%	21.71%
281.9	264.3	256.3	203.9	157.9
26.3	27.7	30.5	23.1	19.7
255.6	236.6	225.8	180.8	138.2
6.40%	6.16%	6.12%	6.91%	6.53%
5.0	6.7	8.1	1.4	1.7
250.6	229.9	217.7	179.5	136.4
76.2	69.8	66.0	54.1	41.2
174.4	160.1	151.7	125.4	95.2
99.0	91.0	86.0	72.0	63.0
151.8	139.4	132.2	116.3	95.0
14.48%	14.67%	14.57%	14.04%	14.25%

¹ HY17 results are underlying results which exclude transaction fees and implementation costs totaling \$15.3m associated with the acquisition of The Good Guys in November 2016

Appendix I

c) Divisional EBITDA and EBIT reconciliation to Pre application AASB 16 results

AUDm	HY20 (Statutory)	AASB 16 Impact	HY20 (Pre AASB 16)
EBITDA			
- JB HI-FI Australia	277.5	(54.0)	223.5
- JB HI-FI New Zealand (NZD)	5.8	(3.6)	2.1
- The Good Guys	89.2	(32.8)	56.4
Total EBITDA (AUDm)	372.1	(90.2)	281.9
EBIT			
- JB HI-FI Australia	209.3	(4.8)	204.5
- JB HI-FI New Zealand (NZD)	1.5	(0.4)	1.1
- The Good Guys	52.3	(2.2)	50.1
Total EBIT (AUDm)	263.0	(7.4)	255.6

d) 5 year Divisional EBITDA and EBIT

HY20 (Pre AASB 16)	HY19 (Pre AASB 16)	HY18 (Pre AASB 16)	HY17¹ (Pre AASB 16)	HY16 (Pre AASB 16)
223.5	211.8	204.5	185.3	154.7
2.1	2.4	1.4	2.6	3.5
56.4	50.3	50.4	16.1	-
281.9	264.3	256.3	203.9	157.9
204.5	191.9	183.7	165.6	136.4
1.1	1.1	0.0	1.0	2.0
50.1	43.7	42.0	14.3	-
255.6	236.6	225.8	180.8	138.2

¹ HY17 results are underlying results which exclude transaction fees and implementation costs totaling \$15.3m associated with the acquisition of The Good Guys in November 2016

Appendix I

e) Group CODB reconciliation

AUDm	HY20	HY20	HY19
	(Statutory)	(Pre AASB 16)	(Pre AASB 16)
Other income (ex interest revenue)	(0.8)	(0.8)	(0.7)
Sales and marketing expenses	395.7	395.7	379.3
Occupancy expenses	149.4	153.5	151.4
<i>less depreciation, amortisation & impairment</i>	(104.6)	(21.8)	(23.3)
Administration expenses	21.3	21.3	24.6
<i>less depreciation & impairment</i>	(4.5)	(4.5)	(4.4)
Other expenses	31.6	34.9	36.9
CODB	488.1	578.3	563.7
Sales	3,995.2	3,995.2	3,843.7
CODB (% of sales)	12.22%	14.48%	14.67%

Appendix I

f) Group Balance Sheet Reconciliation to Pre application AASB 16 results

AUDm	HY20 (Statutory)	AASB 16 Impact	HY20 (Pre AASB 16)
Cash	76.8	-	76.8
Receivables	386.6	-	386.6
Inventories	1,132.3	-	1,132.3
Other	37.6	0.2	37.8
Total Current Assets	1,633.3	0.2	1,633.5
Fixed Assets	189.5	2.2	191.7
Intangibles & Goodwill	1,031.4	5.8	1,037.2
Other	59.7	(20.1)	39.6
Right of Use Asset	724.0	(724.0)	-
Total Non-Current Assets	2,004.6	(736.1)	1,268.5
Total Assets	3,637.9	(735.9)	2,902.0
Payables	1,025.1	-	1,025.1
Other	288.3	6.5	294.8
Lease Liabilities	162.7	(162.7)	-
Total Current Liabilities	1,476.1	(156.1)	1,320.0
Borrowings	292.3	-	292.3
Other	123.7	15.0	138.7
Lease Liabilities	648.5	(648.5)	-
Total Non-Current Liabilities	1,064.5	(633.5)	431.0
Total Liabilities	2,540.6	(789.6)	1,751.0
Net Assets	1,097.3	53.7	1,151.0
Net Debt / (Net Cash)	215.5¹	-	215.5

¹ Net Debt excluding AASB 16 Lease Liability

g) 5 year Group Balance Sheet

HY20 (Pre AASB 16)	HY19 (Pre AASB 16)	HY18 (Pre AASB 16)	HY17 (Pre AASB 16)	HY16 (Pre AASB 16)
76.8	117.1	182.7	124.5	101.4
386.6	311.2	302.2	257.5	146.1
1,132.3	1,076.4	986.7	898.1	621.5
37.8	41.2	45.3	47.5	9.7
1,633.5	1,545.9	1,516.9	1,327.6	878.7
191.7	206.8	207.2	215.7	185.5
1,037.2	1,037.3	1,037.3	1,052.0	85.3
39.6	50.5	47.7	46.5	20.7
-	-	-	-	-
1,268.5	1,294.6	1,292.2	1,314.2	291.5
2,902.0	2,840.5	2,809.1	2,641.8	1,170.2
1,025.1	1,015.5	1,048.4	920.5	604.9
294.8	295.1	268.6	269.2	128.1
-	-	-	-	-
1,320.0	1,310.6	1,317.0	1,189.7	733.0
292.3	330.8	374.2	423.4	-
138.7	143.9	159.2	155.9	31.4
-	-	-	-	-
431.0	474.7	533.4	579.3	31.4
1,751.0	1,785.3	1,850.4	1,769.0	764.3
1,151.0	1,055.2	958.7	872.8	405.8
215.5	213.7	191.5	299.0	(101.4)

Appendix I

h) Group Cash Flow Reconciliation to Pre application AASB 16 results

AUDm	HY20 (Statutory)	AASB 16 Impact	HY20 (Pre AASB 16)
Statutory EBITDA	372.1	(90.2)	281.9
Change in Working Capital	(17.7)	(2.7)	(20.3)
Net Interest Paid	(4.8)	-	(4.8)
Interest on lease liabilities	(12.8)	12.8	-
Income Tax Paid	(57.7)	-	(57.7)
Other	5.2	0.0	5.2
Net Cash Flow from Operations	284.5	(80.1)	204.4
Purchases of P&E (net)	(26.2)	-	(26.2)
Investments (net of cash acquired)	-	-	-
Net Cash Flow from Investing	(26.2)	-	(26.2)
Free Cash Flow	258.2	(80.1)	178.1
Borrowings / (Repayments)	(147.0)	-	(147.0)
Repayment of lease liabilities	(80.1)	80.1	-
Proceeds from issue of Equity	1.1	-	1.1
Shares acquired by the employee share trust	(16.2)	-	(16.2)
Share buy-back	-	-	-
Share issue costs	-	-	-
Dividends Paid	(58.6)	-	(58.6)
Other	-	-	-
Net Cash Flow from Financing	(300.8)	80.1	(220.7)
Net Change in Cash Position	(42.5)	(0.0)	(42.5)
Effect of exchange rates	(0.0)	-	(0.0)
Cash at the end of Period	76.8	-	76.8

i) 5 year Group Cash Flow

HY20 (Pre AASB 16)	HY19 (Pre AASB 16)	HY18 (Pre AASB 16)	HY17 (Pre AASB 16)	HY16 (Pre AASB 16)
281.9	264.3	256.3	188.5	157.9
(20.3)	84.5	179.3	117.0	134.4
(4.8)	(6.5)	(8.5)	(0.1)	(1.7)
-	-	-	-	-
(57.7)	(58.6)	(58.9)	(34.2)	(33.6)
5.2	(3.4)	5.4	4.8	2.6
204.4	280.3	373.7	276.1	259.6
(26.2)	(36.4)	(30.2)	(20.0)	(28.6)
-	-	-	(846.5)	-
(26.2)	(36.4)	(30.2)	(866.5)	(28.6)
178.1	243.9	343.5	256.1	231.0
(147.0)	(139.2)	(183.8)	315.0	(140.0)
-	-	-	-	-
1.1	1.8	2.8	395.2	5.0
(16.2)	(8.9)	-	-	-
-	-	-	-	(13.2)
-	-	-	(9.0)	-
(58.6)	(52.8)	(52.8)	(36.7)	(30.9)
-	-	-	(1.5)	0.1
(220.7)	(199.1)	(233.8)	663.0	(179.0)
(42.5)	44.8	109.7	72.6	52.0
(0.0)	0.3	0.2	(0.0)	0.3
76.8	117.1	182.7	124.5	101.4

Appendix II

Group Profit and Loss – Breakdown¹

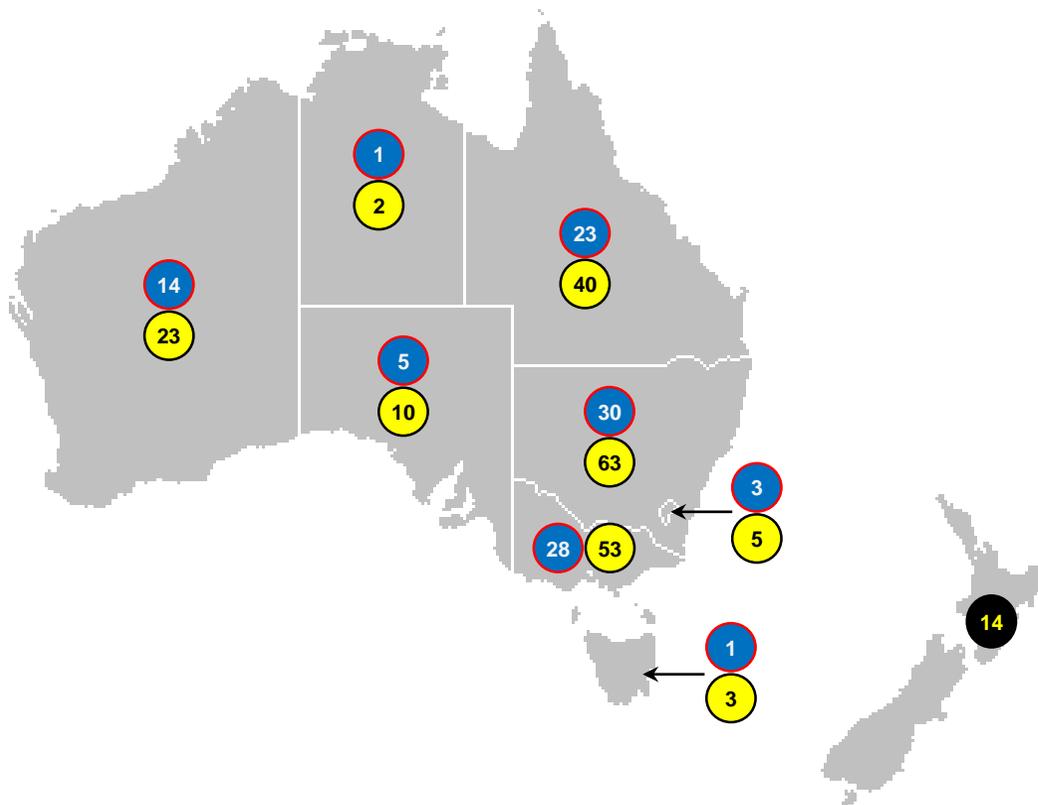
AUDm	HY20 ¹ (Pre AASB 16)				HY19 (Pre AASB 16)				Growth (Pre AASB 16)
	JB HI-FI AUST	JB HI-FI NZ (NZD)	TGG	Group	JB HI-FI AUST	JB HI-FI NZ (NZD)	TGG	Group	
Sales	2,722.4	132.8	1,147.5	3,995.2	2,591.3	131.8	1,130.7	3,843.7	3.9% ▲
Gross Profit	600.8	23.0	237.6	860.2	573.6	23.1	233.2	828.0	3.9% ▲
<i>Gross Margin</i>	22.07%	17.36%	20.71%	21.53%	22.13%	17.51%	20.62%	21.54%	(1 bps) ▼
EBITDA	223.5	2.1	56.4	281.9	211.8	2.4	50.3	264.3	6.6% ▲
Depreciation & Impairment	19.0	1.0	6.3	26.3	19.9	1.3	6.6	27.7	(5.2%) ▼
EBIT	204.5	1.1	50.1	255.6	191.9	1.1	43.7	236.6	8.0% ▲
<i>EBIT Margin</i>	7.51%	0.83%	4.36%	6.40%	7.41%	0.86%	3.86%	6.16%	+24 bps ▲
Net Interest				5.0				6.7	(25.1%) ▼
Profit before Tax				250.6				229.9	9.0% ▲
Tax Expense				76.2				69.8	9.1%
NPAT				174.4				160.1	8.9% ▲
Headline Statistics:									
Dividends per share (¢)				99.0				91.0	8.8% ▲
Earnings per share (basic ¢)				151.8				139.4	8.9% ▲
Cost of doing business	13.86%	15.76%	15.79%	14.48%	13.96%	15.66%	16.18%	14.67%	(19 bps) ▼
Stores	199	14	105	318	196 ²	14 ²	105 ²	315 ²	+3 stores ▲

¹ HY20 results exclude the impact of AASB 16. Refer Appendix I for reconciliations of Statutory and Pre application AASB 16 results

² As at 30 June 2019

Appendix III

318 stores across Australia and New Zealand¹



Group store reconciliation¹

	FY19	HY20			Total
		Opened	Converted	Closed	
Australia					
● JB HI-FI	138	3	-	-	141
● JB HI-FI HOME	58	-	-	-	58
	196	3	-	-	199
New Zealand					
● JB HI-FI	14	-	-	-	14
● JB HI-FI HOME	-	-	-	-	-
	14	-	-	-	14
JB HI-FI TOTAL	210	3	-	-	213
● THE GOOD GUYS TOTAL	105	-	-	-	105
	315	3	-	-	318
Store type:					
JB HI-FI	152	2	-	-	154
JB HI-FI HOME	58	1	-	-	59
THE GOOD GUYS	105	-	-	-	105
	315	3	-	-	318
Store format:					
Shopping centre	123	-	-	-	123
Other	192	3	-	-	195
	315	3	-	-	318

¹ As at 31 December 2019