

**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 2, 2025

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)

**55423**

(Zip Code)

**(612) 291-1000**

(Registrant's telephone number, including area code)

**N/A**

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

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

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

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). **Yes**  **No**

The registrant had 210,101,265 shares of common stock outstanding as of September 3, 2025.

**BEST BUY CO., INC.**  
**FORM 10-Q FOR THE QUARTER ENDED AUGUST 2, 2025**

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**WEBSITE AND SOCIAL MEDIA DISCLOSURE**

We disclose information to the public concerning Best Buy, Best Buy's products, content and services and other items through our websites in order to achieve broad, non-exclusionary distribution of information to the public. Some of the information distributed through this channel may be considered material information. Investors and others are encouraged to review the information we make public in the locations below.\* This list may be updated from time to time.

- For information concerning Best Buy and its products, content and services, please visit: <https://bestbuy.com>.
- For information provided to the investment community, including news releases, events and presentations, and filings with the SEC, please visit: <https://investors.bestbuy.com>.
- For the latest information from Best Buy, including press releases, please visit: <https://corporate.bestbuy.com/archive/>.

\* These corporate websites, and the contents thereof, are not incorporated by reference into this Quarterly Report on Form 10-Q nor deemed filed with the SEC.

**PART I — FINANCIAL INFORMATION**
**Item 1. Financial Statements**
**Condensed Consolidated Balance Sheets**
*\$ in millions, except per share amounts (unaudited)*

	August 2, 2025	February 1, 2025	August 3, 2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,456	\$ 1,578	\$ 1,387
Receivables, net	917	1,044	871
Merchandise inventories	5,816	5,085	5,706
Other current assets	688	517	598
Total current assets	8,877	8,224	8,562
<b>Property and equipment, net</b>	2,046	2,122	2,183
<b>Operating lease assets</b>	2,816	2,833	2,860
<b>Goodwill</b>	908	908	1,383
<b>Other assets</b>	606	695	636
<b>Total assets</b>	\$ 15,253	\$ 14,782	\$ 15,624
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 5,682	\$ 4,980	\$ 5,542
Unredeemed gift card liabilities	230	253	243
Deferred revenue	889	951	940
Accrued compensation and related expenses	448	464	347
Accrued liabilities	684	741	756
Current portion of operating lease liabilities	610	617	610
Current portion of long-term debt	10	10	13
Total current liabilities	8,553	8,016	8,451
<b>Long-term operating lease liabilities</b>	2,292	2,282	2,316
<b>Long-term debt</b>	1,164	1,144	1,157
<b>Long-term liabilities</b>	528	532	593
<b>Contingencies (Note 10)</b>			
<b>Equity</b>			
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 - 210.4 million, 211.4 million and 215.0 million shares, respectively	22	22	22
Additional paid-in capital	-	-	-
Retained earnings	2,381	2,486	2,775
Accumulated other comprehensive income	313	300	310
Total equity	2,716	2,808	3,107
<b>Total liabilities and equity</b>	\$ 15,253	\$ 14,782	\$ 15,624

NOTE: The Consolidated Balance Sheet as of February 1, 2025, has been condensed from the audited consolidated financial statements.

See Notes to Condensed Consolidated Financial Statements.

**Condensed Consolidated Statements of Earnings**
*\$ and shares in millions, except per share amounts (unaudited)*

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Revenue	\$ 9,438	\$ 9,288	\$ 18,205	\$ 18,135
Cost of sales	7,244	7,102	13,962	13,885
Gross profit	2,194	2,186	4,243	4,250
Selling, general and administrative expenses	1,829	1,810	3,550	3,547
Restructuring charges	114	(7)	223	8
Operating income	251	383	470	695
Other income (expense):				
Loss on disposal of subsidiaries	(4)	-	(4)	-
Investment income and other	18	21	33	46
Interest expense	(12)	(13)	(24)	(25)
Earnings before income tax expense and equity in income of affiliates	253	391	475	716
Income tax expense	68	101	87	181
Equity in income of affiliates	1	1	-	2
Net earnings	\$ 186	\$ 291	\$ 388	\$ 537
Basic earnings per share	\$ 0.88	\$ 1.35	\$ 1.83	\$ 2.49
Diluted earnings per share	\$ 0.87	\$ 1.34	\$ 1.82	\$ 2.47
Weighted-average common shares outstanding:				
Basic	211.5	216.0	211.8	216.1
Diluted	212.0	217.1	212.5	217.2

See Notes to Condensed Consolidated Financial Statements.

**Condensed Consolidated Statements of Comprehensive Income***\$ in millions (unaudited)*

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Net earnings	\$ 186	\$ 291	\$ 388	\$ 537
Foreign currency translation adjustments, net of tax	-	(2)	13	(7)
Comprehensive income	\$ 186	\$ 289	\$ 401	\$ 530

See Notes to Condensed Consolidated Financial Statements.

**Condensed Consolidated Statements of Cash Flows**
*\$ in millions (unaudited)*

	<b>Six Months Ended</b>	
	<b>August 2, 2025</b>	<b>August 3, 2024</b>
<b>Operating activities</b>		
Net earnings	\$ 388	\$ 537
Adjustments to reconcile net earnings to total cash provided by operating activities:		
Depreciation and amortization	422	437
Restructuring charges	223	8
Stock-based compensation	75	74
Deferred income taxes	45	10
Loss on disposal of subsidiaries	4	-
Other, net	4	2
Changes in operating assets and liabilities:		
Receivables	123	66
Merchandise inventories	(717)	(761)
Other assets	(24)	(11)
Accounts payable	693	904
Income taxes	(167)	(183)
Other liabilities	(286)	(266)
Total cash provided by operating activities	<u>783</u>	<u>817</u>
<b>Investing activities</b>		
Additions to property and equipment	(341)	(335)
Disposal of subsidiary	(27)	-
Other, net	(1)	(17)
Total cash used in investing activities	<u>(369)</u>	<u>(352)</u>
<b>Financing activities</b>		
Repurchase of common stock	(165)	(148)
Dividends paid	(403)	(405)
Other, net	(6)	(4)
Total cash used in financing activities	<u>(574)</u>	<u>(557)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>5</u>	<u>(3)</u>
<b>Decrease in cash, cash equivalents and restricted cash</b>	<u>(155)</u>	<u>(95)</u>
<b>Cash, cash equivalents and restricted cash at beginning of period</b>	<u>1,868</u>	<u>1,793</u>
<b>Cash, cash equivalents and restricted cash at end of period</b>	<u>\$ 1,713</u>	<u>\$ 1,698</u>

See Notes to Condensed Consolidated Financial Statements.

**Condensed Consolidated Statements of Changes in Shareholders' Equity**
*\$ and shares in millions, except per share amounts (unaudited)*

	Common Shares	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
<b>Balances at May 3, 2025</b>	211.3	\$ 22	\$ -	\$ 2,428	\$ 313	\$ 2,763
Net earnings, three months ended August 2, 2025	-	-	-	186	-	186
Stock-based compensation	-	-	35	-	-	35
Common stock dividends, \$0.95 per share	-	-	4	(205)	-	(201)
Repurchase of common stock	(0.9)	-	(39)	(28)	-	(67)
<b>Balances at August 2, 2025</b>	<u>210.4</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,381</u>	<u>\$ 313</u>	<u>\$ 2,716</u>
<b>Balances at February 1, 2025</b>	211.4	\$ 22	\$ -	\$ 2,486	\$ 300	\$ 2,808
Net earnings, six months ended August 2, 2025	-	-	-	388	-	388
Other comprehensive income:						
Foreign currency translation adjustments, net of tax	-	-	-	-	13	13
Stock-based compensation	-	-	75	-	-	75
Issuance of common stock	1.5	-	2	-	-	2
Common stock dividends, \$1.90 per share	-	-	10	(413)	-	(403)
Repurchase of common stock	(2.5)	-	(87)	(80)	-	(167)
<b>Balances at August 2, 2025</b>	<u>210.4</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,381</u>	<u>\$ 313</u>	<u>\$ 2,716</u>
<b>Balances at May 4, 2024</b>	216.1	\$ 22	\$ 26	\$ 2,722	\$ 312	\$ 3,082
Net earnings, three months ended August 3, 2024	-	-	-	291	-	291
Other comprehensive loss:						
Foreign currency translation adjustments, net of tax	-	-	-	-	(2)	(2)
Stock-based compensation	-	-	36	-	-	36
Issuance of common stock	-	-	1	-	-	1
Common stock dividends, \$0.94 per share	-	-	4	(207)	-	(203)
Repurchase of common stock	(1.1)	-	(67)	(31)	-	(98)
<b>Balances at August 3, 2024</b>	<u>215.0</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,775</u>	<u>\$ 310</u>	<u>\$ 3,107</u>
<b>Balances at February 3, 2024</b>	215.4	\$ 22	\$ 31	\$ 2,683	\$ 317	\$ 3,053
Net earnings, six months ended August 3, 2024	-	-	-	537	-	537
Other comprehensive loss:						
Foreign currency translation adjustments, net of tax	-	-	-	-	(7)	(7)
Stock-based compensation	-	-	74	-	-	74
Issuance of common stock	1.4	-	5	-	-	5
Common stock dividends, \$1.88 per share	-	-	9	(414)	-	(405)
Repurchase of common stock	(1.8)	-	(119)	(31)	-	(150)
<b>Balances at August 3, 2024</b>	<u>215.0</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,775</u>	<u>\$ 310</u>	<u>\$ 3,107</u>

See Notes to Condensed Consolidated Financial Statements.

## Notes to Condensed Consolidated Financial Statements

(unaudited)

### 1. Basis of Presentation

Unless the context otherwise requires, the terms “Best Buy,” “we,” “us,” “our” and the “company” in these Notes to Condensed Consolidated Financial Statements refer to Best Buy Co., Inc. and, as applicable, its consolidated subsidiaries.

In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments necessary for a fair presentation as prescribed by accounting principles generally accepted in the U.S. (“GAAP”). All adjustments were comprised of normal recurring adjustments, except as noted in these Notes to Condensed Consolidated Financial Statements.

A large proportion of our revenue and earnings is generated in the fiscal fourth quarter, which includes the majority of the holiday shopping season. Due to the seasonal nature of our business, interim results are not necessarily indicative of results for the entire fiscal year. The interim financial statements and the related notes included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025. The first six months of fiscal 2026 and fiscal 2025 each included 26 weeks.

In preparing the accompanying condensed consolidated financial statements, we evaluated the period from August 2, 2025, through the date the financial statements were issued for material subsequent events requiring recognition or disclosure. No such events were identified.

#### Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disclosure of specific categories meeting a quantitative threshold within the income tax rate reconciliation, as well as disaggregation of income taxes paid by jurisdiction. This ASU, which can be applied either prospectively or retrospectively, is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of the ASU and expect to include updated income tax disclosures in our fiscal 2026 Form 10-K.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disclosure of specific expense categories in the notes to financial statements. The amendments are effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. We are currently evaluating the impact of the ASU and expect to include updated expense disclosures in our fiscal 2028 Form 10-K.

#### Recently Enacted Tax Legislation

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (“OB3”). The OB3 extends key provisions of the 2017 Tax Cuts and Jobs Act, including, but not limited to, domestic research expensing, 100% bonus depreciation on tangible property and modifications to the international tax framework. The provisions will not have a material impact on our income tax expense.

#### Supply Chain Financing

We have a supply chain financing program with an independent financial institution, whereby some of our suppliers have the opportunity to receive accounts payable settlements early, at a discount, facilitated by the financial institution. Our liability associated with the funded participation in the program, which is primarily included in Accounts payable on our Condensed Consolidated Balance Sheets, was \$872 million, \$398 million and \$729 million as of August 2, 2025, February 1, 2025, and August 3, 2024, respectively.

#### Total Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash reported on our Condensed Consolidated Balance Sheets are reconciled to the totals shown on our Condensed Consolidated Statements of Cash Flows as follows (\$ in millions):

	August 2, 2025	February 1, 2025	August 3, 2024
Cash and cash equivalents	\$ 1,456	\$ 1,578	\$ 1,387
Restricted cash included in Other current assets	257	290	311
Total cash, cash equivalents and restricted cash	<u>\$ 1,713</u>	<u>\$ 1,868</u>	<u>\$ 1,698</u>

Amounts included in restricted cash are primarily restricted to cover product protection plans provided under our membership offerings and self-insurance liabilities.

### Reclassification

Certain reclassifications of immaterial amounts previously reported have been made to the accompanying Condensed Consolidated Statements of Cash Flows to maintain consistency and comparability between periods presented.

## 2. Restructuring

Restructuring charges were as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Fiscal 2026 Labor and Store Optimization Initiative	\$ 122	\$ -	\$ 122	\$ -
Best Buy Health Optimization and China Sourcing Initiative	(6)	-	105	-
Fiscal 2024 Restructuring Initiative	(2)	(6)	(4)	10
Fiscal 2023 Resource Optimization Initiative	-	(1)	-	(2)
Total	\$ 114	\$ (7)	\$ 223	\$ 8

### Fiscal 2026 Labor and Store Optimization Initiative

In the second quarter of fiscal 2026, we commenced a restructuring initiative intended to align field resources with changing customer behaviors, close select non-traditional store locations and redirect corporate resources for better alignment with our strategy. We currently do not expect to incur material future restructuring charges related to this initiative.

All charges incurred related to this initiative were from continuing operations and presented within Restructuring charges on our Condensed Consolidated Statements of Earnings. The composition of restructuring charges incurred related to this initiative were as follows (\$ in millions):

	Three Months Ended		
	Domestic	International	Total
Termination benefits	\$ 78	\$ 3	\$ 81
Asset impairments <sup>(1)</sup>	41	-	41
Total	\$ 119	\$ 3	\$ 122

(1) Represents asset impairments primarily related to planned store closures, including an impairment related to an indefinite-lived tradename. See Note 3, *Goodwill and Intangible Assets*, for additional information. The remaining carrying value of net assets approximates fair value and was immaterial as of August 2, 2025.

There were no cash payments related to this initiative during the second quarter of fiscal 2026. Our restructuring accrual liabilities related to termination benefits of \$81 million as of August 2, 2025, reflect expected future cash payments primarily during fiscal 2026.

### Best Buy Health Optimization and China Sourcing Initiative

In the first quarter of fiscal 2026, we commenced a restructuring initiative primarily focused on optimizing our Best Buy Health business by taking actions to maximize value and improve profitability in light of its performance against our original forecasting. These actions included the exit of a component of our Best Buy Health business that was finalized during the second quarter of fiscal 2026. In addition, we also made significant changes to reduce our exposure to tariffs, particularly in China. We currently do not expect to incur material future restructuring charges related to this initiative.

All charges incurred related to this initiative were from continuing operations in our Domestic segment and presented within Restructuring charges on our Condensed Consolidated Statements of Earnings. The composition of restructuring charges incurred related to this initiative were as follows (\$ in millions):

	<b>Three Months Ended</b>	<b>Six Months Ended</b>
	<b>August 2, 2025</b>	<b>August 2, 2025</b>
Asset impairments and other costs <sup>(1)</sup>	\$ (3)	\$ 70
Termination benefits	(3)	35
<b>Total</b>	<b>\$ (6)</b>	<b>\$ 105</b>

(1) Primarily represents the full impairment of net assets related to a component of our Best Buy Health business and other exit costs. The remaining carrying value of net assets approximates fair value and was immaterial as of August 2, 2025.

Restructuring accrual activity related to this initiative was as follows (\$ in millions):

	<b>Termination Benefits</b>	<b>Asset Impairments and Other Costs</b>	<b>Total</b>
	Balances at February 1, 2025	\$ -	\$ -
Charges	38	28	66
Cash payments	(9)	(27)	(36)
Adjustments <sup>(1)</sup>	(3)	(1)	(4)
<b>Balances at August 2, 2025</b>	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ 26</b>

(1) Primarily represents adjustments for termination benefits primarily related to higher-than-expected employee retention from previously planned organizational changes.

Our restructuring accrual liabilities related to termination benefits of \$26 million as of August 2, 2025, reflect expected future cash payments primarily during fiscal 2026.

#### *Fiscal 2024 Restructuring Initiative*

During the fourth quarter of fiscal 2024, we commenced an enterprise-wide restructuring initiative intended to align field labor resources with where customers want to shop and to optimize the customer experience, redirect corporate resources for better alignment with our strategy and right-size resources to better align with our revenue outlook for fiscal 2025. We do not expect to incur material future restructuring charges related to this initiative.

All charges incurred related to this initiative were comprised of employee termination benefits from continuing operations and were presented within Restructuring charges on our Condensed Consolidated Statements of Earnings as follows (\$ in millions):

	<b>Three Months Ended</b>		<b>Six Months Ended</b>		<b>Cumulative Amount as of</b>
	<b>August 2, 2025</b>	<b>August 3, 2024</b>	<b>August 2, 2025</b>	<b>August 3, 2024</b>	<b>August 2, 2025</b>
Domestic	\$ (2)	7	\$ (4)	\$ 10	\$ 162
International	-	(1)	-	-	8
<b>Total</b>	<b>\$ (2)</b>	<b>\$ 6</b>	<b>\$ (4)</b>	<b>\$ 10</b>	<b>\$ 170</b>

Restructuring accrual activity related to this initiative was as follows (\$ in millions):

	<b>Termination Benefits</b>		<b>Total</b>
	<b>Domestic</b>	<b>International</b>	
Balances at February 1, 2025	\$ 80	\$ 5	\$ 85
Cash payments	(15)	(1)	(16)
Adjustments <sup>(1)</sup>	(4)	-	(4)
<b>Balances at August 2, 2025</b>	<b>\$ 61</b>	<b>\$ 4</b>	<b>\$ 65</b>

(1) Represents adjustments primarily related to higher-than-expected employee retention from previously planned organizational changes.

Our restructuring accrual liabilities related to termination benefits of \$65 million as of August 2, 2025, reflect expected future cash payments primarily during fiscal 2026.

### 3. Goodwill and Intangible Assets

#### Goodwill

Goodwill balances by segment were as follows (\$ in millions):

	August 2, 2025		February 1, 2025		August 3, 2024	
	Gross Carrying Amount	Cumulative Impairment	Gross Carrying Amount	Cumulative Impairment	Gross Carrying Amount	Cumulative Impairment
Domestic	\$ 1,450	\$ (542)	\$ 1,450	\$ (542)	\$ 1,450	\$ (67)
International	608	(608)	608	(608)	608	(608)
Total	\$ 2,058	\$ (1,150)	\$ 2,058	\$ (1,150)	\$ 2,058	\$ (675)

In fiscal 2025, we recorded a goodwill impairment of \$475 million within the Domestic segment for the Best Buy Health reporting unit. The restructuring activity that commenced in the first quarter of fiscal 2026 was a triggering event to evaluate the Best Buy Health reporting unit for impairment. No further goodwill impairment was identified. Refer to Note 2, *Restructuring*, for additional information.

#### Indefinite-Lived Intangible Assets

In the second quarter of fiscal 2026, we recorded a full impairment of \$16 million related to our only remaining indefinite-lived intangible asset as a result of restructuring activity that commenced in the second quarter of fiscal 2026. Refer to Note 2, *Restructuring*, for additional information.

#### Definite-Lived Intangible Assets

We have definite-lived intangible assets recorded within Other assets on our Condensed Consolidated Balance Sheets as follows (\$ in millions):

	August 2, 2025		February 1, 2025		August 3, 2024		Weighted-Average Useful Life Remaining as of August 2, 2025 (in years)
	Gross Carrying Amount <sup>(1)</sup>	Accumulated Amortization <sup>(1)</sup>	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	
Customer relationships	\$ 339	\$ 284	\$ 360	\$ 285	\$ 360	\$ 280	8.0
Tradenames	87	78	92	79	92	75	1.2
Developed technology	56	56	64	61	64	60	-
Total	\$ 482	\$ 418	\$ 516	\$ 425	\$ 516	\$ 415	7.0

(1) Gross carrying amount and accumulated amortization as of August 2, 2025, excludes \$34 million and \$16 million, respectively, of definite-lived intangible assets related to the exit of a component of our Best Buy Health business. See Note 2, *Restructuring*, for additional information.

Amortization expense included in Selling, general and administrative expenses ("SG&A") on our Condensed Consolidated Statements of Earnings was as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Amortization expense	\$ 4	\$ 5	\$ 9	\$ 11

Amortization expense expected to be recognized in future periods is as follows (\$ in millions):

	Amortization Expense
Remainder of fiscal 2026	\$ 7
Fiscal 2027	13
Fiscal 2028	8
Fiscal 2029	7
Fiscal 2030	6
Fiscal 2031	5
Thereafter	18

#### 4. Fair Value Measurements

Fair value measurements are reported in one of three levels based on the lowest level of significant input used: Level 1 (unadjusted quoted prices in active markets); Level 2 (observable market inputs, other than quoted prices included in Level 1); and Level 3 (unobservable inputs that cannot be corroborated by observable market data).

##### Recurring Fair Value Measurements

Financial assets and liabilities accounted for at fair value were as follows (\$ in millions):

	Balance Sheet Location <sup>(1)</sup>	Fair Value Hierarchy	Fair Value as of		
			August 2, 2025	February 1, 2025	August 3, 2024
<b>Assets</b>					
Money market funds <sup>(2)</sup>	Cash and cash equivalents	Level 1	\$ 78	\$ 439	\$ 212
Time deposits <sup>(3)</sup>	Cash and cash equivalents	Level 2	258	150	136
Money market funds <sup>(2)</sup>	Other current assets	Level 1	123	140	147
Time deposits <sup>(3)</sup>	Other current assets	Level 2	40	50	51
Marketable securities that fund deferred compensation <sup>(4)</sup>	Other assets	Level 1	40	39	38
<b>Liabilities</b>					
Interest rate swap derivative instruments <sup>(5)</sup>	Long-term liabilities	Level 2	-	14	2

(1) Balance sheet location is determined by the length to maturity at date of purchase and whether the assets are restricted for particular use.

(2) Valued at quoted market prices in active markets at period end.

(3) Valued at face value plus accrued interest at period end, which approximates fair value.

(4) Valued using the performance of mutual funds that trade with sufficient frequency and volume to obtain pricing information on an ongoing basis.

(5) Valued using readily observable market inputs. These instruments are custom, over-the-counter contracts with various bank counterparties that are not traded on an active market. See Note 5, *Derivative Instruments*, for additional information.

##### Nonrecurring Fair Value Measurements

In the second quarter and first six months of fiscal 2026, we recorded asset impairments and other costs as a result of restructuring initiatives that commenced in the first and second quarters of fiscal 2026. These fair value remeasurements were based on significant unobservable inputs (Level 3). Refer to Note 2, *Restructuring*, for additional information.

##### Fair Value of Financial Instruments

The fair values of cash, certain restricted cash, receivables, accounts payable and other payables approximated their carrying values because of the short-term nature of these instruments. If these instruments were measured at fair value in the financial statements, they would be classified as Level 1 in the fair value hierarchy. Fair values for other investments held at cost are not readily available, but we estimate that the carrying values for these investments approximate their fair values.

Long-term debt is presented at carrying value on our Condensed Consolidated Balance Sheets. If our long-term debt were recorded at fair value, it would be classified as Level 2 in the fair value hierarchy. Long-term debt balances were as follows (\$ in millions):

	August 2, 2025		February 1, 2025		August 3, 2024	
	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-term debt <sup>(1)</sup>	\$ 1,077	\$ 1,150	\$ 1,031	\$ 1,136	\$ 1,058	\$ 1,148

(1) Excludes debt discounts, issuance costs and finance lease obligations.

#### 5. Derivative Instruments

We manage our economic and transaction exposure to certain risks by using foreign exchange forward contracts to hedge against the effect of Canadian dollar exchange rate fluctuations on a portion of our net investment in our Canadian operations and by using interest rate swaps to mitigate interest rate risk on our \$500 million of principal amount of notes due October 1, 2028. In addition, we use foreign currency forward contracts not designated as hedging instruments to manage the impact of fluctuations in foreign currency exchange rates relative to recognized receivable and payable balances denominated in non-functional currencies.

Our derivative instruments designated as net investment hedges and fair value hedges are recorded on our Condensed Consolidated Balance Sheets at fair value. See Note 4, *Fair Value Measurements*, for gross fair values of our outstanding derivative instruments and corresponding fair value classifications.

Notional amounts of our derivative instruments were as follows (\$ in millions):

<b>Contract Type</b>	<b>August 2, 2025</b>	<b>February 1, 2025</b>	<b>August 3, 2024</b>
Derivatives designated as net investment hedges	\$ 119	\$ 119	\$ 103
Derivatives designated as fair value hedges (interest rate swaps)	500	500	500
No hedge designation (foreign exchange contracts)	62	42	59
Total	<u>\$ 681</u>	<u>\$ 661</u>	<u>\$ 662</u>

Effects of our fair value hedges included in Interest expense on our Condensed Consolidated Statements of Earnings were as follows (\$ in millions):

	<b>Gain (Loss) Recognized</b>			
	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>August 2, 2025</b>	<b>August 3, 2024</b>	<b>August 2, 2025</b>	<b>August 3, 2024</b>
Interest rate swaps	\$ 9	\$ 24	\$ 15	\$ 9
Adjustments to carrying value of long-term debt	(9)	(24)	(15)	(9)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## 6. Debt

### Short-Term Debt

#### U.S. Revolving Credit Facility

On April 18, 2025, we entered into a \$1.25 billion five-year senior unsecured revolving credit facility agreement (the "Five-Year Facility Agreement") with a syndicate of banks. The Five-Year Facility Agreement replaced the previous \$1.25 billion senior unsecured revolving credit facility (the "Previous Facility") with a syndicate of banks, which was entered into April 2023 and scheduled to expire April 2028, but was terminated on April 18, 2025. The Five-Year Facility Agreement permits borrowings of up to \$1.25 billion and expires in April 2030. There were no borrowings outstanding under the Five-Year Facility Agreement as of August 2, 2025, or the Previous Facility as of February 1, 2025, or August 3, 2024.

### Long-Term Debt

Long-term debt consisted of the following (\$ in millions):

	<b>August 2, 2025</b>	<b>February 1, 2025</b>	<b>August 3, 2024</b>
Notes, 4.45%, due October 1, 2028 ("2028 Notes")	\$ 500	\$ 500	\$ 500
Notes, 1.95%, due October 1, 2030 ("2030 Notes")	650	650	650
Interest rate swap valuation adjustments	-	(14)	(2)
Subtotal	<u>1,150</u>	<u>1,136</u>	<u>1,148</u>
Debt discounts and issuance costs	(6)	(7)	(7)
Finance lease obligations	30	25	29
Total long-term debt	<u>1,174</u>	<u>1,154</u>	<u>1,170</u>
Less current portion	10	10	13
Total long-term debt, less current portion	<u>\$ 1,164</u>	<u>\$ 1,144</u>	<u>\$ 1,157</u>

### Fair Value and Future Maturities

See Note 4, *Fair Value Measurements*, for the fair value of long-term debt. Both the 2028 Notes and the 2030 Notes mature within the next five fiscal years.

## 7. Revenue

We generate substantially all of our revenue from contracts with customers from the sale of products and services. Contract balances primarily relate to unfulfilled membership benefits and services not yet completed, product merchandise not yet delivered to customers, deferred revenue from our private label and co-branded credit card arrangement and unredeemed gift cards. Contract balances were as follows (\$ in millions):

	<u>August 2, 2025</u>	<u>February 1, 2025</u>	<u>August 3, 2024</u>
Receivables, net <sup>(1)</sup>	\$ 486	\$ 504	\$ 474
Short-term contract liabilities included in:			
Unredeemed gift card liabilities	230	253	243
Deferred revenue	889	951	940
Accrued liabilities	60	50	64
Long-term contract liabilities included in:			
Long-term liabilities	213	229	233

(1) Receivables are recorded net of allowances for expected credit losses of \$14 million, \$20 million and \$16 million as of August 2, 2025, February 1, 2025, and August 3, 2024, respectively.

During the first six months of fiscal 2026 and fiscal 2025, \$853 million and \$893 million of revenue was recognized, respectively, that was included in the contract liabilities at the beginning of the respective periods.

Estimated revenue from our contract liability balances expected to be recognized in future periods if the performance of the contract is expected to have an initial duration of more than one year is as follows (\$ in millions):

<b>Fiscal Year</b>	<b>Amount</b>
Remainder of fiscal 2026	\$ 17
Fiscal 2027	33
Fiscal 2028	29
Fiscal 2029	26
Fiscal 2030	26
Fiscal 2031	26
Thereafter	89

See Note 11, *Segments*, for information on our revenue by reportable segment and product category.

## 8. Earnings per Share

We compute our basic earnings per share based on the weighted-average number of common shares outstanding and our diluted earnings per share based on the weighted-average number of common shares outstanding adjusted by the number of additional shares that would have been outstanding had the potentially dilutive common shares been issued as calculated using the treasury stock method.

Reconciliations of the numerators and denominators of basic and diluted earnings per share were as follows (\$ and shares in millions, except per share amounts):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
<b>Numerator</b>				
Net earnings	\$ 186	\$ 291	\$ 388	\$ 537
<b>Denominator</b>				
Weighted-average common shares outstanding	211.5	216.0	211.8	216.1
Dilutive effect of stock compensation plan awards	0.5	1.1	0.7	1.1
Weighted-average common shares outstanding, assuming dilution	212.0	217.1	212.5	217.2
Potential shares which were anti-dilutive and excluded from weighted-average share computations	0.2	-	0.1	-
Basic earnings per share	\$ 0.88	\$ 1.35	\$ 1.83	\$ 2.49
Diluted earnings per share	\$ 0.87	\$ 1.34	\$ 1.82	\$ 2.47

## 9. Repurchase of Common Stock

On February 28, 2022, our Board of Directors approved a \$5.0 billion share repurchase program. The program had \$3.1 billion remaining available for repurchases as of August 2, 2025. There is no expiration date governing the period over which we can repurchase shares under this authorization.

Information regarding the shares we repurchased and retired was as follows (\$ and shares in millions, except per share amounts):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Total cost of shares repurchased	\$ 67	\$ 98	\$ 167	\$ 150
Average price per share	\$ 68.65	\$ 82.57	\$ 66.03	\$ 80.86
Number of shares repurchased and retired	0.9	1.1	2.5	1.8

## 10. Contingencies

We are involved in a number of legal proceedings. Where appropriate, we have made accruals with respect to these matters, which are reflected on our Condensed Consolidated Financial Statements. However, there are cases where liability is not probable or the amount cannot be reasonably estimated and, therefore, accruals have not been made. We provide disclosure of matters where we believe it is reasonably possible the impact may be material to our Condensed Consolidated Financial Statements.

## 11. Segments

Segment and category revenue information was as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
<b>Domestic:</b>				
Computing and Mobile Phones	\$ 3,930	\$ 3,792	\$ 7,722	\$ 7,380
Consumer Electronics	2,351	2,478	4,588	4,842
Appliances	1,074	1,177	2,075	2,267
Entertainment	681	498	1,130	1,018
Services	581	590	1,160	1,168
Other	81	88	150	151
Total Domestic revenue	\$ 8,698	\$ 8,623	\$ 16,825	\$ 16,826
<b>International:</b>				
Computing and Mobile Phones	\$ 346	\$ 308	\$ 670	\$ 626
Consumer Electronics	198	186	371	359
Appliances	80	86	137	146
Entertainment	68	39	110	85
Services	39	38	76	77
Other	9	8	16	16
Total International revenue	740	665	1,380	1,309
Total revenue	\$ 9,438	\$ 9,288	\$ 18,205	\$ 18,135

Adjusted operating income by segment and the reconciliation to consolidated earnings before income tax expense and equity in income of affiliates were as follows (\$ in millions):

	Three Months Ended					
	August 2, 2025			August 3, 2024		
	Domestic <sup>(1)</sup>	International	Total	Domestic <sup>(1)</sup>	International	Total
Revenue	\$ 8,698	\$ 740	\$ 9,438	\$ 8,623	\$ 665	\$ 9,288
Cost of sales	6,665	579	7,244	6,596	506	7,102
Adjusted SG&A <sup>(2)</sup>	1,682	143	1,825	1,663	142	1,805
Adjusted operating income	\$ 351	\$ 18	369	\$ 364	\$ 17	381
Restructuring charges			114			(7)
Intangible asset amortization			4			5
Operating income			251			383
<b>Other income (expense):</b>						
Loss on disposal of subsidiaries			(4)			-
Investment income and other			18			21
Interest expense			(12)			(13)
Earnings before income tax expense and equity in income of affiliates			\$ 253			\$ 391

(1) Domestic segment adjusted operating income includes certain operations that are based in foreign tax jurisdictions and primarily relate to sourcing products into the U.S.

(2) Adjusted SG&A excludes amortization of definite-lived intangible assets associated with acquisitions.

	Six Months Ended					
	August 2, 2025			August 3, 2024		
	Domestic <sup>(1)</sup>	International	Total	Domestic <sup>(1)</sup>	International	Total
Revenue	\$ 16,825	\$ 1,380	\$ 18,205	\$ 16,826	\$ 1,309	\$ 18,135
Cost of sales	12,884	1,078	13,962	12,882	1,003	13,885
Adjusted SG&A <sup>(2)</sup>	3,261	280	3,541	3,255	281	3,536
Adjusted operating income	\$ 680	\$ 22	702	\$ 689	\$ 25	714
Restructuring charges			223			8
Intangible asset amortization			9			11
Operating income			470			695
Other income (expense):						
Loss on disposal of subsidiaries			(4)			-
Investment income and other			33			46
Interest expense			(24)			(25)
Earnings before income tax expense and equity in income of affiliates			\$ 475			\$ 716

(1) Domestic segment adjusted operating income includes certain operations that are based in foreign tax jurisdictions and primarily relate to sourcing products into the U.S.

(2) Adjusted SG&A excludes amortization of definite-lived intangible assets associated with acquisitions.

Other expense and cash flow information by segment was as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
<b>Capital expenditures</b>				
Domestic	\$ 161	\$ 160	\$ 311	\$ 298
International	14	23	30	37
Total capital expenditures	\$ 175	\$ 183	\$ 341	\$ 335
<b>Depreciation and amortization</b>				
Domestic	\$ 201	\$ 208	\$ 402	\$ 417
International	10	10	20	20
Total depreciation and amortization	\$ 211	\$ 218	\$ 422	\$ 437

Asset information by segment was as follows (\$ in millions):

	August 2, 2025	February 1, 2025	August 3, 2024
Domestic	\$ 13,926	\$ 13,567	\$ 14,471
International	1,327	1,215	1,153
Total assets	\$ 15,253	\$ 14,782	\$ 15,624

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unless the context otherwise requires, the use of the terms "Best Buy," "we," "us" and "our" refers to Best Buy Co., Inc. and its consolidated subsidiaries. Any references to our website addresses do not constitute incorporation by reference of the information contained on the websites.

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of our management on our financial condition, results of operations, liquidity and certain other factors that may affect our future results. Unless otherwise noted, transactions and other factors significantly impacting our financial condition, results of operations and liquidity are discussed in order of magnitude. Our MD&A should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended February 1, 2025 (including the information presented therein under *Risk Factors*), as well as our other reports on Forms 10-Q and 8-K and other publicly available information. All amounts herein are unaudited.

### Overview

We are driven by our purpose to enrich lives through technology and our vision to personalize and humanize technology solutions for every stage of life. We accomplish this by leveraging our combination of tech expertise and a human touch to meet our customers' everyday needs, whether they come to us online, visit our stores or invite us into their homes.

We have two reportable segments: Domestic and International. The Domestic segment is comprised of our operations in all states, districts and territories of the U.S. and our Best Buy Health business. The International segment is comprised of all our operations in Canada.

Our fiscal year ends on the Saturday nearest the end of January. Our business, like that of many retailers, is seasonal. A large proportion of our revenue and earnings is generated in the fiscal fourth quarter, which includes the majority of the holiday shopping season.

### Comparable Sales

Throughout this MD&A, we refer to comparable sales. Comparable sales is a metric used by management to evaluate the performance of our existing stores, websites and call centers by measuring the change in net sales for a particular period over the comparable prior period of equivalent length. Comparable sales includes revenue from stores, websites and call centers operating for at least 14 full months. Revenue from online sales is included in comparable sales and represents sales initiated on a website or app, regardless of whether customers choose to pick up product in store, curbside, at an alternative pick-up location or take delivery direct to their homes. Revenue from acquisitions is included in comparable sales beginning with the first full quarter following the first anniversary of the date of the acquisition. Comparable sales also includes credit card revenue, gift card breakage, commercial sales and sales of merchandise to wholesalers and dealers, as applicable. Revenue from stores closed more than 14 days, including but not limited to relocated, remodeled, expanded and downsized stores, or stores impacted by natural disasters, is excluded from comparable sales until at least 14 full months after reopening. Comparable sales excludes the impact of certain periodic warranty-related profit-share revenue, the effect of fluctuations in foreign currency exchange rates (applicable to our International segment only) and the impact of the 53<sup>rd</sup> week (applicable in 53-week fiscal years only). Comparable sales is based on our fiscal calendar and is not adjusted to align calendar weeks. All periods presented apply this methodology consistently.

Consistent with our comparable sales policy, revenue from Best Buy Express locations rebranded as a result of our previously announced collaboration with Bell Canada is excluded from our comparable sales calculation until locations have been operating for at least 14 full months.

We believe comparable sales is a meaningful supplemental metric for investors to evaluate revenue performance resulting from growth in existing stores, websites and call centers versus the portion resulting from opening new stores or closing existing stores. The method of calculating comparable sales varies across the retail industry. As a result, our method of calculating comparable sales may not be the same as other retailers' methods.

### *Non-GAAP Financial Measures*

This MD&A includes financial information prepared in accordance with accounting principles generally accepted in the U.S. ("GAAP"), as well as certain non-GAAP financial measures, such as consolidated adjusted operating income, consolidated adjusted operating income rate, consolidated adjusted effective tax rate and consolidated adjusted diluted earnings per share ("EPS"). We believe that non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, provide additional useful information for evaluating current period performance and assessing future performance. For these reasons, internal management reporting, including budgets, forecasts and financial targets used for short-term incentives are based on non-GAAP financial measures. Generally, our non-GAAP financial measures include adjustments for items such as restructuring charges, goodwill and acquired intangible asset impairments, price-fixing settlements, gains and losses on disposals of subsidiaries and certain investments, amortization of definite-lived intangible assets associated with acquisitions, certain acquisition-related costs and the tax effect of all such items. In addition, certain other items may be excluded from non-GAAP financial measures when we believe doing so provides greater clarity to management and our investors. We provide reconciliations of the most comparable financial measures presented in accordance with GAAP to presented non-GAAP financial measures that enable investors to understand the adjustments made in arriving at the non-GAAP financial measures and to evaluate performance using the same metrics as management. These non-GAAP financial measures should be considered in addition to, and not superior to or as a substitute for, GAAP financial measures. We strongly encourage investors and shareholders to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. Non-GAAP financial measures may be calculated differently from similarly titled measures used by other companies, thereby limiting their usefulness for comparative purposes.

In our discussions of the operating results of our consolidated business and our International segment, we sometimes refer to the impact of changes in foreign currency exchange rates or the impact of foreign currency exchange rate fluctuations, which are references to the differences between the foreign currency exchange rates we use to convert the International segment's operating results from local currencies into U.S. dollars for reporting purposes. We also may use the term "constant currency," which represents results adjusted to exclude foreign currency impacts. We calculate those impacts as the difference between the current period results translated using the current period currency exchange rates and using the comparable prior period currency exchange rates. We believe the disclosure of revenue changes in constant currency provides useful supplementary information to investors in light of significant fluctuations in currency rates.

Refer to the Non-GAAP Financial Measures section below for detailed reconciliations of items impacting consolidated adjusted operating income, consolidated adjusted effective tax rate and consolidated adjusted diluted EPS in the presented periods.

### *Tariffs*

We continue to face significant uncertainty regarding the scope, timing and magnitude of tariffs that may affect the products we sell and the consequent financial impact on our business. In conjunction with our vendors, we continue to seek to mitigate the impact of tariffs on our business and our customers.

While we directly import approximately 2% to 3% of our overall assortment, the complex global supply chain for consumer electronics is heavily reliant on vendor imports from China, which we estimate make up approximately 30% to 35% of the products we purchase, compared to 55% disclosed within our Annual Report on Form 10-K for the fiscal year ended February 1, 2025. This is the result of vendors using production capabilities in multiple countries and leveraging their ability to flex sourcing options as the environment evolves. We estimate approximately 25% of the products we purchase are from the U.S. and Mexico, with the remaining amount from other countries, including Vietnam, Thailand, South Korea and Malaysia.

## Results of Operations

### Consolidated Results

Selected consolidated financial data was as follows (\$ in millions, except per share amounts):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Revenue	\$ 9,438	\$ 9,288	\$ 18,205	\$ 18,135
Revenue % change	1.6 %	(3.1)%	0.4 %	(4.8)%
Comparable sales % change	1.6 %	(2.3)%	0.4 %	(4.2)%
Gross profit	\$ 2,194	\$ 2,186	\$ 4,243	\$ 4,250
Gross profit as a % of revenue <sup>(1)</sup>	23.2 %	23.5 %	23.3 %	23.4 %
Selling, general and administrative expense ("SG&A")	\$ 1,829	\$ 1,810	\$ 3,550	\$ 3,547
SG&A as a % of revenue <sup>(1)</sup>	19.4 %	19.5 %	19.5 %	19.6 %
Restructuring charges	\$ 114	\$ (7)	\$ 223	\$ 8
Operating income	\$ 251	\$ 383	\$ 470	\$ 695
Operating income as a % of revenue	2.7 %	4.1 %	2.6 %	3.8 %
Net earnings	\$ 186	\$ 291	\$ 388	\$ 537
Diluted EPS	\$ 0.87	\$ 1.34	\$ 1.82	\$ 2.47

(1) Because retailers vary in how they record costs of operating their supply chain between cost of sales and SG&A, our gross profit rate and SG&A rate may not be comparable to other retailers' corresponding rates. For additional information regarding costs classified in cost of sales and SG&A, refer to Note 1, *Summary of Significant Accounting Policies*, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025.

In the second quarter and first six months of fiscal 2026, we generated \$9.4 billion and \$18.2 billion in revenue, respectively, and our comparable sales grew 1.6% and 0.4%, respectively, driven by a mix of new technology innovation, our continued focus on omni-channel customer experience and strong vendor partnerships. Comparable sales increased in the second quarter of fiscal 2026, primarily from comparable sales growth in gaming, computing and mobile phones, partially offset by comparable sales declines in home theater, appliances, tablets and drones. Comparable sales increased in the first six months of fiscal 2026, primarily from comparable sales growth in computing, gaming and mobile phones, partially offset by comparable sales declines in home theater and appliances.

Restructuring charges in the second quarter of fiscal 2026 were primarily associated with a labor and store optimization restructuring initiative that commenced in the second quarter of fiscal 2026. Restructuring charges in the first six months of fiscal 2026 also included charges primarily associated with a restructuring initiative focused on optimizing our Best Buy Health business that commenced in the first quarter of fiscal 2026. Refer to Note 2, *Restructuring*, of the Notes to Consolidated Financial Statements, for additional information.

Operating income rate decreased in the second quarter and first six months of fiscal 2026, primarily due to higher restructuring charges.

Diluted EPS decreased in the second quarter and first six months of fiscal 2026, primarily due to lower operating income driven by higher restructuring charges.

Revenue and gross profit rate changes in the second quarter of fiscal 2026 were driven by both our Domestic and International segments. Changes in our SG&A rate and operating income rate in the second quarter of fiscal 2026 were primarily driven by our International segment and Domestic segment, respectively.

Revenue, gross profit rate and SG&A rate changes in the first six months of fiscal 2026 were primarily driven by our International segment. The change in operating income rate in the first six months of fiscal 2026 was primarily driven by our Domestic segment.

For further discussion of our Domestic and International segments, see *Segment Performance Summary*, below.

## Store Summary

Stores open by reportable segment were as follows:

	August 2, 2025	August 3, 2024
Best Buy	885	890
Outlet Centers	23	26
Pacific Sales	20	20
Yardbird	21	23
Total Domestic stores	949	959
Canada Best Buy stores	128	129
Canada Best Buy Mobile stand-alone stores	28	32
Total International stores <sup>(1)</sup>	156	161
Total stores	1,105	1,120

(1) Excludes Best Buy Express stores leased by Bell Canada.

We continuously monitor store performance as part of a market-driven, omnichannel strategy. As we approach the expiration of leases, we evaluate various options for each location, including whether a store should remain open. In fiscal 2026, we currently expect to reduce our traditional Domestic Best Buy store count by approximately 5 to 10 stores in the normal course of operations. We also plan to close select non-traditional Domestic store locations in conjunction with our restructuring initiative that commenced in the second quarter of fiscal 2026. See Note 2, *Restructuring*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q for additional information.

## Income Tax Expense

Income tax expense decreased to \$68 million in the second quarter of fiscal 2026 compared to \$101 million in the second quarter of fiscal 2025, primarily due to lower pre-tax income. Effective tax rate ("ETR") increased to 26.8% in the second quarter of fiscal 2026 compared to 25.8% in the second quarter of fiscal 2025, primarily due to decreased tax benefits from resolutions of tax matters and stock-based compensation, as well as increased U.S. taxes from sourcing operations, partially offset by discrete tax impacts of the restructuring charges and associated exit of a component of our Best Buy Health business.

Income tax expense decreased to \$87 million in the first six months of fiscal 2026 compared to \$181 million in the first six months of fiscal 2025, primarily due to the discrete tax impacts of the restructuring charges and associated exit of a component of our Best Buy Health business, as well as lower pre-tax income. ETR decreased to 18.3% in the first six months of fiscal 2026 compared to 25.3% in the first six months of fiscal 2025, primarily due to the discrete tax impacts of the restructuring charges and associated exit of a component of our Best Buy Health business, partially offset by decreased tax benefits from resolutions of tax matters and green energy incentives. See Note 2, *Restructuring*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q for additional information.

Our tax provision for interim periods is determined using an estimate of our annual ETR, adjusted for discrete and unusual and infrequent items, if any, that are taken into account in the relevant period. We update our estimate of the annual ETR each quarter, and we make a cumulative adjustment if our estimated tax rate changes. Our quarterly tax provision and our quarterly estimate of our annual ETR are subject to variation due to several factors, including our ability to accurately forecast our pre-tax and taxable income and loss by jurisdiction, tax audit developments, recognition of excess tax benefits or deficiencies related to stock-based compensation, foreign currency gains (losses), changes in laws or regulations, and expenses or losses for which tax benefits are not recognized. Our ETR can be more or less volatile based on the amount of pre-tax earnings. For example, the impact of discrete items and non-deductible losses on our ETR is greater when our pre-tax earnings are lower.

## Segment Performance Summary

### Domestic Segment

Selected financial data for the Domestic segment was as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Revenue	\$ 8,698	\$ 8,623	\$ 16,825	\$ 16,826
Revenue % change	0.9 %	(3.0)%	— %	(4.9)%
Comparable sales % change <sup>(1)</sup>	1.1 %	(2.3)%	0.2 %	(4.3)%
Gross profit	\$ 2,033	\$ 2,027	\$ 3,941	\$ 3,944
Gross profit as a % of revenue	23.4 %	23.5 %	23.4 %	23.4 %
Adjusted SG&A <sup>(2)</sup>	\$ 1,682	\$ 1,663	\$ 3,261	\$ 3,255
Adjusted SG&A as a % of revenue <sup>(3)</sup>	19.3 %	19.3 %	19.4 %	19.3 %
Adjusted operating income <sup>(2)</sup>	\$ 351	\$ 364	\$ 680	\$ 689
Adjusted operating income as a % of revenue <sup>(4)</sup>	4.0 %	4.2 %	4.0 %	4.1 %

### Selected Online Revenue Data

Total online revenue	\$ 2,856	\$ 2,718	\$ 5,435	\$ 5,243
Online revenue as a % of total segment revenue	32.8 %	31.5 %	32.3 %	31.2 %
Comparable online sales % change <sup>(1)</sup>	5.1 %	(1.6)%	3.7 %	(3.8)%

(1) Comparable online sales are included in the comparable sales calculation.

(2) Represents Domestic segment Adjusted SG&A and Domestic segment Adjusted operating income as reported in accordance with the adoption of Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280)*, in the fourth quarter of fiscal 2025. See our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for additional information.

(3) Adjusted SG&A as a % of revenue is calculated as Domestic segment Adjusted SG&A divided by Domestic segment Revenue.

(4) Adjusted operating income as a % of revenue is calculated as Domestic segment Adjusted operating income divided by Domestic segment Revenue.

Domestic segment revenue increased in the second quarter of fiscal 2026, primarily driven by comparable sales growth in gaming, computing and mobile phones, partially offset by comparable sales declines in home theater, appliances, tablets and drones. Online revenue of \$2.9 billion in the second quarter of fiscal 2026 increased 5.1% on a comparable basis.

Domestic segment revenue in the first six months of fiscal 2026 remained effectively unchanged from the first six months of fiscal 2025. Comparable sales growth of 0.2% in the first six months of fiscal 2026 was primarily driven by computing, gaming and mobile phones, mostly offset by comparable sales declines in home theater and appliances. Online revenue of \$5.4 billion in the first six months of fiscal 2026 increased 3.7% on a comparable basis.

Domestic segment revenue mix percentages and comparable sales percentage changes by revenue category were as follows:

	Revenue Mix		Comparable Sales	
	Three Months Ended		Three Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Computing and Mobile Phones	45%	44%	3.8 %	3.9 %
Consumer Electronics	27%	29%	(4.9)%	(6.2)%
Appliances	12%	13%	(8.5)%	(14.9)%
Entertainment	8%	6%	37.5 %	(7.4)%
Services	7%	7%	(1.0)%	8.5 %
Other	1%	1%	(6.3)%	14.4 %
Total	100%	100%	1.1 %	(2.3)%

Notable comparable sales changes by revenue category were as follows:

- **Computing and Mobile Phones:** The 3.8% comparable sales growth was driven primarily by computing and mobile phones, partially offset by a comparable sales decline in tablets.
- **Consumer Electronics:** The 4.9% comparable sales decline was driven primarily by home theater.
- **Appliances:** The 8.5% comparable sales decline was driven primarily by large appliances.
- **Entertainment:** The 37.5% comparable sales growth was driven primarily by gaming, partially offset by a comparable sales decline in drones.
- **Services:** The 1.0% comparable sales decline was driven primarily by Best Buy Health service offerings and delivery and installation services.

Domestic segment gross profit rate decreased in the second quarter of fiscal 2026, primarily due to lower product margin rates, which were partially offset by rate improvement within the services category. The lower product margin rates were primarily driven by a higher sales mix of lower-margin categories.

Domestic segment gross profit rate remained effectively unchanged in the first six months of fiscal 2026 compared to the first six months of fiscal 2025, primarily driven by lower product margin rates and rate pressure within our Best Buy Health business, mostly offset by rate improvement within the services category, including membership offerings.

Domestic segment adjusted SG&A increased in the second quarter of fiscal 2026, primarily due to higher compensation expense, which included higher medical claims, the lapping of a favorable legal settlement of approximately \$10 million in the second quarter of fiscal 2025 and higher technology expense. These increases were partially offset by lower Best Buy Health expenses.

Domestic segment adjusted SG&A increased in the first six months of fiscal 2026, primarily due to higher compensation expense, the lapping of a favorable legal settlement of approximately \$10 million in the second quarter of fiscal 2025 and higher technology expense. These increases were partially offset by a favorable indirect tax settlement in the first quarter of fiscal 2026 and lower Best Buy Health expenses.

Domestic segment adjusted operating income rate decreased in the second quarter of fiscal 2026, primarily due to an unfavorable gross profit rate.

Domestic segment adjusted operating income rate decreased in the first six months of fiscal 2026, primarily due to an unfavorable adjusted SG&A rate and an unfavorable gross profit rate.

#### *International Segment*

Selected financial data for the International segment was as follows (\$ in millions):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Revenue	\$ 740	\$ 665	\$ 1,380	\$ 1,309
Revenue % change	11.3 %	(4.0)%	5.4 %	(3.7)%
Comparable sales % change	7.6 %	(1.8)%	3.5 %	(2.6)%
Gross profit	\$ 161	\$ 159	\$ 302	\$ 306
Gross profit as a % of revenue	21.8 %	23.9 %	21.9 %	23.4 %
Adjusted SG&A <sup>(1)</sup>	\$ 143	\$ 142	\$ 280	\$ 281
Adjusted SG&A as a % of revenue <sup>(2)</sup>	19.3 %	21.4 %	20.3 %	21.5 %
Adjusted operating income <sup>(1)</sup>	\$ 18	\$ 17	\$ 22	\$ 25
Adjusted operating income as a % of revenue <sup>(3)</sup>	2.4 %	2.6 %	1.6 %	1.9 %

(1) Represents International segment Adjusted SG&A and International segment Adjusted operating income as reported in accordance with the adoption of ASU 2023-07. See our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for additional information.

(2) Adjusted SG&A as a % of revenue is calculated as International segment Adjusted SG&A divided by International segment Revenue.

(3) Adjusted operating income as a % of revenue is calculated as International segment Adjusted operating income divided by International segment Revenue.

International segment revenue increased in the second quarter of fiscal 2026, primarily driven by comparable sales growth in gaming, computing and mobile phones, and revenue from Best Buy Express locations that opened in Canada after the second quarter of fiscal 2025.

International segment revenue increased in the first six months of fiscal 2026, primarily driven by revenue from Best Buy Express locations that opened in Canada after the second quarter of fiscal 2025 and comparable sales growth in gaming and computing.

International segment revenue mix percentages and comparable sales percentage changes by revenue category were as follows:

	Revenue Mix		Comparable Sales	
	Three Months Ended		Three Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Computing and Mobile Phones	47%	46%	9.5 %	1.7 %
Consumer Electronics	27%	28%	1.3 %	(2.1)%
Appliances	11%	13%	(5.7)%	(3.9)%
Entertainment	9%	6%	57.3 %	(20.8)%
Services	5%	6%	2.2 %	5.9 %
Other	1%	1%	6.5 %	(20.1)%
Total	100%	100%	7.6 %	(1.8)%

Notable comparable sales changes by revenue category were as follows:

- **Computing and Mobile Phones:** The 9.5% comparable sales growth was driven primarily by computing and mobile phones.
- **Consumer Electronics:** The 1.3% comparable sales growth was driven primarily by health and fitness and digital imaging, partially offset by a comparable sales decline in home theater.
- **Appliances:** The 5.7% comparable sales decline was driven primarily by small appliances.
- **Entertainment:** The 57.3% comparable sales growth was driven primarily by gaming.
- **Services:** The 2.2% comparable sales growth was driven primarily by growth in our membership programs.

International segment gross profit rate decreased in the second quarter and first six months of fiscal 2026, primarily due to lower product margin rates.

International segment adjusted SG&A in the second quarter of fiscal 2026 remained relatively unchanged from the second quarter of fiscal 2025. International segment adjusted SG&A decreased in the first six months of fiscal 2026, primarily due to the favorable impact of foreign exchange rates, mostly offset by higher employee compensation expense and expenses associated with Best Buy Express locations that opened after the second quarter of fiscal 2025.

International segment adjusted operating income rate decreased in the second quarter and first six months of fiscal 2026, primarily due to unfavorable gross profit rates, partially offset by increased leverage from higher sales volumes, which resulted in favorable adjusted SG&A rates.

### Consolidated Non-GAAP Financial Measures

Reconciliations of consolidated operating income, effective tax rate and diluted EPS (GAAP financial measures) to consolidated adjusted operating income, adjusted effective tax rate and adjusted diluted EPS (non-GAAP financial measures), respectively, were as follows (\$ in millions, except per share amounts):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Operating income	\$ 251	\$ 383	\$ 470	\$ 695
% of revenue	2.7 %	4.1 %	2.6 %	3.8 %
Intangible asset amortization <sup>(1)</sup>	4	5	9	11
Restructuring charges <sup>(2)</sup>	114	(7)	223	8
Adjusted operating income	\$ 369	\$ 381	\$ 702	\$ 714
% of revenue	3.9 %	4.1 %	3.9 %	3.9 %
Effective tax rate	26.8 %	25.8 %	18.3 %	25.3 %
Intangible asset amortization <sup>(1)</sup>	— %	— %	0.2 %	— %
Restructuring charges <sup>(2)</sup>	0.9 %	— %	8.7 %	— %
Loss on disposal of subsidiaries <sup>(3)</sup>	0.1 %	— %	0.2 %	— %
Adjusted effective tax rate	27.8 %	25.8 %	27.4 %	25.3 %
Diluted EPS	\$ 0.87	\$ 1.34	\$ 1.82	\$ 2.47
Intangible asset amortization <sup>(1)</sup>	0.02	0.03	0.04	0.05
Restructuring charges <sup>(2)</sup>	0.54	(0.03)	1.05	0.04
Loss on disposal of subsidiaries <sup>(3)</sup>	0.02	-	0.02	-
Income tax impact of non-GAAP adjustments <sup>(4)</sup>	(0.17)	-	(0.50)	(0.02)
Adjusted diluted EPS	\$ 1.28	\$ 1.34	\$ 2.43	\$ 2.54

For additional information regarding the nature of charges discussed below, refer to Note 2, *Restructuring*, and Note 3, *Goodwill and Intangible Assets*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q.

- (1) Represents the non-cash amortization of definite-lived intangible assets associated with acquisitions, including customer relationships, tradenames and developed technology assets.
- (2) Represents charges for the three and six months ended August 2, 2025, primarily related to a labor and store optimization initiative that commenced in the second quarter of fiscal 2026, and charges and subsequent adjustments related to a restructuring initiative within our Best Buy Health business that commenced in the first quarter of fiscal 2026. Charges and subsequent adjustments for the three and six months ended August 3, 2024, primarily related to an enterprise-wide restructuring initiative that commenced in the fourth quarter of fiscal 2024.
- (3) Primarily represents the loss on disposal of a component of our Best Buy Health business.
- (4) The non-GAAP adjustments primarily relate to the U.S. As such, the income tax charge on the U.S. non-GAAP adjustments is calculated using the statutory tax rate of 24.5%, adjusted for tax benefits discrete to the period.

Adjusted operating income rate decreased in the second quarter of fiscal 2026, primarily due to an unfavorable gross profit rate. Adjusted operating income rate in the first six months of fiscal 2026 remained effectively unchanged from the first six months of fiscal 2025.

Adjusted effective tax rate increased in the second quarter of fiscal 2026, primarily due to decreased tax benefits from resolutions of tax matters and increased U.S. taxes from sourcing operations. Adjusted effective tax rate increased in the first six months of fiscal 2026, primarily due to decreased tax benefits from resolutions of tax matters and green energy incentives, as well as increased U.S. taxes from sourcing operations.

Adjusted diluted EPS decreased in the second quarter of fiscal 2026, primarily due to the decrease in adjusted earnings driven by lower adjusted operating income. Adjusted diluted EPS decreased in the first six months of fiscal 2026, primarily due to the decrease in adjusted earnings driven by lower investment income and lower adjusted operating income. The decreases in adjusted diluted EPS in the second quarter and first six months of fiscal 2026 were partially offset by lower diluted weighted-average common shares outstanding.

## Liquidity and Capital Resources

We closely manage our liquidity and capital resources. Our liquidity requirements depend on key variables, including the level of investment required to support our business strategies, the performance of our business, capital expenditures, dividends, credit facilities, short-term borrowing arrangements and working capital management. We modify our approach to managing these variables as changes in our operating environment arise. For example, capital expenditures and share repurchases are a component of our cash flow and capital management strategy, which, to a large extent, we can adjust in response to economic and other changes in our business environment.

Cash and cash equivalents were as follows (\$ in millions):

	August 2, 2025	February 1, 2025	August 3, 2024
Cash and cash equivalents	\$ 1,456	\$ 1,578	\$ 1,387

The decrease in cash and cash equivalents from February 1, 2025, was primarily due to dividend payments, capital expenditures and share repurchases, partially offset by positive cash flows from operations, primarily driven by earnings.

The increase in cash and cash equivalents from August 3, 2024, was primarily due to positive cash flows from operations, primarily driven by earnings, partially offset by dividend payments, capital expenditures and share repurchases.

## Cash Flows

Cash flows were as follows (\$ in millions):

	Six Months Ended	
	August 2, 2025	August 3, 2024
Total cash provided by (used in):		
Operating activities	\$ 783	\$ 817
Investing activities	(369)	(352)
Financing activities	(574)	(557)
Effect of exchange rate changes on cash and cash equivalents	5	(3)
Decrease in cash, cash equivalents and restricted cash	\$ (155)	\$ (95)

### Operating Activities

The decrease in cash provided by operating activities in the first six months of fiscal 2026 was primarily driven by the timing and volume of inventory purchases and payments and lower net earnings, partially offset by the timing of vendor funding receivables.

### Investing Activities

The increase in cash used in investing activities in the first six months of fiscal 2026 was primarily due to the disposal of a component of our Best Buy Health business.

### Financing Activities

The increase in cash used in financing activities in the first six months of fiscal 2026 was primarily driven by higher share repurchases.

## Sources of Liquidity

Funds generated by operating activities, available cash and cash equivalents, our credit facilities, other debt arrangements and trade payables are our most significant sources of liquidity. We believe our sources of liquidity will be sufficient to fund operations and anticipated capital expenditures, share repurchases, dividends and strategic initiatives, including business combinations. However, in the event our liquidity is insufficient, we may be required to limit our spending. There can be no assurance that we will continue to generate cash flows at or above current levels or that we will be able to maintain our ability to borrow under our existing credit facilities or obtain additional financing, if necessary, on favorable terms.

On April 18, 2025, we entered into a \$1.25 billion five-year senior unsecured revolving credit facility agreement (the “Five-Year Facility Agreement”) with a syndicate of banks. The Five-Year Facility Agreement replaced the previous \$1.25 billion senior unsecured revolving credit facility (the “Previous Facility”) with a syndicate of banks, which was entered into April 2023 and scheduled to expire in April 2028, but was terminated on April 18, 2025. The Five-Year Facility Agreement permits borrowings of up to \$1.25 billion and expires in April 2030. There were no borrowings outstanding under the Five-Year Facility Agreement as of August 2, 2025, or the Previous Facility as of February 1, 2025, or August 3, 2024.

### Restricted Cash

Our liquidity is also affected by restricted cash balances that are primarily restricted to cover product protection plans provided under our membership offerings and self-insurance liabilities. Restricted cash, which is included in Other current assets on our Condensed Consolidated Balance Sheets, was \$257 million, \$290 million and \$311 million as of August 2, 2025, February 1, 2025, and August 3, 2024, respectively. The decrease in restricted cash from February 1, 2025, was primarily due to releases of product protection reserves based on claims and purchasing behaviors of customers participating in our membership offerings. The decrease in restricted cash from August 3, 2024, was primarily due to a decrease in cash for self-insurance liabilities and releases of product protection reserves.

### Debt and Capital

As of August 2, 2025, we had \$500 million of principal amount of notes due October 1, 2028, and \$650 million of principal amount of notes due October 1, 2030. Refer to Note 6, *Debt*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q, and Note 8, *Debt*, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for additional information about our outstanding debt.

### Share Repurchases and Dividends

We repurchase our common stock and pay dividends pursuant to programs approved by our Board of Directors (“Board”). The payment of cash dividends is also subject to customary legal and contractual restrictions. Our long-term capital allocation strategy is to first fund operations and investments in growth and then return excess cash over time to shareholders through dividends and share repurchases while maintaining investment-grade credit metrics. Our share repurchase plans are evaluated on an ongoing basis, considering factors such as our financial condition and cash flows, our economic outlook, the impact of tax laws, our liquidity needs, our stock price and the health and stability of global markets. The timing and amount of future repurchases may vary depending on such factors.

On February 28, 2022, our Board approved a \$5.0 billion share repurchase program. There is no expiration date governing the period over which we can repurchase shares under this authorization.

Share repurchase and dividend activity were as follows (\$ and shares in millions, except per share amounts):

	Three Months Ended		Six Months Ended	
	August 2, 2025	August 3, 2024	August 2, 2025	August 3, 2024
Total cost of shares repurchased	\$ 67	\$ 98	\$ 167	\$ 150
Average price per share	\$ 68.65	\$ 82.57	\$ 66.03	\$ 80.86
Total number of shares repurchased	0.9	1.1	2.5	1.8
Regular quarterly cash dividend per share	\$ 0.95	\$ 0.94	\$ 1.90	\$ 1.88
Cash dividends declared and paid	\$ 201	\$ 203	\$ 403	\$ 405

The total cost of shares repurchased decreased in the second quarter of fiscal 2026, due to a decrease in the average price per share and a decrease in the volume of repurchases. The total cost of shares repurchased increased in the first six months of fiscal 2026, due to an increase in the volume of repurchases, partially offset by a decrease in the average price per share.

Cash dividends declared and paid decreased during the second quarter and first six months of fiscal 2026, due to fewer shares outstanding, partially offset by increases in the regular quarterly cash dividend per share.

### Off-Balance-Sheet Arrangements and Contractual Obligations

Our liquidity is not dependent on the use of off-balance-sheet financing arrangements other than in connection with our \$1.25 billion in undrawn capacity on our Five-Year Facility Agreement as of August 2, 2025, which, if drawn upon, would be included in either short-term or long-term debt on our Condensed Consolidated Balance Sheets.

There has been no material change in our contractual obligations other than in the ordinary course of business since the end of fiscal 2025. See our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for additional information regarding our off-balance-sheet arrangements and contractual obligations.

### **Significant Accounting Policies and Estimates**

We describe our significant accounting policies in Note 1, *Summary of Significant Accounting Policies*, of the Notes to Consolidated Financial Statements, and our critical accounting estimates in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025. There have been no significant changes in our significant accounting policies or critical accounting estimates since the end of fiscal 2025.

### **New or Recently Issued Accounting Pronouncements**

For a description of applicable new or recently issued accounting pronouncements, including our assessment of the impact on our financial statements, see Note 1, *Basis of Presentation*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q.

### **Safe Harbor Statement Under the Private Securities Litigation Reform Act**

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 Quarterly Report on Form 10-Q 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 views and estimates with respect to future market conditions, company performance and financial results, operational investments, business prospects, our operating model, new strategies and growth initiatives, the competitive environment, consumer behavior and other events. These statements involve a number of judgments and are subject to certain risks and uncertainties, many of which are outside the control of the Company, that could cause actual results to differ materially from the potential results discussed in such forward-looking statements. Readers should review Item 1A, *Risk Factors*, of our most recent Annual Report on Form 10-K, and any updated information in subsequent Quarterly Reports on Form 10-Q, for a description of important factors that could cause our actual results to differ materially from those contemplated by the forward-looking statements made in this Quarterly Report on Form 10-Q. Among the factors that could cause actual results and outcomes to differ materially from those contained in such forward-looking statements are the following: macroeconomic pressures in the markets in which we operate (including but not limited to recession, inflation rates, fluctuations in foreign currency exchange rates, limitations on a government's ability to borrow and/or spend capital, fluctuations in housing prices, energy markets, jobless rates, the imposition of tariffs, trade wars and effects related to the conflicts in Eastern Europe and the Middle East, supply chain disruptions or other geopolitical events); catastrophic events, health crises and pandemics; susceptibility of the products we sell to technological advancements, product life cycle fluctuations and changes in consumer preferences; competition (including from multi-channel retailers, e-commerce business, technology service providers, traditional store-based retailers, vendors and mobile network carriers and in the provision of delivery speed and options); our ability to attract and retain qualified employees; changes in market compensation rates; our expansion into health and new products, services and technologies; our focus on services as a strategic priority; our reliance on key vendors and mobile network carriers (including product availability); our ability to maintain positive brand perception and recognition; our ability to effectively manage strategic ventures, alliances or acquisitions; our ability to effectively manage our real estate portfolio; inability of vendors or service providers to perform components of our supply chain (impacting our stores or other aspects of our operations) and other various functions of our business; risks arising from and potentially unique to our exclusive brands products; risks associated with vendors that source products outside of the U.S.; our reliance on our information technology systems, internet and telecommunications access and capabilities; our ability to prevent or effectively respond to a cyber-attack, privacy or security breach; product safety and quality concerns; changes to labor or employment laws or regulations; risks arising from statutory, regulatory and legal developments (including statutes and/or regulations related to tax or privacy); evolving corporate governance and public disclosure regulations and expectations (including, but not limited to, cybersecurity and environmental, social and governance matters); risks arising from our international activities (including those related to the conflicts in Eastern Europe and the Middle East, fluctuations in foreign currency exchange rates, the imposition of tariffs and trade wars) and those of our vendors; failure to effectively manage our costs; our dependence on cash flows and net earnings generated during the fourth fiscal quarter; pricing investments and promotional activity; economic or regulatory developments that might affect our ability to provide attractive promotional financing; constraints in the capital markets; changes to our vendor credit terms; changes in our credit ratings; and failure to meet financial-performance guidance or other forward-looking statements. We caution that the foregoing list of important factors is not complete. Any forward-looking statements speak only as of the date they are made and we assume no obligation to update any forward-looking statement that we may make.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

As disclosed in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, in addition to the risks inherent in our operations, we are exposed to certain market risks.

#### Interest Rate Risk

We are exposed to changes in short-term market interest rates and these changes in rates will impact our net interest expense. Our cash, cash equivalents and restricted cash generate interest income that will vary based on changes in short-term interest rates. In addition, we have swapped a portion of our fixed-rate debt to floating rate such that the interest expense on this debt will vary with short-term interest rates. Refer to Note 1, *Summary of Significant Accounting Policies*, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for further information regarding our interest rate swaps.

As of August 2, 2025, we had \$1.7 billion of cash, cash equivalents and restricted cash and \$0.5 billion of debt that has been swapped to floating rate, and therefore the net asset balance exposed to interest rate changes was \$1.2 billion. As of August 2, 2025, a 50-basis point increase in short-term interest rates would have led to an estimated \$6 million increase in interest income, and conversely a 50-basis point decrease in short-term interest rates would have led to an estimated \$6 million decrease in interest income.

#### Foreign Currency Exchange Rate Risk

We have market risk arising from changes in foreign currency exchange rates related to operations in our International segment. On a limited basis, we utilize foreign currency forward contracts to manage foreign currency exposure to certain forecasted inventory purchases, recognized receivable and payable balances and our investment in our Canadian operations. Our primary objective in holding derivatives is to reduce the volatility of net earnings and cash flows, as well as to reduce the volatility of net asset value associated with changes in foreign currency exchange rates. Our foreign currency risk management strategy includes both hedging instruments and derivatives that are not designated as hedging instruments. Refer to Note 1, *Summary of Significant Accounting Policies*, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2025, for additional information regarding these instruments.

During the second quarter and first six months of fiscal 2026, foreign currency exchange rate fluctuations were primarily driven by the strength of the U.S. dollar against the Canadian dollar compared to the prior-year period. The estimated impact of foreign exchange rate fluctuations on our revenue was not significant in the second quarter of fiscal 2026 and had an unfavorable impact of \$31 million in the first six months of fiscal 2026. The estimated impacts of foreign exchange rate fluctuations on our net earnings in the second quarter and first six months of fiscal 2026 were not significant.

### Item 4. Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's ("SEC") rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), to allow timely decisions regarding required disclosure. We have established a Disclosure Committee, consisting of certain members of management, to assist in this evaluation. The Disclosure Committee meets on a regular quarterly basis and more often if necessary.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act), at August 2, 2025. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, at August 2, 2025, our disclosure controls and procedures were effective.

There were no changes in internal control over financial reporting during the fiscal quarter ended August 2, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II — OTHER INFORMATION

### Item 1. Legal Proceedings

For information about our legal proceedings, see Note 10, *Contingencies*, of the Notes to Condensed Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### c) Stock Repurchases

On February 28, 2022, our Board approved a \$5.0 billion share repurchase program. There is no expiration date governing the period over which we can repurchase shares under this authorization. For additional information, see Note 9, *Repurchase of Common Stock*, of the Notes to the Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Fiscal Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
May 4, 2025 through May 31, 2025	-	\$ -	-	\$ 3,184,000,000
June 1, 2025 through July 5, 2025	406,173	\$ 69.38	406,173	\$ 3,156,000,000
July 6, 2025 through August 2, 2025	563,745	\$ 68.13	563,745	\$ 3,118,000,000
Total fiscal 2026 second quarter	<u>969,918</u>	\$ 68.65	<u>969,918</u>	\$ 3,118,000,000

### Item 5. Other Information

#### *Rule 10b5-1 Plan Elections*

During the fiscal quarter ended August 2, 2025, none of the Company's directors or officers (as defined in Rule 16(a)-1(f) of the Securities Exchange Act of 1934, as amended) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

#### *Restructuring Initiatives*

As disclosed in Note 2, *Restructuring*, of the Notes to the Consolidated Financial Statements included in Part I, Item 1 to this Quarterly Report on Form 10-Q, during the second quarter of fiscal 2026, the Company commenced a restructuring initiative intended to align field resources with changing customer behaviors, close select non-traditional store locations and redirect corporate resources for better alignment with its strategy. As further disclosed in such Note, the Company also made cash payments during the second quarter of fiscal 2026 relating to the Company's restructuring initiative that commenced during the first quarter of fiscal 2026. For further information about these initiatives, refer to such Note, which is incorporated herein by reference.

**Item 6. Exhibits**

<a href="#">3.1</a>	<a href="#">Amended and Restated Articles of Incorporation (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by Best Buy Co., Inc. on June 12, 2020).</a>
<a href="#">3.2</a>	<a href="#">Amended and Restated By-Laws (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by Best Buy Co., Inc. on June 14, 2018).</a>
<a href="#">10.1*</a>	<a href="#">Form of Best Buy Co., Inc. Long-Term Incentive Program Award Agreement (2025) - Directors.</a>
<a href="#">10.2*</a>	<a href="#">Form of Executive Officer Separation and General Release Agreement.</a>
<a href="#">31.1</a>	<a href="#">Certification of the Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">31.2</a>	<a href="#">Certification of the Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">32.1</a>	<a href="#">Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(1).</a>
<a href="#">32.2</a>	<a href="#">Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(1).</a>
101	The following financial information from our Quarterly Report on Form 10-Q for the second quarter of fiscal 2026, filed with the SEC on September 5, 2025, formatted in Inline Extensible Business Reporting Language (“iXBRL”): (i) the Condensed Consolidated Balance Sheets as of August 2, 2025, February 1, 2025, and August 3, 2024, (ii) the Condensed Consolidated Statements of Earnings for the three and six months ended August 2, 2025, and August 3, 2024, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and six months ended August 2, 2025, and August 3, 2024, (iv) the Condensed Consolidated Statements of Cash Flows for the six months ended August 2, 2025, and August 3, 2024, (v) the Condensed Consolidated Statements of Changes in Shareholders’ Equity for the three and six months ended August 2, 2025, and August 3, 2024, and (vi) the Notes to Condensed Consolidated Financial Statements.
104	The cover page from our Quarterly Report on Form 10-Q for the second quarter of fiscal 2026, filed with the SEC on September 5, 2025, formatted in iXBRL (included as Exhibit 101).
(1)	The certifications in Exhibit 32.1 and Exhibit 32.2 to this Quarterly Report on Form 10-Q 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 and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.
*	Management contracts or compensatory plans or arrangements.

Pursuant to Item 601(b)(4)(iii) of Regulation S-K under the Securities Act of 1933, as amended, the registrant has not filed as exhibits to this Quarterly Report on Form 10-Q certain instruments with respect to long-term debt under which the amount of securities authorized does not exceed 10% of the total assets of the registrant. The registrant hereby agrees to furnish copies of all such instruments to the SEC upon request.

**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 thereunto duly authorized.

BEST BUY CO., INC.  
(Registrant)

Date: September 5, 2025

By: /s/ CORIE BARRY

Corie Barry  
*Chief Executive Officer*

Date: September 5, 2025

By: /s/ MATTHEW BILUNAS

Matthew Bilunas  
*Senior Executive Vice President, Chief Financial Officer & Enterprise Strategy*

Date: September 5, 2025

By: /s/ MATHEW R. WATSON

Mathew R. Watson  
*Senior Vice President, Finance – Controller and Chief Accounting Officer*



**BEST BUY CO., INC.**  
**LONG-TERM INCENTIVE PROGRAM AWARD AGREEMENT**  
**Award Date: June 13, 2025**

This Long-Term Incentive Program Agreement (this “**Agreement**”), dated the date set forth above (the “**Award Date**”), is between Best Buy Co., Inc., a Minnesota corporation, (“**Best Buy**” or the “**Company**”), and the individual (“**you**” or the “**Participant**”) whose name is set forth in the Award Notification you received from the Company (the “**Award Notification**”). The Award Notification is included in and made a part of this Agreement.

1. **Grant of Award.** In consideration of your service on the Board of Directors of the Company (“**Board**”), the Company hereby grants to you the award set forth in the Award Notification (the “**Award**”) subject to the terms and conditions of this Agreement and the Best Buy Co., Inc. 2020 Omnibus Incentive Plan (the “**Plan**”). In the event of any conflict between this Agreement and the Plan, the Plan will govern. By your acceptance of this Award, you acknowledge receipt of a copy of the Prospectus for the Plan and your agreement to the terms and conditions of the Plan and this Agreement.
2. **Restricted Stock Units.** A “**Restricted Stock Unit**” is a right to receive a share of the Company’s common stock (“**Share**”) upon the lapse of the restrictions set forth in this Agreement.
  - (a) **Restrictions.** During the time you serve on the Board (the “**Holding Period**”), the Restricted Stock Units are subject to the restrictions described in this Agreement and the Plan (the “**Restrictions**”). During the Holding Period, the Restricted Stock Units may not be assigned, transferred (other than by will or the laws of descent and distribution), pledged or hypothecated (whether by operation of law or otherwise) or otherwise conveyed or encumbered, and shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition contrary to the provisions this Agreement or the Plan, or the levy of any execution, attachment or similar process upon the Restricted Stock Units, shall be void and unenforceable against the Company. The Restricted Stock Units are subject to forfeiture to Best Buy as provided in this Agreement and the Plan.
  - (b) **Vesting.** Except as otherwise set forth herein, so long as your service on the Board continues, the Restricted Stock Units shall vest in accordance with the vesting schedule stated in the Award Notification. If your service on the Board is terminated for any reason other than Cause, a pro rata portion (based on your length of service during the applicable vesting period) of any unvested Restricted Stock Units will vest as of such termination date. If your service on the Board is terminated for Cause, all Restricted Stock Units, whether vested or not as of the date of termination pursuant to the vesting schedule, will be forfeited as of the date of termination.
  - (c) **Issuance of Shares; Holding Period.** Within 30 days from the end of the Holding Period, the Shares underlying the Restricted Stock Units that have vested as of the end of the Holding Period will be delivered to you.

3. **Restrictive Covenants and Remedies.** By accepting the Award, you specifically agree to the restrictive covenants contained in this Section 3 (the “**Restrictive Covenants**”) and you agree that the Restrictive Covenants and the remedies described herein are reasonable and necessary to protect the legitimate interests of the Company Group.
- (a) **Confidentiality.** In consideration of the Award, you acknowledge that the Company Group operates in a competitive environment and has a substantial interest in protecting its Confidential Information, and you agree, during your service to the Company and thereafter, to maintain the confidentiality of the Company Group’s Confidential Information and to use such Confidential Information for the exclusive benefit of the Company Group. You will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. You shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.
- (b) **Non-Solicitation.** During the Holding Period and for one year following the termination of your service on the Board, you shall not:
- (i) induce or attempt to induce any employee of the Company Group to leave the employ of the Company Group, or in any way interfere adversely with the relationship between any such employee and the Company Group;
  - (ii) induce or attempt to induce any employee of the Company Group to work for, render services to, provide advice to, or supply Confidential Information of the Company Group to any third Person;
  - (iii) employ, or otherwise pay for services rendered by, any employee of the Company Group in any business enterprise with which you may be associated, connected or affiliated;
  - (iv) induce or attempt to induce any customer, supplier, licensee, licensor or other business relation of the Company Group to cease doing business with the Company Group, or in any way interfere with the then existing business relationship between any such customer, supplier, licensee, licensor or other business relation and the Company Group; or
  - (v) assist, solicit, or encourage any other Person, directly or indirectly, in carrying out any activity set forth above that would be prohibited by any of the provisions of this Agreement if such activity were carried out by you. In particular, you will not, directly or indirectly, induce any employee of the Company Group to carry out any such activity.
- (c) **Partial Invalidity.** If any portion of this Section 3 is determined by an arbitrator to be unenforceable in any respect, it shall be interpreted to be valid to the maximum extent for which it reasonably may be enforced, and enforced as so interpreted, all as determined by such arbitrator in such action. You acknowledge the uncertainty of the law in this respect and expressly stipulate that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.
- (d) **Remedy for Breach.** You agree that a breach of any of the Restrictive Covenants would cause material and irreparable harm to the Company Group that would be difficult or impossible to measure, and that monetary damages for any such harm would, therefore, be an inadequate remedy. Accordingly, you

agree that if you breach any Restrictive Covenant, the Company Group shall be entitled, in addition to and without limitation upon all other remedies the Company Group may have under this Agreement, at law or otherwise, to obtain injunctive or other appropriate equitable relief, without bond or other security, to restrain any such breach through arbitration. You further agree that the duration of the Restrictive Covenant shall be extended by the same amount of time that you are in breach of any Restrictive Covenant.

**(e) Claw Back & Recovery.**

- (i) In the event (i) you breach any of the Restrictive Covenants, (ii) you engage in conduct materially adverse to the interests of the Company, including any material violations of any Company policy, (iii) you engage in intentional misconduct that caused or contributed to the restatement of any financial statements of the Company, (iv) you materially violate the terms of any agreement to which you and a member of the Company Group is a party or (v) you engage in a criminal act, fraud, or violation of any securities laws, then notwithstanding any other provision of this Agreement to the contrary, the Company, in its sole discretion, may take one or more of the following actions with respect to your Award (and shall, in any event, take all action required by applicable law):
    - (A) cause the immediate forfeiture of all of your Restricted Stock Units, whether vested or unvested;
    - (B) require you to immediately return to the Company any Shares issued under any Restricted Stock Units that are still under your control; and
    - (C) require you to promptly pay to the Company an amount equal to the fair market value of all Shares included in your Award that are no longer under your control (as measured on the date of issuance of any Shares issued under any Restricted Stock Units).
  - (ii) The Committee shall have sole discretion to determine what constitutes the conduct described in Section 3(e)(i) above.
  - (iii) In addition to the Company's rights set forth above, you agree your Award and the value of any portion of your Award no longer under your control, shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation, or applicable stock exchange rule, including without limitation, the Sarbanes-Oxley Act of 2002 and the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- (f) Right of Set Off.** By accepting the Award, you agree that any member of the Company Group may set off any amount owed to you (including wages or other compensation, fringe benefits or vacation pay) against any amounts you owe under this Section 3.

**4. General Terms and Conditions.**

- (a) Rights as a Shareholder.** You will have no rights as a shareholder with respect to any Shares issuable under the Restricted Stock Units until you have actually received such Shares in accordance with the terms of this Agreement and the Plan. This means that you will not have the right to vote as a shareholder nor the right to receive dividend payments. Upon issuance of Shares at vesting of the

Restricted Stock Units, you will have all of the rights of a shareholder with respect to the Shares unless Shares are forfeited or recovered under this Agreement or the Plan.

- (b) **Dividend Equivalents.** Notwithstanding the foregoing, you shall accumulate a right to “dividend equivalents” on the Restricted Stock Units if cash dividends are paid on Shares having a record date on or after the Award Date and prior to the end of the Holding Period. You will be entitled to such dividend equivalents with respect to the Restricted Stock Units from the Award Date until the date such Restricted Stock Units are issued (the “**Dividend Equivalent Period**”), as follows:
- (i) For each Share dividend having a record date during the Dividend Equivalent Period, as of each payment date for such dividend, a dollar amount equal to the amount of the dividend that would have been paid on the number of Shares equal to the number of Restricted Stock Units held by you under this Award as of the close of business on the record date for such dividend will be converted into a number of additional notional Restricted Stock Units equal to the number of whole Shares with fractional shares rounded up to the next whole Share that could have been purchased at the closing price on the dividend payment date with such dollar amount.
  - (ii) Such accrued dividend equivalents will be paid to you in Shares at such time and in accordance with Section 2, as applies, but in each such case only to the extent that the Restricted Stock Units on which such dividend equivalents were credited have become vested and payable. The Committee may, in its discretion, pay such dividend equivalents in cash in lieu of Shares.
- (c) **Participant’s Acknowledgements.**
- (i) **Committee’s Sole Discretion.** The Committee has sole discretion to make decisions regarding your Award, and to interpret all terms of this Agreement, with the exception of the application of the Company’s Arbitration Policy. You agree that all decisions regarding and interpretations of this Agreement by the Committee are binding, conclusive, final and non-appealable.
  - (ii) **Taxes.** You are liable for any for any federal, state and other taxes incurred upon the lapse of a substantial risk of forfeiture (*e.g.*, employment taxes) or upon delivery of Shares underlying the Restricted Stock Units (*e.g.*, income taxes), and any subsequent disposition of any Shares (*e.g.*, capital gain taxes). You authorize the Company, or its agents, to satisfy its obligations with regard to all taxes by selling Shares of the Company on your behalf, or otherwise withholding from such Shares a number of Shares having a Fair Market Value equal to the amount of all taxes required to be withheld by the Company, pursuant to the policies and processes of the Company’s stock plan administrator and broker.
  - (iii) **Section 409A.** Anything herein to the contrary notwithstanding, this Agreement shall be interpreted so as to comply with or satisfy an exemption from Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively, “Section 409A”). The Committee may in good faith make the minimum modifications to this Agreement as it may deem appropriate to comply with Section 409A while to the maximum extent reasonably possible maintaining the original intent and economic benefit to you and the Company Group of the applicable provision.
- (A) To the extent required by Section 409A(a)(2)(B)(i), to the extent that you are a specified employee, Shares (or cash equivalent value of Shares) underlying Restricted Stock Units that become payable to you upon your separation from service will be delayed and paid promptly after the earlier of the date that is six (6) months after the date of such separation from service

or the date of your death after such separation from service. For purposes hereof, (x) any reference to your termination of service under this Agreement shall mean your separation from service, (y) the occurrence of your “separation from service” will be determined in accordance with the default provisions of Treasury Regulation Section 1.409A-1(h) and (z) whether you are a “specified employee” will be determined in accordance with the default provisions of Treasury Regulation Section 1.409A-1(i) with the “identification date” to be December 31 and the “effective date” to be the April 1 following the identification date (as such terms are used under such regulation). Notwithstanding anything in this Agreement to the contrary, your service shall not be deemed to have been terminated unless and until you have incurred a “separation from service” within the meaning of Section 409A.

(B) For purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii), your right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment under this Agreement shall at all times be considered a separate and distinct payment.

(iv) **Consultation With Professional Tax Advisors.** You acknowledge that the grant, exercise, vesting or any payment with respect to the Award, and the sale or other taxable disposition of the Shares acquired as a result of the Award may have tax consequences under federal, state, local or international tax laws. You further acknowledge that you are relying solely on your own professional tax and investment advisors with respect to any and all such matters (and are not relying, in any manner, on the Company or any of its employees or representatives). You understand and agree that any and all tax consequences resulting from the Award and its grant, exercise, vesting or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the Plan, are solely your responsibility without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse you for such taxes.

(d) **Severability.** In the event that any provision in the Plan or this Agreement is held to be invalid, illegal or unenforceable or would disqualify the Plan or this Agreement under any law, the invalid, illegal or unenforceable provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or this Agreement, such provision shall be stricken as to the applicable jurisdiction or Shares, and the remainder of the Plan or this Agreement shall remain in full force and effect.

(e) **Governing Law and Dispute Resolution.** Any disputes under this Agreement or the Plan must be resolved by arbitration subject to the Company’s Arbitration Policy. The substantive laws of Minnesota, without regard to the conflict of law provisions, shall apply to all questions concerning this Agreement to the extent not prohibited by the applicable law of the State in which you primarily work and reside; however, the Arbitration Policy, its enforceability, and its implementation are governed by the Federal Arbitration Act.

5. **Definitions.** Capitalized terms used but not defined in this Agreement are defined in the Plan or, if not defined therein, will have the following meanings:

(a) **“Cause”** for termination of your service with the Company Group shall, solely for purposes of this Agreement, be deemed to exist if you:

- (i) are charged with, convicted of or enter a plea of guilty or *nolo contendere* to: (a) a felony, (b) any crime involving moral turpitude, dishonesty, breach of trust or unethical business conduct, or (c) any crime involving the business of the Company Group;
- (ii) in the performance of your duties for the Company Group or otherwise to the detriment of the Company Group, engage in: (a) dishonesty that is harmful to the Company Group, monetarily or otherwise, (b) willful or gross misconduct, (c) willful or gross neglect, (d) fraud, (e) misappropriation, (f) embezzlement, or (g) theft;
- (iii) disobey the directions of the Board, or any individual or individuals the Board authorizes to act on its or their behalf, acting within the scope of its or their authority;
- (iv) fail to comply with the policies or practices of the Company Group;
- (v) are adjudicated in any civil suit, or acknowledge in writing in any agreement or stipulation, to have committed any theft, embezzlement, fraud, or other act of dishonesty involving any other Person;
- (vi) are determined, in the sole judgment of the Board or any individual or individuals the Board authorizes to act on its or their behalf, to have engaged in a pattern of poor performance;
- (vii) are determined, in the sole judgment of the Board or any individual or individuals the Board authorizes to act on its or their behalf, to have willfully engaged in conduct that is harmful to the Company Group, monetarily or otherwise;
- (viii) breach any provision of this Agreement or any other agreement between you and any member of the Company Group; or
- (ix) engage in any activity intended to benefit any entity at the expense of the Company Group or intended to benefit any competitor of the Company Group.

All determinations and other decisions relating to Cause (as defined above) for termination of your service shall be within the sole discretion of the Board or any individual or individuals the Board authorizes to act on its behalf; and shall be final, conclusive and binding upon you. In the event that there exists Cause (as defined above), the Company may terminate this Agreement immediately, upon written notification of such termination for Cause, given to you by the Board or any individual or individuals the Board authorizes to act on its behalf.

- (b) “**Company Group**” means, collectively, Best Buy Co., Inc. and its subsidiaries.
- (c) “**Committee**” means the Compensation and Human Resources Committee of the Board of Directors of Best Buy Co., Inc.
- (d) “**Confidential Information**” means all “Confidential Information” as that term is defined in Best Buy’s Confidentiality Policy, and includes, without limitation, any and all information in whatever form, whether written, electronically stored, orally transmitted or memorized relating to trade secrets, customer lists, records and other information regarding customers, price lists and pricing policies, financial information, records, ledgers and information, purchase orders, agreements and related data, business development and strategic plans, products and technologies, product tests, manufacturing costs, product or service pricing, sales and marketing plans, research and development plans, personnel and

employment records, files, data and policies (regardless of whether the information pertains to you or employees of the Company Group), tax information, business and sales methods and operations, business correspondence, memoranda and other records, inventions, improvements and discoveries, processes and methods, business operations and related data formulae, computer records and related data, know-how, research and development, trademark, technology, technical information, copyrighted material, and any other confidential or proprietary data and information which you encounter during your service, all of which are held, possessed and/or owned by the Company Group and all of which are used in the operations and business of the Company Group. Confidential Information does not include information which is or becomes generally known within the Company Group's industry through no act or omission by you.

**BEST BUY CO., INC.**  
**EXECUTIVE OFFICER SEPARATION AND GENERAL RELEASE AGREEMENT**

I, \_\_\_\_\_, EID \_\_\_\_\_, am signing this Agreement in exchange for the Separation Pay and other benefits as described below. For purposes of this Agreement, “Best Buy” means Best Buy Co., Inc., Best Buy Stores, L.P., Best Buy Health, Inc., BBY Services, Inc., Best Buy Enterprise Services, Inc., and all of their respective past and current parents, direct and indirect subsidiaries, and affiliated companies.

I UNDERSTAND AND AGREE:

**My Employment Separation**

1. My employment with Best Buy ended on \_\_\_\_\_ (“Separation Date”).
2. Best Buy has paid all compensation owed to me, except that wages for my final pay period may not have been paid as of the date I sign this Agreement.
3. I have returned all of Best Buy’s property and documents that were in my possession.

**Separation Pay**

Best Buy will pay me a lump sum payment in the gross amount of \$\_\_\_\_\_, the equivalent of 24 months of base salary. This payment will be less employment tax withholdings, and will be made within 30 days after I sign and return this Agreement to Best Buy, as long as I have not exercised my right of revocation in the time permitted hereunder. A pro-rata portion of this payment is subject to repayment in the event of my rehire.

Best Buy will also: (i) pay me a lump sum payment in the gross amount of \$25,000, in lieu of financial planning and tax planning assistance, (ii) provide the first month of COBRA continuation coverage to me and any applicable dependents at no premium cost, and pay me a lump sum payment consisting of 150% of the cost of 23 months of medical, dental and vision coverage based on the COBRA cost of the coverage level and coverage option in place at the time of my Separation Date, (iii) pay me a lump sum payment consisting of 150% of the cost of 17 months of group basic life insurance based on the cost of the coverage in place at the time of my Separation Date. The foregoing payments will be less employment tax withholdings, and will be made within \_\_\_ days after I sign and return this Agreement to Best Buy, as long as I have not exercised my right of revocation in the time permitted hereunder.

This Agreement is intended to qualify as an involuntary separation arrangement that is exempt from Section 409A of the Internal Revenue Code (“Section 409A”). Each payment made under this Agreement shall be treated as a separate payment for purposes of Section 409A. Specifically, any benefits paid within the Applicable 2½ Month Period (as defined below) are intended to constitute separate payments (for purposes of Treasury Regulation § 1.409A-2(b)(2)) that are

exempt from Section 409A pursuant to the “short-term deferral” rule set forth in Treasury Regulation § 1.409A-1(b)(4). To the extent that any benefits do not qualify for the foregoing exemption, such benefits are intended to be exempt from Section 409A under the “involuntary separation pay plan” exception set forth in Treasury Regulation § 1.409A-1(b)(9)(iii), up to the maximum extent permitted by said provision (generally, two times the lesser of the my annualized compensation or the compensation limit then in effect under section 401(a)(17) of the Code). To the extent that the Company determines that any provision of this Agreement fails to satisfy Section 409A’s requirements, the Company shall be entitled to reform such provision in a manner that, in the good-faith opinion of the Company, attempts to cause the provision to satisfy those requirements while preserving as closely as possible the original intent of the provision and this Agreement. “Applicable 2½ Month Period” means the period beginning on my Separation Date and ending 2½ months after the later of (i) the end of the calendar year in which my Separation Date occurred, or (ii) the end of the Company’s fiscal year in which my Separation Date occurred.

The pay and benefits described in this Agreement are in exchange for this Agreement. I am not entitled to these benefits unless I sign (and do not revoke) this Agreement.

I further understand that the Separation Pay is conditioned on my being employed in good standing through my Separation Date. If Best Buy discovers serious misconduct by me that is detrimental to Best Buy, whether such misconduct occurred before or after my Separation Date, I will not be eligible for the Separation Pay. If any such misconduct is determined after I have been paid such Separation Pay, I will be required to repay all such Separation Pay upon written demand by Best Buy.

Examples of serious misconduct include:

- Theft
- Competition with Best Buy during my employment
- Improper Disclosure of confidential Best Buy information
- Abuse of Best Buy’s employee discount policy
- Dishonest or fraudulent behavior in connection with my employment

### **Consideration Period/Right to Revoke**

I have 45 calendar days after I receive this Agreement to consider whether to sign it in exchange for the Separation Pay described in this Agreement. To receive the Separation Pay, I must return the signed Agreement to:

**Best Buy – HR Employee Services 7601 Penn Avenue South,  
#B2-417 Richfield, Minnesota 55423-3645**

I may revoke this Agreement within 15 calendar days after I sign it, and this Agreement will not become effective or enforceable until the 15-day period has expired. I may exercise my right to revoke by sending a written revocation notice to Best Buy at the address listed above.

I acknowledge that I will be responsible for all federal, state, and local tax liabilities that may result from the Separation Pay and that Best Buy will bear no responsibility for any such tax liabilities.

I further agree that I will indemnify and hold harmless Best Buy for any possible federal, state, or local tax liabilities resulting from the Separation Pay and that I will reimburse any taxes, interest and/or penalties assessed against Best Buy for any such tax liabilities caused by the Separation Pay.

### **My Release (Waiver) of Claims**

1. I release the following parties (“Released Parties”) from all claims, known or unknown, including all claims related to my employment with Best Buy or my employment termination from Best Buy:

- Best Buy Co., Inc., Best Buy Stores, L.P., Best Buy Health, Inc., BBY Services, Inc., Best Buy Enterprise Services, Inc., and all of their respective past and current parents, direct and indirect subsidiaries, and affiliated companies;
- All of the above companies’ officers, directors, agents, employees, shareholders, assigns, and other affiliated persons and entities; and
- All benefit plans sponsored by the above companies. My release includes claims

based on:

- Any federal statute, including Title VII of the Civil Rights Act, 42 United States Code Sections 1981-1988, the Age Discrimination in Employment Act (applicable to individuals age 40 or over), the Equal Pay Act, the Family and Medical Leave Act, the Uniformed Services Employment and Reemployment Rights Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, and the Genetic Information Nondiscrimination Act;
- Any state statute, including the Minnesota Human Rights Act, and any other discrimination or whistleblower statutes;
- Any city, county or other ordinance;
- Any express or implied contract;
- Any tort, including defamation, misrepresentation, infliction of emotional distress, or fraud;
- Breach of fiduciary duty;
- Negligence; or
- Any other legal theory.

My release of claims covers all claims which I do not know or suspect to exist at the time I sign this Agreement.

2. I am not releasing or waiving:

- Any rights I have to conversion or continuation coverage (for example, through COBRA) under Best Buy’s welfare benefit plans;

- Any claims for workers' compensation insurance benefits, but I affirm that I have already reported to Best Buy any work-related injuries or illnesses I experienced during my employment;
- Any claims for unemployment compensation benefits;
- My right to challenge the validity of this Agreement's release of claims;
- Any claim that by law may not be released in this Agreement (for example, claims under the Sarbanes-Oxley Act); or
- Any claims arising out of acts or omissions occurring after the date I sign this Agreement.
- Any rights I have per the terms of any stock option, restricted stock, or similar agreements governing any stock awards I was granted during my employment.
- Any rights I have to indemnification from Best Buy or coverage under any D&O policy of Best Buy.

3. I understand that nothing contained in this Agreement limits my ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). I further understand that this Agreement does not limit my ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to Best Buy. Further, while this Agreement releases all claims I may have to monetary damages in connection with a charge or complaint I file with a Government Agency, it does not apply to, and does not release, my right to receive a monetary award for providing information to any Government Agencies (i.e., a whistleblower award).

4. I will, without additional compensation, cooperate with Best Buy in any investigations, legal proceedings or actions involving the Released Parties where I may have relevant knowledge. My cooperation may include discussing my knowledge with the Released Parties and/or their attorneys and testifying in connection with such investigations, proceedings or actions.

5. By signing this Agreement, I agree to the restrictions and agreements contained in this Paragraph (the "Restrictive Covenants").

For one year following my Separation Date, I shall not:

- a. induce or attempt to induce any employee of Best Buy to leave the employ of Best Buy, or in any way interfere adversely with the relationship between any such employee and Best Buy;
- b. induce or attempt to induce any employee of Best Buy to work for, render services to, provide advice to, or supply confidential information, as described in Best Buy's confidential information policies ("Confidential Information"), to any third person, firm, or corporation;
- c. employ, or otherwise pay for services rendered by, any employee of Best Buy in any competitive business enterprise with which I may be associated, connected or affiliated;

- d. induce or attempt to induce any customer, supplier, licensee, licensor or other business relation of Best Buy to cease doing business with Best Buy, or in any way interfere with the then existing business relationship between any such customer, supplier, licensee, licensor or other business relation and Best Buy; or
- e. assist, solicit, or encourage any other person, directly or indirectly, in carrying out any activity set forth above that would be prohibited by any of the provisions of this Paragraph if such activity were carried out by myself. In particular, I will not, directly or indirectly, induce any employee of Best Buy to carry out any such activity.

6. I will not disclose to anyone, nor use for my or a third party's benefit, any confidential information, as defined in the Best Buy Confidentiality Policy. I understand I will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. I will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If I file a lawsuit for retaliation for reporting a suspected violation of law, I understand I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order.

7. I will comply with any previous agreements I made to assign to Best Buy my rights in inventions, works of authorship, designs, ideas, trademarks, domain names or trade secrets, whether or not patentable or registrable, that I created, conceived, or reduced to practice during my employment with, and within the scope of my duties as, a Best Buy employee ("Best Buy Companies Intellectual Property"). Further, I hereby assign to Best Buy all of my right, title, and interest in Best Buy Companies Intellectual Property. I will, at any time upon Best Buy's request and without additional consideration, promptly execute documents and take actions so that Best Buy can perfect its interest in Best Buy Companies Intellectual Property. My assignment in this paragraph does not include any invention for which no Best Buy equipment, supplies, facilities or trade secret information was used and which was developed entirely on the my own time, and (a) which does not relate directly to Best Buy's business or actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by me for Best Buy.

8. Best Buy may inform anyone to whom I seek to provide services, or to whom I am providing services, of this Agreement's post-employment obligations.

9. My obligations under this Section are reasonable and necessary to protect Best Buy's legitimate business interests.

### **Miscellaneous Terms**

1. If an arbitrator or other legal authority finds any of this Agreement's terms to be unenforceable, such term will be considered severed from the Agreement, and the Agreement's remaining terms will remain in effect. However, with respect to the "My Post-Employment

Obligations” section, if permitted by applicable law, it is my and Best Buy’s intent that the arbitrator or other legal authority narrow the unenforceable term instead of severing it, so as to make it enforceable to the maximum extent permitted.

2. This Agreement contains the entire agreement between Best Buy and me with respect to the subjects it covers and supersedes any previous oral or written agreements regarding such subjects, except as noted in this paragraph. This Agreement supplements but does not supersede:

- Any previous intellectual property agreements I agreed to (e.g., confidentiality, assignment of inventions),
- Any previous noncompetition, nonsolicitation, or similar agreements I agreed to,
- Any stock option, restricted stock, or similar agreements governing any stock awards I was granted during my employment, or
- The Best Buy Arbitration Policy (and I confirm my acknowledgement of, and agreement to, that Policy).

3. This Agreement cannot be modified except in writing signed by myself and Best Buy.

4. Best Buy advises me to consult with an attorney of my choice before signing this agreement.

**I HAVE READ THIS AGREEMENT AND I HAVE HAD SUFFICIENT TIME TO CONSIDER THIS AGREEMENT’S TERMS AND AM SIGNING IT VOLUNTARILY, WITH THE INTENT OF RELEASING BEST BUY AND THE OTHER RELEASED PARTIES FROM ALL CLAIMS, INCLUDING ALL CLAIMS RELATED TO MY EMPLOYMENT AND EMPLOYMENT TERMINATION.**

Dated:

Signature:

\_\_\_\_\_  
Employee Name

**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES  
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Corie Barry, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Best Buy Co., Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 5, 2025

/s/ CORIE BARRY

Corie Barry

*Chief Executive Officer*

**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES  
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Matthew Bilunas, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Best Buy Co., Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 5, 2025

/s/ MATTHEW BILUNAS

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Matthew Bilunas

*Senior Executive Vice President, Chief Financial Officer & Enterprise Strategy*

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. §1350 (adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002), I, the undersigned Chief Executive Officer of Best Buy Co., Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 2, 2025 (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: September 5, 2025

/s/ CORIE BARRY

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Corie Barry

*Chief Executive Officer*

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. §1350 (adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002), I, the undersigned Chief Financial Officer of Best Buy Co., Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 2, 2025 (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: September 5, 2025

/s/ MATTHEW BILUNAS

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Matthew Bilunas

*Senior Executive Vice President, Chief Financial Officer & Enterprise Strategy*