

BEST BUY CO INC
Form 10-Q
September 04, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

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

For the quarterly period ended August 1, 2015

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)

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

7601 Penn Avenue South
Richfield, Minnesota
(Address of principal executive offices)
(612) 291-1000
(Registrant's telephone number, including area code)

55423
(Zip Code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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 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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

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

Yes No

The registrant had 344,571,727 shares of common stock outstanding as of August 28, 2015.

Table of Contents

BEST BUY CO., INC.
 FORM 10-Q FOR THE QUARTER ENDED AUGUST 1, 2015
 TABLE OF CONTENTS

| | |
|--|-----------|
| <u>Part I — Financial Information</u> | <u>3</u> |
| <u>Item 1. Financial Statements</u> | <u>3</u> |
| a) <u>Condensed Consolidated Balance Sheets as of August 1, 2015, January 31, 2015, and August 2, 2014</u> | <u>3</u> |
| b) <u>Consolidated Statements of Earnings for the three and six months ended August 1, 2015, and August 2, 2014</u> | <u>4</u> |
| c) <u>Consolidated Statements of Comprehensive Income for the three and six months ended August 1, 2015, and August 2, 2014</u> | <u>5</u> |
| d) <u>Consolidated Statements of Changes in Shareholders' Equity for the six months ended August 1, 2015, and August 2, 2014</u> | <u>6</u> |
| e) <u>Consolidated Statements of Cash Flows for the six months ended August 1, 2015, and August 2, 2014</u> | <u>7</u> |
| f) <u>Notes to Condensed Consolidated Financial Statements</u> | <u>8</u> |
| <u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u> | <u>23</u> |
| <u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u> | <u>40</u> |
| <u>Item 4. Controls and Procedures</u> | <u>40</u> |
| <u>Part II — Other Information</u> | <u>41</u> |
| <u>Item 1. Legal Proceedings</u> | <u>41</u> |
| <u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u> | <u>41</u> |
| <u>Item 6. Exhibits</u> | <u>42</u> |
| <u>Signatures</u> | <u>43</u> |

Table of Contents

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

Condensed Consolidated Balance Sheets
(\$ in millions) (unaudited)

| | August 1, 2015 | January 31, 2015 | August 2, 2014 |
|---|----------------|---------------------|----------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | \$1,800 | \$2,432 | \$2,141 |
| Short-term investments | 1,695 | 1,456 | 939 |
| Receivables, net | 1,025 | 1,280 | 1,005 |
| Merchandise inventories | 4,995 | 5,174 | 5,583 |
| Other current assets | 730 | 703 | 943 |
| Current assets held for sale | — | 684 | — |
| Total current assets | 10,245 | 11,729 | 10,611 |
| Property and equipment, net | 2,235 | 2,295 | 2,532 |
| Goodwill | 425 | 425 | 425 |
| Intangibles, net | 18 | 57 | 100 |
| Other assets | 610 | 583 | 681 |
| Non-current assets held for sale | 33 | 167 | — |
| Total assets | \$13,566 | \$15,256 | \$14,349 |
| Liabilities and equity | | | |
| Current liabilities | | | |
| Accounts payable | \$4,680 | \$5,030 | \$5,244 |
| Unredeemed gift card liabilities | 371 | 411 | 371 |
| Deferred revenue | 316 | 326 | 442 |
| Accrued compensation and related expenses | 285 | 372 | 287 |
| Accrued liabilities | 778 | 782 | 796 |
| Accrued income taxes | 26 | 230 | 68 |
| Current portion of long-term debt | 382 | 41 | 43 |
| Current liabilities held for sale | — | 585 | — |
| Total current liabilities | 6,838 | 7,777 | 7,251 |
| Long-term liabilities | 879 | 881 | 976 |
| Long-term debt | 1,227 | 1,580 | 1,592 |
| Long-term liabilities held for sale | — | 18 | — |
| 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 — 344,258,000, 351,468,000 and 349,548,000 shares, respectively | — | 35 | 35 |
| Additional paid-in capital | 198 | 437 | 348 |