

BEST BUY CO INC

FORM 8-K (Current report filing)

Filed 03/10/98 for the Period Ending 03/10/98

Address	7601 PENN AVE SOUTH RICHFIELD, MN 55423
Telephone	6122911000
CIK	0000764478
Symbol	BBY
SIC Code	5731 - Radio, Television, and Consumer Electronics Stores
Industry	Retail (Technology)
Sector	Services
Fiscal Year	02/03

BEST BUY CO INC

FORM 8-K (Unscheduled Material Events)

Filed 3/10/1998 For Period Ending 3/10/1998

Address	7601 PENN AVE SOUTH RICHFIELD, Minnesota 55423
Telephone	612-291-1000
CIK	0000764478
Industry	Retail (Technology)
Sector	Services
Fiscal Year	03/01

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): MARCH 10, 1998

BEST BUY CO., INC.

(Exact name of registrant as specified in charter)

MINNESOTA
(State or other
jurisdiction of
incorporation)

1-9595
(Commission File
Number)

41-0907483
(I.R.S. Employer
Identification No.)

7075 FLYING CLOUD DRIVE, EDEN PRAIRIE, MINNESOTA 55344
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 612\947-2000

NO CHANGE
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

On March 10, 1998, Best Buy Co., Inc. (Best Buy), on behalf of Best Buy Capital, L.P., a Delaware limited partnership of which Best Buy is the General Partner (Capital), announced that Capital has elected to exercise its right to cause the conversion rights of the holders of Capital's 6 1/2% Convertible Monthly Income Preferred Securities (Preferred Securities), to expire effective as of the close of business on Friday, April 24, 1998, the Conversion Expiration Date. The Preferred Securities are convertible at the option of the holder at any time prior to the Conversion Expiration Date into shares of Best Buy common stock at the conversion rate of 1.111 shares of Best Buy common stock for each Preferred Security. Based on a liquidation preference of \$50 per Preferred Security, the conversion rate is equivalent to a conversion price of \$45.00 per share of Best Buy common stock. As of the close of business on Monday, March 9, 1998, the market price of the Best Buy common stock was \$66.75.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.**(c) EXHIBITS**

99 Press Release issued March 10, 1998.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BEST BUY CO., INC.
(Registrant)

Date: March 10, 1998

By: /s/Elliot S. Kaplan

Elliot S. Kaplan, Secretary

PRESS RELEASE

**BEST BUY ANNOUNCES
EXPIRATION OF CONVERSION RIGHTS
OF PREFERRED SECURITIES**

MINNEAPOLIS, MARCH 10, 1998 -- Best Buy Co., Inc., on behalf of Best Buy Capital, L.P. (Partnership), a Delaware limited partnership of which Best Buy Co., Inc. is the General Partner, announced today that the Partnership has elected to exercise its right to cause the conversion rights of the holders of the Partnership's 6.5% Convertible Monthly Income Preferred Securities (Preferred Securities) to expire effective as of the close of business on Friday, April 24, 1998, the Conversion Expiration Date. The Preferred Securities are convertible at the option of the holder at any time on or prior to the Conversion Expiration Date into shares of Best Buy common stock at the conversion rate of 1.111 shares of Best Buy common stock for each Preferred Security. Based on a liquidation preference of \$50 per Preferred Security, the conversion rate is equivalent to a conversion price of \$45 per share of Best Buy common stock. As of the close of business on Monday, March 9, 1998, the market price of the Best Buy common stock was \$66.75.

Any Preferred Securities which are not surrendered for conversion on or prior to the Conversion Expiration Date (April 24, 1998) will no longer be convertible into shares of Best Buy common stock. After April, 24, 1998, any outstanding Preferred Securities will continue to be entitled to receive cumulative, declared cash distributions from the Partnership at an annual rate of 6.5% of the liquidation preference of \$50 per Preferred Security (\$3.25 annually), payable monthly in arrears on the last day of each calendar month. The market price of the Preferred Securities as of the close of business on Monday, March 9, 1998 was \$73.375 per Preferred Security. In the event that less than 5% of the original amount of the Preferred Securities issued remain outstanding after the Conversion Expiration Date, the Partnership will have the right to redeem the Preferred Securities, for cash, at a price of \$50 per Preferred Security. If the Preferred Securities are not redeemed, they will mature on November 3, 2024 at their \$50 liquidation preference.

Best Buy Co., Inc. is a Fortune 200 company operating 285 stores in 32 states. The Company retails name brand personal computers and home office products, consumer electronics, entertainment software and appliances. Best Buy's common stock is traded on the New York Stock Exchange, symbol BBY. The Preferred Securities are also traded on the New York Stock Exchange, symbol BBY PFM.

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For more information:

Susan Hoff

VP Corporate Communications & Investor Relations (612) 947-2443

shoff@bestbuy.com

4

End of Filing

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