



BEST BUY

Best Buy is a national retailer of televisions, video equipment, stereo systems, cellular phones, and an array of other consumer electronic devices and Web-based services. The company reported interest expense of \$62 million in its recent income statement—nearly double the amount incurred in the previous period. Certain disclosures provide important information about interest expense and the company's financing arrangements. For example, the notes to the financial statements disclose that **Best Buy's** higher than normal interest expense was due to borrowing funds to buy back \$3 billion of its own stock in an accelerated stock repurchase plan.

Disclosures such as these are absolutely essential for the proper interpretation of a company's financial statements. The notes to **Best Buy's** financial statements also include information about store closings, executive compensation, sources of credit, and many other important issues.