



BED BATH & BEYOND INC. ANNOUNCES FIRST QUARTER RESULTS; Net Earnings Increase 28.4% to \$30.0 million (\$.10 per share) Net Sales Rise 25.4%; Comparable Store Sales Grow by 4.4

June 21, 2001

UNION, N.J., June 21 /PRNewswire/ -- Bed Bath & Beyond Inc. today reported net earnings of \$30.0 million (\$.10 per share) for the fiscal first quarter ended June 2, 2001, an increase of approximately 28.4% from the \$23.4 million (\$.08 per share) earned in the fiscal first quarter of 2000. Net sales for the fiscal first quarter of 2001 were \$575.8 million, an increase of approximately 25.4% from net sales of \$459.2 million in the fiscal first quarter of 2000. Comparable store sales for the fiscal first quarter of 2001 increased by approximately 4.4%.

Per share amounts have been adjusted to reflect the two-for-one stock split of the Company's common stock on August 11, 2000 (which was effected in the form of a 100% stock dividend).

As of June 2, 2001, Bed Bath & Beyond Inc. operated 322 stores in 43 states, including 11 new stores opened during the fiscal first quarter. Including the new units, total store space at the end of the fiscal first quarter was approximately 12.5 million square feet, an increase of approximately 23.8% over total store space of approximately 10.1 million square feet at the end of the corresponding period last year. The Company plans to open approximately 80 stores (including those already opened), in both new and existing markets, during fiscal 2001.

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 March 3, 2001 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	
	June 2, 2001	May 27, 2000
Net sales	\$575,833	\$459,163
Cost of sales, including buying, occupancy and indirect costs	340,874	271,870
Gross profit	234,959	187,293
Selling, general and administrative expenses	189,357	150,954
Operating profit	45,602	36,339
Interest income	3,190	1,962
Earnings before provision for income taxes	48,792	38,301
Provision for income taxes	18,785	14,937
Net earnings	\$30,007	\$23,364
Net earnings per share - Basic	\$0.10	\$0.08
Net earnings per share - Diluted	\$0.10	\$0.08

Weighted average shares outstanding - Basic	288,467	281,718
Weighted average shares outstanding - Diluted	297,479	289,954

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

	June 2, 2001	May 27, 2000
Assets		
Current assets:		
Cash and cash equivalents	\$275,966	\$136,387
Merchandise inventories	696,896	548,018
Prepaid expenses and other current assets	44,960	42,064
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Total current assets	1,017,822	726,469
Property and equipment, net	312,659	218,019
Other assets	7,309	10,131
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	\$1,337,790	\$954,619
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Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$260,121	\$188,218
Accrued expenses and other current liabilities	145,432	114,973
Income taxes payable	35,252	29,666
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Total current liabilities	440,805	332,857
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Deferred rent and other liabilities	27,992	20,788
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Total liabilities	468,797	353,645
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Total shareholders' equity	868,993	600,974
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	\$1,337,790	\$954,619
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BED BATH & BEYOND INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(in thousands, unaudited)

Three Months Ended

	June 2, 2001	May 27, 2000
Cash Flows from Operating Activities:		

Net earnings	\$30,007	\$23,364
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	14,418	9,928
Tax benefit from exercise of stock options	13,113	11,470
Deferred income taxes	(288)	(1,932)
(Increase) decrease in assets:		
Merchandise inventories	(90,192)	(77,585)
Prepaid expenses and other current assets	(3,360)	(7,475)
Other assets	47	(363)
Increase (decrease) in liabilities:		
Accounts payable	67,720	43,104
Accrued expenses and other current liabilities	16,632	6,894
Income taxes payable	3,264	(3,924)
Deferred rent	843	816
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Net cash provided by operating activities	52,204	4,297
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 Cash Flows from Investing Activities:		
Capital expenditures	(24,421)	(19,036)
Net cash used in investing activities	(24,421)	(19,036)
 Cash Flows from Financing Activities:		
Proceeds from exercise of stock options	8,855	7,095
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Net cash provided by financing activities	8,855	7,095
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Net increase (decrease) in cash and cash equivalents	36,638	(7,644)
 Cash and cash equivalents:		
Beginning of period	239,328	144,031
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End of period	\$275,966	\$136,387
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SOURCE Bed Bath & Beyond Inc.

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