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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q/A

(MARK ONE)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended August 25, 1996

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

COMMISSION FILE NUMBER 0-20214

BED BATH & BEYOND INC.

-----  
(Exact name of registrant as specified in its charter)

NEW YORK

11-2250488

-----  
(State of incorporation)

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

715 MORRIS AVENUE, SPRINGFIELD, NEW JERSEY 07081

-----  
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (201) 379-1520

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

NUMBER OF SHARES OUTSTANDING OF THE ISSUER'S COMMON STOCK:

CLASS	OUTSTANDING AT AUGUST 25, 1996
-----	-----
Common Stock - \$0.01 par value	68,437,018

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BED BATH & BEYOND INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(IN THOUSANDS, EXCEPT SHARE DATA)

	August 25, 1996 ---- (unaudited)	February 25, 1996 ----
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 13,759	\$ 10,267
Merchandise inventories	190,027	148,383
Prepaid expenses and other current assets	2,346	1,630
	-----	-----
Total current assets	206,132	160,280
	-----	-----
Property and equipment, net	74,441	66,635
Other assets	10,941	8,895
	-----	-----
	\$291,514	\$235,810
	=====	=====
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 59,280	\$ 39,025
Accrued expenses and other current liabilities	37,973	26,947
Income taxes payable	6,628	6,581
	-----	-----
Total current liabilities	103,881	72,553
	-----	-----
Long-term debt	-	5,000
Deferred rent	8,101	6,811
	-----	-----
	111,982	84,364
	-----	-----
Shareholders' equity:		
Preferred stock - \$0.01 par value; authorized - 1,000,000 shares; no shares issued or outstanding	-	-
Common stock-\$0.01 par value; authorized - August 25, 1996, 150,000,000 shares and February 25, 1996, 100,000,000 shares; issued and outstanding - August 25, 1996, 68,437,018 shares and February 25, 1996, 68,067,972 shares	684	681
Additional paid-in capital	51,518	46,254
Retained earnings	127,330	104,511
	-----	-----
Total shareholders' equity	179,532	151,446
	-----	-----

\$291,514      \$235,810  
=====

See accompanying Notes to Consolidated Financial Statements.

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BED BATH & BEYOND INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF EARNINGS  
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended		Six Months Ended	
	August 25, 1996	August 27, 1995	August 25, 1996	August 27, 1995
	-----	-----	-----	-----
Net sales	\$ 203,503	\$ 150,110	\$ 363,161	\$ 263,562
Cost of sales, including buying, occupancy and indirect costs	119,566	87,886	213,436	154,474
	-----	-----	-----	-----
Gross profit	83,937	62,224	149,725	109,088
Selling, general and administrative expenses	58,903	43,288	112,030	80,365
	-----	-----	-----	-----
Operating profit	25,034	18,936	37,695	28,723
Interest income (expense), net	37	(334)	179	(527)
	-----	-----	-----	-----
Earnings before provision for income taxes	25,071	18,602	37,874	28,196
Provision for income taxes	9,966	7,627	15,055	11,561
	-----	-----	-----	-----
Net earnings	\$ 15,105	\$ 10,975	\$ 22,819	\$ 16,635
	=====	=====	=====	=====
Net earnings per share	\$ 0.21	\$ 0.16	\$ 0.32	\$ 0.24
	=====	=====	=====	=====
Weighted average shares outstanding			70,464,644	69,053,962
			=====	=====

See accompanying Notes to Consolidated Financial Statements.

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BED BATH & BEYOND INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(IN THOUSANDS, UNAUDITED)

	Six Months Ended	
	August 25, 1996	August 27, 1995
	-----	-----
Cash Flows from Operating Activities:		
Net earnings	\$ 22,819	\$ 16,635
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	6,132	4,598

Loss from disposal of property and equipment	-	35
Increase in assets:		
Merchandise inventories	(41,644)	(32,608)
Prepaid expenses and other current assets	(716)	(950)
Other assets	(2,046)	(1,169)
Increase in liabilities:		
Accounts payable	20,255	18,086
Accrued expenses and other current liabilities	11,026	3,383
Income taxes payable	47	1,851
Deferred rent	1,290	887
	-----	-----
Net cash provided by operating activities	17,163	10,748
	-----	-----
Cash Flows from Investing Activities:		
Capital expenditures - lease purchases	-	(150)
Capital expenditures - leasehold improvements and furniture and fixtures	(13,938)	(6,822)
	-----	-----
Net cash used in investing activities	(13,938)	(6,972)
	-----	-----
Cash Flows from Financing Activities:		
Net decrease in long-term debt	(5,000)	(6,800)
Proceeds from exercise of stock options	5,267	1,101
	-----	-----
Net cash provided by (used in) financing activities	267	(5,699)
	-----	-----
Net increase (decrease) in cash and cash equivalents	3,492	(1,923)
Cash and cash equivalents:		
Beginning of period	10,267	6,463
	-----	-----
End of period	\$ 13,759	\$ 4,540
	=====	=====

See accompanying Notes to Consolidated Financial Statements.

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BED BATH & BEYOND INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1) BASIS OF PRESENTATION

The accompanying consolidated financial statements, except for the February 25, 1996 consolidated balance sheet, have been prepared without audit. In the opinion of Management, the accompanying consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position of Bed Bath & Beyond Inc. and subsidiaries (the "Company") as of August 25, 1996 and February 25, 1996 and the results of their operations for the three month and six month periods ended August 25, 1996 and August 27, 1995, respectively, and cash flows for the six month periods ended August 25, 1996 and August 27, 1995. Because of the seasonality of the specialty retailing business, operating results of the Company on a quarterly basis may not be indicative of operating results for the full year.

The accompanying unaudited consolidated financial statements are presented in accordance with the requirements for Form 10-Q and consequently do not include all the disclosures normally required by generally accepted accounting principles. Reference should be made to Bed Bath & Beyond Inc.'s Annual Report for the fiscal year ended February 25, 1996 for additional disclosures, including a summary of the Company's significant accounting policies.

2) STOCK SPLIT

On March 28, 1996, the Board of Directors of the Company approved a two-for-one split of the Company's common stock effected in the form of a 100% stock dividend. The stock split was distributed on April 30, 1996 to shareholders of record on April 10, 1996. Accordingly, all share and per share data have been adjusted to give effect to the stock split.

3) AUTHORIZED SHARES OF COMMON STOCK

In July 1996, the Company's Certificate of Incorporation was amended to increase the number of authorized shares of Common Stock (par value \$ .01 per share) from 100,000,000 shares to 150,000,000 shares.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Three Months August 25, 1996 vs. Three Months August 27, 1995

Net sales for the second quarter ended August 25, 1996 were \$203.5 million, an increase of \$53.4 million or approximately 35.6% over net sales of \$150.1 million for the corresponding quarter last year. Approximately 87.2% of the increase was attributable to new store net sales. The increase in comparable store net sales in the second quarter of 1996 was approximately 4.9%.

Gross profit for the second quarter of 1996 was \$83.9 million or 41.2% of net sales compared with \$62.2 million or 41.5% of net sales during the second quarter of 1995. The decrease of approximately 0.3% in gross profit, as a percentage of net sales, was attributable to a number of factors, including a different mix of sales during the second quarter of this year compared with the mix of sales in the corresponding period last year.

Selling, general and administrative expenses ("SG&A") were \$58.9 million in the second quarter of 1996 compared with \$43.3 million in the same quarter last year and as a percentage of net sales were 28.9% and 28.8%, respectively. The increase of approximately 0.1% in SG&A, as a percentage of net sales, was primarily attributable to an increase in occupancy costs, which was partially offset by a decrease in payroll and payroll related items.

Operating profit in the second quarter of 1996 increased to \$25.0 million from \$18.9 million in the second quarter of 1995, reflecting primarily the increase in net sales which was partially offset by increases in cost of sales and SG&A.

Six Months August 25, 1996 vs. Six Months August 27, 1995

Net sales for the six months ended August 25, 1996 were \$363.2 million, an increase of \$99.6 million or approximately 37.8% over net sales of \$263.6 million for the corresponding period last year. Approximately 84.5% of the increase was attributable to new store net sales. The increase in comparable store net sales for the first six months of 1996 was approximately 6.2%.

Gross profit for the first six months of 1996 was \$149.7 million or 41.2% of net

sales compared with \$109.1 million or 41.4% of net sales during the same period last year. The decrease of approximately 0.2% in gross profit, as a percentage of net sales, was attributable to a number of factors, including a different mix of sales during the first six months of this year compared with the mix of sales in the corresponding period last year.

SG&A expenses were \$112.0 million in the first six months of 1996 compared with \$80.4 million for the same period last year and as a percentage of net sales were 30.8% and 30.5% respectively. The increase of approximately 0.3% in SG&A, as a percentage of net sales, was primarily attributable to increases in occupancy costs and expenses associated with new store openings, which were partially offset by a decrease in payroll and payroll related items.

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Operating profit in the first six months of 1996 increased to \$37.7 million from \$28.7 million for the same period last year, primarily resulting from the increase in net sales, which was partially offset by a slight increase in cost of sales and SG&A expenses.

#### EXPANSION PROGRAM

The Company is engaged in an ongoing expansion program involving the opening of new stores in both existing and new markets and the expansion or replacement of existing stores with new, larger stores. As a result of this program, the total number of stores has increased to 90 stores at the end of the second quarter of 1996 compared with 67 stores at the end of the corresponding quarter last year. Total square footage grew to 3,619,000 square feet at the end of the second quarter of 1996, from 2,620,000 square feet at the end of the second quarter of last year.

During the first six months of fiscal 1996, the Company opened 10 new superstores and expanded one store resulting in an aggregate addition of 405,000 square feet to total store space. The Company anticipates opening an additional seventeen superstores by the end of the fiscal year, aggregating approximately 650,000 square feet of store space.

#### FINANCIAL CONDITION

Total assets at August 25, 1996 were \$291.5 million compared with \$235.8 million at February 25, 1996, an increase of \$55.7 million. Of the total increase, \$45.9 million represented an increase in current assets and \$9.8 million represented an increase in non-current assets. The increase in current assets was primarily attributable to an increase in merchandise inventories, which resulted from new store space and, to a lesser extent, the expansion of merchandise categories and assortments, as well as seasonal requirements.

Total liabilities at August 25, 1996 were \$112.0 million compared with \$84.4 million at February 25, 1996, an increase of \$27.6 million. The increase was primarily attributable to a \$20.3 million increase in accounts payable (resulting from an increase in inventories) and an \$11.0 million increase in accrued expenses and other current liabilities, which was partially offset by a \$5.0 million decrease in long-term debt.

Shareholders' equity was \$179.5 million at August 25, 1996 compared with \$151.4 million at February 25, 1996. The increase primarily reflects net earnings for the first six months of fiscal 1996 and additional paid-in capital from the exercise of stock options.

Capital expenditures for the first six months of fiscal 1996 were \$13.9 million compared with \$7.0 million for the corresponding period last year. The increase is primarily attributable to furniture and fixtures and leasehold improvements for the ten new superstores opened and one store expanded during the first six months compared to furniture and fixtures and leasehold improvements for the six new superstores opened and one expanded store in the same period last year.

#### FORWARD LOOKING STATEMENTS

This Form 10-Q may contain forward looking statements. Important factors which may affect these statements are contained in the Company's Annual Report to shareholders for the fiscal year ended February 25, 1996.

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PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

On June 27, 1996, Bed Bath and Beyond Inc. held its Annual Meeting. At the Annual Meeting, the following items were voted upon:

1. The election of five directors to serve until the next Annual Meeting and until their successors have been elected and qualified.
2. To ratify the appointment of KPMG Peat Marwick LLP as independent auditors for fiscal year 1996.
3. To adopt the Bed Bath & Beyond Inc. 1996 Stock Option Plan.
4. To amend the Company's Certificate of Incorporation to increase the number of authorized shares of common stock.

The results of the voting were as follows:

SHARES VOTED

Description - - - - -	For ---	Against/ Withheld -----	Abstentions -----	Broker Non-Votes -----
Election of the Board of Directors:				
Warren Eisenberg	63,620,384	964,829	0	0
Leonard Feinstein	63,621,444	963,769	0	0
Robert J. Swartz	63,257,484	1,327,729	0	0
Klaus Eppler	63,150,049	1,435,164	0	0
Robert S. Kaplan	63,617,729	967,484	0	0
Appointment of Auditors:				
KPMG Peat Marwick LLP	63,826,909	579,776	178,528	0
Adopt the 1996 Stock Option Plan:				
	36,798,847	26,617,944	219,994	0
Amend the Company's Certificate of Incorporation:				
	62,717,046	971,415	200,052	0

Except for the directors elected as described above, there are no other directors serving on the Board of Directors of Bed Bath & Beyond Inc.

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Item 6. Exhibits and Reports on Form 8-K

- (a) The exhibits to this report are listed on the Exhibit Index included elsewhere herein.
- (b) No reports on Form 8-K were filed by the Company during the three month period ended August 25, 1996.

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.

BED BATH & BEYOND INC.  
(Registrant)

Date: October 9, 1996

By: /s/ Ronald Curwin  
-----

Ronald Curwin  
Chief Financial Officer and Treasurer

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EXHIBIT INDEX

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CERTIFICATE OF AMENDMENT  
 OF  
 CERTIFICATE OF INCORPORATION  
 OF  
 BED BATH & BEYOND INC.  
 (Under Section 805 of the Business Corporation Law)

It is certified that:

1. The name of the corporation is BED BATH & BEYOND INC. The name under which the corporation was originally formed is B&B TEXTILE CORPORATION.

2. The original Certificate of Incorporation of the corporation was filed by the Department of State of the State of New York on October 5, 1971.

3. Paragraph (a) of article fourth of the Certificate of Incorporation is amended as follows: to increase the number of shares from the presently authorized 100,000,000 shares of common stock PV .01 per share to 150,000,000 shares of common stock PV .01. The 1,000,000 shares of preferred stock PV .01 shall remain unchanged.

"(a) Authorized Classes of Stock: The total number of shares which the corporation shall have the authority to issue is 151,000,000 of which 150,000,000 are designated Common Stock, par value \$.01 per share ("Common Stock"), and 1,000,000 shares are designated Preferred Stock, par value \$.01 per share ("Preferred Stock")."

4. The amendment of the Certificate of Incorporation was authorized first by vote of the Board of Directors of the corporation and then by the vote of the holders of a majority of all outstanding shares entitled to vote thereon.

IN WITNESS WHEREOF, we have subscribed this document on July 10, 1996, and do hereby affirm, under the penalties of perjury, that the statements contained herein have been examined by us and are true and correct.

/s/ Leonard Feinstein  
 -----  
 LEONARD FEINSTEIN, President

/s/ Warren Eisenberg  
 -----  
 WARREN EISENBERG, Secretary

BED BATH & BEYOND INC. AND SUBSIDIARIES  
 COMPUTATION OF PER SHARE EARNINGS  
 SIX MONTHS ENDED

	August 25, 1996 ----	August 27, 1995 ----
Weighted average number of shares outstanding	68,308,680	67,794,898
Dilutive effect of common equivalent shares (stock options) outstanding	2,155,964 -----	1,259,064 -----
Weighted average number of shares and dilutive common equivalent shares (stock options) outstanding	70,464,644 =====	69,053,962 =====
Net earnings	\$22,819,000 =====	\$16,635,000 =====
Net earnings per share	\$ .32 =====	\$ .24 =====

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AS OF AUGUST 25, 1996, AND THE CONSOLIDATED STATEMENT OF EARNINGS FOR THE SIX MONTH PERIOD ENDED AUGUST 25, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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