

24 December 2013

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By electronic lodgement

Dear Sir

Re: Notice of initial substantial holder – JB Hi-Fi Limited (JBH)

We enclose notice of initial substantial holder in JB Hi-Fi Limited. This notice is given by Challenger Limited and each of its subsidiaries named in Annexure 1 to this notice.

Yours faithfully



Andrew Brown
Company Secretary

attach

Melbourne Level 19, 31 Queen Street PO Box 297, Flinders Lane, Melbourne VIC 3000 Telephone 02 9994 7000 Facsimile 02 9994 7777
Brisbane Level 9, 241 Adelaide Street GPO Box 3234, Brisbane QLD 4001 Telephone 07 3136 5400 Facsimile 07 3136 5407
Perth Level 5, 50 Georges Terrace, Perth WA 6000 Telephone 08 9261 7412 Facsimile 08 9321 5277
Adelaide Level 7, Suite 714, 147 Pirie Street Adelaide SA 5000 Telephone 08 7071 7042 Facsimile 08 8227 0395

Challenger Limited ABN 85 106 842 371 Challenger Group Services Pty Limited ABN 91 085 657 307
Challenger Life Company Limited ABN 44 072 486 938 AFSL 234670 Howard Commercial Lending Limited ABN 65 000 033 143
Challenger Listed Investments Limited ABN 94 055 293 644 AFSL 236 887 Challenger Diversified Property Trust 1 ARSN 121 484 606
Challenger Diversified Property Trust 2 ARSN 121 484 713 Challenger Management Services Limited ABN 29 092 382 842 AFSL 234 678
Challenger Retirement and Investment Services Limited ABN 80 115 534 453 AFSL295642 RSE Licence No. L0001304
Challenger Mortgage Management Pty Ltd ABN 72 087 271 109 Challenger Securitisation Management Pty Ltd ABN 56 100 346 898 AFSL 244593

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme **JB Hi-Fi Limited**

ACN/ARSN **093 220 136**

1. Details of substantial holder (1)

Name **Challenger Limited (and entities listed in Annexure 1)**

ACN / ARSN (if applicable) **106 842 371**

The holder became a substantial holder on **05 / 12 / 2013**

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary Fully Paid	Same as persons votes	5,022,286	5.01%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
See Annexure 1	Ordinary fully paid shares purchased on market by Challenger Limited and the entities listed in Annexure 1.	See Annexure 2

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Challenger Limited and each other entity named in Annexure 1	JP Morgan Nominees Australia Ltd	JP Morgan Nominees Australia Ltd	1,482,757
As above	BNP Paribas Nominees Pty Limited	BNP Paribas Nominees Pty Limited	50,301
As above	Citicorp Nominees Pty Limited	Citicorp Nominees Pty Limited	1,043,732
As above	HSBC Custody Nominees (Australia) Limited	HSBC Custody Nominees (Australia) Limited	1,086,637
As above	National Nominees Limited	National Nominees Limited	1,358,859

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See Annexure 1	See Annexure 2	See Annexure 2		See Annexure 2

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Challenger Limited and each entity named in Annexure 1	Level 15, 255 Pitt Street, Sydney

Signature

print name **Andrew Brown** capacity **Company Secretary**

sign here  date **24/12/2013**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations A.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure 1

This is page 1 of 4 pages of Annexure 1 referred to in Form 603 signed by me and dated 24/12/2013



Andrew Brown
Company Secretary

Company/Scheme	ACN/ABN/ARSN
Challenger Limited	85 106 842 371
A.C.N. 167 156 961 Pty Ltd	167 156 961
A.C.N. 167 321 637 Pty Ltd	167 321 637
Allfine Holdings Pty Ltd	84 100 231 918
Bluezen Pty Ltd	94 100 220 175
CDPG Australia Pty Limited	124 498 095
Cescade Pty Limited	76 096 097 399
CFSG Holdings No. 2 Victoria Pty Limited	107 601 605
Challenger Direct Pty Ltd	52 006 475 501
Challenger Diversified Property Development Pty Limited	121 624 833
Challenger Financial Services Pty Ltd	38 087 464 131
Challenger FM 2 Holdings Pty Limited	85 080 036 657
Challenger FM Nominees Pty Limited	130 035 353
Challenger Funds Management Holdings Pty Limited	107 728 030
Challenger Group Holdings Limited	50 002 993 302
Challenger Group Pty Ltd	85 003 374 196
Challenger Group Services Pty Ltd	91 085 657 307
Challenger Home Loan Corporation Pty Limited	058 891 302
Challenger Inventory Finance Servicing Pty Limited	36 107 706 810
Challenger Life Company Holdings Pty Ltd	60 006 381 193
Challenger Life Company Limited	44 072 486 938
Challenger Life Fund Property Investments Pty Ltd	161 212 693
Challenger Life Nominees No.2 Pty Ltd	34 078 627 013
Challenger Life Nominees No.3 Pty Limited	151 482 147
Challenger Life Nominees Pty Ltd	39 091 336 793
Challenger Life Subsidiary Holdings Ltd	38 099 742 122
Challenger Listed Investments Limited	94 055 293 644
Challenger Managed Investments (International) Pty Ltd	120 871 212
Challenger Management Services Limited	29 092 382 842
Challenger Margin Lending Pty Limited	47 091 338 822
Challenger Mortgage Management Pty Limited	72 087 271 109
Challenger Non-Conforming Finance Pty Ltd	107 725 486
Challenger Originator Finance Pty Ltd	095 085 466
Challenger Property Asset Management Pty Ltd	90 077 569 021
Challenger Retirement and Investment Services Limited	115 534 453
Challenger Securitisation Management Pty Limited	56 100 346 898
Challenger Skybridge (Group) Holding Company Pty Ltd	130 888 327
Challenger Skybridge (Hastings) Holding Company Pty Ltd	130 888 274
Challenger Special Servicing Pty Ltd	77 107 707 415
Challenger Specialised Finance Pty Ltd	164 516 401
Challenger Treasury Limited	47 093 307 996
Challenger Wind Holdings Pty Limited	151 496 061
Challenger Wholesale Finance Holdings Pty Limited	087 284 240
CPHIC Investments Pty Ltd	95 093 340 526
CSPP1 Broadbeach Pty Ltd	122 460 977

Annexure 1

This is page 2 of 4 pages of Annexure 1 referred to in Form 603 signed by me and dated 24/12/2013



Andrew Brown
Company Secretary

Company/Scheme	ACN/ABN/ARSN
CSPP1 Investment Company 1 Pty Limited	120 463 023
CSPP1 Maitland Pty Ltd	122 460 968
CSPP1 Mavis Court Pty Ltd	122 461 983
EMIF Holdings Pty Ltd	130 565 169
Endowment Warrants Limited	45 009 568 503
Fidante Partners Alphinity Holdings Pty Ltd	140 716 016
Fidante Partners Ardea Holdings Pty Ltd	133 865 853
Fidante Partners Bentham Holdings Pty Ltd	140 715 573
Fidante Partners Holdings Pty Limited	123 318 650
Fidante Partners K Holdings Pty Ltd	143 836 373
Fidante Partners Kapstream Holdings Pty Limited	123 319 460
Fidante Partners Limited	94 002 835 592
Fidante Partners Merlon Holdings Pty Ltd	140 715 662
Fidante Partners Metisq Holdings Pty Ltd	143 376 961
Fidante Partners NovaPort Holdings Pty Ltd	140 715 797
Fidante Partners R&M Holdings Pty Limited	152 375 436
Fidante Partners Services Limited	44 119 605 373
Fidante Partners T Holdings Pty Ltd	167 321 262
Fidante Partners Wavestone Holdings Pty Limited	133 626 276
GasValpo Finance Pty Ltd	003 376 529
Howard Commercial Lending Limited	65 000 033 143
LANV Pty Ltd	147 224 502
Maitland Nominee Holdings Pty Limited	122 853 114
Mavis Court Development Co Pty Limited	124 112 956
Mawbury Pty Limited	95 096 097 479
Metisq Capital Holdings Pty Ltd	158 011 351
Metisq Capital Pty Ltd	104 642 613
MIR Nominee Holdings Pty Limited	154 029 259
Oaklands Hill Pty Ltd	149 814 559
Oaklands Hill Wind Farm Pty Ltd	126 595 935
Talavera Herring Pty Limited	34 086 068 984
The Liberty Group Consortium Pty Ltd	79 082 564 289
TLG Services Pty Limited	20 092 500 608
TLGH Pty Limited	85 092 927 467
TRE Data Centres Canberra Pty Ltd	141 881 227
US LLC Holdings Pty Ltd	130 888 292
Waterford County Pty Limited	122 853 089

Annexure 1

This is page 3 of 4 pages of Annexure 1 referred to in Form 603 signed by me and dated 24/12/2013



Andrew Brown
Company Secretary

Overseas Companies
Appia Europe Limited
Appia Finance 2 Limited
Appia Finance Limited
Appia Group Limited (Jersey)
Appia Investments Limited
CDPG Luxembourg Holdings SARL
CDPG Luxembourg II SARL
CDPG Luxembuorg SARL
CDPG Malta Limited
Challenger Connections Limited
Challenger Connections Mid Company Limited
Challenger DPG France II SAS
Challenger DPG France SAS
Challenger Group Services (UK) Limited
Challenger Harbourmasters Holdings Jersey Limited
Challenger Holding (Vagyonkezeló) KFT
Challenger Jersey I3 Limited
Challenger Jersey Management Limited
Challenger LBC Terminals Holding Company Limited
Challenger LBC Terminals Jersey Limited
Challenger LBC Terminals Limited
Challenger Life (UK) Limited
Challenger Luxembourg Holding No. 1A SARL
Challenger Luxembourg Holding No. 1B SARL
Challenger Luxembourg Holding No. 2 SARL
Challenger Management Services (UK) Limited
Challenger MBK Emerging Market Infrastructure Fund Pte. Ltd
Challenger MBK Fund Management Pte. Ltd
Challenger Northern Gas Ltd (Jersey)
Challenger SCR LLP Member Limited
Challenger SkyBridge Fund (LP) Limited
Challenger SkyBridge Fund (SLP) Limited
Challenger Southern Water Limited
Challenger Structured Credit Management Limited
Challenger Towers Ltd (Jersey)
Challenger UK Tank Storage Limited
Challenger UK Terminals Ltd
Challenger Wales and the West Gas Ltd (Jersey)
Challenger Welcome Break Limited

Annexure 1

This is page 4 of 4 pages of Annexure 1 referred to in Form 603 signed by me and dated 24/12/2013



Andrew Brown
Company Secretary

Overseas Companies
Clashfern Investments (UK) Limited
CMS (UK) Pty Limited
GasValpo Jersey Holding Company Limited
Greensands Holdings Jersey Limited
GV Cayman Company Limited
GV Chile Holding Limitada
GV Chile Limitada
GV Jersey Trustee Company Limited
GV Jersey Trustee Company No. 2 Limited
Inexus Group Holdings
Inexus Group Limited
Interstar Home Loan Corporation NZ Limited (Foreign)
Kabushiki Kaisha C & K
Lazor
Mangro
Namroc
Oikos Limited
Oikos Storage Limited
Rozal
Rozalia Park
Sabrand Limited
SCI Aulnay Invest
SCI Gennevilliers Invest
Structured Credit Research LLP



Andrew Brown

Date of Change	Holder of relevant interest	Nature of Change	Consideration	Number of securities	Person's Votes Affected
12/09/2013	Challenger Limited (the entities listed in Annexure 1)	Sell	127,498.97	-6,329	6,329
26/09/2013	As above	Sell	18,197.12	-854	854
10/10/2013	As above	Sell	32,926.08	-1,600	1,600
17/10/2013	As above	Sell	23,591.77	-1,136	1,136
04/11/2013	As above	Sell	24,420.52	-1,128	1,128
06/11/2013	As above	Buy	150,333.72	6,800	6,800
22/11/2013	As above	Buy	65,065.28	3,200	3,200
02/12/2013	As above	Buy	389,255.22	19,686	19,686
02/12/2013	As above	Buy	124,294.34	6,286	6,286
02/12/2013	As above	Buy	505,383.22	25,559	25,559
02/12/2013	As above	Buy	304,210.68	15,385	15,385
02/12/2013	As above	Buy	382,710.29	19,355	19,355
02/12/2013	As above	Buy	1,022,215.12	51,697	51,697
02/12/2013	As above	Buy	1,130,176.79	57,157	57,157
02/12/2013	As above	Buy	68,692.10	3,474	3,474
02/12/2013	As above	Buy	670,568.53	33,913	33,913
02/12/2013	As above	Buy	161,922.73	8,189	8,189
02/12/2013	As above	Buy	188,082.68	9,512	9,512
03/12/2013	As above	Buy	153,828.59	7,870	7,870
03/12/2013	As above	Buy	957,579.36	48,900	48,900
03/12/2013	As above	Buy	1,825,079.68	93,200	93,200
03/12/2013	As above	Buy	125,327.36	6,400	6,400
03/12/2013	As above	Buy	229,114.08	11,700	11,700
03/12/2013	As above	Buy	49,764.63	2,546	2,546
03/12/2013	As above	Buy	199,078.05	10,185	10,185
03/12/2013	As above	Buy	120,658.69	6,173	6,173
03/12/2013	As above	Buy	150,818.48	7,716	7,716
03/12/2013	As above	Buy	404,195.87	20,679	20,679
03/12/2013	As above	Buy	446,435.21	22,840	22,840
03/12/2013	As above	Buy	27,149.67	1,389	1,389
03/12/2013	As above	Buy	265,437.40	13,580	13,580
03/12/2013	As above	Buy	63,349.23	3,241	3,241
03/12/2013	As above	Buy	73,904.18	3,781	3,781
03/12/2013	As above	Buy	612,929.12	31,300	31,300
03/12/2013	As above	Buy	628,595.04	32,100	32,100
03/12/2013	As above	Buy	50,914.24	2,600	2,600
03/12/2013	As above	Buy	3,916.48	200	200
03/12/2013	As above	Buy	33,290.08	1,700	1,700
03/12/2013	As above	Buy	11,749.44	600	600
04/12/2013	As above	Buy	31,996.91	1,627	1,627
04/12/2013	As above	Buy	10,364.09	527	527
04/12/2013	As above	Buy	41,417.02	2,106	2,106
04/12/2013	As above	Buy	25,094.07	1,276	1,276
04/12/2013	As above	Buy	31,367.59	1,595	1,595
04/12/2013	As above	Buy	84,073.01	4,275	4,275
04/12/2013	As above	Buy	92,863.80	4,722	4,722
04/12/2013	As above	Buy	5,644.20	287	287
04/12/2013	As above	Buy	55,222.69	2,808	2,808
04/12/2013	As above	Buy	13,176.35	670	670
04/12/2013	As above	Buy	15,378.97	782	782
04/12/2013	As above	Sell	20,759.79	-1,053	1,053
05/12/2013	As above	Buy	496,804.80	24,940	24,940
05/12/2013	As above	Sell	1,992.00	-100	100

622,328