

# BEST BUY CO INC

## FORM 8-K (Current report filing)

Filed 11/07/01 for the Period Ending 10/31/01

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 11/7/2001 For Period Ending 10/31/2001

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

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 8-K

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CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 31, 2001

### **BEST BUY CO., INC.**

(Exact name of registrant as specified in its 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**

(Address of principal executive offices)

**55344**

(Zip Code)

Registrant's telephone number, including area code: (952) 947-2000

**N/A**

(Former name or former address, if changed since last report.)

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## **ITEM 5. OTHER EVENTS.**

As previously reported on August 14, 2001, Best Buy Co., Inc. ("Best Buy"), a Minnesota corporation, announced that it had entered into a Support Agreement (the "Support Agreement"), dated August 13, 2001, by and among Best Buy, Future Shop Acquisition Inc. (formerly known as 3058795 Nova Scotia Limited), a Nova Scotia, Canada corporation and a wholly-owned subsidiary of Best Buy (the "Purchaser"), and Future Shop Ltd., a British Columbia, Canada corporation ("Future Shop"). Pursuant to the Support Agreement, on August 23, 2001, the Purchaser commenced a cash takeover bid to acquire all of the issued and outstanding common shares of Future Shop, at a price of CDN\$17.00 per share (the "Offer").

On November 1, 2001, Best Buy announced that as of the expiration date of the Offer at 5 p.m., PST, on October 31, 2001, approximately 32,784,000 shares, or 98% of Future Shop's common shares, had been tendered. On November 5, 2001, Best Buy announced the take up on November 4, 2001 of all Future Shop common shares deposited under the takeover bid. Best Buy also announced the acquisition of those Future Shop common shares which were not deposited under the takeover bid on November 4, 2001 for CDN\$17.00 per share through its compulsory acquisition rights. Accordingly, Future Shop became a wholly-owned subsidiary of Best Buy on November 4, 2001 and Future Shop stock no longer trades on the Toronto Stock Exchange effective November 5, 2001.

The aggregate funds required to consummate the takeover bid (excluding fees and expenses) are approximately CDN\$580 million, or approximately US\$364 million, all of which were provided by Best Buy from its available working capital.

This description constitutes only a summary of the Support Agreement and the transactions contemplated thereby. The Takeover Bid Circular provides more complete information about the Offer.

**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.**

(c) Exhibits.

The following are filed as Exhibits to this Report:

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
99.1	Press Release issued by Registrant on November 1, 2001. Any Internet addresses provided in this release are for information purposes only and are not intended to be hyperlinks. Accordingly, no information in any of these Internet addresses is included herein.
99.2	Press Release issued by Registrant on November 5, 2001. Any Internet addresses provided in this release are for information purposes only and are not intended to be hyperlinks. Accordingly, no information in any of these Internet addresses is included herein.

## SIGNATURES

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)

By: /s/ Darren R. Jackson  
Name: Darren R. Jackson  
Title: Senior Vice President – Finance,  
Treasurer and Chief Financial Officer

Date: November 7, 2001

### EXHIBIT 99.1

#### Best Buy Announces Future Shop Takeover Bid Results; All Regulatory Approvals Received, Tender Offer Expires

MINNEAPOLIS -- Nov. 1, 2001--Best Buy Co., Inc. (NYSE:BBY), today announced the successful expiration of its the tender offer for Burnaby, BC-based Future Shop Ltd. (TSE:FSS.) following the receipt of all necessary regulatory approvals. A total of 32,784,000 common shares of Future Shop had been tendered as of 5 p.m., PST, on Oct. 31, 2001, under Best Buy's CDN \$17.00 per share (or approximately US \$10.80 per share) cash takeover bid for all outstanding common shares. This represents approximately 98 percent of Future Shop's common shares on a fully diluted basis.

Best Buy expects to take up all Future Shop common shares deposited under the takeover bid on Nov. 4, 2001. Payment for the common shares deposited is to be made by Computershare Trust Company of Canada, the depository for the takeover bid.

Best Buy intends to acquire those Future Shop common shares, which have not been deposited, as soon as possible through the exercise of its compulsory acquisition rights. As a result, on Nov. 4, 2001, Future Shop is expected to become a wholly owned subsidiary of Best Buy. Future Shop will be delisted from the Toronto Stock Exchange beginning on Nov. 5, 2001.

"We are pleased that the transaction was cleared before the beginning of the important holiday selling season," said Best Buy Founder, Chairman & CEO Richard M. Schulze. "Our focus now is on delivering to consumers the technology and entertainment gifts they want."

This news release is neither an offer to purchase nor a solicitation of an offer to sell shares of Future Shop. Future Shop shareholders are advised to read the takeover bid circular and the directors' circular regarding the takeover bid referred to in this announcement. The takeover bid circular (including an offer to purchase and related documents) and the directors' circular contain important information, including the terms and conditions of the takeover bid, which should be read carefully before any decision is made with respect to the takeover bid.

The takeover bid circular, the directors' circular and certain related documents are available at the Canadian Securities Administrator's Web site at [www.sedar.com](http://www.sedar.com) and may be obtained from the Dealer Manager or the Information Agent for the takeover bid, as set forth in the documents.

Statements made in this news release, other than those concerning historical information, should be considered forward-looking and subject to various risks and uncertainties. Such forward-looking statements are based on management's beliefs and assumptions regarding information currently available, and are made pursuant to the "safe harbor" provisions of Section 27A of the Securities Act of 1993, as amended, and section 21E of the Securities Exchange Act of 1934, as amended. Best Buy's actual results could differ materially from those expressed in the forward looking-statements. Factors that could cause results to vary include, among others, those expressed in Best Buy's filing with the U.S. Securities and Exchange Commission. Best Buy has no obligation to publicly update or revise any of the forward-looking statements that may be in this news release.

About Best Buy Co., Inc.

Minneapolis-based Best Buy Co., Inc. (NYSE:BBY) is the nation's number one specialty retailer of consumer electronics, personal computers, entertainment software and appliances. The Company operates retail stores and commercial web sites under the names: Best Buy (BestBuy.com), Magnolia Hi-Fi (MagnoliaHiFi.com), Media Play (MediaPlay.com), On Cue (OnCue.com), Sam Goody (SamGoody.com), and Suncoast (Suncoast.com). The Company reaches consumers through more than 1,700 retail stores nationwide, in Puerto Rico and in the U.S. Virgin Islands.

## About Future Shop

Future Shop is Canada's largest, fastest-growing national retailer and e-tailer of consumer electronic products for the digital age, with 91 stores and the nation's premier Internet-based electronics superstore, at FutureShop.ca. Future Shop and its 7,300 associates are committed to providing Canadians with expert service; the latest digital products such as DVD movies and wireless Internet devices; and a wide selection of televisions, computers, music and appliances. For more information about Future Shop, visit the company's Web site at [www.FutureShop.com](http://www.FutureShop.com).

CONTACT: Best Buy Co., Inc., Minneapolis  
Susan Hoff, 952/947-2443  
[susan.hoff@bestbuy.com](mailto:susan.hoff@bestbuy.com)

## EXHIBIT 99.2

### Best Buy Completes Future Shop Acquisition

MINNEAPOLIS -- Nov. 5, 2001--Best Buy Co., Inc. (NYSE:BBY), the largest consumer electronics retailer in the U.S., today announced the completion of its acquisition of Future Shop Ltd., Canada's leading consumer electronics retailer. Future Shop became a wholly owned subsidiary of Best Buy effective on November 4, 2001, and there will no longer be trading of Future Shop shares on the Toronto Stock Exchange.

"The completed acquisition of Future Shop is an exciting step for both companies," said Best Buy Chairman & CEO Richard M. Schulze. "It helps achieve Best Buy's goal of becoming a global leader in the technology and entertainment industry, and provides Future Shop with the resources of a multi-national organization committed to growth and expansion throughout Canada."

As part of the acquisition, Hassan Khosrowshahi - who founded Future Shop in 1982 - has stepped down as Chairman and CEO. Future Shop President & COO Kevin Layden will remain at the helm, reporting to Best Buy President and COO Brad Anderson. Layden said, "The post-merger integration process will be a collaborative effort, maximizing the talent and expertise of Future Shop employees. We look forward to being a part of the Best Buy family."

#### About Best Buy Co., Inc.

Minneapolis-based Best Buy Co., Inc. (NYSE:BBY) is the number one specialty retailer of consumer electronics, personal computers, entertainment software and appliances in the U.S. The Company operates retail stores and commercial web sites under the names: Best Buy (BestBuy.com), Future Shop (FutureShop.ca); Magnolia Hi-Fi (MagnoliaHiFi.com), Media Play (MediaPlay.com), On Cue (OnCue.com), Sam Goody (SamGoody.com), and Suncoast (Suncoast.com). The Company reaches consumers through more than 1,800 retail stores nationwide, in Canada, in Puerto Rico and in the U.S. Virgin Islands.

#### About Future Shop

Future Shop, a wholly owned subsidiary of Best Buy Co., Inc. (NYSE:BBY), is Canada's largest, fastest-growing national retailer and e-tailer of consumer electronic products for the digital age, with 91 stores and the nation's premier Internet-based electronics superstore, at FutureShop.ca. Future Shop and its 7,300 associates are committed to providing Canadians with expert service; the latest digital products such as DVD movies and wireless Internet devices; and a wide selection of televisions, computers, music and appliances. For more information about Future Shop, visit the company's Web site at [www.FutureShop.ca](http://www.FutureShop.ca).

Statements made in this news release, other than those concerning historical financial information, should be considered forward looking and subject to various risks and uncertainties. Such forward-looking statements are based on management's beliefs and assumptions regarding information currently available, and are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The Company's actual results could differ materially from those expressed in the forward-looking statements. Factors that could cause results to vary include, among others; those identified in the Company's filings with the Securities and Exchange Commission. The Company has no obligation to publicly update or revise any of the forward-looking statements that may be in this news release.

CONTACT: Best Buy Co., Inc., Minneapolis

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or

Future Shop Ltd.

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