



Bed Bath & Beyond Inc. Announces First Quarter Results

June 21, 2000

UNION, N.J., June 21 /PRNewswire/ -- Bed Bath & Beyond Inc. today reported net earnings of \$23.4 million (\$.16 per share) for the fiscal first quarter ended May 27, 2000, an increase of approximately 30.6% from the \$17.9 million (\$.12 per share) earned in the fiscal first quarter of 1999. Net sales for the fiscal first quarter of 2000 were \$462.7 million, an increase of approximately 28.8% from net sales of \$359.4 million in the fiscal first quarter of 1999. Comparable store sales for the fiscal first quarter of 2000 increased by approximately 5.0% from the corresponding period last year, when comparable store sales increased by approximately 9.9% from the corresponding fiscal quarter of 1998.

As of May 27, 2000, Bed Bath & Beyond Inc. operated 251 stores in 39 states, including Rhode Island, which was entered for the first time. Ten new superstores opened during the fiscal first quarter. Including the new units, total store space at the end of the fiscal first quarter was approximately 10.1 million square feet, an increase of approximately 27.8% over total store space of approximately 7.9 million square feet at the end of the corresponding period last year. Since May 27, 2000, the Company has opened three additional superstores bringing the total number of stores to 254 now in operation. The Company plans to open at least 60 superstores (including those opened year-to-date), and expand or renovate several existing locations, during the current fiscal year.

Bed Bath & Beyond Inc. is a nationwide chain of superstores selling better quality domestics merchandise and home furnishings. Its stock is traded on NASDAQ under the symbol "BBBY" and is included in the Standard & Poor's 500 Index and the NASDAQ-100 Index.

This press release 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 26, 2000 and may be contained in any subsequent reports filed by the Company with the Securities and Exchange Commission.

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

	Three Months Ended	
	May 27, 2000	May 29, 1999
Net sales	\$462,735	\$359,372
Cost of sales, including buying, occupancy and indirect costs	275,389	213,158
Gross profit	187,346	146,214
Selling, general and administrative expenses	151,007	118,199
Operating profit	36,339	28,015
Interest income	1,962	1,302
Earnings before provision for income taxes	38,301	29,317
Provision for income taxes	14,937	11,434
Net earnings	\$23,364	\$17,883
Net earnings per share - Basic	\$0.17	\$0.13
Net earnings per share - Diluted	\$0.16	\$0.12
Weighted average shares outstanding - Basic	140,859	139,528
Weighted average shares outstanding - Diluted	144,977	144,037

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

	May 27, 2000	May 29, 1999
Assets		
Current assets:		
Cash and cash equivalents	\$136,387	\$123,758
Merchandise inventories	548,018	415,076
Prepaid expenses and other current assets	42,064	25,498
Total current assets	726,469	564,332
Property and equipment, net	218,019	150,591
Other assets	10,131	9,725
	\$954,619	\$724,648
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$188,218	\$150,253
Accrued expenses and other current liabilities	114,973	100,632
Income taxes payable	29,666	22,773
Total current liabilities	332,857	273,658
Deferred rent	20,788	17,291
Total liabilities	353,645	290,949
Total shareholders' equity	600,974	433,699
	\$954,619	\$724,648

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

	Three Months Ended	
	May 27, 2000	May 29, 1999
Cash Flows from Operating Activities:		
Net earnings	\$23,364	\$17,883
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	9,928	6,881
Tax benefit from exercise of stock options	11,470	2,856
Deferred income taxes	(1,932)	(1,353)
Increase in assets:		
Merchandise inventories	(77,585)	(54,739)
Prepaid expenses and other current assets	(7,475)	(1,846)
Other assets	(363)	(47)
Increase (decrease) in liabilities:		
Accounts payable	43,104	50,883
Accrued expenses and other current liabilities	6,894	10,907
Income taxes payable	(3,924)	6,163
Deferred rent	816	935

Net cash provided by operating activities	4,297	38,523
Cash Flows from Investing Activities:		
Capital expenditures	(19,036)	(7,034)
Net cash used in investing activities	(19,036)	(7,034)
Cash Flows from Financing Activities:		
Proceeds from exercise of stock options	7,095	1,873
Net cash provided by financing activities	7,095	1,873
Net (decrease) increase in cash and cash equivalents	(7,644)	33,362
Cash and cash equivalents:		
Beginning of period	144,031	90,396
End of period	\$136,387	\$123,758

SOURCE Bed Bath & Beyond Inc.

CONTACT: Ronald Curwin, Chief Financial Officer and Treasurer, Ext. 4550, or Kenneth C. Frankel, Director of Financial Planning, Ext. 4554, or Paula J. Marbach, Investor Relations, Ext. 4552, all of Bed Bath & Beyond, 908-688-0888/