

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended January 28, 2023
OR

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

For the transition period from _____ to _____
Commission file number **1-9595**



BEST BUY CO., INC.

(Exact name of registrant as specified in its charter)

Minnesota

State or other jurisdiction of
incorporation or organization

**7601 Penn Avenue South
Richfield, Minnesota**

(Address of principal executive offices)

41-0907483

(I.R.S. Employer
Identification No.)

55423
(Zip Code)

(612) 291-1000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, \$0.10 par value per share	BBY	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. **Yes** ☒ **No** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. **Yes** ☐ **No** ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** ☒ **No** ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). **Yes** ☒ **No** ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒

Accelerated Filer ☐

Non-accelerated Filer ☐

Smaller Reporting Company ☐

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ **No** ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of July 29, 2022, was approximately \$13.4 billion, computed by reference to the price of \$76.99 per share, the price at which the common equity was last sold on July 29, 2022, as reported on the New York Stock Exchange-Composite Index. (For purposes of this calculation, all of the registrant's directors and executive officers are deemed affiliates of the registrant.)

As of March 15, 2023, the registrant had 218,045,737 shares of its common stock, \$0.10 par value per share, issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement relating to its 2023 Regular Meeting of Shareholders ("Proxy Statement") are incorporated by reference into Part III. The Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

CAUTIONARY STATEMENT PURSUANT TO THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), provide a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their companies. With the exception of historical information, the matters discussed in this Annual Report on Form 10-K are forward-looking statements and may be identified by the use of words such as "anticipate," "appear," "approximate," "assume," "believe," "continue," "could," "estimate," "expect," "foresee," "guidance," "intend," "may," "might," "outlook," "plan," "possible," "project" "seek," "should," "would," and other words and terms of similar meaning or the negatives thereof. Such statements reflect our current view with respect to future events and are subject to certain risks, uncertainties and assumptions. A variety of factors could cause our future results to differ materially from the anticipated results expressed in such forward-looking statements. Readers should review Item 1A, *Risk Factors*, of this Annual Report on Form 10-K for a description of important factors that could cause our future results to differ materially from those contemplated by the forward-looking statements made in this Annual Report on Form 10-K. Our forward-looking statements speak only as of the date of this report or as of the date they are made, and we undertake no obligation to update our forward-looking statements.

Consolidated Balance Sheets

\$ in millions, except per share amounts

	January 28, 2023	January 29, 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 1,874	\$ 2,936
Receivables, net	1,141	1,042
Merchandise inventories	5,140	5,965
Other current assets	647	596
Total current assets	8,802	10,539
Property and equipment		
Land and buildings	688	671
Leasehold improvements	2,260	2,160
Fixtures and equipment	3,928	5,419
Property under finance leases	100	91
Gross property and equipment	6,976	8,341
Less accumulated depreciation	4,624	6,091
Net property and equipment	2,352	2,250
Operating lease assets	2,746	2,654
Goodwill	1,383	1,384
Other assets	520	677
Total assets	<u>\$ 15,803</u>	<u>\$ 17,504</u>
Liabilities and equity		
Current liabilities		
Accounts payable	\$ 5,687	\$ 6,803
Unredeemed gift card liabilities	274	316
Deferred revenue	1,116	1,103
Accrued compensation and related expenses	405	845
Accrued liabilities	843	946
Current portion of operating lease liabilities	638	648
Current portion of long-term debt	16	13
Total current liabilities	8,979	10,674
Long-term operating lease liabilities	2,164	2,061
Long-term liabilities	705	533
Long-term debt	1,160	1,216
Contingencies and commitments (Note 13)		
Equity		
Best Buy Co., Inc. Shareholders' Equity		
Preferred stock, \$1.00 par value: Authorized - 400,000 shares; Issued and outstanding - none	-	-
Common stock, \$0.10 par value: Authorized - 1.0 billion shares; Issued and outstanding - 218.1 million and 227.4 million shares, respectively	22	23
Additional paid-in capital	21	-
Retained earnings	2,430	2,668
Accumulated other comprehensive income	322	329
Total equity	2,795	3,020
Total liabilities and equity	<u>\$ 15,803</u>	<u>\$ 17,504</u>

See Notes to Consolidated Financial Statements.