



A WORLD OF OPPORTUNITY

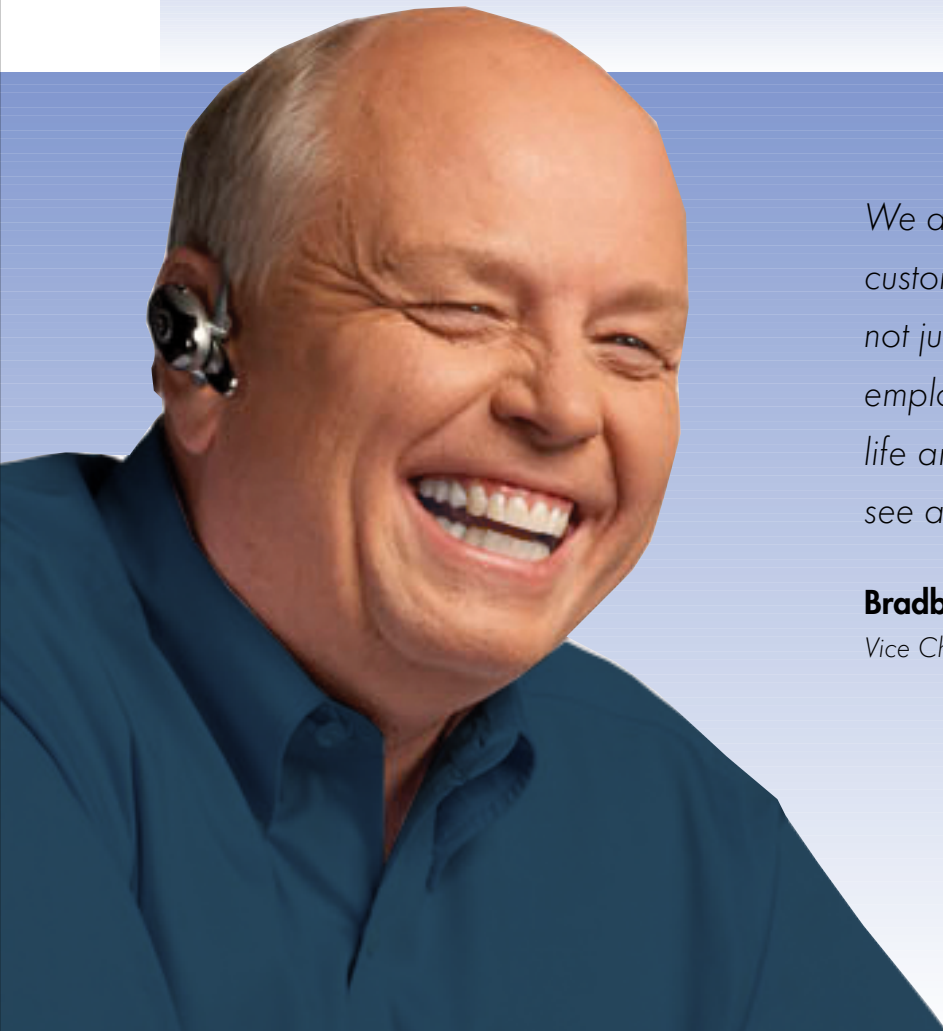
Fiscal 2007 Annual Report



BEST BUY™

BUILDING RELATIONSHIPS

great employees, great customers



We are focused on solving customer needs and desires—not just selling products. Our employees bring this focus to life and are the reason we see a world of opportunity.

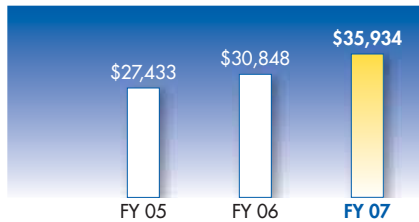
Bradbury H. Anderson

Vice Chairman and CEO



Revenue

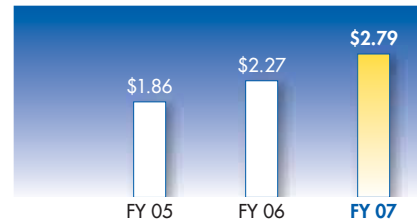
Our revenue rose 16 percent in fiscal 2007, fueled by 231 net new store openings (including 145 acquired stores) and a comparable store sales gain of 5.0 percent.



(U.S. dollars in millions)

Earnings per diluted share

Earnings per diluted share increased 23 percent in fiscal 2007, driven by strong revenue growth and SG&A leverage more than offsetting a decline in the gross profit rate.



(from continuing operations)

To our shareholders

Best Buy has an unequivocal belief that relationships between energized employees and satisfied customers power sustained profits and growth. Indeed, building and nurturing these relationships allowed us to achieve our goals in fiscal 2007. Moreover, the careful cultivation of these relationships in the years ahead will enable us to capitalize on what we see as a world of opportunity.

The company reported earnings of \$1.4 billion in the 53-week period, an increase of 21 percent compared with earnings of \$1.1 billion in fiscal 2006. Earnings per diluted share rose to \$2.79, up 23 percent from \$2.27 for the prior year. These results were driven by a 16-percent increase in revenue, to \$35.9 billion for the fiscal year. Our revenue growth was aided by the addition of 231 net new stores since the prior year, including the acquisitions of two other businesses, and a 5.0-percent comparable store sales gain.

As we look at the numbers, we see that a significant portion of our results came from initiatives begun in the past five years. Notable examples include smaller store sizes, our dual branding strategy in Canada, our Magnolia Home Theater locations inside Best Buy stores, our growing services business, Best Buy For Business and, of course, our acquired stores.

These initiatives were made possible by our change to a customer-centric strategy five years ago. Customer centricity invites employees to contribute their unique

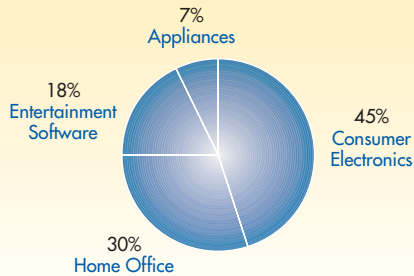
ideas and experiences in service of customers, treats customers uniquely, and honors their differences as segments and as individuals. It allows us to meet customers' unique needs, end to end.

As we continued on our journey toward customer centricity, we passed several milestones this year. For me, the highlights of fiscal 2007 included:

- + *An increase in customer satisfaction.* Our score in the American Customer Satisfaction Index rose by five points, to a score of 76. We also believe that customers indicate satisfaction with their purchase patterns, and last year we achieved significant share gains in consumer purchases of MP3 players, digital imaging, flat-panel TVs, notebook computers and video game hardware.
- + *The acquisitions of two retailers who help us reach new customers.* In the first quarter, we completed the purchase of Pacific Sales Kitchen and Bath Centers, which sells high-end home-improvement products through 14 locations in southern California. Pacific Sales particularly excels in working with home builders to put the latest technology into consumers' kitchens and bathrooms. We believe we can extend this proven model nationally to serve the affluent customer better. In the fiscal second quarter, we also added a majority interest in Jiangsu Five Star Appliances, now China's third-largest retailer of appliances and consumer electronics, with 135 stores. This acquisition came with a strong management team familiar

Product revenue mix

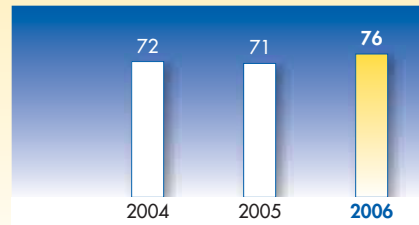
Consumer electronics grew to 45 percent of fiscal 2007 revenue, up from 43 percent in fiscal 2006. The increase was driven by strength in flat-panel TVs, home theater installation and MP3 players.



Customer satisfaction

(calendar year data)

We improved our score in the ACSI by 5 points to a score of 76. Customers say that the interactions with our employees have improved.



Source: www.TheACSI.org (1-100 scale)

with local customers and business models in this fast-growing part of the world. Our intention in China is not only to grow the Five Star brand, but also to leverage the talents of its local leaders as we expand upon our first Best Buy store, which opened in Shanghai in December.

+ *The addition of nearly 200 Magnolia Home Theater locations inside U.S. Best Buy stores.*

When we acquired Magnolia Audio Video five years ago, we marveled at the award-winning customer experience and management team, yet struggled to increase customer traffic. By placing smaller Magnolia locations within our U.S. Best Buy stores, we leveraged Best Buy's customer traffic to educate consumers about the latest offerings and premium brands along with custom installation. This approach resonated with consumers and catapulted Best Buy to No. 1 among high-end consumer electronics retailers in the country.

+ *The launch of Geek Squad® City.* This centralized location for computer repairs, installations and other related services helps shorten customer wait times while boosting the productivity and skills of our services employees.

+ *The formation of a strategic relationship with The Carphone Warehouse.* We are working jointly with Europe's premier retailer of wireless phones. Our interest stemmed from admiration of their customer service model, paired with a point of view about the importance of mobile solutions for customers.

We hope that our relationship with CPW will add to our skill sets in helping consumers buy and use wireless phones. This relationship also plays a role in our plan to globalize our services business, which has been popular with many different customer segments. We recently began offering Geek Squad services in the United Kingdom through CPW locations and via the Internet.

+ *Shareholder performance.* We delivered 21-percent earnings growth and returned nearly \$800 million to our shareholders through repurchases of our common stock and an increased dividend, while investing \$25 million in our communities.

Our charitable gifts and volunteerism are supported by company donations and The Best Buy Children's Foundation. We also published our first corporate responsibility report last year, which is available online.

Bringing our talent to customers

As we review fiscal 2007, we see that investments we've made in the past are providing strong returns. We believe we are getting better at unleashing human talent and bringing it to the consumer and are excited about how much momentum we have gained.

We are comfortable tapping talent inside our organization and talent outside it, if another company has capabilities we need for serving customers.



Financial highlights

- + Grew earnings per diluted share by 23 percent to \$2.79
- + Improved the operating income rate to 5.6 percent by reducing the SG&A rate and gaining leverage on higher revenue
- + Delivered a 5-percent comparable store sales gain and bolstered revenue by 16 percent
- + Returned 56 percent of net earnings, or \$773 million, to shareholders via share repurchases and dividends

Key wins

- + Increased convenience by opening new stores
- + Improved the store experience by expanding home theater departments
- + Offered customers incentives to experience true high-definition TV with our "HD Done Right" campaign
- + Encouraged customer loyalty by growing Reward Zone memberships to 18 million
- + Acquired two successful retailers with unique customers: Pacific Sales and Five Star
- + Opened our first Best Buy store in China

We view ourselves as a network of assets, including not only our strong balance sheet, but also our 140,000 employees and our relationships with vendors and other companies within our network, stretching from China to Silicon Valley.

We've found that when we encourage employees to contribute their unique ideas, they get more excited about growing the business and serving customers. For example, we have hundreds of employees across the company right now who volunteered to work on ways to serve customers better, particularly female customers. Our employees are tackling everything from changing the tags on products, to recruiting female employees, to identifying new business opportunities. In fact, as early as this summer you'll begin to see changes on the product tags in our stores. Instead of tags on a washer describing how many cubic feet of laundry it holds, the tags might tell you how many pairs of jeans will fit in one load. With the insight of our employees, we can improve even the seemingly simplest pieces of our business.

As CEO, I am never more proud than when our vibrant culture challenges employees to take risks and offer productive ideas that lead to personal fulfillment—and great experiences for our customers.

Pursuing a strategy of growth

With confidence that our business strategy is working, we are pursuing new growth avenues. We have made mistakes, but perhaps the one we regret most at this

time is not pushing harder on our growth initiatives last year. Based on the returns we have enjoyed in areas such as services, international expansion and customer access, we plan to push harder in the coming year.

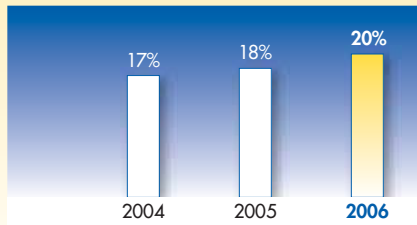
Again, we view our company as a collection of assets, including employees, vendors, partners and a strong balance sheet. Our intention is to deploy our assets in ways that improve our return on capital. We will find new customers and new talent globally, and add new skills where we see unmet customer needs. We're committed to helping people take full advantage of the promise of technology to help them live, learn, work and play. Our plan envisions further growth from investments in our core business and international growth. We expect to continue to pursue acquisitions that bring new capabilities to allow us to serve customers better. In addition, we plan to repurchase our common stock—a solid avenue to deliver shareholder return. Our hard work has put us in a position to undertake all these growth initiatives—and we can increase that activity across the board in the upcoming year.

For the fiscal year, our return on invested capital was 21 percent. We continue to improve our core business while we pursue new growth opportunities. Equally important in my mind are wise investments in people. If we do both well, we expect to achieve both short-term performance goals and long-term growth. We also expect to achieve our core ambition, which is to inspire people around the world to connect in new ways.

Best Buy U.S. market share

(calendar year data)

We grew market share in TVs, gaming and notebook computers. Our greatest successes are achieved by focusing on customers' needs and wants.



Source: Company internal estimates and NPD Group point-of-sale data

Corporate responsibility

We have two operating principles for our corporate responsibility:

1. Corporate responsibility is not a function unto itself; rather, it's the responsibility of every function, operation and employee.
2. We need to actively steer this philosophy throughout our operations, and ensure all employees define it, evolve it and live it.

Our corporate responsibility report can be accessed at www.BestBuy.com by selecting "responsibility."

Succeeding in a challenging environment

In fiscal 2007, the consumer electronics industry faced a perfect storm. Amid heightened consumer interest in flat-panel TVs, we saw a surplus of products coupled with retail competitors that were anxious to increase customer traffic and grow market share. As a result, what transpired was a radical increase in the pace of price declines. The consumer benefited, as average selling prices for certain flat-panel TVs declined by more than 30 percent in a brief window of time. Yet retailers endured costly pressure on gross margins, in some cases followed by excessive product returns.

In this environment, we chose to respond by matching competitors' prices on certain branded items, particularly flat-panel TVs in larger screen sizes. Our bet was that being promotional would increase customer traffic, and if we could provide an outstanding level of service, customers would be satisfied with their purchases and shop us again. So far, our data shows that our thesis held. In addition, we had a strong consumer response from our HD Done Right campaign, which offered consumers an incentive to serve their own best interest: buy a flat-panel TV 37 inches or larger, let us professionally install it and upgrade to a high-definition source. We believe this customer-centric approach helped us deliver solid financial results coupled with higher customer satisfaction. We plan to build on this success with similar campaigns in the coming year.

Anticipating growth in fiscal 2008

Based on last year's results and current trends, we are expecting approximately 14-percent earnings growth in fiscal 2008, or a range of \$3.10 to \$3.25 per diluted share. This earnings range assumes a comparable store sales gain of 3 percent to 5 percent, as well as operating profit rate expansion of approximately 30 basis points.

We expect to improve on our fiscal 2007 results based on the opening of new stores, increased loyalty from customers, and strong consumer demand for flat-panel TVs, notebook computers, video gaming products and services. Bottom line, these results will happen only to the extent that engaged employees offer unique solutions to our customers.

As we consider the strong results we reported for fiscal 2007 and the year ahead, we are very grateful to our innovative employees and the fine vendors who make it all possible. We also thank our customers for their business with us, and we thank you, our fellow shareholders, for your continuing support.

Bradbury H. Anderson

Vice Chairman and CEO

financial highlights

(U.S. dollars in millions, except per share and per retail square foot amounts)	Fiscal 2007 ⁽¹⁾	Fiscal 2006	Fiscal 2005 ⁽²⁾
Revenue	\$35,934	\$30,848	\$27,433
Comparable store sales % gain	5.0%	4.9%	4.3%
Gross profit as % of revenue	24.4%	25.0%	23.7%
SG&A as % of revenue	18.8%	19.7%	18.4%
Operating income as % of revenue	5.6%	5.3%	5.3%
Earnings from continuing operations	\$ 1,377	\$ 1,140	\$ 934
Net earnings	\$ 1,377	\$ 1,140	\$ 984
Diluted earnings per share—continuing operations	\$ 2.79	\$ 2.27	\$ 1.86
Diluted earnings per share	\$ 2.79	\$ 2.27	\$ 1.96
Cash, cash equivalents and short-term investments	\$ 3,793	\$ 3,789	\$ 3,348
Debt-to-capitalization ratio ⁽³⁾	9%	10%	12%
Cash dividends per share declared and paid	\$ 0.36	\$ 0.31	\$ 0.28
Value of common shares repurchased	\$ 599	\$ 772	\$ 200
Total retail square footage (in thousands) ⁽⁴⁾	41,885	34,390	31,604
Revenue per retail square foot ⁽⁵⁾	\$ 936	\$ 941	\$ 905
Number of stores: at period end			
Best Buy—U.S.	822	742	668
Magnolia Audio Video	20	20	20
Pacific Sales	14	—	—
Future Shop	121	118	114
Best Buy—Canada	47	44	30
Five Star	135	—	—
Best Buy—China	1	—	—

(1) Fiscal 2007 included 53 weeks. All other periods presented included 52 weeks

(2) In Fiscal 2005 we did not recognize stock-based compensation expense

(3) Represents total debt (including current portion of long-term debt) divided by total capitalization (total debt + total shareholders' equity)

(4) At period end. Includes Geek Squad stand-alone stores

(5) Represents revenue divided by weighted average retail square footage

Total shareholder return

Cumulative total return among Best Buy Co., Inc.; the S&P 500 Index; and the S&P Retailing Group

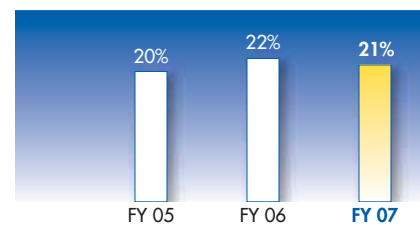


Our five-year total shareholder return, including stock price appreciation and dividends, continued to outperform the S&P 500 and its index of retailers.

Source: Research Data Group

Return on invested capital

We continue to generate a strong ROIC as we invest in our core business and extend into new markets.



(from continuing operations)



CUSTOMER ACCESS

when & where you want it



Deeper customer relationships

In fiscal 2007, we grew memberships in our loyalty program, Reward Zone, to 18 million members and launched the Reward Zone MasterCard. These offerings enable us to provide tailored products and services. By serving the unique needs of our customers, we believe we will continue to build loyalty, grow market share and identify new growth platforms.



in store + online + by phone + on site

Broader customer access drives growth

Our business is growing as we respond to customers' needs for more—and different—access to our products and services. Most customers use our Web sites to research purchases before shopping in stores. Additionally, customers increasingly make purchases online or via our call centers.



Customer-focused options

Access, from our customers' perspective, means interacting with Best Buy how, where, and when it is best for them and their lifestyle. Their preferences might change from day to day—or hour to hour. Our job is to provide customer access on their terms, and to make it easy and fun.

Consider a customer who starts the day by researching on www.BestBuy.com, later visits and makes a purchase at a Best Buy store, has the products delivered and installed in her home, and finishes the day with a call to our support center with a question. That one customer has four different interactions—which should all look and feel like Best Buy. Our goal is to deliver

a seamless and consistent experience across all of them regardless of how customers choose to interact with us. This goal challenges us to focus on the end-to-end customer experience—and to see it through our customers' eyes.

A tangible example of improving customer access from this last year is the new ability for our customers to redeem gift cards online. We invested in the required technology to allow our customers to define how they did business with us—not the other way around. Using this lens, we literally see a world of opportunities to improve the overall experience and deepen customer relationships.

TOTAL SOLUTIONS

= satisfied & loyal customers



Agents on duty.
Anytime. Anywhere.

New tools for solutions In fiscal 2007, we continued to add to our service capabilities. We opened Geek Squad City in Louisville, Ky., to offer faster computer repair services for our customers and to improve our ability to make complicated repairs. We also benefited from investments in routing and scheduling systems to shorten customer wait times and boost productivity. At year end we employed 10,000 Geek Squad agents, 3,000 home theater installers and 3,000 vehicle installers.

Added capabilities driving growth

Our commitment to offering customers full solutions paid off. Our High-Definition Advantage program coupled with our well-trained home theater installers enabled us to grow flat-panel market share and improve key customer satisfaction metrics. Likewise, Geek Squad allowed us to offer our customers data migration, new PC optimization and a smoother transition to Microsoft's new operating system, Vista™.



+ all the latest products

Satisfied customers

We see our role as fulfilling the promise of technology for our customers. As the complexity of products escalates, customers need help making all the "stuff" work. We believe that a truly customer-centric company focuses on the number of satisfied customers after a product or service purchase—not just making a sale.

Consider a customer who buys the ability to e-mail digital pictures to family and friends versus a customer who buys a digital camera. Consider a customer who buys an installed and secured wireless computer network—that actually works—versus a customer that buys a notebook computer. Delivering these experiences is our focus.

This focus requires a fundamental change in how we interact with customers—and is core to customer centricity. It begins with enabling the customer to research and select the right product and service for her lifestyle and ends with that desired experience coming to life. We have invested in our service capabilities to enable us to deliver on this promise and believe that we are better positioned than ever before. We believe that consistently delivering individualized full solutions sets us apart from the competition, builds customer loyalty and extends our growth options.



+ custom consultation



installation & signal

HD
done right

INTERNATIONAL

growth in new markets



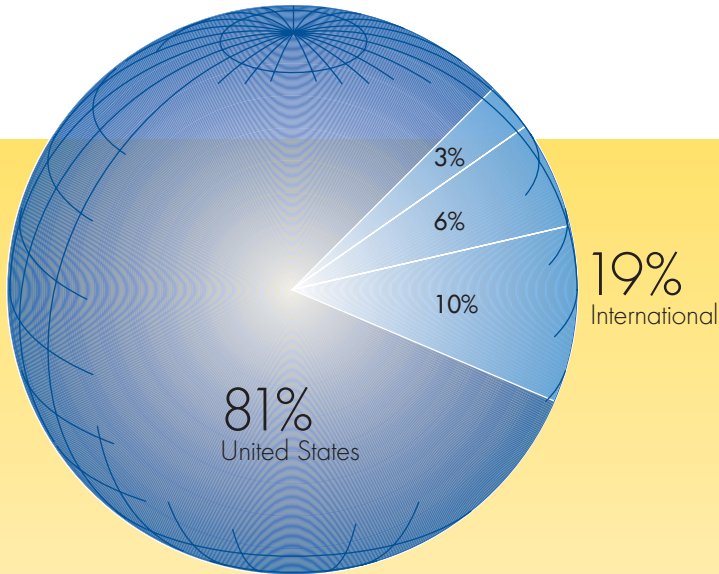
Global learning strengthens our core business

While controlled international growth is an important part of our long-term growth vision, a large opportunity continues to be growing our core business engine in North America. In fact, we believe that the successful companies of tomorrow are those that learn how to harness and integrate ideas from across the globe—and apply them everywhere. We are confident that the experiences that we encounter internationally will strengthen and accelerate our transformation domestically.



Talent and culture We will continue to seek out local talent and market expertise as we grow internationally. We believe that these local talented leaders understand their markets and customers, and are an integral part of our international growth success. Similarly, the cultural fit of a potential acquisition is one of our key criteria.

► **Demandez à un expert**
(Ask an expert)



Total retail square footage

Future Shop, Canada	2.5
Best Buy, Canada	1.2
Five Star, China	4.2
Best Buy, China	0.1
United States	34.0

(square feet in millions)



International expansion for long-term growth

We began our international expansion in fiscal 2002 with the acquisition of the Canadian market leader, Future Shop. Subsequently, we have launched the Best Buy brand in Canada and successfully grown the combined market share to over 30 percent. The Canadian team has dedicated itself to understanding the unique customers served by its distinct brands—and how to grow both. The lessons learned along the way are serving us well as we pursue the same strategy in China.

In fiscal 2007, we acquired the third-largest appliance and consumer electronics retailer in China, Five Star. As with other recent acquisitions, we were very impressed

with the management team and its passion for serving its customers. We have also launched the Best Buy brand in China and are testing different operating models all aimed at improving the customer experience.

As we evaluate other international opportunities, we look for sizeable and growing economies with a spirit of optimism. Regardless of where we go, understanding the customer needs, wants and desires in that market will always be our beginning point. We believe that the insights that our local engaged employees—those closest to the customer—bring to work every day give us the basis for better solving customer needs. That is what customer centricity is based on—and that is universal.

return on invested capital (ROIC)

Our return on invested capital calculation represents the rate of return generated by the capital deployed in our business. We use ROIC as an internal measure of how effectively we use the capital invested (borrowed or owned) in our operations.

As a company, we define ROIC as follows:

$$\text{ROIC} = \frac{\text{NOPAT (as adjusted)}}{\text{Adjusted average invested capital}}$$

Numerator = NOPAT
(trailing four quarters, as adjusted)

Denominator = Adjusted average invested capital
(trailing four quarters average)

Operating income

+ Net rent expense ⁽¹⁾
– Depreciation portion of rent expense ⁽¹⁾
= NOPBT (net operating profit before taxes, as adjusted)
– Tax expense ⁽²⁾
= NOPAT (net operating profit after taxes, as adjusted)

Total equity

+ Long-term debt ⁽³⁾
+ Capitalized operating leases
– Excess cash
= Adjusted average invested capital

return on invested capital

(\$ in millions)	FY 05	FY 06	FY 07
Net operating profit (as adjusted)			
Operating income	\$1,442	\$1,644	\$1,999
+ Net rent expense ⁽¹⁾	413	464	562
– Depreciation portion of rent expense ⁽¹⁾	(214)	(242)	(292)
= NOPBT (as adjusted)	\$1,641	\$1,866	\$2,269
– Tax expense ⁽²⁾	(579)	(629)	(801)
= NOPAT (as adjusted)	\$1,062	\$1,237	\$1,468
Adjusted average invested capital			
Total equity	\$3,874	\$4,842	\$5,662
+ Long-term debt ⁽³⁾	579	551	605
+ Capitalized operating leases, net of excess cash ⁽⁴⁾	849	321	776
= Adjusted average invested capital	\$5,302	\$5,714	\$7,043
ROIC	20%	22%	21%

Note: NOPAT (as adjusted) based on continuing operations data

(1) Based on fixed rent associated with leased properties

(2) Tax expense calculated using effective tax rates for FY 2005 (35.3%), FY 2006 (33.7%) and FY 2007 (35.3%)

(3) Long-term debt plus current portion of convertible debt, as applicable

(4) Capitalized operating leases, net of cash and cash equivalents in excess of \$300 million

directors and officers

Board of directors

Richard M. Schulze

Director since 1966
Best Buy Co., Inc.
Founder and Chairman of the Board

Bradbury H. Anderson

Director since 1986
Best Buy Co., Inc.
Vice Chairman and Chief Executive Officer

Ari Bousbib^{N,1}

Director since 2006
Otis Elevator Company
President

Kathy J. Higgins Victor^{N,2,3}

Director since 1999
Centera Corporation
Founder and President

Ronald James^{N,2,3}

Director since 2004
Center for Ethical Business Cultures
President and CEO

Elliot S. Kaplan^{N,4}

Director since 1971
Robins, Kaplan, Miller & Ciresi L.L.P.
Partner

Allen U. Lenzmeier⁴

Director since 2001
Best Buy Co., Inc.
Vice Chairman

Matthew H. Paull^{N,1,4}

Director since 2003
McDonald's Corporation
Corporate Senior Executive
Vice President and CFO

James E. Press^{N,3}

Director since 2006
Toyota Motor North America
President

Rogelio M. Rebolledo^{N,3}

Director since 2006
The Pepsi Bottling Group Mexico
Chairman

Mary A. Tolan^{N,1,4}

Director since 2004
Accretive Health
Founder and CEO

Frank D. Trestman^{N,2,4}

Director since 1984
Trestman Enterprises
President
The Avalon Group
Chairman

Hatim A. Tyabji^{N,2}

Director since 1998
Bytemobile, Inc.
Executive Chairman

Committee Key:

^N Non-management Director

- ¹ Audit
 - ² Compensation and Human Resources
 - ³ Nominating, Corporate Governance and Public Policy
 - ⁴ Finance and Investment Policy
- Chairperson

Corporate governance

For more information on our Board of Directors, please visit the "For Our Investors" section of our Web site at www.BestBuy.com and click on "Corporate Governance." The Corporate Governance section also includes information about our strategic planning process, a copy of our proxy statement and other information.

Bradbury H. Anderson, Vice Chairman and CEO, has certified to the New York Stock Exchange that he is not aware of any violation by Best Buy of the NYSE's Corporate Governance listing standards.

Executive officers

Bradbury H. Anderson

Vice Chairman and Chief Executive Officer

Richard M. Schulze

Founder and Chairman of the Board

Allen U. Lenzmeier

Vice Chairman

Brian J. Dunn

President and Chief Operating Officer

Robert A. Willett

Chief Executive Officer—
Best Buy International and Chief
Information Officer

Kevin T. Layden

President and Chief Operating Officer—
Best Buy Canada

Shari L. Ballard

Executive Vice President—
Human Resources and Legal

Thomas C. Healy

Executive Vice President—
Best Buy For Business

Darren R. Jackson

Executive Vice President—
Finance and Chief Financial Officer

Timothy D. McGeehan

Executive Vice President—Retail Sales

Kalendu Patel

Executive Vice President—
Strategy and International

Joseph M. Joyce

Senior Vice President,
General Counsel and Assistant Secretary

James L. Muehlbauer

Senior Vice President and
Chief Financial Officer—
Best Buy U.S.

John Noble

Senior Vice President and
Chief Financial Officer—
Best Buy International

Ryan D. Robinson

Senior Vice President and
Chief Financial Officer—
New Growth Platforms

Susan S. Grafton

Vice President,
Controller and
Chief Accounting Officer

shareholder information

Corporate campus

Best Buy Co., Inc.
7601 Penn Avenue South
Richfield, MN 55423-3645
Phone: (612) 291-1000

Independent registered public accounting firm

Deloitte & Touche LLP (fiscal 2007 and 2006)
Ernst & Young LLP (prior to fiscal 2006)

General counsel

Robins, Kaplan, Miller & Ciresi L.L.P.

Annual shareholders' meeting

June 27, 2007, 9:30 a.m. (CDT)
Best Buy Corporate Campus—Theater

If you have a proposal for a future meeting, please send it to Joseph M. Joyce, senior vice president—general counsel and assistant secretary, at the company's corporate campus in Richfield, Minn. The deadline for proposals to be considered at the 2008 regular meeting of shareholders is Jan. 17, 2008. More details are included in our proxy statement.

General information

Shareholders may access our SEC filings, annual reports and quarterly financial results by visiting the company's Web site, www.BestBuy.com. Scroll toward the bottom of the page and select "For Our Investors." A Web-based e-mail notification system also is available under "E-mail Alerts" to alert subscribers to new financial releases, SEC filings, upcoming events and other significant postings.

You also may visit our Web site to obtain product information, company background information, current news, financial information and our corporate responsibility report. Or, contact:

Best Buy Co., Inc.—Investor Relations
Jennifer Driscoll, Vice President
Charles Marentette, Senior Director
Carla Haugen, Director
7601 Penn Avenue South
Richfield, MN 55423-3645
Phone: (612) 291-6147

Transfer agent

For questions regarding your stock certificates—such as lost certificates, name changes and transfers of ownership—please contact our transfer agent:

Computershare Trust Company, N.A.
P.O. Box 43078
Providence, RI 02940-3078
Phone: (877) 498-8861 or
(781) 575-2879
Hearing impaired: (800) 952-9245
www.computershare.com

Dividend policy

We pay a quarterly cash dividend to holders of common shares. The quarterly rate was 10 cents per common share at the end of fiscal 2007.

Stock split history

Our stock has split eight times in the company's history.

Date	Split
4/1/1986	Two for one
2/23/1987	Three for two
9/2/1993	Three for two
4/29/1994	Two for one
5/27/1998	Two for one
3/19/1999	Two for one
5/13/2002	Three for two
8/3/2005	Three for two

Direct stock purchase and dividend reinvestment plan

You may purchase our common stock and/or elect to reinvest your dividend directly through our transfer agent. To obtain information on the plan or to enroll:

By Mail: Computershare Investment Plan
for Best Buy
c/o Computershare
P.O. Box 43081
Providence, RI 02940-3081

By Phone: (877) 498-8861

By Internet: Go to www.BestBuy.com. Scroll toward the bottom of the page, select "For Our Investors" and then "Direct Stock Purchase Plans."

Financial releases for fiscal 2008

Quarterly earnings releases normally are distributed before the market opens. Quarterly earnings conference calls normally are scheduled at 10:00 a.m., Eastern Time. We do not expect to host a conference call in conjunction with the release of December revenue results.

Disclosure	Date
First-Quarter Earnings	6/19/2007
Second-Quarter Earnings	9/18/2007
Third-Quarter Earnings	12/18/2007
December Revenue	1/11/2008
Fourth-Quarter Earnings	4/2/2008

Shareholders at a glance

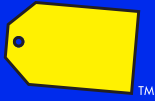
As of March 3, 2007, the percentage of shares beneficially held by directors and executive officers (26 people) was 17 percent. Founder and Chairman Richard M. Schulze held 74 million shares beneficially (15 percent of shares outstanding).

As of Dec. 31, 2006, the number of institutional investors was 623. The percentage of shares held by institutions was 70.6 percent. The top institutional shareholders were:*

- + Capital Research & Management Company
73.5 million shares
- + Fidelity Management & Research Company
20.6 million shares
- + Barclays Global Investors
12.1 million shares
- + State Street Global Advisors
11.0 million shares
- + Vanguard Group
10.7 million shares

*Source: FactSet Research Systems Inc.





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