

**BEST BUY CO., INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

(\$ in millions, except per share amounts)  
(Unaudited and subject to reclassification)

The following information provides reconciliations of the most comparable consolidated financial measures presented in accordance with accounting principles generally accepted in the U.S. (GAAP financial measures) to presented consolidated adjusted financial measures (non-GAAP financial measures). The company believes that non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, can provide more information to assist investors in evaluating current period performance and in assessing future performance. For these reasons, internal management reporting also includes non-GAAP financial measures. Generally, presented non-GAAP financial measures include adjustments for items such as restructuring charges, goodwill and acquired intangible asset impairments, certain long-lived 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 the company believes this provides greater clarity to management and investors. These non-GAAP financial measures should be considered in addition to, and not superior to or as a substitute for, the GAAP financial measures presented in this earnings release and the company's financial statements and other publicly filed reports. Non-GAAP financial measures as presented herein may not be comparable to similarly titled measures used by other companies.

	Three Months Ended		Twelve Months Ended	
	January 31, 2026	February 1, 2025	January 31, 2026	February 1, 2025
SG&A	\$ 2,189	\$ 2,233	\$ 7,623	\$ 7,651
<i>% of revenue</i>	15.8 %	16.0 %	18.3 %	18.4 %
Intangible asset amortization <sup>1</sup>	(2)	(5)	(14)	(21)
Long-lived asset impairment <sup>2</sup>	-	-	(21)	-
Adjusted SG&A	\$ 2,187	\$ 2,228	\$ 7,588	\$ 7,630
<i>% of revenue</i>	15.8 %	16.0 %	18.2 %	18.4 %
Operating income	\$ 721	\$ 217	\$ 1,389	\$ 1,262
<i>% of revenue</i>	5.2 %	1.6 %	3.3 %	3.0 %
Intangible asset amortization <sup>1</sup>	2	5	14	21
Long-lived asset impairment <sup>2</sup>	-	-	21	-
Restructuring charges <sup>3</sup>	(28)	(7)	190	(3)
Goodwill and intangible asset impairments <sup>2</sup>	-	475	171	475
Adjusted operating income	\$ 695	\$ 690	\$ 1,785	\$ 1,755
<i>% of revenue</i>	5.0 %	4.9 %	4.3 %	4.2 %
Effective tax rate	25.6 %	47.2 %	24.0 %	28.7 %
Intangible asset amortization <sup>1</sup>	-	(0.8)%	(0.1)%	(0.6)%
Long-lived asset impairment <sup>2</sup>	(0.2)%	-	(0.2)%	-
Restructuring charges <sup>3</sup>	(2.5)%	1.1 %	1.5 %	0.1 %
Goodwill and intangible asset impairments <sup>2</sup>	(0.5)%	(26.4)%	(0.4)%	(4.9)%
Loss on investments, net	(0.1)%	(0.1)%	-	-
Adjusted effective tax rate	22.3 %	21.0 %	24.8 %	23.3 %

	Three Months Ended			Three Months Ended		
	January 31, 2026			February 1, 2025		
	Pretax Earnings	Net of Tax <sup>5</sup>	Per Share	Pretax Earnings	Net of Tax <sup>5</sup>	Per Share
Diluted EPS			\$ 2.56			\$ 0.54
Intangible asset amortization <sup>1</sup>	\$ 2	\$ 3	0.01	\$ 5	\$ 4	0.02
Long-lived asset impairment <sup>2</sup>	—	2	0.01	—	—	—
Restructuring charges <sup>3</sup>	(28)	(6)	(0.03)	(7)	(5)	(0.02)
Goodwill and intangible asset impairments <sup>2</sup>	—	4	0.02	475	433	2.02
Loss on disposal of subsidiaries <sup>4</sup>	2	1	0.01	—	—	—
Loss on investments, net	6	6	0.03	7	6	0.02
Adjusted diluted EPS			<u>\$ 2.61</u>			<u>\$ 2.58</u>

	Twelve Months Ended			Twelve Months Ended		
	January 31, 2026			February 1, 2025		
	Pretax Earnings	Net of Tax <sup>5</sup>	Per Share	Pretax Earnings	Net of Tax <sup>5</sup>	Per Share
Diluted EPS			\$ 5.04			\$ 4.28
Intangible asset amortization <sup>1</sup>	\$ 14	\$ 11	0.05	\$ 21	\$ 16	0.08
Long-lived asset impairment <sup>2</sup>	21	16	0.07	—	—	—
Restructuring charges <sup>3</sup>	190	101	0.48	(3)	(2)	(0.01)
Goodwill and intangible asset impairments <sup>2</sup>	171	158	0.74	475	433	1.99
Loss on disposal of subsidiaries <sup>4</sup>	6	3	0.02	—	—	—
Loss on investments, net	6	6	0.03	7	6	0.03
Adjusted diluted EPS			<u>\$ 6.43</u>			<u>\$ 6.37</u>

- (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 incurred related to Best Buy Health, comprised of non-cash impairments of goodwill, intangible assets and certain long-lived assets.
- (3) Charges and subsequent adjustments for the three and twelve months ended January 31, 2026, primarily relate to a labor and store optimization restructuring initiative that commenced in Q2 FY26 and a restructuring initiative within the company's Best Buy Health business that commenced in Q1 FY26. Amounts for the three and twelve months ended February 1, 2025, primarily relate to an enterprise-wide restructuring initiative that commenced in Q4 FY24.
- (4) Charges for the three and twelve months ended January 31, 2026, primarily relate to the disposals of a Mexico subsidiary and a component of our Best Buy Health business, respectively.
- (5) The non-GAAP adjustments primarily relate to the U.S. As such, the income tax on a portion of the U.S. non-GAAP adjustments is calculated using the statutory tax rate of 24.5%. There is no income tax for a portion of the U.S. non-GAAP adjustments, as there is no tax benefit on the expenses in the calculation of GAAP income tax expense.