
**UNITED STATES
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 22, 2003**

BED BATH & BEYOND INC.

(Exact name of registrant as specified in its charter)

New York

(State of incorporation)

0-20214

(Commission
File Number)

11-2250488

(I.R.S. Employer
Identification No.)

**650 Liberty Avenue
Union, New Jersey 07083**

(Address of principal executive offices) (Zip code)

(908) 688-0888

(Registrant's telephone number, including area code)

TABLE OF CONTENTS

[ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.](#)

[ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.](#)

[ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.](#)

[SIGNATURES](#)

[EXHIBIT INDEX](#)

[PRESS RELEASE](#)

[PRESS RELEASE](#)

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.

On December 17, 2003, Bed Bath & Beyond Inc. issued a press release announcing the election of one new member to the Board of Directors, Jordan Heller, expanding the Board to ten members.

A copy of the press release is attached hereto as Exhibit 99.1.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

99.1 Press Release issued by Bed Bath & Beyond Inc. on December 17, 2003.

99.2 Press Release issued by Bed Bath & Beyond Inc. on December 17, 2003.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On December 17, 2003, Bed Bath & Beyond Inc. (the "Company") issued a press release announcing the Company's financial results for its fiscal third quarter ended November 29, 2003. A copy of this press release is attached hereto as Exhibit 99.2.

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 hereunto duly authorized.

BED BATH & BEYOND INC.
(Registrant)

Date: December 22, 2003

By: /s/ Eugene A. Castagna

Eugene A. Castagna
Vice President – Finance and
Assistant Treasurer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release issued by Bed Bath & Beyond Inc. on December 17, 2003.
99.2	Press Release issued by Bed Bath & Beyond Inc. on December 17, 2003.

FOR IMMEDIATE RELEASE

BED BATH & BEYOND INC. ANNOUNCES ELECTION OF DIRECTOR

UNION, New Jersey, December 17, 2003 — **Bed Bath & Beyond Inc.** today announced the election of Jordan Heller to the Company's Board of Directors, expanding the Board to ten members.

Mr. Heller is a Managing Director at American Economic Planning Group, where he focuses on comprehensive financial and estate planning for individuals and businesses. Mr. Heller started his career in public accounting, joining Price Waterhouse in 1982. After public accounting, Mr. Heller played a significant role in the public securities markets, specifically the real estate industry. The majority of his 15 years on Wall Street was spent heading the real estate groups in Securities Research at some of the country's leading investment houses, including Merrill Lynch (10 yrs), Salomon Brothers (2) and CIBC Oppenheimer (2). Mr. Heller's experience includes securities analysis, financial and economic forecasting/analysis, financial and strategic advisory, capital raising and M&A advisory, among others.

Mr. Heller is a Certified Public Accountant (CPA), a Chartered Financial Analyst (CFA) and a Certified Financial Planner (CFP). In addition, he is a member of the Investment Management Consultants Association, Association for Investment Management and Research and the New York Society of Security Analysts. He obtained his undergraduate degree from Bentley College in Waltham, Massachusetts with a BS in Accountancy, and his MBA from the University of Chicago's Graduate School of Business.

Bed Bath & Beyond Inc. is a nationwide chain of retail stores. The Company's **Bed Bath & Beyond** stores sell better quality domestics merchandise and home furnishings. The Company's Christmas Tree Shops and Harmon Stores sell giftware and household items and health and beauty care items, respectively. Shares of **Bed Bath & Beyond Inc.** are traded on NASDAQ under the symbol "BBBY" and are included in the Standard & Poor's 500 Index, the NASDAQ-100 Index and the Forbes 500.

INVESTOR CONTACTS (at 908/688-0888):

Ronald Curwin
Chief Financial Officer
and Treasurer
Ext. 4550

Kenneth C. Frankel
Director of Financial
Planning
Ext. 4554

Paula J. Marbach
Investor Relations
Ext. 4552
Fax: 908-810-8813

FOR IMMEDIATE RELEASE

BED BATH & BEYOND INC. ANNOUNCES THIRD QUARTER RESULTS

- Net Earnings Increase 33.8% to \$100.5 million (\$.33 per share)
- Net Sales Increase by 25.5%
- Comparable Store Sales Grow by 6.4%

UNION, New Jersey, December 17, 2003 — **Bed Bath & Beyond Inc.** today reported net earnings of \$100.5 million (\$.33 per share) in the fiscal third quarter ended November 29, 2003, an increase of approximately 33.8% from the \$75.1 million (\$.25 per share) earned in the fiscal third quarter of 2002. Net sales for the fiscal third quarter of 2003 were \$1.175 billion, an increase of approximately 25.5% from net sales of \$936.0 million in the fiscal third quarter of 2002. Comparable store sales in the fiscal third quarter of 2003 grew by approximately 6.4%.

For the fiscal nine months ended November 29, 2003, net earnings increased 29.6% to \$255.2 million (\$.84 per share) from \$196.9 million (\$.65 per share) earned in the comparable period of the prior year. Net sales for the fiscal nine months of 2003 rose 21.6% to \$3.180 billion from \$2.616 billion in the corresponding period of the prior year. Comparable store sales for the fiscal nine months of 2003 increased by approximately 5.6%.

As of November 29, 2003, there were 569 **Bed Bath & Beyond** stores operating in 44 states and Puerto Rico, including 55 new **Bed Bath & Beyond** stores opened during the fiscal third quarter. Total store space of the **Bed Bath & Beyond** stores at the end of the fiscal third quarter was approximately 19,196,000 square feet, representing an increase of approximately 1,941,000 square feet (11.2%) since the end of fiscal 2002. During the first nine months of fiscal 2003, the Company opened 79 **Bed Bath & Beyond** stores and expects to open approximately 7 additional **Bed Bath & Beyond** stores before the end of its fiscal year on February 28, 2004. Harmon Stores, Inc. also opened one new store during the fiscal third quarter.

The additional openings will bring to approximately 86 the total number of new **Bed Bath & Beyond** stores opened in fiscal 2003 and to approximately 576 the number of **Bed Bath & Beyond** stores expected to be in operation at fiscal year-end. During fiscal 2002, the Company opened 95 new **Bed Bath & Beyond** stores, several of which had been expected to open in fiscal 2003.

The accompanying consolidated financial information includes the accounts of Christmas Tree Shops, Inc. since June 19, 2003 (date of acquisition). As of November 29, 2003, Christmas Tree Shops, Inc. operated 24 stores in 6 states. Also as of that date, Harmon Stores, Inc. operated 30 stores in 3 states.

* * * * *

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This press release may contain forward-looking statements. Many of these forward-looking statements can be identified by use of words such as may, will, expect, anticipate, estimate, assume, continue, project, plan, and similar words and phrases. The Company's actual results and future financial condition may differ materially from those expressed in any such forward-looking statements as a result of many factors that may be outside the Company's control. Such factors include, without limitation: general economic conditions, changes in the retailing environment and consumer spending habits; demographics and other macroeconomic factors that may impact the level of spending for the types of merchandise sold by the Company; unusual weather patterns; competition from existing and potential competitors; competition from other channels of distribution; pricing pressures; the ability to find suitable locations at reasonable occupancy costs to support the Company's expansion program; and the cost of labor, merchandise and other costs and expenses. The Company does not undertake any obligation to update its forward-looking statements.

INVESTOR CONTACTS (at 908/688-0888):

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(Tables Follow)

BED BATH & BEYOND INC. AND SUBSIDIARIES
Consolidated Statements of Earnings
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	November 29, 2003	November 30, 2002	November 29, 2003	November 30, 2002
Net sales	\$1,174,740	\$ 936,030	\$3,180,053	\$2,615,872
Cost of sales	687,753	549,806	1,866,741	1,540,951
Gross profit	486,987	386,224	1,313,312	1,074,921
Selling, general and administrative expenses	325,528	266,996	905,536	763,305
Operating profit	161,459	119,228	407,776	311,616
Interest income	1,965	2,905	7,219	8,497
Earnings before provision for income taxes	163,424	122,133	414,995	320,113
Provision for income taxes	62,918	47,021	159,773	123,243
Net earnings	\$ 100,506	\$ 75,112	\$ 255,222	\$ 196,870
Net earnings per share — Basic	\$ 0.34	\$ 0.26	\$ 0.86	\$ 0.67
Net earnings per share — Diluted	\$ 0.33	\$ 0.25	\$ 0.84	\$ 0.65
Weighted average shares outstanding — Basic	297,279	293,307	296,018	292,491
Weighted average shares outstanding — Diluted	305,156	301,345	304,122	300,918

BED BATH & BEYOND INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(in thousands, unaudited)

	November 29, 2003	November 30, 2002
Assets		
Current assets:		
Cash and cash equivalents	\$ 620,331	\$ 293,031
Short term investment securities	84,059	150,000
Merchandise inventories	1,167,808	989,074
Other current assets	94,825	73,621
Total current assets	1,967,023	1,505,726
Long term investment securities	133,876	149,180
Property and equipment, net	506,064	428,876
Goodwill	145,932	16,771
Other assets	26,166	6,984
	<u>\$2,779,061</u>	<u>\$2,107,537</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 529,440	\$ 427,324
Accrued expenses and other current liabilities	340,047	249,393
Income taxes payable	27,315	42,329
Total current liabilities	896,802	719,046
Deferred rent and other liabilities	82,316	48,999
Total liabilities	979,118	768,045
Total shareholders' equity	1,799,943	1,339,492
	<u>\$2,779,061</u>	<u>\$2,107,537</u>

BED BATH & BEYOND INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(in thousands, unaudited)

	Nine Months Ended	
	November 29, 2003	November 30, 2002
Cash Flows from Operating Activities:		
Net earnings	\$ 255,222	\$ 196,870
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	60,686	57,066
Amortization of bond premium	1,079	—
Tax benefit from exercise of stock options	43,691	26,945
Deferred income taxes	2,575	(9,533)
(Increase) decrease in assets, net of effects of acquisitions:		
Merchandise inventories	(182,532)	(219,192)
Other current assets	(24,799)	(22,041)
Other assets	(6,998)	195
Increase (decrease) in liabilities, net of effects of acquisitions:		
Accounts payable	150,131	150,503
Accrued expenses and other current liabilities	33,789	54,351
Income taxes payable	(44,523)	(8,859)
Deferred rent and other liabilities	12,555	9,735
Net cash provided by operating activities	300,876	236,040
Cash Flows from Investing Activities:		
Purchase of investment securities	(222,224)	(317,271)
Redemption of investment securities	252,770	70,000
Payment for acquisitions, net of cash acquired	(175,487)	(24,097)
Capital expenditures	(79,168)	(122,464)
Net cash used in investing activities	(224,109)	(393,832)
Cash Flows from Financing Activities:		
Proceeds from exercise of stock options	49,109	21,327
Prepayment of acquired debt	(21,215)	—
Net cash provided by financing activities	27,894	21,327
Net increase (decrease) in cash and cash equivalents	104,661	(136,465)
Cash and cash equivalents:		
Beginning of period	515,670	429,496
End of period	\$ 620,331	\$ 293,031