

**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) **March 19, 2020**



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))

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if 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.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Borrowing under our Revolving Credit Facility

As previously disclosed, Best Buy Co., Inc. (“Best Buy” or the “Company”) is party to a \$1.25 billion five-year senior unsecured revolving credit facility agreement (the “Facility”) with a syndicate of banks pursuant to the Credit Agreement, dated April 17, 2018 (the “Credit Agreement”). A copy of the Credit Agreement is filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on April 20, 2018. The material terms of the Facility are also described in Note 6 of the Company’s Annual Report on Form 10-K for the fiscal year ended February 2, 2019. As of February 1, 2020, the Company had no outstanding borrowings under the Facility.

On March 19, 2020, the Company drew the full amount of the \$1.25 billion Facility. The interest rate for this draw under the Facility is variable at the 7-day LIBOR plus a variable margin rate of 1.015%. The proceeds from the Facility will be included in Cash and cash equivalents on the Company’s Consolidated Balance Sheets. The Company elected to draw on the Facility to increase its cash position and maximize flexibility in light of the current uncertainty surrounding the impact of COVID-19.

Item 7.01 Regulation FD Disclosure.

On March 21, 2020, the Company issued a news release providing a business update related to COVID-19. The Company also announced the withdrawal of all fiscal 2021 financial guidance previously issued on February 27, 2020, for both the first quarter and full year due to the increased uncertainty surrounding the impact of COVID-19. The Company is not providing an updated outlook at this time and has suspended all share repurchases.

The news release issued on March 21, 2020, is furnished as Exhibit 99 to this Current Report on Form 8-K and 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 unless the registrant specifically incorporates it by reference in a document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following are furnished as Exhibits to this Current Report on Form 8-K.

Exhibit No.	Description of Exhibit
99	News release issued March 21, 2020 (furnished pursuant to Item 7.01) . Any internet address provided in this release is for information purposes only and is not intended to be a hyperlink. Accordingly, no information at any internet address is included herein.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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: March 23, 2020

By: /s/ TODD G. HARTMAN

Todd G. Hartman

Executive Vice President, General Counsel, Chief Risk & Compliance Officer and Secretary



Best Buy Committed to Providing Products People Need Company moving to serve customers solely through Home Delivery and Enhanced Curbside Pickup

MINNEAPOLIS, March 21, 2020 -- Best Buy Co., Inc. (NYSE: BBY) today announced business updates related to novel coronavirus (COVID-19).

Best Buy CEO Corie Barry said, "The situation we're facing as a company and as individuals is unprecedented and changing at a pace all of us are working to keep up with. We are making the best decisions we can with two goals in mind: protecting employees, customers and their respective families, while trying our best to serve the millions of Americans who rely on us for increasingly vital technology."

"We are seeing a surge in demand across the country for products that people need to work or learn from home, as well as those products that allow people to refrigerate or freeze food," continued Barry. "As we meet the demand for these necessities, we are adjusting how we operate in many ways to improve safety."

Except where otherwise directed by state and local authorities, starting Sunday, March 22, the company is shifting to enhanced curbside service only for all of its stores on an interim basis. This will allow the company to continue to serve customers who have purchased on BestBuy.com or the Best Buy app and have requested pickup at their local store. In addition, if a customer was unable to place an online order and the product is in stock in the store, employees can go into the store to claim the item for the customer and sell it to them curbside.

Customers can also still order online or on the app and have their products shipped directly to their homes. Large products such as appliances will be delivered where permitted and under strict safety guidelines with everything being left by the customer's door. All in-home installation and repair has been temporarily suspended and will be rescheduled with our customers, and all in-home consultations are being conducted virtually.

All Best Buy employees have been told they do not have to work if they do not feel comfortable. They have also been told to stay home if they are feeling sick, knowing they will be paid. All field employees whose hours have been eliminated will be paid for two weeks at their normal wage rate based on their average hours worked over the last 10 weeks.

Fiscal 2021 Guidance

While the company's quarter-to-date sales are ahead of plan, because of the increased uncertainty related to the potential impacts of COVID-19 and resulting temporary changes in our operations, the company is withdrawing all fiscal 2021 financial guidance previously issued on February 27, 2020, for both the first quarter and full year.

Further, to bolster its cash position and maximize flexibility in this fluid environment, on March 19, 2020, the company drew the full amount of its \$1.25 billion revolving credit facility, which was undrawn as of February 1, 2020. This is in addition to the approximately \$2 billion in cash and cash equivalents the company held as of March 19, 2020. Also, the company has suspended all share repurchases.

Forward-Looking and Cautionary Statements:

This 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, operational investments, 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," "assume," "estimate," "expect," "intend," "foresee," "project," "guidance," "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: competition (including from multi-channel retailers, e-commerce business, technology service providers, traditional store-based retailers, vendors and mobile network carriers), our expansion strategies, our focus on services as a strategic priority, our reliance on key vendors and mobile network carriers, our ability to attract and retain qualified employees, changes in market compensation rates, risks arising from statutory, regulatory and legal developments, macroeconomic pressures in the markets in which we operate, failure to effectively manage our costs, our reliance on our information technology systems, our ability to prevent or effectively respond to a privacy or security breach, our ability to effectively manage strategic ventures, alliances or acquisitions, our dependence on cash flows and net earnings generated during the fourth fiscal quarter, susceptibility of our products to technological advancements, product life cycle preferences and changes in consumer preferences, economic or regulatory developments that might affect our ability to provide attractive promotional financing, interruptions and other supply chain issues, catastrophic events, health crises, pandemics, our ability to maintain positive brand perception and recognition, product safety and quality concerns, changes to labor or employment laws or regulations, our ability to effectively manage our real estate portfolio, constraints in the capital markets or our vendor credit terms, changes in our credit ratings, any material disruption in our relationship with or the services of third-party vendors, risks related to our exclusive brand products and risks associated with vendors that source products outside of the U.S., including trade restrictions or changes in the costs of imports (including existing or new tariffs or duties and changes in the amount of any such tariffs or duties) and risks arising from our international activities.

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 ("SEC"), including, but not limited to, Best Buy's Annual Report on Form 10-K filed with the SEC on March 28, 2019. Best Buy cautions that the foregoing list of important factors is not complete, and any forward-looking statements speak only as of the date they are made, and Best Buy assumes no obligation to update any forward-looking statement that it may make.

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