



JB HI-FI LIMITED
14 SPINK STREET
BRIGHTON VIC 3186
PHONE: (03) 8350 7333
FACSIMILE: (03) 9596 9816
ABN: 80 093 220 136
www.jbhifi.com.au

COMPANY ANNOUNCEMENT

17 August 2004

JB Hi-Fi reports 60% increase in full year Profit

JB Hi-Fi Limited today reported a record full year net profit after tax of \$13.8 million for the 12 months ending June 2004, up 60.7% on the previous corresponding period of \$8.6 million.

Total sales were up 27.1% to \$452.4 million and comparable store growth was 8.0%. Gross margin was strong for the period, increasing 0.9 to 23.4%.

Operating expenditure as a percentage of sales has remained in line with expectations at 17.8% for the period.

EBIT was \$22.8 million and the resulting EBIT margin was 5.0%, up from 4.7% for same period last year. JB Hi-Fi's cash flow remained strong during the period, with cash flow from operations of \$14.8 million.

The Board has declared a fully franked final dividend of 3.6 cents a share, with total dividends for the year of 7.2 cents per share. The final dividend will be paid on the 21 October 2004.

JB opened 6 stores during the FY04 and expects to open up to 9 stores in FY05, with 6 stores expected to be opened before Christmas. It anticipates opening 1 Clive Anthonys store toward the end of FY05.

As announced on the 5th August 2004, JB has acquired a 70% interest in Queensland electrical retailer Clive Anthonys Pty Ltd at a cost of \$24.2 million. Clive Anthonys retails White Goods, Consumer Electronics, Cooking and Computers from 5 stores, with expected sales in FY05 of over \$100 million.

"We are confident of solid growth in FY05 with sales (including Clive Anthonys) of close to \$700 million" said CEO, Richard Uechtritz. "The year has started off well with comp store growth slightly up on last year in the first 6 weeks albeit we expect that to soften into the year. We continue to see solid growth in TV, digital cameras and DVD software. The music category also showed strong growth on a like for like basis for the year."

"We have a fabulous retail model, put simply Australians like shopping at JB wherever we have opened. Remember our FY04 results are from only 26 stores that are over 12 months old and 6 new stores which is a great result from so few stores"

Richard Uechtritz
Chief Executive Officer

Contact:

Richard Uechtritz
Chief Executive Officer
(03) 8530 7333 or 0412 678 299