

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): October 30, 2003

THE SCOTTS COMPANY

(Exact name of registrant as specified in its charter)

OHIO

(State or other jurisdiction
of incorporation)

1-13292

(Commission File
Number)

31-1414921

(IRS Employer
Identification No.)

14111 SCOTTSLAWN ROAD, MARYSVILLE, OHIO

(Address of principal executive offices)

43041

(Zip Code)

Registrant's telephone number, including area code (937) 644-0011

Index to Exhibits is on Page 4.

Item 7. Financial Statements and Exhibits

- (a) None required.
- (b) None required.
- (c) Exhibits.

99.1 Press Release issued October 30, 2003 containing information regarding the Registrant's results of operations or financial condition for the fiscal year ended September 30, 2003

Item 12. Results of Operations and Financial Condition.

On October 30, 2003, The Scotts Company issued a press release reporting its fourth quarter and full year financial results. The press release is attached to this Report as Exhibit 99.1.

The press release includes the following non-GAAP financial measures as defined in Regulation G: (1) adjusted net income, (2) adjusted diluted earnings per share, (3) EBITDA and (4) adjusted EBITDA. The Registrant's management believes that the disclosure of these non-GAAP financial measures provides useful information to investors or other users of the financial statements, such as lenders.

As to adjusted net income, adjusted EBITDA and adjusted diluted earnings per share, the excluded items are costs or gains for discrete projects or transactions related to the closure, downsizing or divestiture of certain operations that are apart from and not indicative of the results of the operations of the business.

EBITDA and adjusted EBITDA are provided as a convenience to the Registrant's lenders because EBITDA is a component of certain debt compliance covenants. The Registrant makes no representation or assertion that EBITDA or adjusted EBITDA are indicative of its cash flows from operations or results of operations. The Registrant has provided a reconciliation of EBITDA to income from operations solely for the purpose of complying with Regulation G and not as an indication that EBITDA is a substitute measure for income from operations.

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.

THE SCOTTS COMPANY

Date: October 30, 2003

By: /s/ Christopher L. Nagel

Christopher L. Nagel, Executive Vice President
and Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number

Description

99.1	Press Release issued October 30, 2003
------	---------------------------------------

FOR IMMEDIATE RELEASE

THE SCOTTS COMPANY

NEWS

SCOTTS REPORTS RECORD FINANCIAL RESULTS FOR FISCAL 2003;
Fourth Quarter Adjusted Profit is First for Company Since 1994,
Reported Fourth Quarter EPS Improves by \$0.33

- 2003 Adjusted earnings per share: \$3.57; Reported earnings per share: \$3.23
- 4th quarter adjusted earnings per share: \$0.02; Reported loss per share: \$0.10
- North American consumer sales up 14% in quarter, 6% for full year
- Company expects adjusted net income growth of at least 10 percent in 2004

MARYSVILLE, Ohio (October 30, 2003) - The Scotts Company (NYSE: SMG), the world's largest marketer of branded consumer lawn and garden products, today announced record sales and net income for fiscal 2003. Sales in the fourth quarter also set a record for the period and the Company recorded its first profitable fourth quarter since 1994 on an adjusted basis.

The Company also announced that it expects to improve adjusted net income in fiscal 2004 by at least another 10 percent.

For fiscal 2003, which ended September 30, Scotts reported net sales of \$1.91 billion, up 9 percent from \$1.75 billion a year earlier. Excluding the impact of foreign exchange rates, sales for the year increased by 6 percent over the prior year. Adjusted net income for the year increased to \$114.7 million, or \$3.57 per diluted share, up 10 percent from \$104.3 million, or \$3.29 per diluted share, for the same period last year.

Adjusted earnings exclude restructuring and other charges of \$10.9 million, net of tax. Including these restructuring and other charges, net income for the year was \$103.8 million or \$3.23 per diluted share compared with \$82.5 million, or \$2.61 per diluted share, for the same period last year. Those charges are related primarily to restructuring of the North American distribution model and the Company's international growth and integration efforts.

Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) was \$301.8 million, compared with \$289.5 million for the same period last year. Including

restructuring and other charges, EBITDA was \$284.7 million in 2003 compared with \$282.7 million in 2002.

"The ability to grow adjusted net income by 10 percent in a year plagued by a late winter and cool, wet spring is a great accomplishment and speaks to the overall health of the lawn and garden category," said Jim Hagedorn, chairman and chief executive officer.

"Our success in 2003 went beyond our financial statements. We were named 'supplier of the year' at four major accounts across the United States and Europe. We also made significant strides to expand our brands in new categories like pottery and improve our overall presence with the independent nursery and hardware trade. Entering the year, we said we didn't believe there was a better business to be in than ours and I think we demonstrated why we believe this is true."

Consumer purchases of the company's branded products in the U.S. increased 8 percent at the company's largest retail accounts. Customer fill rates, an important aspect of overall customer service, improved to 97.4 percent in fiscal 2003.

Twelve Month Results

North American consumer sales were \$1.32 billion for the year, up 6 percent from last year. Lawns was up 11 percent to \$582 million, Gardening Products was flat at \$473 million and Ortho increased 2 percent to \$226 million.

Scotts LawnService, the company's fastest growing business, had revenues of \$110 million, a 46 percent increase from 2002.

International Consumer sales were \$281 million, up 14 percent from \$247 million in 2002. Excluding the impact of foreign exchange rates and non-recurring sales from previous supply agreements, sales in this business increased about 2 percent. Global Professional sales were \$200 million compared with \$183 million last year and were flat excluding foreign exchange rates.

Consolidated gross margins declined 10 basis points to 36.2 percent, but gross margins excluding restructuring and other charges increased 20 basis points year-over-year. The Company had anticipated significant margin improvement in 2003 associated with the outsourcing of some distribution efforts as well as margin improvements in Scotts LawnService - neither of which materialized as expected.

Net Roundup commission for the year was \$17.6 million, compared with \$16.2 million a year earlier. The net commission includes a \$5 million increase in the contribution payment to Monsanto in accordance with the Roundup marketing agreement.

Fourth Quarter Results

The Company reported record sales in the period of \$343 million, up 15 percent from \$300 million last year. On an adjusted basis, Scotts reported net income in the quarter of \$700,000, or \$0.02 per diluted share, compared with a loss of \$9.7 million, or \$0.33 per share, for the same period last year. It was the first time since 1994 that Scotts reported an adjusted fourth quarter profit.

Fourth quarter adjusted earnings exclude restructuring and other charges of \$3.8 million, net of tax. Including these restructuring and other charges, the net loss in the quarter was \$3.1 million, or \$0.10 per share.

Adjusted EBITDA was \$31.4 million, compared with \$11.3 million for the same period last year. Including restructuring and other charges, EBITDA was \$25.5 million in 2003 compared with \$6.5 million in 2002.

The Company's North American consumer business reported a 14 percent increase in sales in the quarter to \$217 million. Within that business, Lawns reported a 16 percent increase in sales to \$106 million, Gardening Products grew 7 percent to \$63 million and Ortho sales increased by 17 percent to \$43 million.

"Our entire North American business had an outstanding fourth quarter and finished the year with a great deal of momentum to build upon as we enter 2004," Hagedorn said. "The growth we saw in every category speaks to the continued strength of our industry-leading brands, innovative marketing and other consumer outreach efforts."

Scotts LawnService(R) reported sales in the quarter of \$43 million, an increase of 40 percent from the same period last year.

International Consumer sales were \$40 million, compared with \$38 million for the same period last year. Excluding foreign exchange rates, sales decreased 8 percent in the quarter. Global Professional sales were \$44 million in the quarter, or \$41 million when excluding the impact of foreign exchange rates, flat with the same period last year.

Consolidated gross margin increased 240 basis points to 33.5 percent in the quarter, but gross margins excluding restructuring and other charges increased by 330 basis points year-over-year. The improvement was due to higher volumes, the sale of higher margin products in the North American consumer business and gross margin improvements in the Global Professional business.

Net Roundup commission was \$4.0 million, compared with \$3.0 million a year earlier.

"The return to profitability in the fourth quarter is a major milestone and stems from an ongoing shift in the timing of shipments as well as the continued growth in Scotts LawnService and overall expense control," Hagedorn said. "While the profit this quarter was small, it was a major improvement from last year and it gives us great confidence in our ability to report three profitable quarters each year going forward."

The company will host a live audio webcast today at 10:00 a.m. EST at www.scotts.com to discuss second quarter results and the outlook for the balance of the year.

About Scotts

The Scotts Company is the world's largest marketer of branded consumer lawn and garden products, with a full range of products for professional horticulture as well. The company owns the industry's most recognized brands. In the U.S., the company's Scotts(R), Miracle-Gro(R) and Ortho(R) brands are market leading in their categories, as is the consumer Roundup(R) brand which is marketed in North America and most of Europe exclusively by Scotts and owned by Monsanto. In the U.K., Scotts' brands include Weedol(R) and Pathclear(R), the top-selling consumer herbicides; Evergreen(R), the leading lawn fertilizer line; the Levington(R) line of lawn and garden products; and Miracle-Gro(R).

STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION ACT OF 1995: Certain of the statements contained in this press release, including, but not limited to, information regarding the future economic performance and financial condition of the company, the plans and objectives of the company's management, and the company's assumptions regarding such performance and plans are forward looking in nature. Actual results could differ materially from the forward looking information in this release, due to a variety of factors, including, but not limited to:

- Adverse weather conditions could adversely affect the Company's sales and financial results;
- The Company's historical seasonality could impair the Company's ability to pay obligations as they come due and operating expenses;
- The Company's substantial indebtedness could adversely affect the Company's financial health;
- Public perceptions regarding the safety of the Company's products could adversely affect the Company;
- The loss of one or more of the Company's top customers could adversely affect the Company's financial results because of the concentration of the Company's sales to a small number of retail customers;
- The expiration of certain patents could substantially increase the Company's competition in the United States;
- Compliance with environmental and other public health regulations could increase the Company's cost of doing business; and
- The Company's significant international operations make the Company more susceptible to fluctuations in currency exchange rates and to the costs of international regulation.

Additional detailed information concerning a number of the important factors that could cause actual results to differ materially from the forward looking information contained in this release is readily available in the company's publicly filed quarterly, annual, and other reports.

Contact:

Rebecca J. Bruening
Vice President, Corporate Treasurer
937-578-5622

Jim King
Director, Investor Relations
937-578-5622

THE SCOTTS COMPANY
RESULTS OF OPERATIONS FOR THE THREE AND TWELVE MONTHS
ENDED SEPTEMBER 30, 2003 AND 2002
(in millions, except per share data)
(Unaudited)

Note: See Accompanying Footnotes on Page 9

	Footnotes	Three Months Ended		Twelve Months Ended	
		September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002
Net sales		\$ 343.1	\$ 299.7	\$ 1,910.1	\$ 1,748.7
Cost of sales		224.9	206.2	1,210.2	1,112.1
Cost of sales - restructuring and other		3.4	0.2	9.1	1.7
Gross profit		114.8	93.3	690.8	634.9
% of sales		33.5%	31.1%	36.2%	36.3%
Gross commission from marketing agreement		11.1	8.8	45.9	39.6
Contribution expenses under marketing agreement		6.3	5.0	25.0	20.0
Amortization of marketing fee		0.8	0.8	3.3	3.4
Net commission from marketing agreement		4.0	3.0	17.6	16.2
Operating expenses:					
Advertising		16.1	13.7	97.7	82.2
S,G&A - excluding lawn service business and stock-based compensation		77.6	76.6	321.4	298.8
Stock-based compensation		1.6	-	4.8	-
S,G&A - lawn service business		11.3	7.1	46.2	30.8
S,G&A - restructuring and other		2.5	4.6	8.0	6.4
Amortization of intangibles		2.3	1.9	8.6	5.7
Other (income) expense		(3.5)	(3.0)	(10.8)	(12.0)
Total operating expenses		107.9	100.9	475.9	411.9
Income (loss) from operations		10.9	(4.6)	232.5	239.2
% of sales		3.2%	-1.5%	12.2%	13.7%
Interest expense		15.8	17.4	69.2	76.3
Income (loss) before taxes		(4.9)	(22.0)	163.3	162.9
Income tax expense (benefit)		(1.8)	(9.3)	59.5	61.9
Net income (loss) before cumulative effect of accounting change		(3.1)	(12.7)	103.8	101.0
Cumulative effect of change in accounting for intangible assets (non-cash), net of tax		-	-	-	(18.5)
Net income (loss)		(3.1)	(12.7)	103.8	82.5
Basic earnings (loss) per share	(1)	(0.10)	(0.43)	3.36	2.81
Diluted earnings (loss) per share	(2)	(0.10)	(0.43)	3.23	2.61
Common shares used in basic earnings (loss) per share calculation		31.6	29.8	30.9	29.3
Common shares and potential common shares used in diluted earnings (loss) per share calculation		31.6	29.8	32.1	31.7
EBITDA	(3)	\$ 25.5	\$ 6.5	\$ 284.7	\$ 282.7
Results of operations excluding restructuring and other charges, one-time additions to income and cumulative effect of accounting change:					
Adjusted net income (loss)		0.7	(9.7)	114.7	104.3
Adjusted diluted earnings (loss) per share	(2)	0.02	(0.33)	3.57	3.29
Adjusted EBITDA	(3)	\$ 31.4	\$ 11.3	\$ 301.8	\$ 289.5

THE SCOTTS COMPANY
NET SALES BY BUSINESS UNIT - THREE AND TWELVE MONTHS
ENDED SEPTEMBER 30, 2003 AND 2002
(in millions)
(unaudited)

	Three Months Ended		% Change
	September 30, 2003	September 30, 2002	Actual
Lawns	\$ 105.5	\$ 90.7	16.3%
Gardening Products	62.6	58.8	6.5%
Ortho	42.9	36.8	16.6%
Canada	3.6	2.9	24.1%
Pottery and other	2.1	0.4	nm
North America Consumer	216.7	189.6	14.3%
Lawn Service	43.1	30.8	39.9%
International Consumer	39.7	38.2	3.9%
Global Professional	43.6	41.1	6.1%
Consolidated	\$ 343.1	\$ 299.7	14.5%

	Twelve Months Ended		% Change
	September 30, 2003	September 30, 2002	Actual
Lawns	\$ 581.7	\$ 523.3	11.2%
Gardening Products	472.5	471.7	0.2%
Ortho	225.6	220.9	2.1%
Canada	35.3	26.7	32.2%
Pottery and other	3.6	0.3	nm
North America Consumer	1,318.7	1,242.9	6.1%
Lawn Service	110.4	75.6	46.0%
International Consumer	281.3	246.8	14.0%
Global Professional	199.7	183.4	8.9%
Consolidated	\$ 1,910.1	\$ 1,748.7	9.2%

THE SCOTTS COMPANY
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2003 AND 2002
(UNAUDITED)
(IN MILLIONS, EXCEPT SHARE PRICES)

	Sept 30, 2003	Sept 30, 2002
ASSETS		
Current assets		
Cash and cash equivalents	155.9	99.7
Accounts receivable, net	284.7	249.9
Inventories, net	276.1	269.1
Current deferred tax asset	56.9	74.6
Prepaid and other current assets	36.6	36.8
	810.2	730.1
Total current assets		
Property, plant and equipment, net	338.2	329.2
Goodwill and other intangible assets, net	835.5	791.7
Other assets	44.0	50.4
	\$ 2,027.9	\$ 1,901.4
	\$ 2,027.9	\$ 1,901.4
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Current portion of debt	55.4	98.2
Accounts payable	177.8	134.0
Other current liabilities	212.6	219.6
	445.8	451.8
Total current liabilities		
Long-term debt	702.2	731.2
Other liabilities	151.7	124.5
	1,299.7	1,307.5
Total liabilities		
Shareholders' equity	728.2	593.9
	\$ 2,027.9	\$ 1,901.4
	\$ 2,027.9	\$ 1,901.4
KEY STATISTICS:		
Debt to book capitalization	51.0%	58.3%
Market capitalization:		
Common shares outstanding and dilutive common share equivalents	32.1	31.7
Share price on balance sheet date	54.70	41.69
	\$ 1,757.6	\$ 1,319.9
Total market capitalization	\$ 1,757.6	\$ 1,319.9

THE SCOTTS COMPANY
RECONCILIATION OF NON-GAAP DISCLOSURE ITEMS FOR THE THREE AND TWELVE
MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(in millions, except per share data)

	Three Months Ended		Twelve Months Ended	
	September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002
Net income (loss)	\$ (3.1)	\$ (12.7)	\$ 103.8	\$ 82.5
Restructuring and other charges, net of tax	3.8	3.0	10.9	4.9
Peat bog income, net of tax	-	-	-	(3.5)
Environmental charge, net of tax	-	-	-	1.9
Impairment write-off, net of tax	-	-	-	18.5
Adjusted net income (loss)	\$ 0.7	\$ (9.7)	\$ 114.7	\$ 104.3
Income (loss) from operations	\$ 10.9	\$ (4.6)	\$ 232.5	\$ 239.2
Depreciation per cash flow	11.5	8.4	40.3	34.4
Amortization, including marketing fee	3.1	2.7	11.9	9.1
EBITDA	25.5	6.5	284.7 #	282.7
Restructuring and other charges, gross	5.9	4.8	17.1	8.1
Peat bog income, gross	-	-	-	(5.8)
Environmental charge, gross	-	-	-	3.0
Other, gross	-	-	-	1.5
Adjusted EBITDA	\$ 31.4	\$ 11.3	\$ 301.8	\$ 289.5
Diluted earnings (loss) per share	\$ (0.10)	\$ (0.43)	\$ 3.23	\$ 2.61
Restructuring and other charges, net of tax	0.12	0.10	0.34	0.15
Peat bog income, net of tax	-	-	-	(0.11)
Environmental charge, net of tax	-	-	-	0.06
Impairment write-off, net of tax	-	-	-	0.58
Adjusted diluted earnings (loss) per share	\$ 0.02	\$ (0.33)	\$ 3.57	\$ 3.29

THE SCOTTS COMPANY
FOOTNOTES TO PRECEDING FINANCIAL STATEMENTS
(in millions, except per share data)

RESULTS OF OPERATIONS

- (1) Basic earnings per common share is calculated by dividing income applicable to common shareholders by average common shares outstanding during the period.
- (2) Diluted earnings per common share is calculated by dividing net income by the average common shares and dilutive potential common shares (common stock warrants and options) outstanding during the period.
- (3) "EBITDA" is defined as income from operations, plus depreciation and amortization. EBITDA is not intended to represent cash flow from operations as defined by generally accepted accounting principles and should not be used as an alternative to net income as an indicator of operating performance or to cash flow as a measure of liquidity.