

RADIOSHACK CORP  
Form 8-K  
December 16, 2005

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**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K  
Current Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): December 12, 2005**

**RADIOSHACK CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other  
jurisdiction of  
incorporation)

1-5571  
(Commission  
File Number)

75-1047710  
(I.R.S. Employer  
Identification No.)

Mail Stop CF3-203, 300 RadioShack Circle, Fort Worth, Texas  
(Address of principal executive offices)

76102  
(Zip Code)

Registrant's telephone number, including area code: (817) 415-3011

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act



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**Item 1.01. Entry into a Material Definitive Agreement.**

On December 12, 2005, RadioShack Corporation ( RadioShack ) entered into a purchase and sale agreement with Kan Am Grund Kapitalanlagegesellschaft mbH (or its assignee) ( Purchaser ), for the benefit of the KanAm-grundinvest Fonds, a German open-end real estate fund sponsored by Purchaser, to sell and lease back the buildings and certain of the real estate at its corporate headquarters in Fort Worth, Texas. RadioShack currently expects that, if the sale is completed, its net proceeds, after transaction and other related costs, will be approximately \$220 million. Following closure of the sale, RadioShack intends to use the net proceeds to repay short-term debt obligations and for other general corporate purposes. The Purchaser's obligation to close is subject to confirmation of title and survey information and other customary closing conditions. RadioShack currently expects that the purchase and sale agreement will close on or about December 21, 2005.

In connection with the closing of the purchase and sale agreement, RadioShack will enter into a 20-year triple-net lease agreement with the Purchaser. RadioShack has four five-year options to renew the lease agreement. Base annual rent for the primary term of the lease will initially be approximately \$14.1 million and will increase by 1.25% per year. RadioShack will be required to post a \$5 million letter of credit at the closing of the lease and to maintain the letter of credit during the term of the lease. The Purchaser will be authorized to draw on the letter of credit upon the occurrence of certain events as described in the lease. RadioShack will be required pay all of the costs associated with the operation of the facilities, including costs such as insurance, taxes and maintenance.

The lease imposes certain obligations on RadioShack and grants certain rights to the Purchaser in the event of a default by RadioShack on the lease. The lease contains other customary representations, warranties, obligations, conditions, indemnification provisions and termination provisions associated with leases of this nature.

The foregoing summary is subject to, and qualified in its entirety by, the terms of the purchase and sale agreement, attached hereto as Exhibit 10.1, and the lease, attached as an exhibit to the purchase and sale agreement. The terms of the purchase and sale agreement, the lease and all other documents respectively attached thereto are incorporated herein by reference.

The representations, warranties and obligations contained in the purchase and sale agreement, the lease and the other documents attached hereto are valid as between the parties as of the date thereof, and they are not factual information to investors about RadioShack. Investors are advised to review RadioShack's periodic filings with the SEC and posted on RadioShack's website at [www.radioshackcorporation.com](http://www.radioshackcorporation.com) under the caption "Investor Relations" and then SEC Filings for information about the Company's financial condition.

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**Item 9.01. Financial Statements and Exhibits.**

**Exhibit No.**

10.1 Purchase and Sale Agreement, dated December 12, 2005, between RadioShack Corporation and Kan Am Grund Kapitalanlagegesellschaft mbH.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized this 16<sup>th</sup> day of December, 2005.

RADIOSHACK CORPORATION

/s/ David S. Goldberg  
David S. Goldberg  
Senior Vice President    Chief Legal Officer  
and Corporate Secretary

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