
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): May 8, 2006

SIMMONS COMPANY

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

333-124138

(Commission File Number)

20-0646221

(I.R.S. Employer Identification No.)

**One Concourse Parkway, Suite 800,
Atlanta, Georgia**

(Address of Principal Executive Offices)

30328-6188

(Zip Code)

(770) 512-7700

(Registrant's Telephone Number, Including Area Code)

NA

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition

On May 8, 2006 Simmons Company issued a press release reporting its results of operations for the first quarter of 2006. The press release is furnished as Exhibit 99.1 and incorporated into this Item 2.02 by reference.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 Press release dated as of May 8, 2006

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, Simmons Company has duly caused this report to be signed on its behalf by the undersigned thereto duly authorized.

SIMMONS COMPANY

By: /s/ William S. Creekmuir
William S. Creekmuir
Executive Vice President and Chief Financial
Officer

Date: May 9, 2006

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated as of May 8, 2006

SIMMONS COMPANY
REPORTS RECORD FIRST QUARTER RESULTS

- o NET SALES UP NEARLY 15% WITH MARKET SHARE GAINS
 - o OPERATIONAL IMPROVEMENTS DELIVER INCREASED OPERATING MARGINS
 - o SUBSTANTIAL IMPROVEMENTS IN EBITDA AND EBITDA MARGIN
 - o \$20 MILLION OF DEBT REPAID
-

ATLANTA, May 8, 2006 - Simmons Company ("Company" or "Simmons"), the ultimate parent of Simmons Bedding Company ("Simmons Bedding"), a leading manufacturer of premium-branded bedding products, today released operating results for the first quarter of 2006.

For the first quarter of 2006, net sales were \$235.9 million compared to \$205.6 million for the same period last year, a 14.7% increase. For the first quarter of 2006, Simmons' wholesale and retail bedding segment net sales increased 14.4% and 23.5%, respectively, compared to the same period last year. On a comparable store basis, retail store sales for the Company's Sleep Country USA stores increased 9.5% in the first quarter of 2006, compared to the same period last year. Gross profit for Simmons was \$99.4 million, or 42.2% of net sales, for the first quarter of 2006 compared to \$91.4 million, or 44.5% of net sales, for the same period last year.

For the first quarter of 2006, operating income was \$29.4 million, or 12.5% of net sales, compared to \$12.9 million, or 6.3% of net sales, for the same period last year. Net income was \$6.4 million for the first quarter of 2006 compared to a net loss of \$(2.2) million for the same period of the prior year. For the first quarter of 2006, adjusted EBITDA (see the Supplemental Information to this press release) was a record \$38.7 million, or 16.4% of net sales, for the first quarter of 2006 compared to \$19.9 million, or 9.7% of net sales, for the same period last year. As of April 1, 2006 and December 31, 2005, Simmons' working capital (see the Supplemental Information to this press release) as a percentage of net sales for the trailing twelve months was 2.0%.

Simmons' Chairman and Chief Executive Officer, Charlie Eitel, said, "We have worked very hard over the past year to make our business leaner and more competitive in the marketplace. Our first quarter results show the effectiveness of those efforts and I am extremely pleased with our sales, EBITDA and net income growth. Our current product offerings are being well received by our customers and, as a result, we have gained market share. Additionally, we were able to repay \$20.0

million of debt during the quarter as a result of our ongoing working capital management, coupled with our strong first quarter operating performance. "

The Company will webcast its first quarter 2006 financial results via a conference call on Tuesday, May 9, 2006, beginning at 9:30 a.m. Eastern Time. The webcast will be available at the Company's website www.simmons.com and will also be available for replay through May 23, 2006.

ABOUT SIMMONS COMPANY

Atlanta-based Simmons Company, through its indirect subsidiary Simmons Bedding, is one of the world's largest mattress manufacturers, manufacturing and marketing a broad range of products including Beautyrest(R), BackCare(R), BackCare Kids(R) and Deep Sleep(R). Simmons Bedding operates 17 conventional bedding manufacturing facilities and two juvenile bedding manufacturing facilities across the United States and Puerto Rico. Simmons is committed to developing superior mattresses and promoting a higher quality sleep for consumers around the world. For more information, visit the Company's website at www.simmons.com.

"SAFE HARBOR" STATEMENT UNDER PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995:

This press release includes forward-looking statements that reflect Simmons' current views about future events and financial performance. Words such as "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts" and variations of such words or similar expressions that predict or indicate future events, results or trends, or that do not relate to historical matters, identify forward-looking statements. The forward-looking statements in this press release speak only as of the date of this release. These forward-looking statements are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that the events, results or trends identified in these forward-looking statements will occur or be achieved. Investors should not rely on forward-looking statements because they are subject to a variety of risks, uncertainties, and other factors that could cause actual results to differ materially from Simmons' expectations. These factors include, but are not limited to: (i) our ability to compete effectively and competitive pricing pressures in the bedding industry; (ii) legal and regulatory requirements; (iii) the success of new products; (iv) our relationships with and viability of our major suppliers; (v) fluctuations in costs of raw materials; (vi) our relationship with significant customers and licensees; (vii) our ability to increase prices on our products and the effect of these price increases on our unit sales; (viii) an increase in return rates and warranty claims; (ix) our labor relations; (x) departure of key personnel; (xi) encroachments on our intellectual property; (xii) product liability claims; (xiii) our level of indebtedness; (xiv) interest rate risks; (xv) compliance with covenants in our debt agreements; (xvi) future acquisitions; (xvii) our ability to achieve the expected benefits from any personnel realignments; and (xviii) other risks and factors identified from time to time in the Company's and Simmons Beddings' reports filed with the Securities and Exchange Commission ("SEC"). We undertake no obligation to update or revise any forward-looking statements, either to reflect new developments or for any other reason.

-table follows-

SIMMONS COMPANY AND SUBSIDIARIES
CONDENSED HISTORICAL CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS)
(UNAUDITED)

<TABLE>
<CAPTION>

	QUARTER ENDED	
	APRIL 1, 2006	MARCH 26, 2005
<S>	<C>	<C>
Wholesale net sales	\$ 216,947	\$ 189,600
Retail net sales	23,635	19,131
Eliminations	(4,715)	(3,149)
Net sales	235,867	205,582
Cost of products sold	136,439	114,166
Gross profit	99,428	91,416
Operating expenses:		
Selling, general and administrative expenses	70,906	79,161
Amortization of intangibles	1,417	1,441
Licensing fees	(2,288)	(2,051)
	70,035	78,551
Operating income	29,393	12,865
Interest expense, net	19,176	16,414
Income (loss) before income taxes	10,217	(3,549)
Income tax expense (benefit)	3,784	(1,357)
Net income (loss)	\$ 6,433	\$ (2,192)
Adjusted EBITDA (a)	\$ 38,703	\$ 19,888

</TABLE>

See Notes to Condensed Historical Financial Data.

SIMMONS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)
(UNAUDITED)

<TABLE>
<CAPTION>

	APRIL 1, 2006	DECEMBER 31, 2005*
	-----	-----
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 21,388	\$ 24,622
Accounts receivable, net	79,175	76,032
Inventories	29,031	33,050
Other current assets	22,519	17,950
	-----	-----
Total current assets	152,113	151,654
	-----	-----
Property, plant and equipment, net	59,066	58,360
Goodwill, net	488,208	488,230
Intangible assets, net	535,872	537,290
Other assets	42,964	45,243
	-----	-----
	\$1,278,223	\$1,280,777
	=====	=====
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$ 413	\$ 1,602
Accounts payable and accrued liabilities	112,841	110,170
	-----	-----
Total current liabilities	113,254	111,772
	-----	-----
Long-term debt	891,953	906,148
Deferred income taxes	147,770	144,418
Other non-current liabilities	14,729	14,092
	-----	-----
Total liabilities	1,167,706	1,176,430
	-----	-----
 Stockholders' equity	110,517	104,347
	-----	-----
	\$1,278,223	\$1,280,777
	=====	=====

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See Notes to Condensed Historical Financial Data.

* Derived from the Company's 2005 audited Consolidated Financial Statements.

SIMMONS COMPANY AND SUBSIDIARIES
(NOTES TO CONDENSED HISTORICAL FINANCIAL DATA - CONTINUED)

- a) Adjusted EBITDA (as defined in Simmons Bedding's senior credit facility) differs from the term "EBITDA" as it is commonly used. In addition to adjusting net income to exclude interest expense, income taxes and depreciation and amortization, adjusted EBITDA also adjusts net income (loss) by excluding items or expenses not typically excluded in the calculation of "EBITDA" such as management fees, reorganization expense, and other unusual or non-recurring charges or credits. Adjusted EBITDA is presented because it is a material component of the covenants contained within Simmons Bedding's credit agreements and is a measure used by management to determine operating performance. EBITDA does not represent net income or cash flows from operations as those terms are defined by accounting principles generally accepted in the United States and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Below is a reconciliation of net income (loss) to adjusted EBITDA:

<TABLE>
<CAPTION>

	QUARTER ENDED	
	APRIL 1, 2006	MARCH 26, 2005
	<C>	<C>
<S> Adjusted EBITDA:		
Net income (loss)	\$ 6,433	\$ (2,192)
Depreciation and amortization	7,281	6,462
Income tax expense (benefit)	3,784	(1,357)
Interest expense	19,260	16,450
EBITDA	36,758	19,363
Reorganization expense	641	--
Management severance	826	105
Management fees	420	420
Other, net	58	--
Adjusted EBITDA	\$38,703	\$ 19,888

</TABLE>

- b) Working capital computation (current assets less current liabilities as defined in our senior credit facility):

<TABLE>
<CAPTION>

	APRIL 1, 2006	DECEMBER 31, 2005
	<C>	<C>
<S> Current assets	\$ 152,113	\$ 151,654
Less:		
Cash and equivalents	(21,388)	(24,622)
	130,725	127,032
Current liabilities	113,254	111,772
Less:		
Current maturities of long-term debt	(413)	(1,602)
	112,841	110,170
Working capital	\$ 17,884	\$ 16,862

</TABLE>