Discussion Objectives

• Help the Students Learn About A Great Company
  • What are the key things I should know about Best Buy?
  • What has made it successful?
  • What are the most important issues Best Buy’s leaders are acting upon?

• Help Them Make Good Decisions
  • What can I learn from this graduate’s life journey that will help me in mine?
  • What should I look for in the companies that I join?
  • How do I become successful in those organizations?
Background

- **Personal**
  - Notre Dame and Northwestern
  - Kathy
  - Kaitlin, Ryan, Clare, Molly, and Jack
  - Michigan, Chicago, Minnesota
  - “Do the best you can with what you have”

- **Professional**
  - 15 years in Financial Services (what is now Bank of America)
    - Commercial Banking/Corporate Finance
    - Investment Banking
    - Venture Capital and Private Equity
  - Eight years with Best Buy
    - Treasurer, Head of Tax
    - Corporate Development
    - M&A, JV’s, Best Buy Capital, International Development
    - US Chief Financial Officer, Board Committees, Full Board meetings
    - US Leadership Team
Best Buy Overview

- **1,207 United States Locations**
  - Best Buy & Best Buy Mobile
  - Magnolia Audio Video
  - Pacific Sales Kitchen & Bath Centers
  - Geek Squad

- **210 Canada Locations**
  - Future Shop
  - Best Buy & Best Buy Mobile

- **165 China Locations**
  - Five Star Appliance
  - Best Buy China

- **2,430 Europe Locations (50% Venture)**
  - The Carphone Warehouse
  - The Phone House

- **5 Mexico Locations**

- Multiple Web Sites and Call Centers
Best Buy Has a History of Strong Revenue Gains

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- **Revenue:**
  - F00: $12.5 billion
  - F01: $15.2 billion
  - F02: $17.7 billion
  - F03: $20.9 billion
  - F04: $24.6 billion
  - F05: $27.4 billion
  - F06: $30.8 billion
  - F07: $35.9 billion
  - F08: $40.0 billion
  - F09*: $45.0 billion
  - F10*: $49.7 billion

- **Operating Income Rate:**
  - F00: 4.3%
  - F01: 4.0%
  - F02: 5.1%
  - F03: 4.8%
  - F04: 5.3%
  - F05: 5.3%
  - F06: 5.3%
  - F07: 5.6%
  - F08: 5.4%
  - F09*: 4.5%
  - F10*: 4.6%

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* Non-GAAP operating income rate. Adjusted to exclude restructuring and goodwill impairment charges taken in FY09 and FY10 (see appendix for reconciliation amounts).

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Source: Company public filings
Connecting Customers to Technology Solutions

Solving Customers Problems

With World-Class Partners

To Create

Shareholder Value

[Logos of various technology companies such as Sony, Frigidaire, KitchenAid, T-Mobile, DirectTV, Microsoft, Samsung, AT&T, General Electric, LG, Zildjian, CinemAnow, Casio, Maytag, and Best Buy]
Best Buy, Along With the Consumer Electronics Industry, Has Changed Significantly Over the Past 30 Years
We Anticipate That the World Will Become Even More “Connected” Over the Next 5 Years

- 240 million “connected” consumer electronic devices to be sold per year by 2012
- 4 times more profit generated “outside the device” than through hardware sales
Expanding Solution Offerings To Profitable “Connections”
Leading Consumer Electronics Retailer

Building Global Assets

180,000+ Employees Worldwide
Positioned For Future Growth

Distinctive People

Customer Focused

Multi-Channel Capabilities

Global Footprint

- Mexican Flag
- Canadian Flag
- American Flag
- Chinese Flag
What To Look For in a Company

● Opportunity for a career – many options, significant runway
● Work that you enjoy, that makes you happy, that you lose yourself in…. 
● Clear values (not just talk)
  ■ Having fun while being the best
  ■ Show respect, humility, and integrity
  ■ Learn from challenge and change
  ■ Unleash the power of the people
● A culture where employees are given a chance to make big contributions
● A company that is growing, evolving
● Jobs that help you learn and raise your game
● Great people you respect and like spending time with
● Big employee discounts on consumer electronics…..
What Makes Employees Successful at Best Buy?

- Having an impact
- Acting in service of the company’s shareholders and customers – they provide your compass
- Delivering very high quality work, quickly. “Andiamo!”
- Articulate and champion a clear, constructive point of view
- Creativity, energy, positivity
- Living the company values
- Stepping into the void of what needs to be done and people are not yet doing. Have the courage to do things that you may not yet be expert in (nobody else is, either).
- Attract and develop great people