

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): April 24, 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 April 24, 2003 containing information regarding the Registrant's results of operations or financial condition for the fiscal quarter ended March 29, 2003

Item 9. Regulation FD Disclosure (under Item 12)

The information set forth under this Item 9 is being furnished, not filed, pursuant to Item 12 of this Report on Form 8-K.

On April 24, 2003, The Scotts Company issued a press release reporting its second quarter 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: April 24, 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 April 24, 2003
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FOR IMMEDIATE RELEASE

THE SCOTTS COMPANY

NEWS

THE SCOTTS COMPANY ANNOUNCES STRONG SECOND QUARTER RESULTS

2003 FULL YEAR GUIDANCE REAFFIRMED: SALES GROWTH 7-9%, ADJUSTED NET INCOME AT LEAST 15%

- Net sales increase 9% excluding impact of foreign exchange rates; 13% on a reported basis
- Adjusted earnings per share of \$2.00; Reported earnings per share of \$1.94
- Adjusted net income up 11 percent through first six months; Reported net income \$15.7 million, compared to loss of \$0.6 million in prior year
- Consumer purchases at largest accounts up 15% in quarter, 13% year-to-date

MARYSVILLE, Ohio (April 24, 2003) - The Scotts Company (NYSE: SMG), the global leader in the consumer lawn and garden market, today announced that strong company-wide sales, coupled with disciplined spending controls, led to better-than-expected results for the second quarter of fiscal 2003.

For the quarter ended March 29, 2003, Scotts reported company-wide sales of \$676.2 million, up 13 percent from \$598.5 million a year earlier. Excluding the impact of foreign exchange rates, net sales increased 9 percent to \$652.3 million.

Net income was \$62.5 million, or \$1.94 per diluted share, compared with \$65.0 million, or \$2.06 per diluted share the same period last year. Excluding restructuring and other charges, adjusted net income was \$64.4 million, or \$2.00 per share, compared with \$65.4 million, or \$2.07 per diluted share, for the same period last year.

The decline in earnings for the second quarter of fiscal 2003 compared to the prior year is due to an anticipated decline in gross margin rates, planned investments in new areas of the business and the seasonal impact of Scotts LawnService.

"Our results for the quarter and on a year-to-date basis demonstrate the continued strength of this business," said James Hagedorn, chairman and chief executive officer of Scotts. "The lawn and garden season is off to a great start, which is reflected in a double-digit increase in consumer purchases of our products. Also, our adjusted net income is up

11 percent for the year, even after our decision to expense stock options, increase advertising and invest in new business opportunities to secure our future growth.

"Although wet and cold weather so far in April has led to slower sales than we anticipated, the vast majority of consumer purchases are still in front of us. As a result, we remain confident in our full year projections that company-wide sales will increase 7-9 percent and that adjusted net income will grow at least 15 percent."

SECOND QUARTER RESULTS

During the quarter, Scotts' North American consumer sales increased 10 percent to \$493.1 million from \$448.5 million. Lawns reported sales of \$264.4 million, up 18 percent from \$223.8 million for the same period last year. Gardening Products sales were \$146.4, flat from a year earlier and Ortho reported sales of \$68.1 million, compared with \$66.6 million in the prior year.

"All of our brands are benefiting from innovative programs in all channels of retail as well as an improved advertising effort," Hagedorn said. "Our new commercials are much more competitive in discussing our product superiority. In addition, we continue to benefit from advertising purchasing efficiencies that will allow us to increase our overall consumer impressions at extremely competitive rates."

Scotts Lawn Service reported a 55 percent increase in sales to \$11.5 million despite getting off to a slower start than expected in the quarter due to late-season snowfall.

International Consumer sales were \$108.2 million, up 24 percent from \$87.3 million a year earlier. Excluding the impact of foreign exchange rates, sales in the quarter were \$91.0 million. Sales in the quarter increased in every major European market.

In Global Professional, sales were \$63.4 million, up 15 percent from \$55.3 million in 2002. Excluding the impact of foreign exchange rates, sales were \$57.7 million.

"We are encouraged that our international businesses remain on track - especially on the bottom line - as they continue to successfully implement our aggressive growth and integration plan," Hagedorn said. "This program is designed to double the return on

invested capital, as well as the earnings, of both of these business in the next several years."

Gross margins in the quarter were in line with expectations at 38.1 percent compared with 40.1 percent for the same period last year. Margins were impacted by increased trade programs and the year-over-year impact in the timing of manufacturing variances.

Net Roundup commission was \$4.2 million in the quarter, compared with \$2.6 million a year earlier. Strong worldwide Roundup sales helped offset the higher incremental contribution expenses paid to Monsanto.

Earnings before interest, taxes, depreciation and amortization (EBITDA), were \$132.4 million in the quarter, compared to \$138.0 a year earlier. Excluding restructuring and other charges, adjusted EBITDA was \$135.5 million, compared with \$138.5 million the same period last year.

SIX MONTHS

Net sales through the first six months were \$856.9 million, up 13 percent compared with \$759.9 million a year earlier. Excluding the impact of foreign exchange rates, year-to-date sales increased 9 percent to \$826.6 million. In North American Consumer, sales in the first half increased 10 percent to \$577.8 million, versus \$524.8 million for last year's comparable period. Scotts LawnService sales increased 67 percent to \$26.8 from \$16.1 million last year.

International Consumer sales were \$151.4 million, up 19 percent compared with \$127.4 million for the same period in 2002. Excluding the impact of foreign exchange rates, sales were \$129.5 million. Global Professional sales increased 10 percent to \$100.9 million, up from \$91.6 million last year. Sales were \$93.3 million excluding the impact of foreign currency rates.

Gross margins for the first six months were 34.4 percent compared with 35.6 percent for the comparable period last year. In addition to the second quarter factors, year-to-date margins were impacted by higher restructuring costs related to the outsourcing of logistics in the United States.

Net Roundup expense through the first six months was \$2.9 million, compared to a net expense of \$3.3 million for the first six months of 2002.

EBITDA in the first six months was \$85.1 million compared to \$90.6 million. Excluding restructuring and other charges, adjusted EBITDA was \$94.5 million, compared with \$92.9 million the same period last year. Net income was \$15.7 million, or \$0.49 per diluted share, compared with a loss of \$0.6 million, or \$0.02 per share the same period last year. Results for 2002 includes an after tax impairment charge of \$18.5 million. Excluding the impairment charge, restructuring and non-recurring items, adjusted net income was \$21.5 million, or \$0.67 per diluted share, compared with \$19.4 million, or \$0.62 per diluted share, in 2002.

The Company will discuss its second quarter results and provide a more detailed explanation of its quarterly guidance during a webcast and conference call at 10:00 a.m. eastern time today. That call will be available live on the investor relations section of the Scotts web site, www.scotts.com.

An archive of the webcast, as well as accompanying financial information regarding any non-GAAP financial measures discussed by the Company during the call, will be available on the web site for at least 12 months.

About Scotts

With 2002 sales of \$1.76 billion, The Scotts Company is global leader in the consumer lawn and garden market, 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. Scotts LawnService(R) also is the No. 2 company in the "do-it-for-me" lawn service market. In Europe, Scotts' brands include Weedol(R) Pathclear(R), Evergreen(R), Levington(R) Miracle-Gro(R), KB(R), Fertiligene(R) and Substral(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.

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THE SCOTTS COMPANY
RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS
ENDED MARCH 29, 2003 AND MARCH 30, 2002
(in millions, except per share data)
(Unaudited)

Note: See Accompanying Footnotes on Page 10

	Footnotes	Three Months Ended		Six Months Ended	
		March 29, 2003	March 30, 2002	March 29, 2003	March 30, 2002
Net sales		\$ 676.2	\$ 598.5	\$ 856.9	\$ 759.9
Cost of sales		417.6	358.5	556.6	487.9
Cost of sales - restructuring and other		0.7	0.1	5.1	1.1
Gross profit		257.9	239.9	295.2	270.9
% of sales		38.1%	40.1%	34.4%	35.6%
Gross commission from marketing agreement		11.3	8.4	11.3	8.4
Contribution expenses under marketing agreement		6.3	5.0	12.5	10.0
Amortization of marketing fee		0.8	0.8	1.7	1.7
Net commission (expense) from marketing agreement		4.2	2.6	(2.9)	(3.3)
Operating expenses:					
Advertising		34.9	30.9	43.5	38.0
S,G&A - excluding lawn service business		92.5	75.2	160.4	144.7
S,G&A - lawn service business		13.1	8.9	23.1	14.7
S,G&A - restructuring and other		2.4	0.4	4.3	1.2
Amortization of intangibles		2.1	1.8	4.1	3.7
Other (income) expense		(2.4)	(1.9)	(3.6)	(3.9)
Income (loss) from operations		119.5	127.2	60.5	69.2
% of sales		17.7%	21.3%	7.1%	9.1%
Interest expense		18.7	21.6	35.2	40.2
Income (loss) before taxes		100.8	105.6	25.3	29.0
Income tax expense (benefit)		38.3	40.6	9.6	11.1
Net income (loss) before cumulative effect of accounting change		62.5	65.0	15.7	17.9
Cumulative effect of change in accounting for intangible assets (non-cash), net of tax		-	-	-	(18.5)
Net income (loss)		62.5	65.0	15.7	(0.6)
Basic earnings per share	(1)	2.04	2.23	0.52	(0.02)
Diluted earnings per share	(2)	1.94	2.06	0.49	(0.02)
Common shares used in basic earnings per share calculation		30.7	29.1	30.5	29.0
Common shares and potential common shares used in diluted earnings per share calculation		32.2	31.5	32.1	29.0
EBITDA	(3)	\$ 132.4	\$ 138.0	\$ 85.1	\$ 90.6
Results of operations excluding restructuring and other charges, one-time additions to income and cumulative effect of accounting change:					
Adjusted net income		64.4	65.4	21.5	19.4
Adjusted diluted earnings per share	(2)	2.00	2.07	0.67	0.62
Adjusted EBITDA	(3)	\$ 135.5	\$ 138.5	\$ 94.5	\$ 92.9

THE SCOTTS COMPANY
NET SALES BY BUSINESS UNIT - THREE AND SIX MONTHS
ENDED MARCH 29, 2003 AND MARCH 30, 2002
(in millions)
(unaudited)

	Three Months Ended		% Change
	March 29, 2003	March 30, 2002	Actual
Lawns	\$ 264.4	\$ 223.8	18.1%
Gardening Products	146.4	146.4	0.0%
Ortho	68.1	66.6	2.3%
Canada	14.2	11.7	21.4%
North America Consumer	493.1	448.5	9.9%
Lawn Service	11.5	7.4	55.4%
International Consumer	108.2	87.3	23.9%
Global Professional	63.4	55.3	14.6%
Consolidated	\$ 676.2	\$ 598.5	13.0%

	Six Months Ended		% Change
	March 29, 2003	March 30, 2002	Actual
Lawns	\$ 292.7	\$ 250.7	16.8%
Gardening Products	184.2	178.1	3.4%
Ortho	85.9	83.4	3.0%
Canada	15.0	12.6	19.0%
North America Consumer	577.8	524.8	10.1%
Lawn Service	26.8	16.1	66.5%
International Consumer	151.4	127.4	18.8%
Global Professional	100.9	91.6	10.2%
Consolidated	\$ 856.9	\$ 759.9	12.8%

THE SCOTTS COMPANY
CONSOLIDATED BALANCE SHEETS
MARCH 29, 2003, MARCH 30, 2002 AND SEPTEMBER 30, 2002
(UNAUDITED)
(IN MILLIONS, EXCEPT SHARES & SHARE PRICES)

	March 29, 2003	March 30, 2002	Sept 30, 2002
ASSETS			
Current assets			
Cash and cash equivalents	12.3	37.5	99.7
Accounts receivable, net	722.8	547.0	249.9
Inventories, net	400.2	426.8	269.1
Current deferred tax asset	72.5	52.2	74.6
Prepaid and other current assets	57.9	44.6	36.8
Total current assets	1,265.7	1,108.1	730.1
Property, plant and equipment, net			
Goodwill and other intangible assets, net	342.6	313.4	329.2
Other assets	803.7	744.1	791.7
	47.5	74.7	50.4
Total assets	\$ 2,459.5	\$ 2,240.3	\$ 1,901.4
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Current portion of debt	287.7	205.6	98.2
Accounts payable	292.8	270.1	134.0
Other current liabilities	253.8	254.2	219.6
Total current liabilities	834.3	729.9	451.8
Long-term debt			
Other liabilities	873.0	921.1	731.2
	132.2	72.4	124.5
Total liabilities	1,839.5	1,723.4	1,307.5
Shareholders' equity	620.0	516.9	593.9
Total liabilities and equity	\$ 2,459.5	\$ 2,240.3	\$ 1,901.4
KEY STATISTICS:			
Debt to book capitalization	65.2%	68.6%	58.3%
Market capitalization:			
Common shares outstanding and dilutive common share equivalents	32.2	31.5	31.7
Share price on balance sheet date	52.49	45.78	41.69
	\$ 1,690.2	\$ 1,442.1	\$ 1,319.9

THE SCOTTS COMPANY
RECONCILIATION OF NON-GAAP DISCLOSURE ITEMS FOR THE THREE AND SIX
MONTHS ENDED MARCH 29, 2003 AND MARCH 30, 2002
(in millions, except per share data)

	Three Months Ended		Six Months Ended	
	March 29, 2003	March 30, 2002	March 29, 2003	March 30, 2002
Net income (loss)	\$ 62.5	\$ 65.0	\$ 15.7	\$ (0.6)
Restructuring and other charges, net of tax	1.9	0.4	5.8	1.5
Impairment charge, net of tax	--	--	--	18.5
Adjusted net income	\$ 64.4	\$ 65.4	\$ 21.5	\$ 19.4
Income from operations	\$ 119.5	\$ 127.2	\$ 60.5	\$ 69.2
Depreciation per cash flow	10.0	8.2	18.8	16.0
Amortization, including marketing fee	2.9	2.6	5.8	5.4
EBITDA	132.4	138.0	85.1	90.6
Restructuring and other charges, gross	3.1	0.5	9.4	2.3
Adjusted EBITDA	\$ 135.5	\$ 138.5	\$ 94.5	\$ 92.9
Diluted earnings per share	\$ 1.94	\$ 2.06	\$ 0.49	\$ (0.02)
Restructuring and other charges, net of tax	0.06	0.01	0.18	0.05
Impairment charge, net of tax	--	--	--	0.59
Adjusted diluted earnings per share	\$ 2.00	\$ 2.07	\$ 0.67	\$ 0.62

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.