Let's talk about what's possible.™

Investor Update

September 25, 2019

BEST BUY

Presentation of financial information:

This presentation includes non-GAAP financial measures, such as non-GAAP operating income, non-GAAP diluted earnings per share ("EPS"), non-GAAP return on investment ("ROI") and free cash flow. These non-GAAP financial measures are provided to facilitate meaningful year-over-year comparisons, but should not be considered superior to, as a substitute for, and should be read in conjunction with, the GAAP financial measures for the periods presented. Definitions and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures, and an explanation of why these non-GAAP financial measures are useful, can be found in the attached supporting schedules entitled 'Non-GAAP Reconciliation.'

This presentation also includes estimates of future non-GAAP operating income, future non-GAAP diluted EPS and future non-GAAP ROI, which are forward-looking non-GAAP financial measures. The company is unable to provide reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures without unreasonable effort because of the inherent difficulty in predicting the occurrence, the financial impact and the periods in which potential non-GAAP adjustments may be recognized (e.g., restructuring charges; litigation settlements; goodwill impairments; gains and losses on investments; certain acquisition-related costs; and the tax effect of all such items). For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.

Forward-looking and cautionary statements:

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect management's current views regarding future financial conditions, results of operations, business initiatives, growth plans, operational investments and prospects of the company. These statements use words such as "believe," "assume," "estimate," "expect," "outlook," "opportunities" and other words and terms of similar meaning. They are subject to a number of risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. Among the factors that could cause actual results to differ materially from those contained in such statements are: competition (including from multi-channel retailers, e-commerce businesses, technology service providers, traditional store-based retailers, vendors and mobile network carriers), our strategic decisions (including those relating to our services and health strategies), our reliance on key vendors and mobile network carriers, our ability to attract and retain qualified employees, risks arising from new legal developments, macroeconomic conditions in the markets in which we operate, failure to effectively manage our costs, our reliance on our information technology systems, our ability to prevent or effectively respond to a data breach, our ability to effectively develop and manage new businesses, our dependence on cash flows and net earnings generated during the fourth fiscal quarter, susceptibility of our products to technological advancements, product life cycle preferences and changes in consumer preferences, economic or regulatory developments that might affect our ability to provide attractive promotional financing, interruptions and other supply chain issues, catastrophic events, our ability to maintain positive brand perception and recognition, product safety and quality concerns, changes to labor or employment laws or regulations, our ability to effectively manage our real estate portfolio, constraints in the capital markets or our vendor credit terms, changes in our credit ratings, risks related to our exclusive brand products, risks associated with vendors outside of the U.S. or that source products outside of the U.S., including trade restrictions or changes in the costs of imports (including existing or new tariffs or duties and changes in the amount of any such tariffs or duties) and risks arising from our international activities. Please refer to the company's current SEC filings, including its most recent Form 10-K, for more information on these risks and uncertainties. Best Buy cautions that any forward-looking statements speak only as of the date they are made, and Best Buy assumes no obligation to update any forward-looking statement that it may make.

Let's talk about what's possible.™



Corie Barry
Chief Executive Officer



Mike Mohan
President and Chief Operating Officer



Rob Bass
Chief Supply Chain Officer



Asheesh Saksena
President, Best Buy Health



Matt Bilunas
Chief Financial Officer

BEST BUY



Agenda for today.

Welcome and strategic overview	Corie
Driving business outcomes	Mike
Best Buy Health	Asheesh
Supply chain	Rob
Financial discussion	Matt
15-minute break	
Q&A	

Let's talk about what's possible.™

Corie Barry

Chief Executive Officer

There are four thoughts we want you to leave with today:

1. Our strategy is the right one, and it is working
2. Delivered well, our strategy will unlock profitable growth
3. We have tangible examples of how our strategy is coming to life for our customers
4. We have set aggressive but achievable targets

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We have nearly reached our financial goals, two years ahead of plan.

	FY17	FY21 Targets*	FY19
Revenue	$39.4B	$43.0B 2.2% 4-year CAGR	$42.9B 4.3% 2-year CAGR
Non-GAAP operating income	$1.7B 4.4% rate	$1.9–$2.0B 4.4%–4.6% rate	$2.0B 4.6% rate
Non-GAAP diluted EPS	$3.51 8% 4-year CAGR	$5.50–$5.75 12%–13% 4-year CAGR	$5.32 23% 2-year CAGR

BEST BUY

*FY21 targets first shared on Sept. 19, 2017. EPS target reflects an update made March 1, 2018, primarily as a result of tax reform

And we have accomplished much toward our strategic progress over the past two years.

- Made meaningful investments in people and benefits
- Grew In-Home Consultation program to more than 600 advisors across the U.S.
- Expanded Total Tech Support to almost 2M members
- Invested significantly in supply chain to improve speed of delivery to customers
- Expanded vendor partnerships, including Amazon, Apple and Google
- Made three acquisitions to advance our health strategy
- Launched Lease-to-Own program
- Achieved $730M in cost reductions
- Increased customer satisfaction across all touchpoints
- Increased share of wallet by 200bps*

* 4-year increase as measured by Best Buy Share of Wallet analysis with data from The NPD Group/Consumer Tracking Service and Best Buy customer data: 2019 vs 2015

This reinforces our investment thesis.

1	Opportunity-rich environment driven by innovation and customers' need for help
2	Market share leader with unique opportunities to drive growth
3	Proven ability to execute and compete successfully
4	Significant sources of competitive advantage and differentiation
5	Unique vendor partnerships that position us as the expert across the broadest CE assortment
6	Financial strength to invest, with cost-reduction opportunities to help offset investments and pressures
7	Strong cash flow and attractive return to shareholders
8	Modest valuation

BEST BUY

Therefore, we have set aggressive goals.

Be one of the best companies to work for in the U.S.

- Place on *Fortune*'s 100 Best Companies to Work For
- Increase employee engagement
- Enhance leadership development
- Promote diversity and inclusion
- Advance training and recognition

FY25 GOALS

Double significant customer relationship events to 50M

- Total Tech Support and other paid memberships
- Homes visited via In-Home Consultation and other services
- Active digital engagement (app)
- Financial services provided
- Senior lives supported

FY25 GOALS

Deliver continued top- and bottom-line growth over time

- $50B in revenue
- 5.0% non-GAAP operating income rate

FY25 GOALS

BEST BUY

Introducing Building the New Blue: Chapter Two.



FY13–FY18



FY18–FY20



FY20+

Our view of the environment reinforces our confidence in our strategic goals.

The CE industry is more stable than often perceived

Technology innovation continues to ramp up

We have a deep understanding of what customers need and have the unique ability to address their needs

We have a suite of services that can build deeper customer relationships at scale

Our view of the environment reinforces our confidence in our strategic goals.

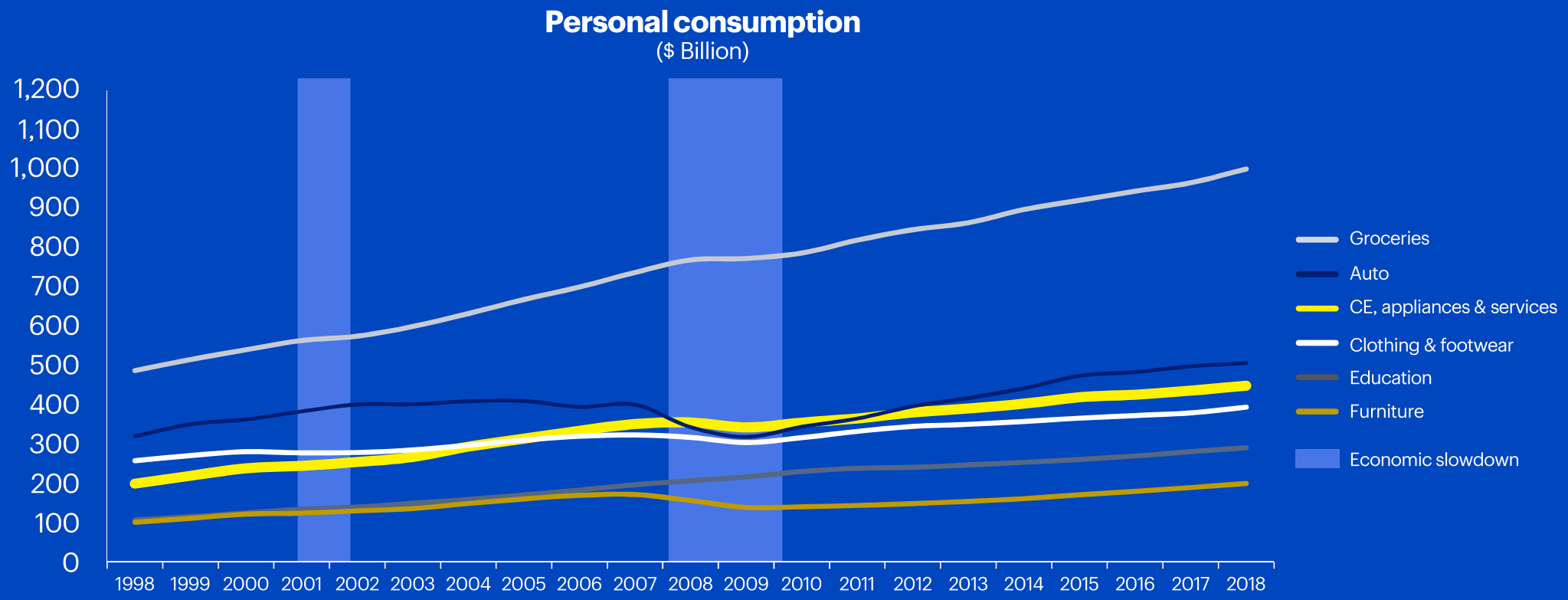
The CE industry is more stable than often perceived

Technology innovation continues to ramp up

We have a deep understanding of what customers need and have the unique ability to address their needs

We have a suite of services that can build deeper customer relationships at scale

The traditional CE category is steadily growing.



Sources: Bureau of Economic Analysis (BEA), Personal Consumption Expenditures (PCE)
CE, appliances and services includes the following categories defined by the BEA; video equipment and services, audio equipment and services, information processing equipment (computers) and services, large and small appliances, appliance repair services, photographic goods and services, and phones

At the category level, CE is as stable as durable goods.

Standard deviation of yearly growth rates

	2000–2018	2014–2018
CE, appliances and services	**+/- 2.8%**	**+/- 0.8%**
Small, electric household appliances	+/- 2.4%	+/- 0.4%
Major household appliances	+/- 3.7%	+/- 0.8%
Televisions	+/- 8.4%	+/- 1.2%
Photographic equipment	+/- 3.4%	+/- 1.3%
Personal computers/tablets and peripheral equipment	+/- 3.7%	+/- 1.7%
Telephone and related communication equipment	+/- 6.1%	+/- 5.1%
Durable goods	**+/- 3.8%**	**+/- 0.7%**

Sources: BEA, PCE
CE, appliances and services includes the following categories defined by the BEA; video equipment and services, audio equipment and services, information processing equipment (computers) and services, large and small appliances, appliance repair services, photographic goods and services, and phones

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We have a deep understanding of what customers need and have the unique ability to address their needs

We have a suite of services that can build deeper customer relationships at scale

Innovation continues to be prolific.













BEST BUY



Of the top 10 Global R&D expenditure companies, more than half are in the CE business.

- *PwC*, 2018 Global Innovation 1000 study



50% of consumers are overwhelmed by technology

Source: Kantar U.S. Monitor Survey, 2018

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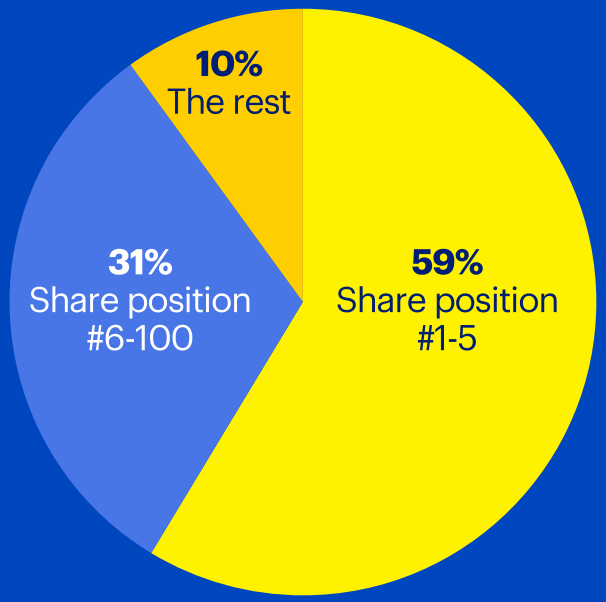
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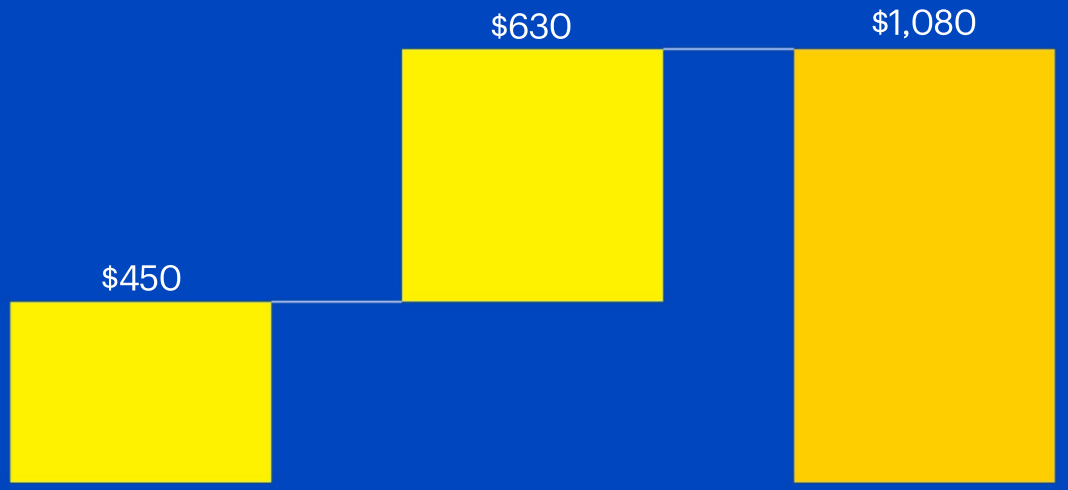
We have a suite of services that can build deeper customer relationships at scale

We are the market share leader with significant scale and room to grow.

CE & appliance retailers share[1]



Consumer spending[2]
($ Billion)



Sources: [1]2018 TWICE Top 100 CE Retailers and 2018 TWICE Top 50 Appliance Retailers, Best Buy No. 1 share position; [2]BEA, PCE, 2018

Our customers love us when we help them.

Consumers' most relevant technology needs



Source: Best Buy Technology Needs Research Study, 2016

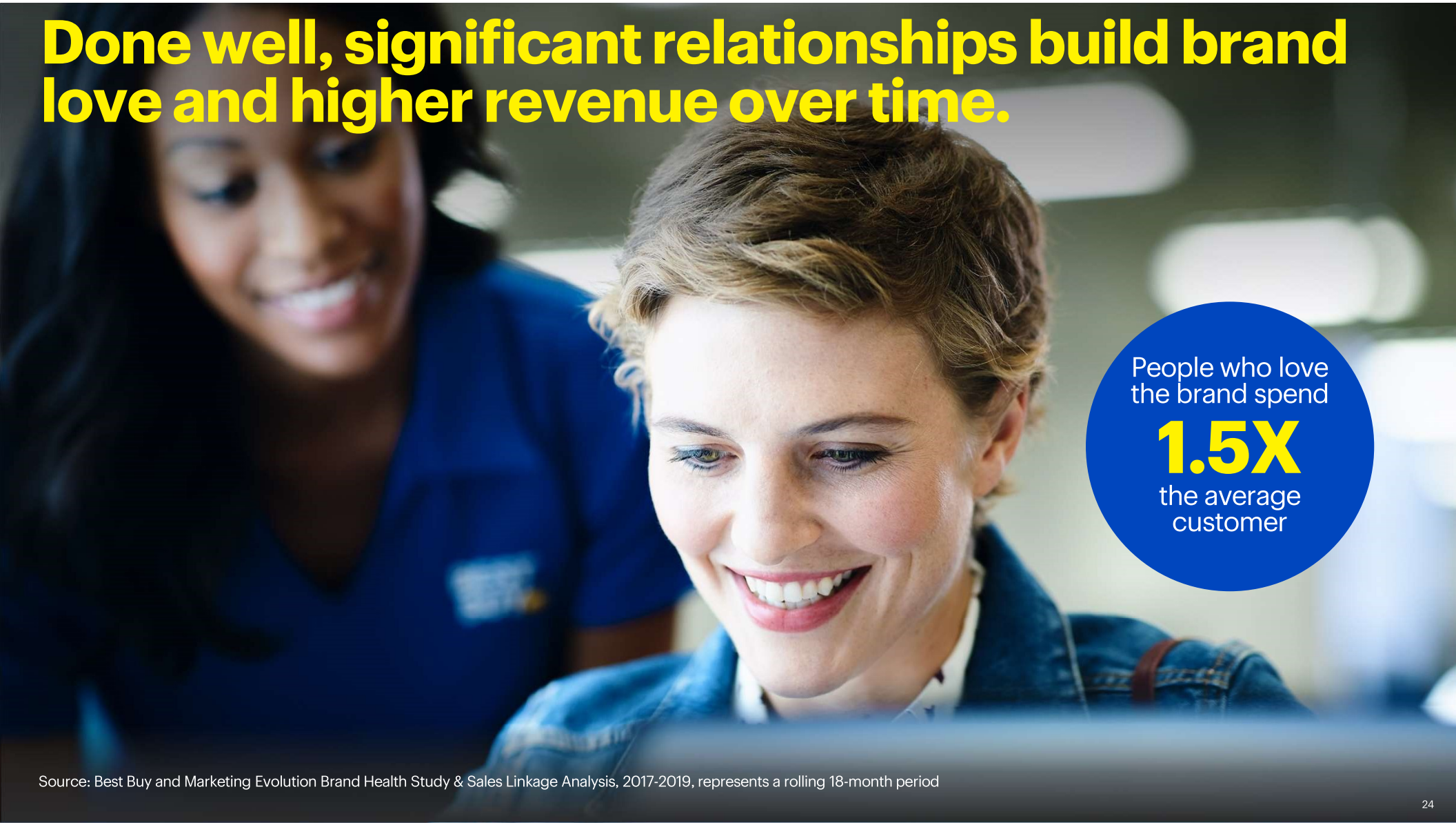
We lead the industry in being recognized for our differentiated advice, support and services.

Key attributes of brand love:

1 **Exceptional retail fundamentals**	**No. 1**	Industry leader in providing expert and unbiased advice
2 **Seamless customer experience**	**+200 bps**	Improvement in the shopping experience across stores, online, mobile and app
3 **Differentiated support and services**	**No. 1**	Leading the competitive set on providing support and services

Source: Best Buy and Marketing Evolution Brand Health Study, 2017-2019

Done well, significant relationships build brand love and higher revenue over time.



Source: Best Buy and Marketing Evolution Brand Health Study & Sales Linkage Analysis, 2017-2019, represents a rolling 18-month period

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BEST BUY

Our definition of services spans the customer's entire technology shopping journey.



Inspire

- In-Home Advisors
- System designers
- Digital shopping guide
- Social media guides

Buy

- Delivery & installation*
- Extended warranty*
- My Best Buy credit card
- Lease-to-Own

Enjoy

- Repair services*
- Total Tech Support*
- GreatCall's concierge service*
- Office 365/subscriptions

*Included in the Services product revenue category in our SEC filings.


Building the
New
Blue
Chapter Two
BEST
BUY

Our purpose remains the same.

To enrich lives through technology



Our strategy leverages our unique combination of tech and touch.

Our purpose.
To enrich lives through technology



How does it come to life?
By using technology and a high-touch model to meet everyday human needs



How will we deliver on it?
By building more and deeper relationships with customers, leveraging our unique assets



BEST BUY

We are focused on uniquely meeting everyday needs.

Communicating with others



Communication and interaction with others
- Friends
- Family
- Work

Household management



Order and security in everyday life for household and reassurance about the future
- Household operations
- Security
- Work
- Productivity
- Financial management

Entertainment & leisure



Fun, relaxation and enjoyment in life
- Entertainment
- Hobbies
- Vacation

Health & wellness



Mental, physical and spiritual health and balance
- Ailment prevention
- Predictive healthcare
- Care management

Caring for others



Caregiving and support for dependents
- Seniors
- Children
- Pets

Personal impact & development

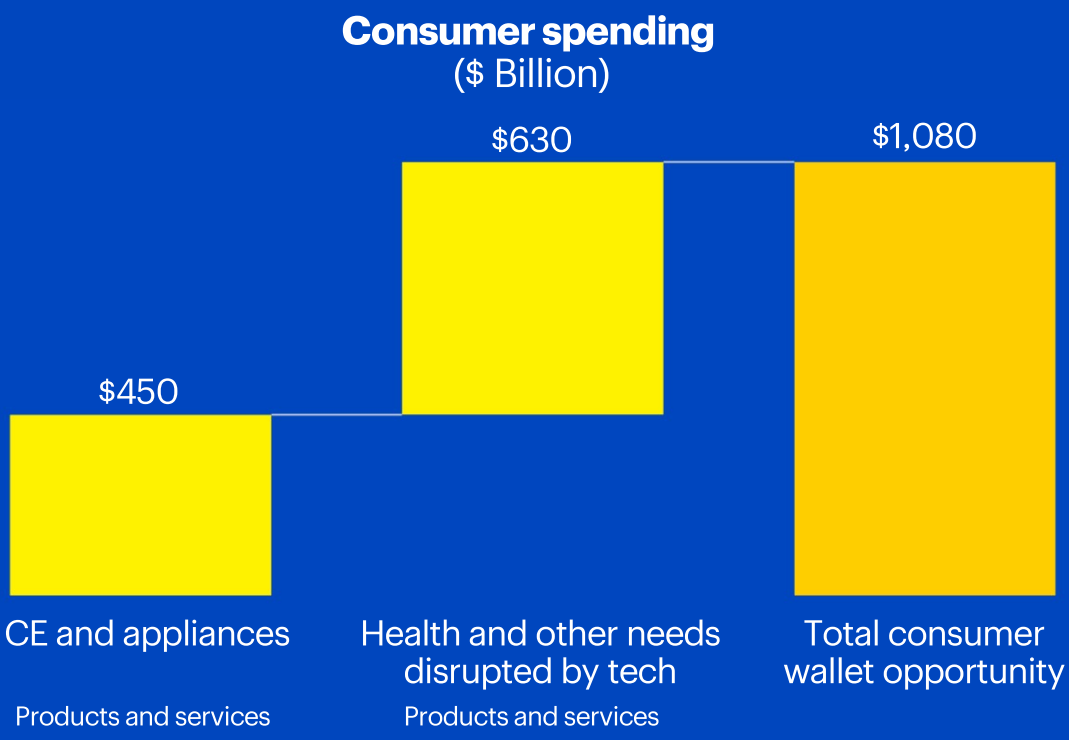


Self-worth, self-identity, personal growth and impact
- Continuous learning
- Work
- Self-development
- Community engagement
- Sustainability

BEST BUY

Source: Customer Needs Research, 2019

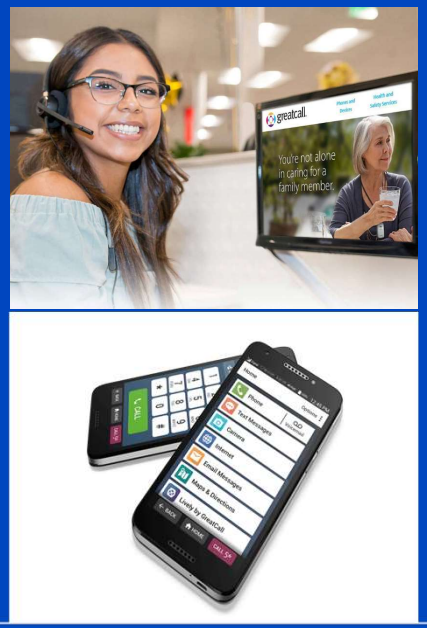
Fully addressing needs expands our addressable market.



Source: BEA, PCE, 2018

An example of this is moving past selling health products to helping seniors age in their homes.





Opportunity is 2X when including services

Current products & services

Addressable products & services

Total

We are confident our strategy will unlock profitable growth.

Our purpose.
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Business outcomes.

Better serve existing customers
Capture more of existing customers' spend

Capture new demand
Get new customers to transact with Best Buy

Enter new spaces
Add new products and lines of business

Build capabilities while maintaining profitability over time
Balance investments and efficiencies

BEST BUY

Let's talk about what's possible.™

Mike Mohan

President and Chief Operating Officer

BEST BUY

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BEST BUY

We have achieved true multichannel status.

70% of the population lives within **10 miles** of a Best Buy store



40% of online sales are picked up in stores



4.4M home visits per year



All stores shipping online orders





>80% of online orders ready for store pickup in **<30 minutes**



500K caring center calls with seniors per month

Online sales are **17%** of total domestic revenue



93% of online order returns are done in stores



2.8M PC-related services performed annually with Geek Squad Remote Support



BEST BUY

We have enhanced our customer experience design capabilities.



Our customer experience research found:

- Customers love having us in their homes
- It can be difficult to navigate our multiple offerings

As a result:

- It has been more difficult to build significant relationships

We are moving from a collection of business models …

Yesterday



Store business | Online business | Home business | Services business

… to a model that allows us to customize interactions by market.

Today

- Pushed decision-making closer to the customer
- Increased customer and market analytics to enable better localized decisions
- Moved from multiple inputs to “centers of excellence” from which field leaders can request help as needed
- Established market-level key performance indicators

This is the biggest change in how we operate the business since eliminating commission-based compensation 30 years ago.

One way we are doing this is by empowering our market teams.

Today



Positive impact

- Designed by field leaders so they are empowered to address their communities' specific customer and employee needs
- Single leader accountable for all store, services, supply chain and in-home activity in their market and able to act on the insights they gather
- Simplification of our field operating structure to speed up decision making
- Broader employee development and career opportunities

Our scale wins at the market level.

Customer traffic	2 billion quality visits annually, across stores and online
Sales expertise	Tens of thousands of highly trained sales experts
National support	Nationwide network of cross-trained Geek Squad Agents
In-home capabilities	In-Home Consultation in every market
Vendor relationships	Proven ability to commercialize new technology with the world's foremost tech vendors
Product fulfillment	Updated network that provides customers choice, control, convenience and speed



BEST BUY

Analytics uncover market-specific growth opportunities.

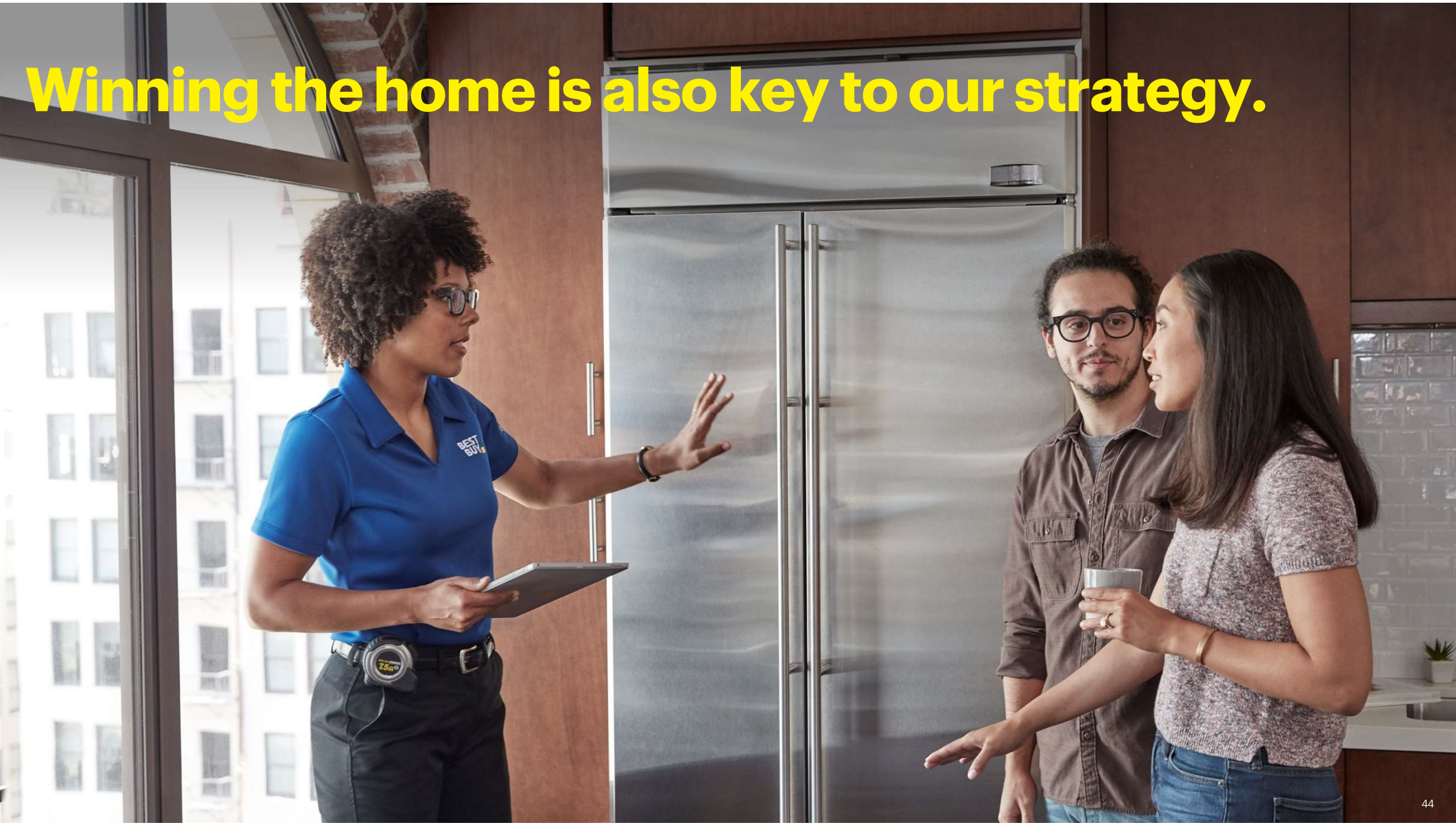
	Market A	Market B
	PCE growth: 4.5%	**PCE growth:** 4.2%
Growth	**Best Buy revenue:** 3.0%	**Best Buy revenue:** 0.2%
Market characteristics	• Best Buy has stronger customer retention • Online mix lower than national average • Large national competition	• Best Buy has strong customer acquisition • Online mix above national average • Local fragmented competition
Accelerate growth	**Market opportunity:** Fulfillment	**Market opportunity:** In-Home Advisors and digital presence

Sources: BEA, PCE

Our stores are vital to our market approach.

From	To
Space challenges for customer experience propositions dependent on store personnel e.g., fulfillment	Evolve points of presence in most dense markets and increase use of technology
Department- and category-based space allocation	More experience-based environments, in partnership with vendors, to address customer needs
Store updates expensive and time consuming	Flexible and more cost effective floorplans showcase new technology

Winning the home is also key to our strategy.



The cornerstone of the in-home experience is our people.



Geek Squad Agents

More than 5,800 trained Agents and installers supporting the in-home experience today



In-Home Advisors

More than 600 advisors trained on all product categories



System Designers

900 designers trained in premium home theater and custom installation

BEST BUY

The customer is more engaged with Best Buy when they have had an In-Home Consultation.



- 95% will continue working with their In-Home Advisor
- Shop more categories and shop multichannel
- Frequency of visits after a consultation is higher
- NPS® is 1,750bps higher than our average customer
- Spend more than similar customers who purchased same product without an In-Home Advisor

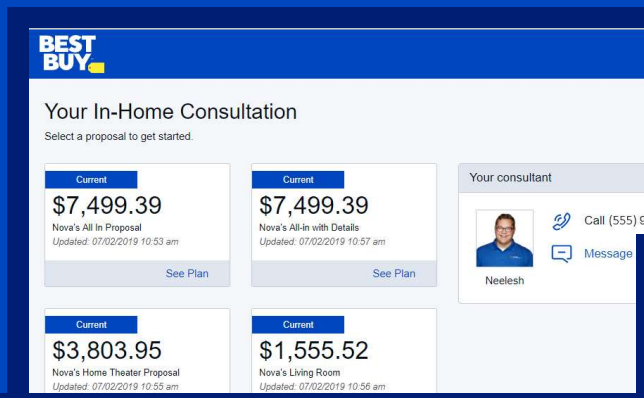
Source: Best Buy NPS® transactional survey

We will continue to invest in technology to "clientele" at scale.

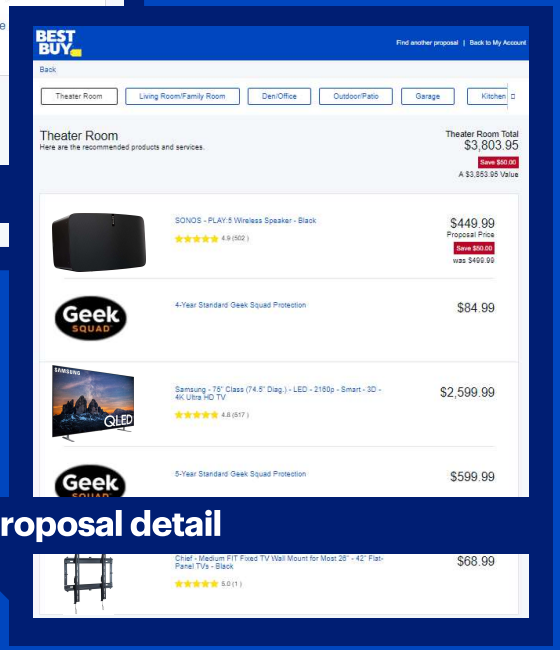
Yesterday	Today
Manual processes, employee-driven, store has to process sale	Customer-driven online consultation scheduling, mobile point of sale
Pen and paper	Digital customer collaboration tools
Customer information leveraged for personalized marketing	Professional advisor enabled, customer relationship management (CRM) system

BEST BUY

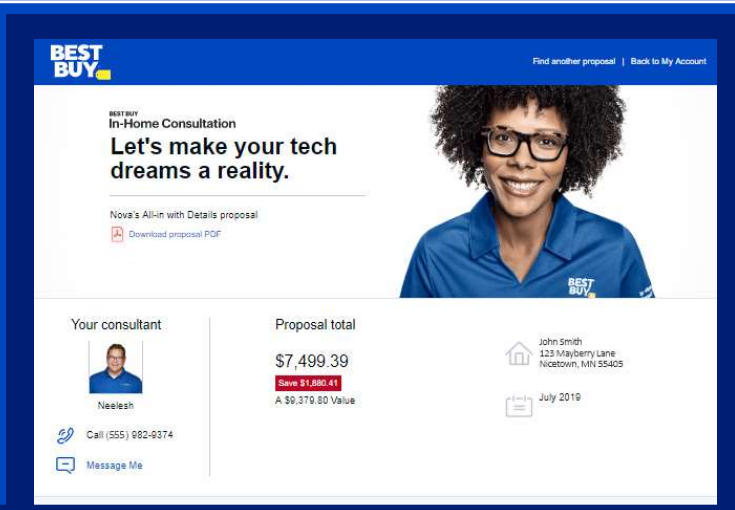
For example, we are leveraging human-centered design to enhance the proposal process.



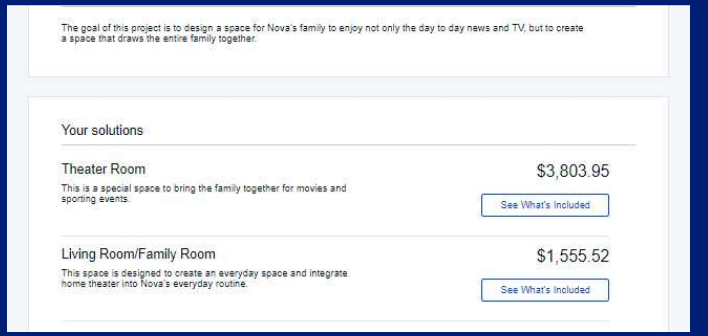
View all proposals



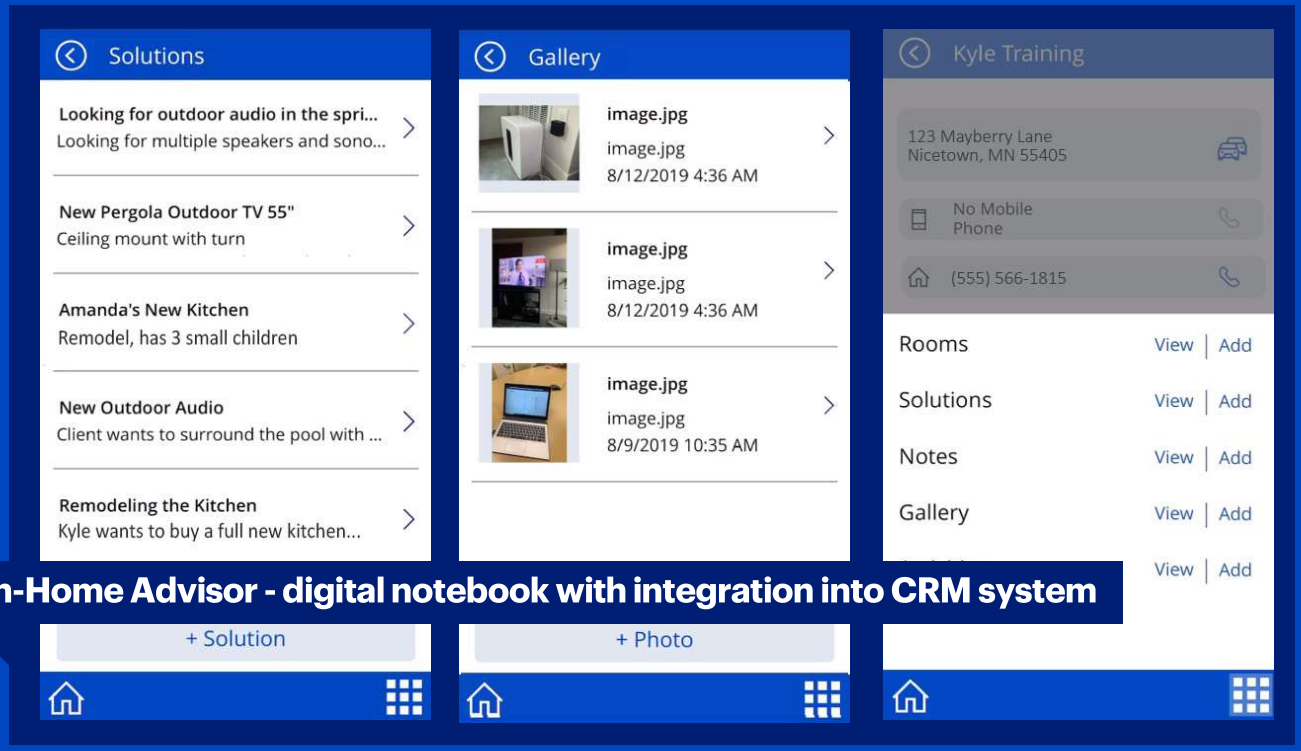
Proposal detail



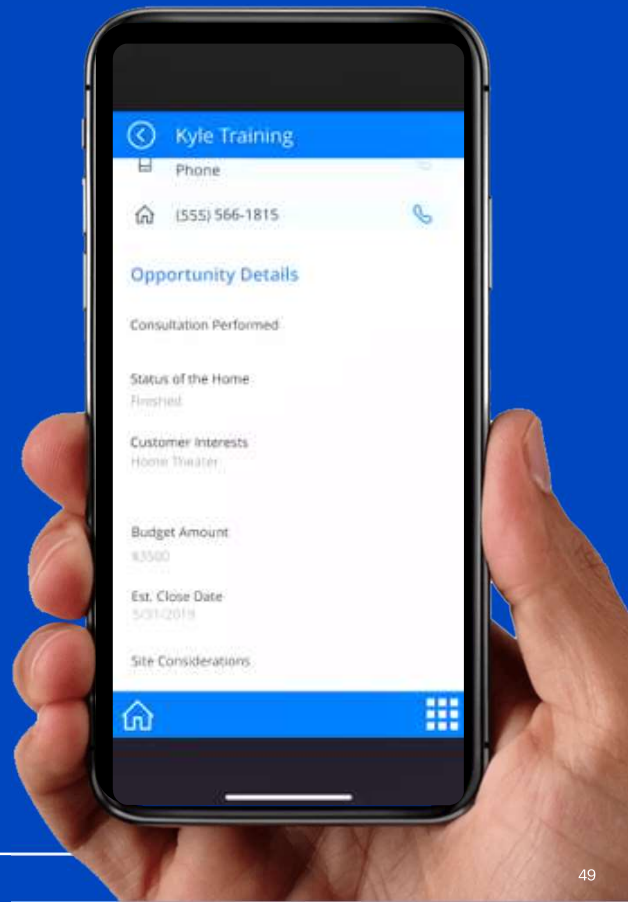
Digital proposal summary – customer interface



And new digital tools help advisors spend more time with customers and less time transacting.



In-Home Advisor - digital notebook with integration into CRM system



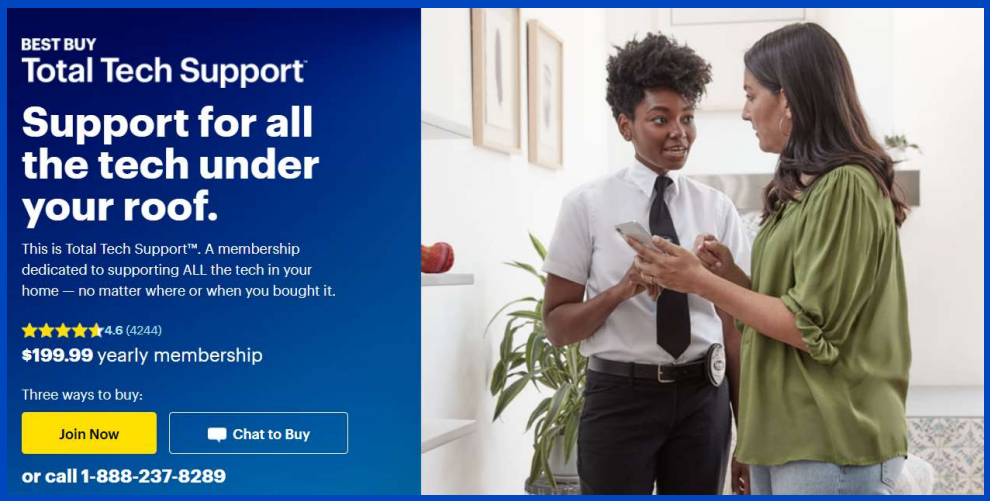
Another way we are building significant relationships is through Total Tech Support.



$199.99 yearly membership

- Unlimited tech support
- Only $49.99 for standard in-home services
- 20% off Geek Squad Protection and AppleCare
- 20% off repairs and advanced services
- Internet security software
- Many services included with membership

Customer feedback is excellent.

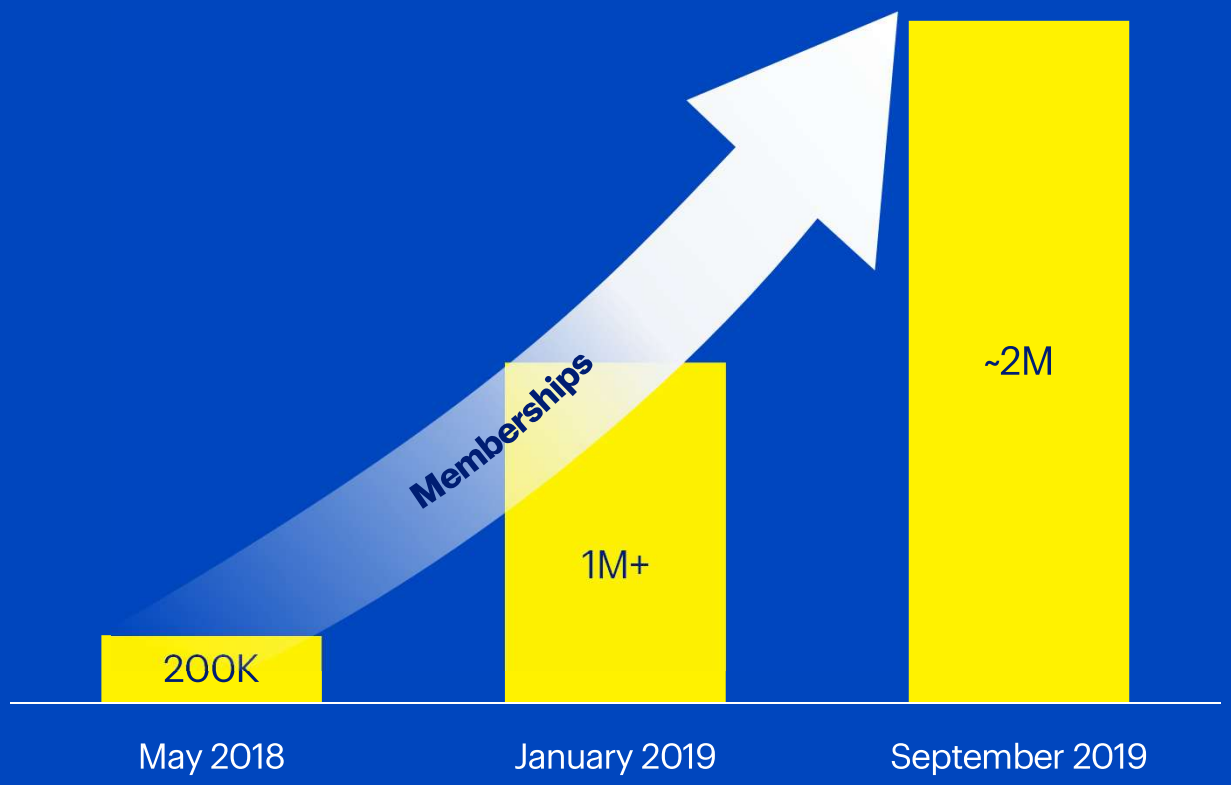


4.6 Customer rating

Top three reviews themes of Total Tech Support:

1. **Price of the service is worth it**
   "Well worth the price"
2. **Positive experience**
   "Great service provided by Geek Squad"
3. **Helpfulness**
   "Good phone and in-person support"

Total Tech Support memberships are increasing quickly.



We will build on early success, delivering more benefits and features to engage our members.

Great results

Geek Squad fulfilled nearly 4M services for Total Tech Support customers	Members spend 7% more than non-members	Members use other services 2X more than non-members	When attached to home theater or appliance purchases, cross-category shopping increases nearly 30%
Enhanced and premium features	More relevant and personalized communications	Increased self-service capabilities	Better integration with members' existing technology

More to come

BEST BUY

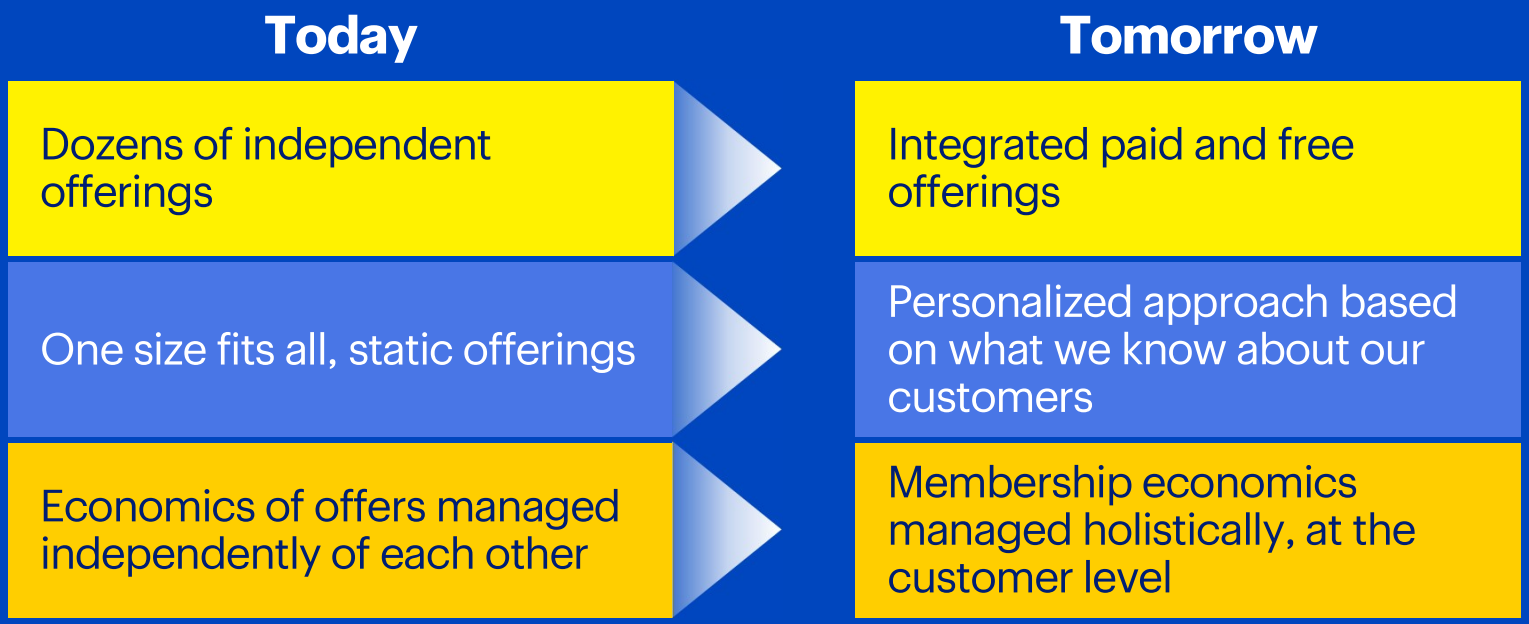
We have millions of engaged My Best Buy members but a history of too many offerings.

my BEST BUY™

- The central feature of the program is the ability to earn certificates based on spend
- Enables personalization in marketing vehicles and all channels



We will evolve customer memberships.



We are confident our strategy will unlock profitable growth.

Our purpose.
To enrich lives through technology



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By using technology and a high-touch model to meet everyday human needs



How will we deliver on it?
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Business outcomes.

Better serve existing customers
Capture more of existing customers' spend

Capture new demand
Get new customers to transact with Best Buy

Enter new spaces
Add new products and lines of business

Build capabilities while maintaining profitability over time
Balance investments and efficiencies

BEST BUY

We will capture demand by attracting new customers.

Lease-to-Own



Evolving partnerships

HomeAdvisor

amazon

Authorized Service Provider

BEST BUY

Lease-to-Own provides another way for customers to have a relationship with us.

For customers:

- Enables purchase for those unable to obtain the My Best Buy credit card
- Provides solution for those who do not want a credit card



For Best Buy:

- Allows us to help customers make purchases they might not otherwise be able to
- Incremental revenue with no financial liability

Early feedback from customers is encouraging.

92%
of customers found the application process easy

80%
felt it improved their perception of Best Buy

75%
felt the service met their expectations

Early learnings

- Approximately 65% of customers are new to, or have re-engaged with, Best Buy
- Significant number of customers paying off purchase in first 90 days
- Because it improves confidence of our associates, Lease-to-Own also results in a lift to My Best Buy credit card applications

"The application process was easy and the terms are very flexible. The option to pay off within 90 days for me is one of the best parts."

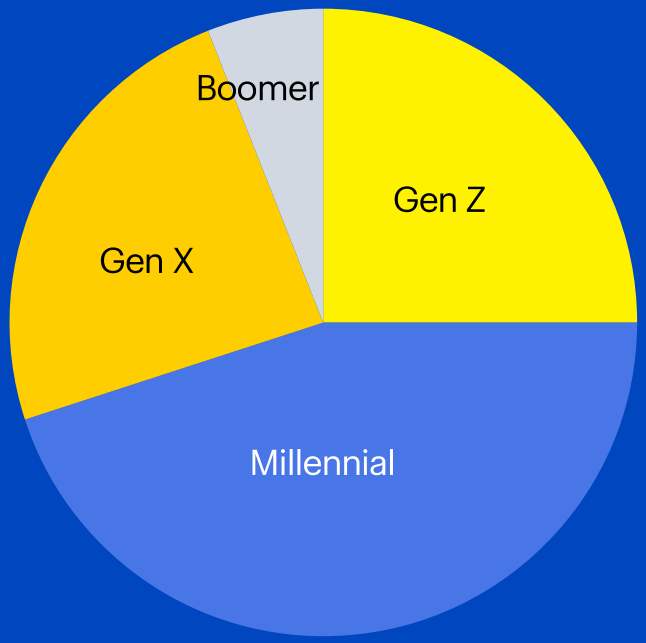
"I ran over my MacBook Pro and didn't have the money to purchase a new one. It's made my life much better. Thanks guys!"

"I became very emotional, almost to tears, because we could finally get our son the computer he needed for school."

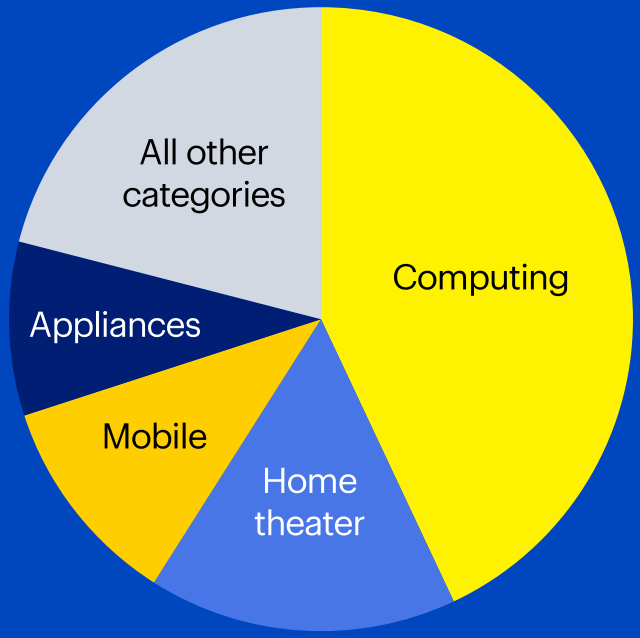
BEST BUY

Lease-to-Own customers skew to younger generations and the product mix is diverse.

Customer mix*



Product mix*



*Timeframe is March – July 2019

We expect the program to build over time as part of our broader purchasing options.

- Launched in 36 states in March 2019, nine more states in October
- Coming to BestBuy.com in 2020
- Continuing to improve customer experience at point-of-sale

Lease-to-Own



Here are four key takeaways from our strategy to better serve existing customers and capture new demand.

1. Our new operating model will leverage deeper analytics and our unique assets to increase brand love and grow significant relationships at all touchpoints with our customers at a market level
2. Winning the home is key to our strategy of creating more significant relationships and needs the expertise, people, processes and technology that we have invested in
3. Paid and free memberships oriented around the overall customer relationship will drive significant relationship growth
4. We have many new areas to capture demand, from new vendor partnerships to our Lease-to-Own purchasing option

BEST BUY

We are confident our strategy will unlock profitable growth.

Our purpose.
To enrich lives through technology



How does it come to life?
By using technology and a high-touch model to meet everyday human needs



How will we deliver on it?
By building more and deeper relationships with customers, leveraging our unique assets



Business outcomes.

Better serve existing customers
Capture more of existing customers' spend

Capture new demand
Get new customers to transact with Best Buy

Enter new spaces
Add new products and lines of business

Build capabilities while maintaining profitability over time
Balance investments and efficiencies

BEST BUY

Let's talk about what's possible.™

Asheesh Saksena

President, Best Buy Health

BEST BUY

We will address these key questions today.

- Who is our customer and what problem do we seek to address? How large and significant is that problem?
- How are we addressing that problem? Why are we uniquely qualified to do that? How far along are we in this pursuit?
- How large could this get? What would it take to get there?

Managing health addresses essential, everyday needs.

Communicating with others



Communication and interaction with others

Household management



Order and security in everyday life for my household and reassurance about the future

Entertainment & leisure



Fun, relaxation and enjoyment in life

Health & wellness



Mental, physical, and spiritual health and balance

Caring for others



Caregiving and support for dependents

Personal impact & development

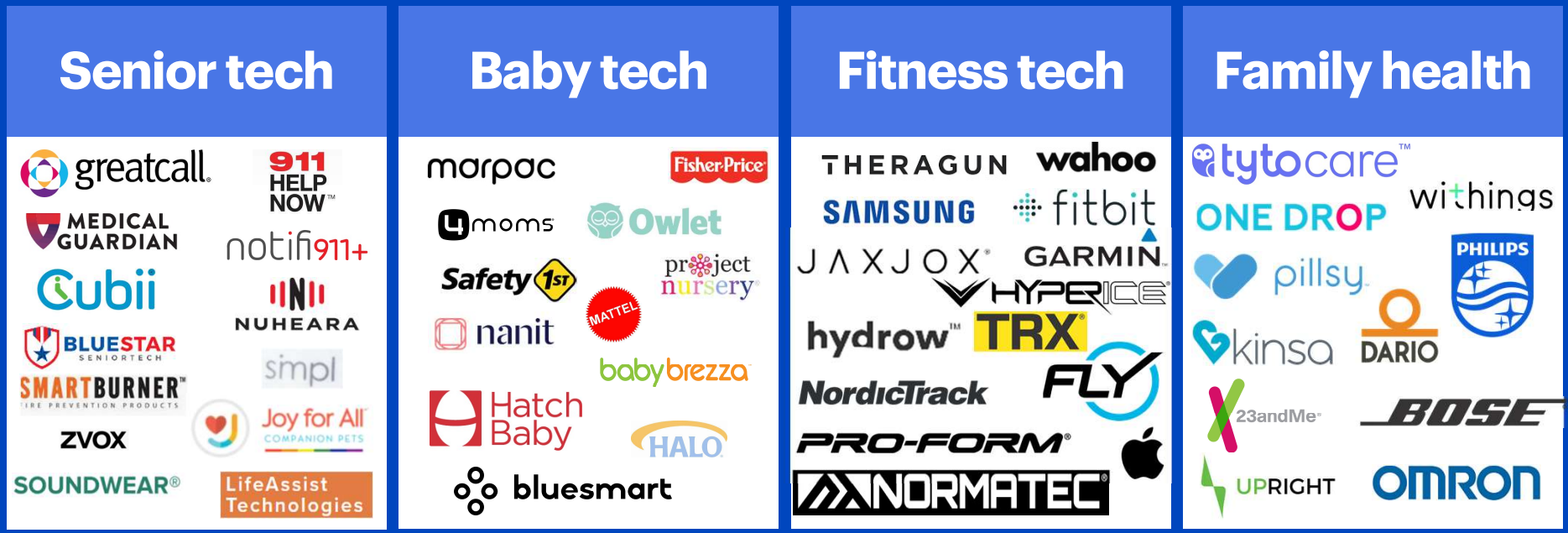


Self-worth, self-identity, personal growth and impact

BEST BUY

The first step in our health strategy starts with bringing the best health tech to market.

The health tech category is a $50B addressable market



Sources: CTA, IBISWorld, US Chamber of Commerce, internal analysis

The healthcare industry is going through a structural transformation that is unlocking new possibilities.

Emergence of home as care site

Technology is making it possible to make a home a node in the healthcare delivery architecture



Sharply aging population

10,000 people turn 65 every day

Two out of three seniors live with two or more chronic conditions



Changing business model

With payments getting tied to "value delivered," reducing cost to serve while improving outcomes is essential



Steadily changing mindset

Consumers seeking greater control over health-related matters and caregiving

Regulators offering new reimbursement models to support those needs



Source: Pew Research Center, National Council on Aging

We enable seniors to live longer in their own homes with the help of technology and support.

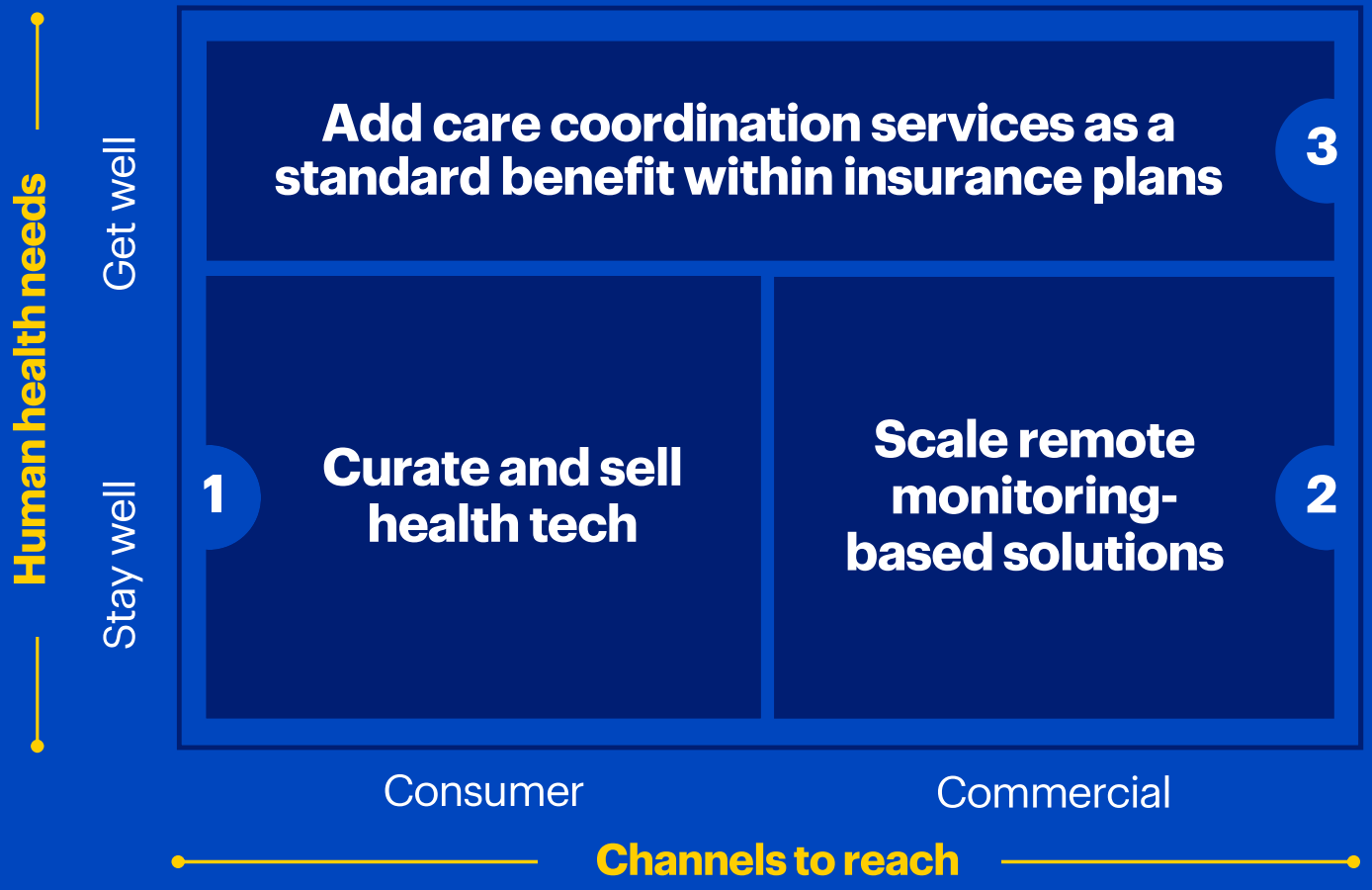
54M
seniors in 2023[1]

90%
want to stay at home[2]



Source: [1]The Demographics Research Group, from the Weldon Cooper Center for Public Service, at the University of Virginia; [2]AARP Public Policy Institute

Our strategy builds this business in measured steps, aligning capabilities with opportunities.



Our strategy needed an infusion of capabilities.

Best Buy had:

- Access in the home
- Agnostic tech sourcing
- Customer touchpoints
- Supply chain infrastructure
- Strong balance sheet

Best Buy needed:

- Healthcare-specific talent
- Experience serving seniors
- Monitoring platform and predictive algorithms
- Market access into commercial health sector
- Base of business to build from

This led to important acquisitions that added capabilities needed to scale.

greatcall

Strong management team with expertise in serving seniors and caregivers

Industry-leading remote-monitoring platform with peer-reviewed savings

Fast-growing, recurring revenue business

2006
Founded

$300M+
Annual revenue

~1M
Seniors

1,200
Employees

3*
Caring Centers

CST
The Company that Saves Lives™

Provides everyday support and solutions to seniors for no charge, paid for by insurance companies

Roughly 100K seniors served on behalf of leading insurers, providers and senior living facilities

Select large insurers have added CST services as a standard benefit with their insurance plans

BioSensics™
Innovative Research Realized

Builds predictive health solutions for seniors, e.g., fall risk estimation

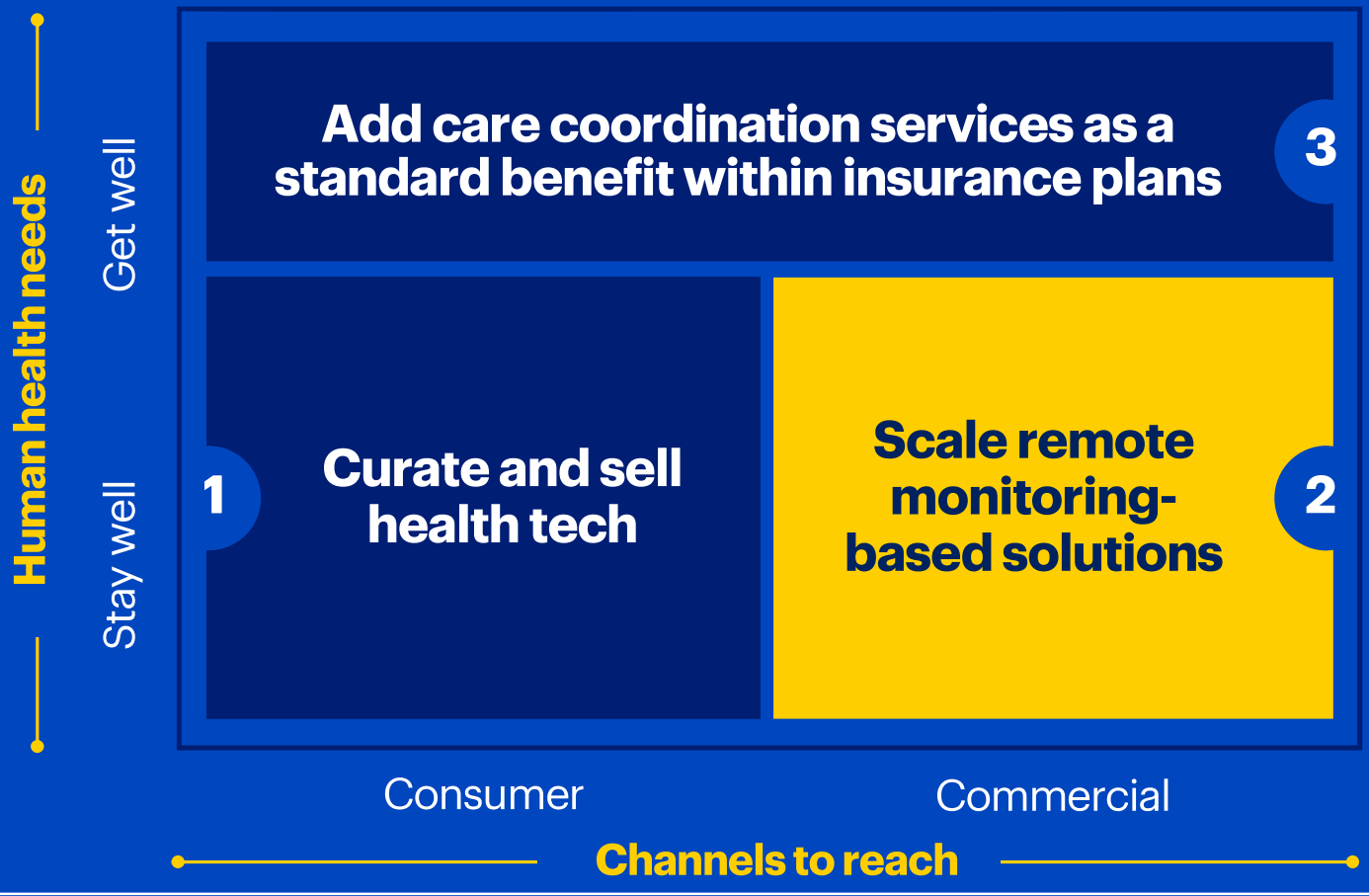
Acqui-hired Boston-based team of data scientists and engineers

Also acquired platform, algorithms and IP for predictive monitoring

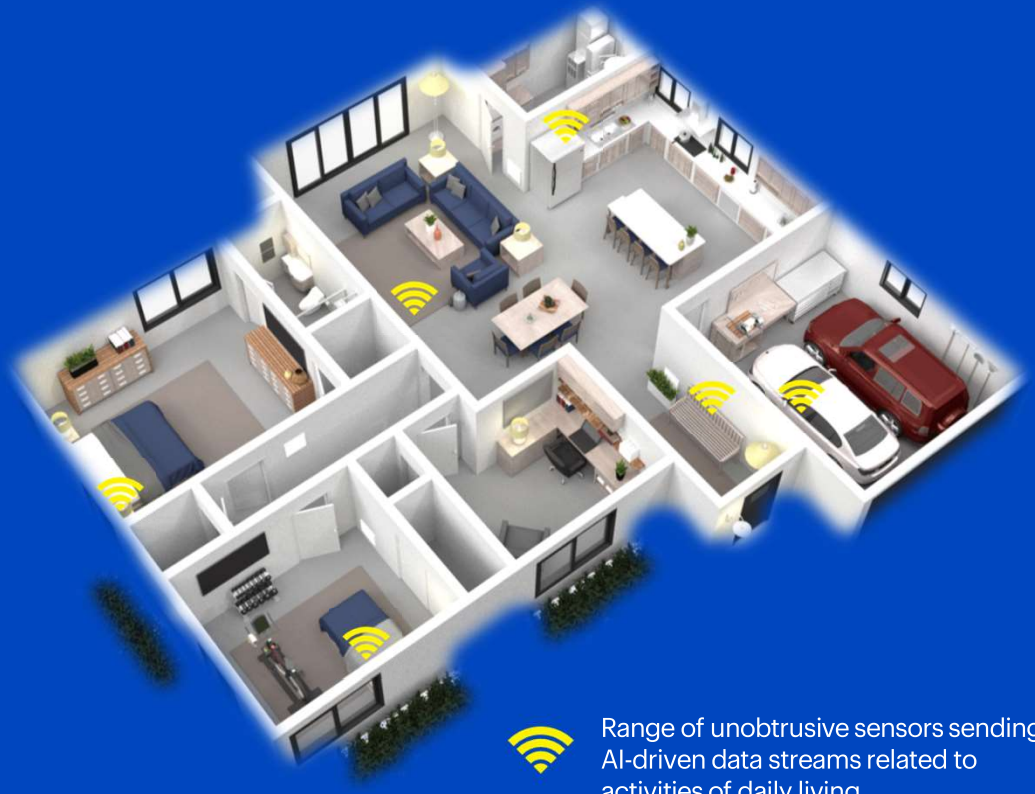
BEST BUY

*Third caring center opens later this year in San Antonio

Armed with the capabilities we needed, we started to unlock the next step in our strategy.



Remote monitoring is a vital technology that provides meaningful insights on daily living.



Range of unobtrusive sensors sending AI-driven data streams related to activities of daily living

Our leading monitoring capability

Geek Squad installs and supports Lively Home monitoring solutions in the homes of seniors, paid for by payers/providers

Designed with seniors in mind

Passive monitoring with unobtrusive sensors (e.g., in bed, on refrigerator) does not require any change in everyday living

Enables improved and timely care

Lively Home platform runs algorithms on data streams from sensors to provide artificial intelligence-driven insights to the care team

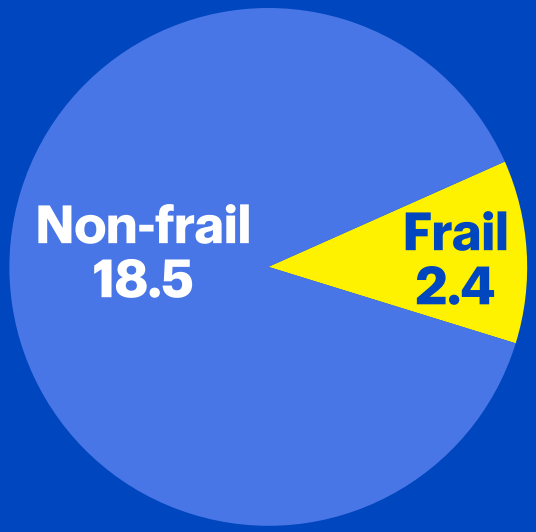
Delivers tangible and proven results

Peer-reviewed publications affirm the potential for material reduction in cost to serve using the Lively Home solution[1]

[1]Reduced Healthcare Use and Apparent Savings with Passive Home Monitoring Technology: A Pilot Study 2017. *Michael Finch, PhD, Kristen Griffin, MA, MPH, and James T. Pacala, MD, MS*

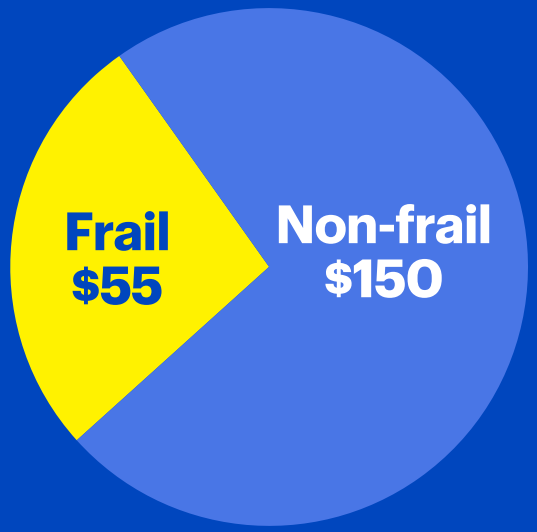
The market potential for remote monitoring-based solutions is significant.

Medicare Advantage
(Members in Million)



Frail seniors

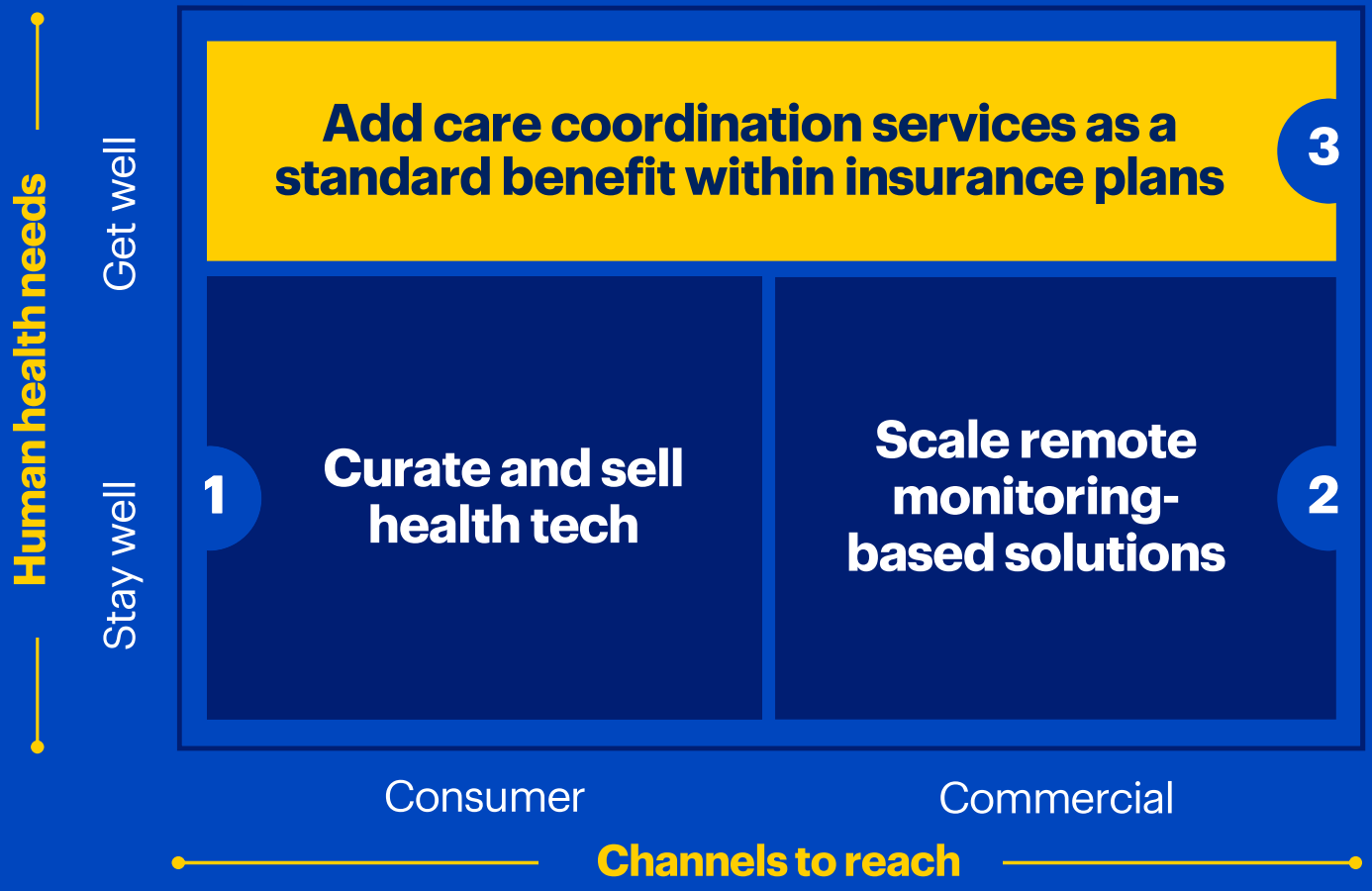
Medicare Advantage
(Spend in $ Billion)



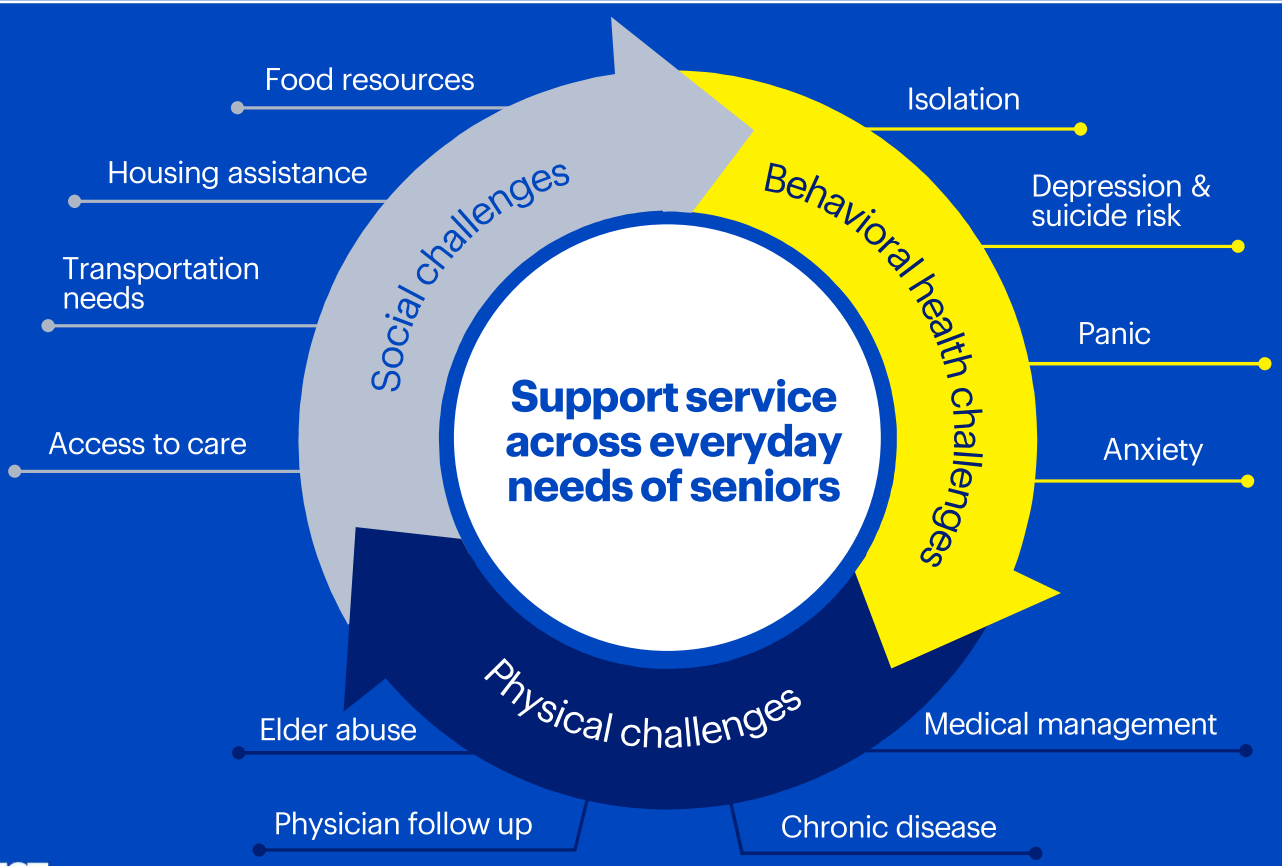
- Our monitoring-based solutions can deliver 16%-25% savings in cost to serve frail seniors
- With $55B spend, this savings is sizeable for insurance companies
- We charge a monthly recurring fee, per senior, to insurance companies for providing this service

Source: McKinsey, GreatCall-Fallon Study

With core capabilities now in place, we have started adding additional services to help seniors age at home.



Coordinating care across the everyday needs of seniors is vital and we have begun to address this imperative.



- Coordinating care across these "social determinants of health" is a growing need that CST supports
- Anthem, Centene and Molina already offer one of our services as a plan benefit
- We charge insurers a per-senior monthly recurring fee to provide these services

Goal:

serve 5 million seniors in 5 years



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Business outcomes.

Better serve existing customers
Capture more of existing customers' spend

Capture new demand
Get new customers to transact with Best Buy

Enter new spaces
Add new products and lines of business

Build capabilities while maintaining profitability over time
Balance investments and efficiencies

BEST BUY

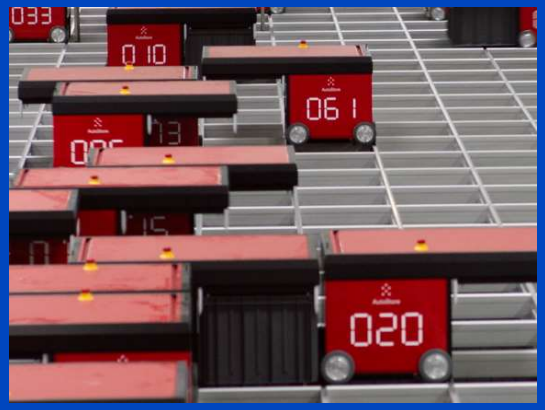
Let's talk about what's possible.™

Rob Bass

Chief Supply Chain Officer

We have many reasons to transform our supply chain.





Customer expectations for convenience and speed

Quickly evolving competitive environment

Efficiency opportunities

Product innovation and evolving product mix









BEST BUY

We have made progress since 2017.

	What we said:	What we accomplished:
Expand automation	• Introduce automated storage and retrieval systems to our regional distribution centers, along with an automated packaging solution	• Seven automated storage and retrieval systems • Three automated packing systems
Add market e-commerce centers	• Stand up new small-footprint fulfillment centers in dense markets	• Three market e-commerce centers, in Chicago, Los Angeles and New York
Continue evolution of partner strategies and store fulfillment	• Leverage partnerships, along with existing store capabilities to improve level of service	• Five new final-mile carrier solutions • 42 same-day delivery markets • Significant investments to improve customers' store pickup experience

BEST BUY

We have made progress since 2017.

	What we said:	What we accomplished:
 **Space expansion**	• Add new distribution centers and expand existing ones to support growth • Optimize delivery-pad network to support growth and improve speed and customer experience	• Increased space by 3.3M square feet, adding more than 750 new dock doors • Relocated/expanded nine distribution centers • Two new distribution centers • Eight new delivery pads
 **Improved customer experience**	• Develop standardized, integrated and highly executable processes • Redesign end-to-end customer communication process • Develop a centralized, data-driven model to enable continuous improvement	• Aligned with customer needs, focusing on when, where and how they want to be engaged • Significantly improved speed to customer • J.D. Power Appliance Retailer Satisfaction Award winner for three consecutive years

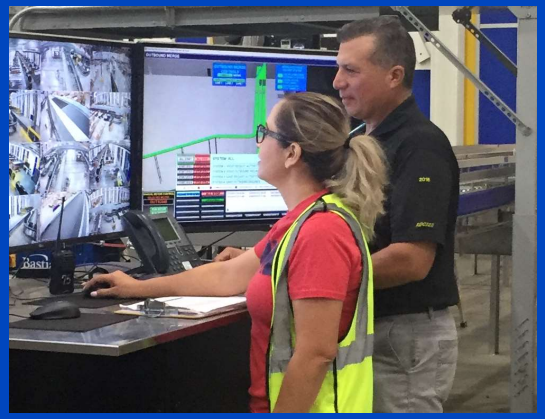
BEST BUY

Our transformation leverages tech and touch.





- Right talent and organizational structure
- Improved technology and updated software
- State-of-the-art material-handling equipment
- New fulfillment venues
- Final-mile collaboration
- Optimized network





BEST BUY

We are getting faster and better.

Store pickup
of online orders
NPS® improved **345** bps YoY

Automation driving ↑**20%** In productivity

E-commerce orders filled next calendar day **100%** YoY increase

80% of Best Buy **customers** live in a ZIP code where **next-day** is available

Same-day delivery Is available in **42 markets**

E-commerce shipping NPS® ↑**438** bps YoY

Home delivery
NPS® improved **570** bps YoY
volume grew **23%** YoY

Appliance returns ↓**180** bps YoY

E-commerce package volume ↑**12%** YoY

BEST BUY

Source: Best Buy NPS® transactional survey

We will continue to innovate with a commitment to "customer first."



- We are nearing completion of the transformation roadmap we began in 2017
- Future investment will continue the focus on customer choice, control, convenience and speed
  - Next-day coverage for 95% of customers by Q4 FY20
  - Curbside and locker fulfillment
  - Later shipping cutoff times
  - Fulfillment as a service to others

BEST BUY

Let's talk about what's possible.™

Matt Bilunas

Chief Financial Officer

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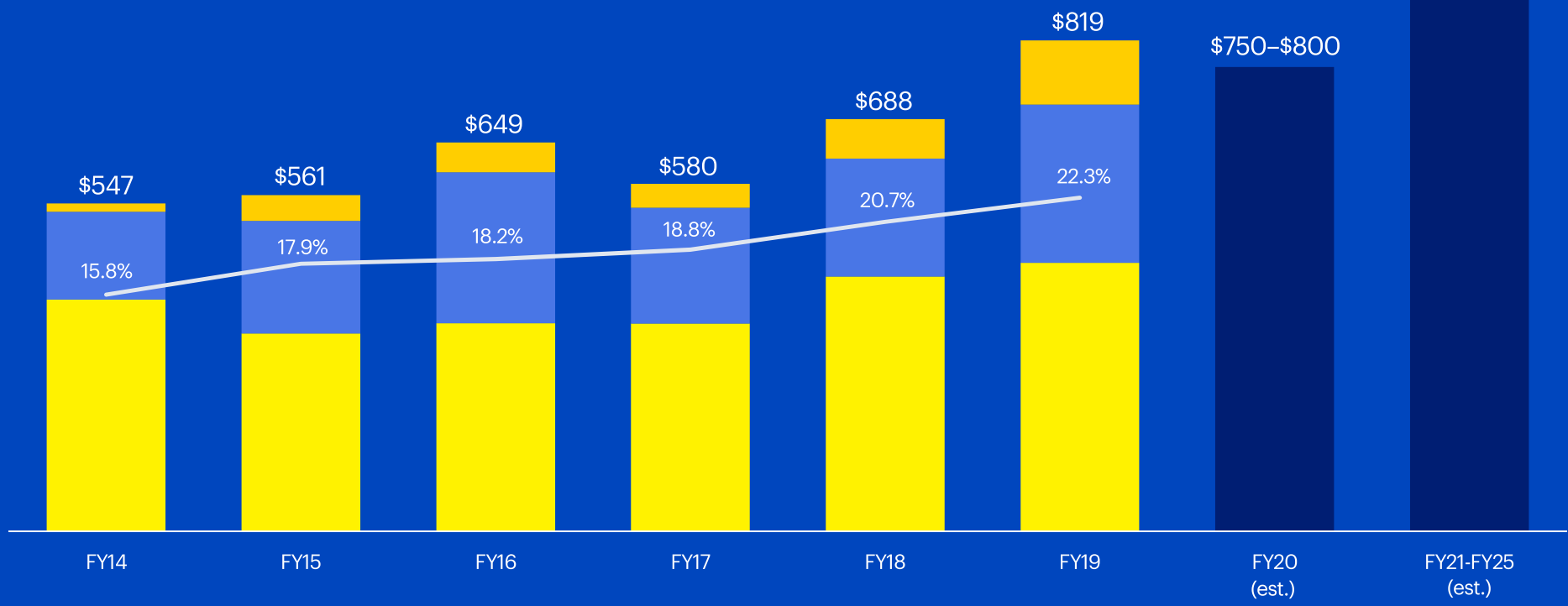
Enter new spaces
Add new products and lines of business

Build capabilities while maintaining profitability over time
Balance investments and efficiencies

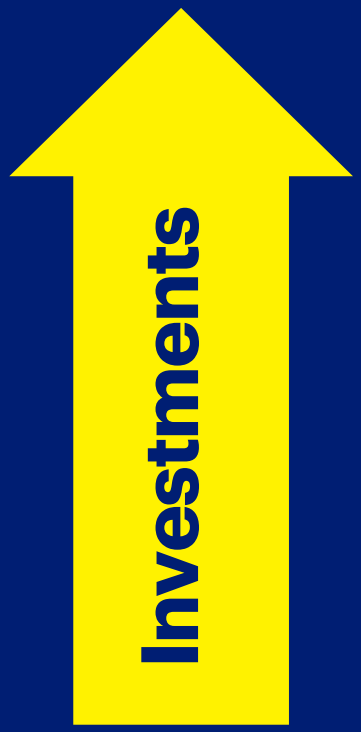
BEST BUY

We have been improving our ROI while increasing capital spend.

Enterprise Capital Spend per Year ($ Million)
and non-GAAP Return on Investment (ROI)



We will continue to balance investments with future cost savings and efficiencies.



- People
- Technology
- Pricing
- Stores
- Fulfillment
- Partnerships and acquisitions



- Process improvements
- Optimized spend
- Automation
- Structural costs

BEST BUY

We will continue to invest in our people.

People imperatives:

Talent	Develop leaders, building skillsets that support transformative ways of working
Inclusive culture	Infuse inclusive leadership attributes across organization with goal to improve diversity
Employee experience	Enhance employee journeys from hire to retire that connect to our purpose
Learning and development	Build technology-driven, skill-based platforms to enable continuous learning environment
Change-ready workforce	Strengthen transformation mindset and embed agile methodologies
Competitive wages, benefits and flexible working arrangements	Create flexibility in roles and schedules, combined with pay and benefits designed to meet individual needs

Awards:

- America's Best Employers for Women, *Forbes* (No. 7)
- Top-rated Workplaces, Indeed (No. 39)
- Perfect rating and Best Places to Work for LGBTQ Equality, Human Rights Campaign

BEST BUY

Technology investments will play a key role in accelerating our business outcomes.

Technology priorities:

Technology product teams	Accelerate impactful and innovative ways of working
Innovative, modular technology	Optimize platforms for great experiences and rapid iteration
Unleashing the power of our data	Democratize data and expand use of artificial intelligence
Engineering toolsets and automation	Deliver better engineering quality, agility and efficiency
Strategic partnerships	Accelerate strategy via new technology and external partnerships

BEST BUY

We will continue to invest in retail fundamentals, including pricing and promotions.

Key attributes of brand love:

1. Exceptional retail fundamentals
   - Offers competitive prices
   - Is committed to giving me value
2. Seamless customer experience
3. Differentiated support and services

We do this through:

- Pricing and promotions
- Memberships and service offerings
- Product fulfillment choice
- Marketing

BEST BUY

We will continue to balance investments with future cost savings and efficiencies.



- People
- Technology
- Pricing
- Stores
- Fulfillment
- Partnerships and acquisitions



- Process improvements
- Optimized spend
- Automation
- Structural costs

BEST BUY

We have a proven cost-reduction track record.



Cost-saving initiatives impacting gross profit and SG&A, including:		
Eliminated non-strategic activities	Streamlined the organization	
Lowered margin erosion	Consolidated and competitively bid contract spend	Promoted and priced effectively
Reduced returns and liquidated more effectively	Optimized IT spend	

Our new cost-savings target is $1B over the next 5 years.

$1B
annualized cost savings by the end of FY25

Cost savings will come from both COGS and SG&A:

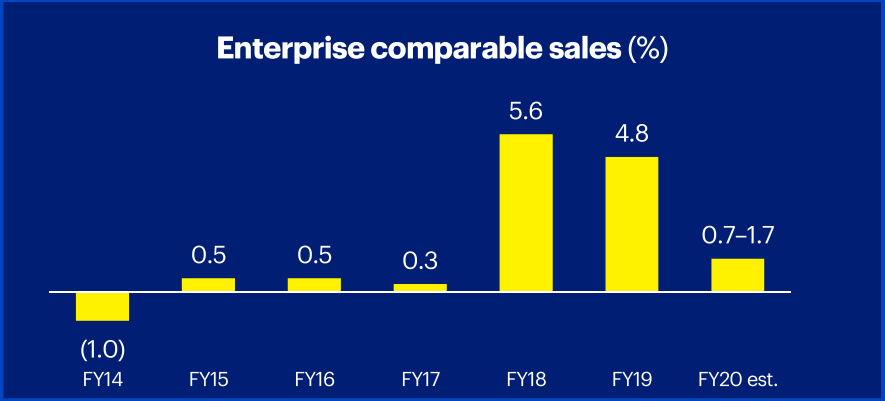
- Flexible workforce model
- Technology and automation-driven solutions
- Returns and reverse logistics
- Promotional and pricing effectiveness
- Optimized third-party spend

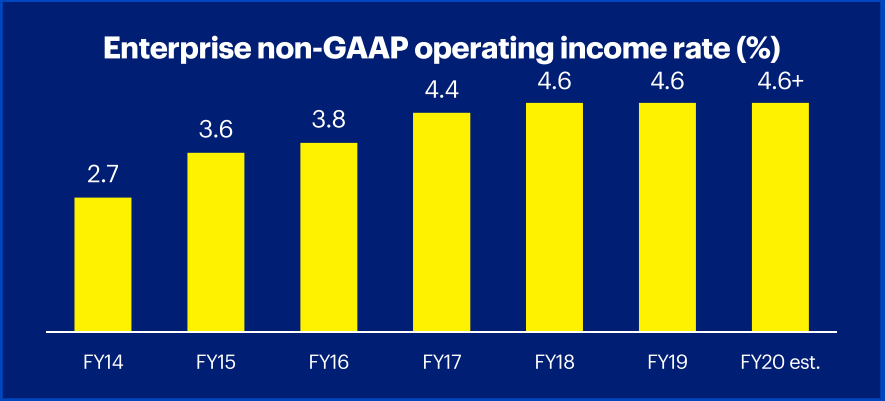
BEST BUY

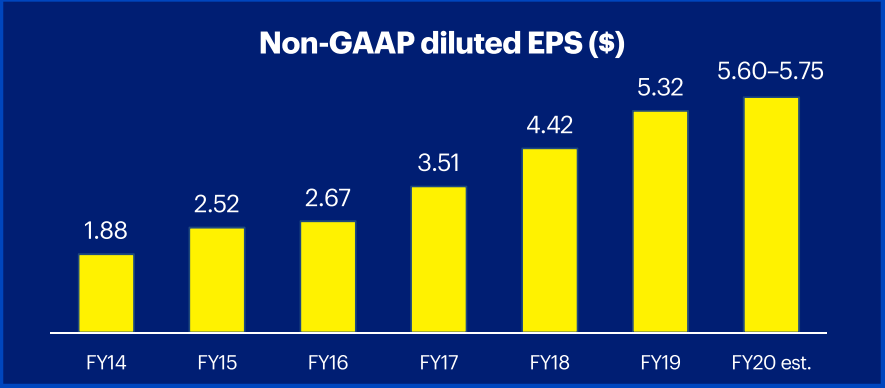
Let's talk about what's possible.™

Financial discussion

We have a strong track record of delivering results.









[1] 5-year Total Shareholder Return (TSR) as of August 30, 2019; Sourced from Bloomberg Total Returns from August 30, 2014 through August 30, 2019; Calculated as the return resulting from the difference in share price plus cumulative re-invested dividends; S&P Average is the TSR of the average TSR returning company in the S&P 500

Our outlook for FY20 follows a similar trend.

Enterprise comparable sales growth of 0.7%–1.7%

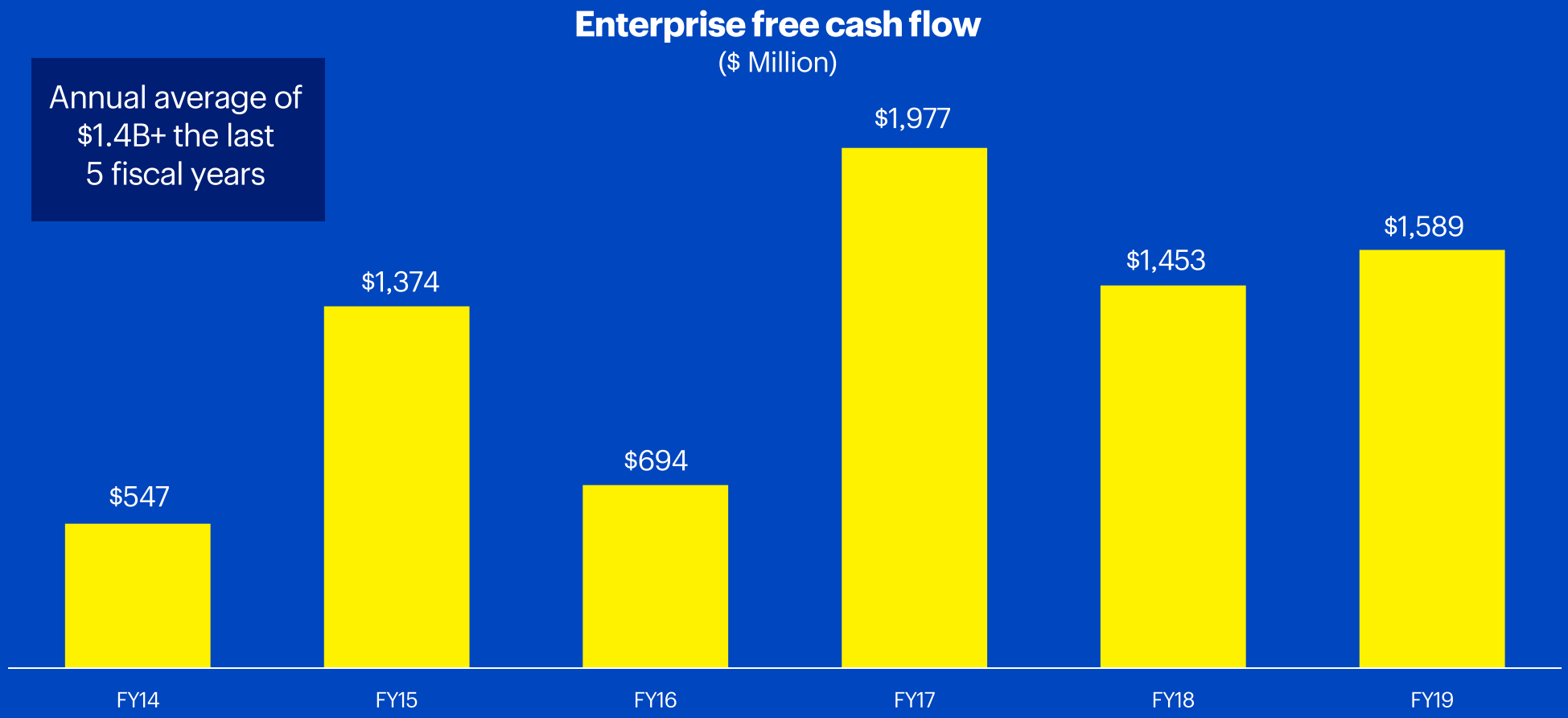
Enterprise non-GAAP operating income rate flat to slightly up from 4.6% rate in FY19

Non-GAAP diluted EPS of $5.60–$5.75, or growth of 5%–8%

Share repurchases of $750M–$1B and a quarterly dividend of $0.50 per share

BEST BUY

We generate consistent, strong free cash flow.

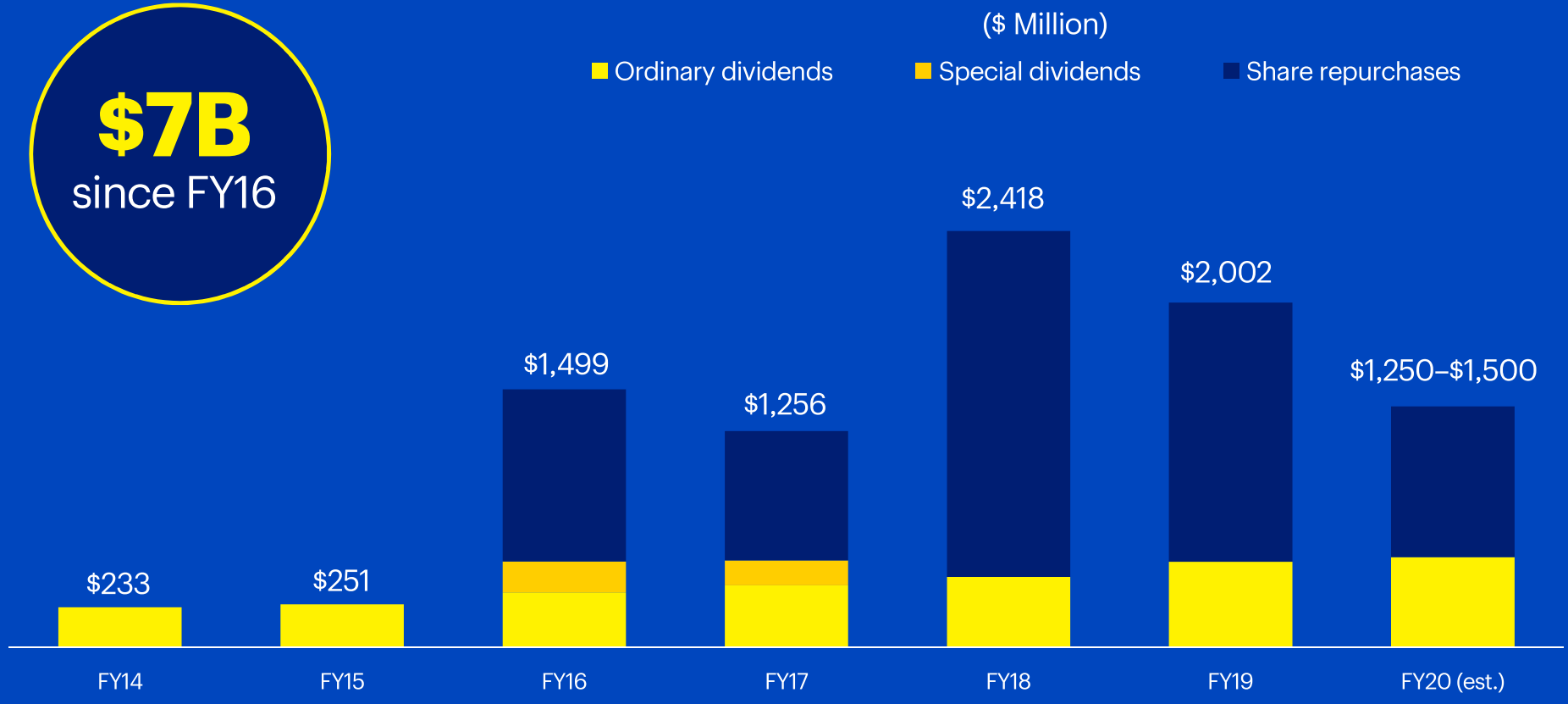


Our capital allocation strategy is unchanged.



We have returned significant capital to investors.

$7B
since FY16



Our FY25 financial targets.

Enterprise revenue **$50B**

2.9% 5-year CAGR*

$43.1B–$43.6B	$50.0B
FY20 (est.)	FY25

Growth areas

- Better serve existing customers
- Capture new demand
- Enter new spaces
- Build capabilities while maintaining profitability over time

Cost-reduction goal

$1B

Investments

- People
- Technology
- Pricing
- Stores
- Fulfilment
- Partnerships and acquisitions

5.0% non-GAAP operating income rate

4.6%+	5.0%
FY20 (est.)	FY25

Assumptions

- ☑ Store count does not materially change
- ☑ Our capital allocation strategy is unchanged
- ☑ Growth may not be linear
- ☑ No material changes to FY20 effective tax rate
- ☑ Impact of tariffs normalizes over time

BEST BUY

*CAGR calculated from the midpoint of our FY20 guidance

Let's talk about what's possible.™

Conclusion

We have the right strategy to achieve our goals.

Be one of the best companies to work for in the U.S.

- Place on *Fortune*'s 100 Best Companies to Work For
- Increase employee engagement
- Enhance leadership development
- Promote diversity and inclusion
- Advance training and recognition

FY25 GOALS

Double significant customer relationship events to 50M

- Total Tech Support and other paid memberships
- Homes visited via In-Home Consultation and other services
- Active digital engagement (app)
- Financial services provided
- Senior lives supported

FY25 GOALS

Deliver continued top- and bottom-line growth over time

- $50B in revenue
- 5.0% non-GAAP operating income rate

FY25 GOALS

BEST BUY

Here are the four thoughts we want you to leave with today:

1. Our strategy is the right one, and it is working
2. Delivered well, our strategy will unlock profitable growth
3. We have tangible examples of how our strategy is coming to life for our customers
4. We have set aggressive but achievable targets

BEST BUY

Best Buy Co., Inc.

Non-GAAP Reconciliation

($ in millions, except per share amounts)

(Unaudited and subject to reclassification)

The following information provides reconciliations of the most comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the U.S. ("GAAP") to presented 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 impairments, gains and losses on investments, 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 the company's earnings releases, financial statements and other publicly filed reports. Non-GAAP financial measures as presented herein may differ from other companies' methods and therefore may not be comparable to those used by other companies.

The following tables reconcile operating income and diluted earnings per share ("EPS") from continuing operations (GAAP financial measures) for the periods presented to non-GAAP operating income and non-GAAP diluted EPS from continuing operations (non-GAAP financial measures) for the periods presented.

	FY14[1]	FY15[1]	FY16[1]	FY17[1]	FY18	FY19
Enterprise - Continuing Operations						
Operating income as a % of revenue	2.8%	3.6%	3.5%	4.7%	4.4%	4.4%
Restructuring charges	0.4%	0.0%	0.5%	0.1%	0.0%	0.1%
Intangible asset amortization[2]	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Net CRT/LCD settlements[3]	(0.6%)	0.0%	(0.2%)	(0.4%)	0.0%	0.0%
Tax reform-related item - employee bonus[4]	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%
Non-GAAP operating income as a % of revenue	**2.7%**	**3.6%**	**3.8%**	**4.4%**	**4.6%**	**4.6%**

*Note - percentages may not foot due to rounding

Enterprise - Continuing Operations	FY14[1]	FY15[1]	FY16[1]	FY17[1]	FY18	FY19
Diluted EPS	$ 2.00	$ 3.53	$ 2.30	$ 3.74	$ 3.26	$ 5.20
Restructuring charges	0.43	0.01	0.58	0.12	0.03	0.16
Intangible asset amortization[2]	-	-	-	-	-	0.08
Acquisition-related transaction costs[2]	-	-	-	-	-	0.05
Net CRT/LCD settlements[3]	(0.66)	-	(0.22)	(0.50)	-	-
(Gain) loss on investments, net	(0.06)	(0.03)	0.01	(0.01)	0.02	(0.04)
Best Buy Europe sale[5]	0.05	-	-	-	-	-
Europe legal entity reorganization[6]	-	(1.00)	-	-	-	-
Other Canada brand consolidation charges - SG&A[7]	-	-	0.02	0.01	-	-
Restructuring charges - COGS	-	-	0.01	-	-	-
Tax reform-related item - employee bonus[4]	-	-	-	-	0.26	0.02
Tax reform-related item - charitable contribution[4]	-	-	-	-	0.07	-
Tax reform - repatriation tax[4]	-	-	-	-	0.68	(0.07)
Tax reform - deferred tax rate change[4]	-	-	-	-	0.24	(0.02)
Income tax impact of non-GAAP adjustments[8]	0.12	0.01	(0.03)	0.15	(0.14)	(0.06)
Non-GAAP diluted EPS	**$ 1.88**	**$ 2.52**	**$ 2.67**	**$ 3.51**	**$ 4.42**	**$ 5.32**

(1) In Q1 FY18, the company stopped excluding non-restructuring property and equipment impairment charges from its non-GAAP financial measures. To ensure its financial results are comparable, the company has recast prior periods to reflect the previously excluded impairments now being included in non-GAAP SG&A.

(2) Represents charges associated with the acquisition of GreatCall, including (1) the non-cash amortization of definite-lived intangible assets, including customer relationships, tradenames and technology, and (2) acquisition-related transaction costs primarily comprised of professional fees.

(3) Represents cathode ray tube ("CRT") and LCD litigation settlements reached, net of related legal fees and costs. Settlements related to products purchased and sold in prior fiscal years.

(4) Represents charges and subsequent adjustments resulting from the Tax Cuts and Jobs Act of 2017 ("tax reform") enacted into law in Q4 FY18, including amounts associated with a deemed repatriation tax and the revaluation of deferred tax assets and liabilities, as well as tax reform-related items the company announced in response to future tax savings created by tax reform, including a one-time bonus for certain employees and a one-time contribution to the Best Buy Foundation.

(5) Represents the tax impact of the Best Buy Europe sale and resulting required tax allocation between continuing and discontinued operations.

(6) Represents the acceleration of a non-cash tax benefit as a result of reorganizing certain European legal entities to simplify our overall structure.

(7) Represents charges related to the Canadian brand consolidation initiated in Q1 FY16, primarily due to retention bonuses and other store-related costs that were a direct result of the consolidation but did not qualify as restructuring charges.

(8) Represents the summation of the calculated income tax charge related to each non-GAAP non-income tax adjustment. The non-GAAP adjustments relate primarily to adjustments in the United States, Canada and Europe and as such, the income tax charge is calculated using the statutory tax rates of each country in effect during the period of the related non-GAAP adjustment.

Best Buy Co., Inc.
Non-GAAP Reconciliation
($ in millions, except per share amounts)
(Unaudited and subject to reclassification)

The tables below provide calculations of return on total assets ("ROA") (GAAP financial measure) and non-GAAP return on investment ("ROI") (non-GAAP financial measure) for the periods presented. Prior to Q3 FY20, the company provided a calculation of non-GAAP return on invested capital ("ROIC") that was defined as non-GAAP net operating profit after tax divided by average invested capital. Beginning in Q3 FY20, the company will provide a calculation of non-GAAP ROI, defined as non-GAAP adjusted operating income after tax divided by average invested operating assets. All periods presented below apply this methodology consistently. The company believes ROI more accurately measures how key assets are deployed by utilizing a cash-flow based methodology to evaluate capital efficiency. This method of determining non-GAAP ROI may differ from other companies' methods and therefore may not be comparable to those used by other companies.

Return on Assets ("ROA")

	February 1, 2014[1]	January 31, 2015[1]	January 30, 2016[1]	January 28, 2017[1]	February 3, 2018[1]	February 2, 2019[1]
Net earnings including noncontrolling interests	$ 523	$ 1,235	$ 897	$ 1,228	$ 1,000	$ 1,464
Total assets	14,987	15,159	14,729	14,085	14,218	13,240
ROA	**3.5%**	**8.1%**	**6.1%**	**8.7%**	**7.0%**	**11.1%**

Non-GAAP Return on Investment ("ROI")

	February 1, 2014[1]	January 31, 2015[1]	January 30, 2016[1]	January 28, 2017[1]	February 3, 2018[1]	February 2, 2019[1]
Numerator						
Operating income - total operations	$ 934	$ 1,431	$ 1,465	$ 1,881	$ 1,844	$ 1,900
Add: Non-GAAP operating income adjustments[2]	115	23	130	(147)	110	88
Add: Operating lease interest[3]	155	138	120	116	118	114
Less: Income taxes[4]	(458)	(605)	(652)	(703)	(760)	(515)
Add: Depreciation	701	656	657	654	683	748
Add: Operating lease amortization[5]	880	779	679	659	665	644
Adjusted operating income after tax	**$ 2,327**	**$ 2,422**	**$ 2,399**	**$ 2,460**	**$ 2,660**	**$ 2,979**
Denominator						
Total assets	$ 14,987	$ 15,159	$ 14,729	$ 14,085	$ 14,218	$ 13,240
Less: Excess cash[6]	(1,035)	(2,471)	(2,773)	(2,521)	(2,706)	(1,404)
Add: Capitalized operating lease assets[7]	4,138	3,666	3,196	3,098	3,131	3,032
Add: Accumulated depreciation and amortization	5,138	5,235	5,566	5,939	6,125	6,482
Less: Non-financial current liabilities[8]	(8,454)	(8,053)	(7,521)	(7,523)	(7,912)	(7,975)
Average invested operating assets	**$ 14,774**	**$ 13,536**	**$ 13,197**	**$ 13,078**	**$ 12,856**	**$ 13,375**
Non-GAAP ROI	**15.8%**	**17.9%**	**18.2%**	**18.8%**	**20.7%**	**22.3%**

(1) Income statement accounts represent the activity for the trailing 12 months ended as of each of the balance sheet dates. Balance sheet accounts represent the average account balances for the trailing 12 months ended as of each of the balance sheet dates.
(2) Includes continuing operations adjustments for tax reform-related items, restructuring charges in costs of goods sold and operating expenses, acquisition-related costs, net CRT/LCD settlements, other Canada brand consolidation charges in SG&A, the Best Buy Europe transaction costs and a discontinued operations adjustment for a gain on a property sale. Additional details regarding these adjustments are included in the Reconciliation of Non-GAAP Financial Measures schedule within the company's quarterly earnings releases. Beginning in Q1 FY18, the company stopped excluding non-restructuring property and equipment impairment charges from its non-GAAP financial measures. To ensure its financial results are comparable, the company has recast prior periods to reflect the previously excluded impairments now being included in non-GAAP SG&A.
(3) Operating lease interest represents the add-back to operating income to approximate the total interest expense that the company would incur if its operating leases were owned and financed by debt. Historically, the company used an add-back multiple of 30% of annual rent expense; however, following the adoption of new lease accounting guidance in Q1 FY20 that resulted in the recognition of operating lease assets and operating lease liabilities on the balance sheet, the multiple was lowered to 15% and prior periods have been updated to reflect this change.
(4) Income taxes are calculated using tax rates that approximate the blended statutory rate at the Enterprise level, which is 38% for all periods ended on or prior to January 28, 2017, 36.7% for the period ended February 3, 2018, and 24.5% for the period ended February 2, 2019.
(5) Operating lease amortization represents the annual portion of capitalized operating lease assets less operating lease interest.
(6) Excess cash represents the amount of cash, cash equivalents and short-term investments greater than $1 billion.
(7) Capitalized operating lease assets represent the estimated net assets that the company would record if the company's operating leases were owned. Historically, the company used a multiple of five times annual rent expense; however, following the adoption of new lease accounting guidance in Q1 FY20 that resulted in the recognition of operating lease assets and operating lease liabilities on the balance sheet, the multiple was lowered to four times annual rent expense and prior periods have been updated to reflect this change.
(8) Non-financial current liabilities represent total current liabilities less the current portions of operating lease liabilities and long-term debt.

Best Buy Co., Inc.

Non-GAAP Reconciliation

($ in millions, except per share amounts)

(Unaudited and subject to reclassification)

The table below provides a reconciliation of cash provided by operating activities from total operations (GAAP financial measure) to free cash flow from total operations (non-GAAP financial measure) for the periods presented. This method of determining free cash flow may differ from other companies' methods and therefore may not be comparable to those used by other companies.

	February 1, 2014[1]	January 31, 2015[1]	January 30, 2016	January 28, 2017	February 3, 2018	February 2, 2019
Cash provided by operating activities	$ 1,094	$ 1,935	$ 1,343	$ 2,557	$ 2,141	$ 2,408
Less: Additions to property and equipment, net	(547)	(561)	(649)	(580)	(688)	(819)
Free cash flow	**$ 547**	**$ 1,374**	**$ 694**	**$ 1,977**	**$ 1,453**	**$ 1,589**

(1) Balances remain as originally reported and do not reflect the immaterial impacts of the adoption of the following Accounting Standards Updates ("ASUs") in Q1 FY18: ASU 2016-09, Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting; ASU 2016-15, Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments; and ASU 2016-18, Statement of Cash Flows: Restricted Cash.