

# BEST BUY CO INC

## FORM 8-K (Current report filing)

Filed 04/14/11 for the Period Ending 04/14/11

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

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**UNITED STATES  
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) **April 14, 2011**



**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**

(IRS Employer  
Identification No.)

**7601 Penn Avenue South  
Richfield, Minnesota**

(Address of principal executive offices)

**55423**

(Zip Code)

Registrant's telephone number, including area code **(612) 291-1000**

**N/A**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure.**

On April 14, 2011, Best Buy Co., Inc. (“Best Buy” or the “registrant”) posted a news release related to its Investor and Analyst Day held on that date. The Investor and Analyst Day conference will outline the registrant’s strategic priorities and initiatives.

The conference will begin at 10 a.m. Central Time on April 14, 2011, and is expected to be available live on the registrant’s Web site at [www.bby.com](http://www.bby.com) — select the “Investor Relations” link. In addition, the registrant will provide copies of the presentation materials accompanying the conference on its Web site.

The news release posted on April 14, 2011, is furnished as Exhibit No. 99 to this Current Report on Form 8-K. Best Buy Co., Inc.’s Annual Report to Shareholders and its reports on Forms 10-K, 10-Q and 8-K and other publicly available information should be consulted for other important information about the registrant.

The attached news release also contains forward-looking statements relating to, among other things, Best Buy’s future performance that are based on Best Buy’s current expectations, forecasts and assumptions and involve risks and uncertainties. A more thorough discussion of certain factors that may affect Best Buy’s actual results is included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Best Buy’s most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q, copies of which may be obtained by visiting the company’s investor relations web site at [www.bby.com](http://www.bby.com) — select the “Investor Relations” link or the SEC’s web site at [www.sec.gov](http://www.sec.gov). Undue reliance should not be placed on the forward-looking statements in the attached press release, which are based on information available to the company on the date hereof. Best Buy assumes no obligation to update such statements.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit No. 99 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section.

**Item 9.01 Financial Statements and Exhibits .**

(d) Exhibits.

The following is furnished as an Exhibit to this Report.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99	News release posted April 14, 2011 (furnished pursuant to Item 7.01). 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)

Date: April 14, 2011

By: /s/ SUSAN S. GRAFTON  
Susan S. Grafton  
Vice President, Controller and Chief Accounting Officer

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**BEST BUY OUTLINES ITS STRATEGY AND ACTIONS TO DRIVE SHAREHOLDER VALUE**

MINNEAPOLIS — April 14, 2011 — Today, at a company-held meeting for the financial community, Best Buy Co., Inc. (NYSE: BBY) intends to outline its strategic growth plans for its domestic and international businesses.

Senior executives are expected to review the initiatives that will support the company's strategic priorities, which focus on accessing a larger market, profitable new growth opportunities, and structural opportunities.

**Strategic Priorities**

The company will share information about its strategic priorities aimed to capture new growth opportunities in key categories and channels; fund growth efforts through structural opportunities and improve returns:

- Access to a larger market.
    - Best Buy foresees significant incremental opportunity in accessories, content, connections and services. The total current industry opportunity, estimated today at \$420 billion, is more than 2.5x the traditional consumer electronics hardware market.
  - Capturing new growth opportunities in key categories and channels.
    - Significantly expanding Best Buy's online presence in the United States, with a goal of doubling the current \$2 billion online business within 3 to 5 years.
    - Scaling Best Buy Mobile as part of the company's multi-channel strategy with an estimated total of 600 to 800 Best Buy Mobile stand-alone stores in the United States within five years.
    - Investing in proven international businesses such as Five Star, our profitable Chinese brand in the Best Buy family. Best Buy expects to grow to 400 to 500 Five Star stores in the next five years. The company believes it can more than double its revenues in China to \$4 billion within five years.
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- Funding growth efforts through structural opportunities.
  - Maximizing the pricing and assortment across Best Buy's U.S. channels to drive higher conversion and overall price impression for the brand.
  - Driving returns in Best Buy's U.S. stores through specific actions to improve store productivity while increasing points of presence, including an anticipated 10 percent reduction in US "big box" store square footage over the next three to five years, resulting in expected annual savings of \$70 million to \$80 million, when fully realized.

### Fiscal 2012 Outlook

The company will reiterate its fiscal 2012 guidance as announced on March 24, 2011. The company will further discuss the following additional elements of its fiscal 2012 financial outlook:

- Projected 10 million U.S. Connections sold in fiscal 2012, driven primarily by Best Buy Mobile. ("Connections" defined as mobile phone, home broadband, mobile broadband and video service units)
- Anticipated free cash flow of \$2 billion to \$2.5 billion for fiscal 2012.
- Confirmation of current share repurchase activity and a goal of fully utilizing its existing share repurchase authorization of \$1.3 billion in fiscal 2012, subject to market conditions and other factors.

### Fiscal 2011 Results

In addition to the results previously announced on March 24, 2011, the company will discuss the following additional details regarding its fiscal 2011 performance (unaudited):

<b>Revenue by Country (\$ in millions)</b>	<b>Fiscal 2011</b>
United States	\$ 37,186
Europe	5,511
Canada	5,468
China <sup>(1)</sup>	1,952
Mexico	114
Other	41
Total revenue	<u>\$ 50,272</u>

<sup>(1)</sup> Revenue from Five Star comprises \$1,749 of the total China revenue.

<b>Free Cash Flow (\$ in millions)</b>	<b>Fiscal 2011</b>
Free cash flow <sup>(2)</sup>	<u>\$ 446</u>

<sup>(2)</sup> Free cash flow is defined as cash provided by operating activities less capital expenditures.

The Best Buy Investor and Analyst Day will be held today, Thursday, April 14, 2011, at the company's corporate campus in Richfield, Minn. The conference will begin at 10:00 am CT and will be available in its entirety through a live webcast and replay on [www.bby.com](http://www.bby.com). Presentation materials also will be publicly available on the Investor Relations page of [www.bby.com](http://www.bby.com).

### **Forward-Looking and Cautionary Statements:**

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that reflect management's current views and estimates regarding future market conditions, company performance and financial results, business prospects, new strategies, the competitive environment and other events. You can identify these statements by the fact that they use words such as "anticipate," "believe," "estimate," "expect," "intend," "project," "plan," "outlook," and other words and terms of similar meaning. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. Among the factors that could cause actual results and outcomes to differ materially from those contained in such forward-looking statements are the following: general economic conditions, changes in consumer preferences, credit market constraints, acquisitions and development of new businesses, divestitures, product availability, sales volumes, pricing actions and promotional activities of competitors, profit margins, weather, changes in law or regulations, foreign currency fluctuation, availability of suitable real estate locations, the company's ability to react to a disaster recovery situation, the impact of labor markets and new product introductions on overall profitability, failure to achieve anticipated benefits of announced transactions and integration challenges relating to new ventures. A further list and description of these risks, uncertainties and other matters can be found in the company's annual report and other reports filed from time to time with the Securities and Exchange Commission, including, but not limited to, Best Buy's Annual Report on Form 10-K filed with the SEC on April 28, 2010. Best Buy cautions that the foregoing list of important factors is not complete and assumes no obligation to update any forward-looking statement that it may make.

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

With operations in the United States, Canada, Europe, China and Mexico, Best Buy is a multinational retailer of technology and entertainment products and services with a commitment to growth and innovation. The Best Buy family of brands and partnerships collectively generates more than \$50 billion in annual revenue and includes brands such as Best Buy, Audiovisions, Best Buy Mobile, The Carphone Warehouse, Five Star, Future Shop, Geek Squad, Magnolia Audio Video, Napster, Pacific Sales, and The Phone House. Approximately 180,000 employees apply their talents to help bring the benefits of these brands to life for customers through retail locations, multiple call centers and Web sites, in-home solutions, product delivery and activities in our communities. Community partnership is central to the way Best Buy does business. In fiscal 2011, the company donated approximately \$25 million to improve the vitality of the communities where its employees and customers live and work. For more information about Best Buy, visit [www.bby.com](http://www.bby.com).