

Bed Bath & Beyond Inc.

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Bed Bath & Beyond misses on 2Q earnings, slashed forecast tied to China tariffs

Bed Bath & Beyond Inc (NASDAQ:BBBY) missed analyst estimates in its fiscal second-quarter results and lowered its full-year net sales model, sending its share falling double digits.

The specialty retailer reported earnings of \$0.36 per share on revenue of \$2.94 billion compared with \$0.67 EPS on revenue of \$2.94 billion in the previous year's second quarter.

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The New Jersey-based company fell below Wall Street estimates of \$0.50 EPS on revenue of \$2.96 billion.

Shares plunged more than 16% in Wednesday after-hours trading and continued falling in Thursday morning trading, down more than 22% to \$14.57.

For the year ahead, the retailer lowered its net sales model with comparable sales expected to be relatively flat to last year. Net earnings per diluted share for the full year are expected to be at the low end of its prior range at \$2.

The retailer forecast current quarter sales to fall in the mid-single digit range while fourth quarter sales are expected to fall in the high single-digit range, citing the impact of tariffs on imports from China.

"Regarding tariff, everything we know today about the impact on our business we've built into the back half. For us, our direct imports from China represent a relatively small number of business," said CFO Robyn D'Elia during the earnings call.

"We're considering all of our options in terms of mitigation strategies," added D'Elia.

The company ended the quarter with \$1.1 billion in cash, nearly double the \$563 million reported in the previous second quarter.

The board of directors today declared a quarterly dividend of \$0.16 per share payable on January 15, 2019 to shareholders of record at the close of business on December 14, 2018.

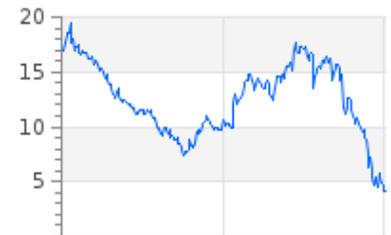
The retailer operates a chain of home goods stores in the US and Canada, including namesake Bed Bath and Beyond, buybuy BABY, Christmas Tree Shops and Harmon Face Values.

--Updated to include information from earnings call, latest share price

Price: 3.79

Market Cap: \$481.18 m

1 Year Share Price Graph



April 2019 September 2019 March 2020

Share Information

Code: BBBY

Listing: NASDAQ

52 week	High	Low
	19.57	3.68

Sector: Retail

Website: www.bedbathandbeyond.com

Company Synopsis:

Bed Bath & Beyond Inc. , along with its subsidiaries, is a chain of retail stores. The Company sells an assortment of domestics merchandise and home furnishings, which include food, giftware, health and beauty care items, and infant and toddler merchandise.

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